



**SAMRUK-ENERGY JSC**

**Condensed Consolidated Interim Financial Statements and Independent  
Auditor's Report**

**30 June 2015**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and shareholders of JSC Samruk-Energy

We have audited the accompanying condensed consolidated interim financial statements of JSC Samruk-Energy and its subsidiaries (the "Group"), which comprise the condensed consolidated interim statement of financial position as at 30 June 2015 and the condensed consolidated interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for six-month period ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Condensed Consolidated Interim Financial Statements*

Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard (IAS) 34 "Interim financial reporting", and for such internal control as management determines is necessary to enable the preparation of condensed consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these condensed consolidated interim financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the condensed consolidated interim financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the condensed consolidated interim financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the condensed consolidated interim financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the condensed consolidated interim financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the condensed consolidated interim financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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PricewaterhouseCoopers LLP

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## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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### *Opinion*

In our opinion, the condensed consolidated interim financial statements present fairly, in all material respects, the financial position of the Group as at 30 June 2015, and their financial performance and their cash flows for the six-month period then ended in accordance with International Accounting Standard (IAS) 34 "Interim financial reporting".

*PricewaterhouseCoopers LLP*

Almaty, Kazakhstan  
3 August 2015

Approved and signed by:


Dana Inkarbekova  
Managing Director, PricewaterhouseCoopers LLP  
(General State License from the Ministry of  
Finance of the Republic of Kazakhstan  
№ 0000005 dated 21 October 1999)  
Auditor in charge  
(Qualified Auditor's Certificate  
№ 0000492 dated 18 January 2000)




**SAMRUK-ENERGY JSC**  
**Condensed Consolidated Interim Statement of Financial Position**

<i>In thousands of Kazakhstani Tenge</i>	<i>Note</i>	<b>30 June 2015</b>	<b>31 December 2014</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	747,151,601	710,404,916
Investment property		829,067	882,542
Intangible assets	7	1,998,498	2,052,308
Exploration and evaluation asset		13,252,759	11,448,375
Investments in joint ventures and associates	8	86,397,057	78,896,702
Other non-current assets	9	15,641,231	18,665,204
<b>Total non-current assets</b>		<b>865,270,213</b>	<b>822,350,047</b>
<b>Current assets</b>			
Inventories	10	14,362,076	12,035,047
Trade and other receivables	11	14,504,390	11,726,504
Other current assets	12	39,852,605	42,438,992
Income tax prepaid		1,641,269	1,281,982
Cash and cash equivalents	13	10,730,652	20,592,055
Assets of disposal group, classified as held-for-sale	14	45,617,759	43,984,770
<b>Total current assets</b>		<b>126,708,751</b>	<b>132,059,350</b>
<b>TOTAL ASSETS</b>		<b>991,978,964</b>	<b>954,409,397</b>

Signed on behalf of management on 3 August 2015.

  
Almassadam M. Satkaliyev  
Chairman of Management Board




  
Saule B. Tulekova  
Head of Accounting and Tax Department  
Chief Accountant

The accompanying notes on pages 7 to 32 are an integral part of these condensed consolidated interim financial statements


**SAMRUK-ENERGY JSC**  
**Consolidated Interim Statement of Financial Position (continued)**

<i>In thousands of Kazakhstani Tenge</i>	Note	30 June 2015	31 December 2014
<b>EQUITY</b>			
Share capital	15	355,364,386	355,364,386
Other reserves	15	54,958,239	54,993,097
Retained earnings		89,409,976	80,553,684
<b>Equity attributable to the Group's equity holders</b>		<b>499,732,601</b>	<b>490,911,167</b>
Non-controlling interest		2,430,086	2,138,284
<b>TOTAL EQUITY</b>		<b>502,162,687</b>	<b>493,049,451</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Ash dump restoration provision		1,503,147	1,203,172
Employee benefit obligations		1,109,093	1,033,125
Borrowings	16	280,471,639	280,326,306
Other non-current liabilities		6,046,118	6,500,623
Deferred income tax liabilities		79,017,374	77,289,181
<b>Total non-current liabilities</b>		<b>368,147,371</b>	<b>366,352,407</b>
<b>Current liabilities</b>			
Ash dump restoration provision		84,154	85,020
Borrowings	16	71,894,789	38,840,232
Employee benefit obligations		71,786	69,518
Trade and other payables	17	31,900,898	36,239,177
Taxes payable and other payables to budget	23	1,027,977	1,309,377
Income tax payable	23	143,621	148,636
Liabilities of disposal group, classified as held-for-sale	14	16,545,681	18,315,579
<b>Total current liabilities</b>		<b>121,668,906</b>	<b>95,007,539</b>
<b>TOTAL LIABILITIES</b>		<b>489,816,277</b>	<b>461,359,946</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>991,978,964</b>	<b>954,409,397</b>

Signed on behalf of management on 3 August 2015.

  
Almassadam M. Satkaliyev  
Chairman of Management Board



  
Saule B. Tulekova  
Head of Accounting and Tax Department –  
Chief Accountant

**SAMRUK-ENERGY JSC**
**Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income**

<i>In thousands of Kazakhstani Tenge</i>	<b>Note</b>	<b>Six months ended 30 June 2015</b>	<b>Six months ended 30 June 2014 (restated) *</b>
Revenue	18	91,205,854	74,370,215
Cost of sales	19	(62,890,913)	(51,689,462)
<b>Gross profit</b>		<b>28,314,941</b>	<b>22,680,753</b>
Other income, net		160,955	56,531,815
Distribution costs		(1,518,773)	(619,003)
General and administrative expenses	20	(6,066,214)	(5,253,538)
Share of profit of joint ventures and associates	8	2,854,865	3,560,587
Impairment of goodwill		-	(31,295,823)
Finance income	21	1,462,762	6,389,580
Finance costs	22	(12,109,800)	(11,704,188)
<b>Profit before income tax</b>		<b>13,098,736</b>	<b>40,290,183</b>
Income tax expense	23	(4,640,880)	(4,712,909)
<b>Profit for the period from continuing operations</b>		<b>8,457,856</b>	<b>35,577,274</b>
Profit from discontinued operations	24	5,471,310	2,140,058
<b>Profit for the period</b>		<b>13,929,166</b>	<b>37,717,332</b>
Other comprehensive loss			
<i>Items that will not be reclassified to profit or loss:</i>			
Remeasurements of post-employment benefit obligations		(34,858)	-
<b>Total comprehensive income for the period</b>		<b>13,894,308</b>	<b>37,717,332</b>
<b>Profit is attributable to:</b>			
Equity holders of the Group		13,637,364	40,614,605
Non-controlling interest		291,802	(2,897,273)
<b>Profit for the period</b>		<b>13,929,166</b>	<b>37,717,332</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Group		13,602,506	40,614,605
Non-controlling interest		291,802	(2,897,273)
<b>Total comprehensive income for the period</b>		<b>13,894,308</b>	<b>37,717,332</b>

\* - Comparative information has been restated to reflect discontinued operations (Note 24) and the gain on fair value measurement of previously held interest in EGRES-1 in the amount of Tenge 56,682,576 thousand and additional depreciation charges in the amount of Tenge 2,300,653 thousand on property, plant and equipment acquired through business combination, previously recorded at provisional fair value

The accompanying notes on pages 7 to 32 are an integral part of these condensed consolidated interim financial statements



**SAMRUK-ENERGY JSC**  
**Condensed Consolidated Interim Statement of Changes in Equity**

In thousands of Kazakhstani Tenge	Note	Attributable to equity holders of the Group				Non- controlling interest	Total equity
		Share capital	Other reserves	Retained earnings	Total		
<b>Balance at 1 January 2014</b>		<b>233,946,269</b>	<b>75,308,815</b>	<b>72,276,222</b>	<b>381,531,306</b>	<b>3,021,709</b>	<b>384,553,015</b>
Profit for the period *		-	-	40,614,605	40,614,605	(2,897,273)	37,717,332
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income</b>		<b>-</b>	<b>-</b>	<b>40,614,605</b>	<b>40,614,605</b>	<b>(2,897,273)</b>	<b>37,717,332</b>
Share issue		21,000,000	-	-	21,000,000	-	21,000,000
Acquisition of Moinak HPS		-	(20,162,954)	-	(20,162,954)	1,812,954	(18,350,000)
Gain on origination of loan from Samruk-Kazyna		-	18,922,380	-	18,922,380	-	18,922,380
Dividends		-	-	(8,170,604)	(8,170,604)	-	(8,170,604)
<b>Balance at 30 June 2014 (restated)*</b>		<b>254,946,269</b>	<b>74,068,241</b>	<b>104,720,223</b>	<b>433,734,733</b>	<b>1,937,390</b>	<b>435,672,123</b>
<b>Balance at 1 January 2015</b>		<b>355,364,386</b>	<b>54,993,097</b>	<b>80,553,684</b>	<b>490,911,167</b>	<b>2,138,284</b>	<b>493,049,451</b>
Profit for the period		-	-	13,637,364	13,637,364	291,802	13,929,166
Other comprehensive loss		-	(34,858)	-	(34,858)	-	(34,858)
<b>Total comprehensive income</b>		<b>-</b>	<b>(34,858)</b>	<b>13,637,364</b>	<b>13,602,506</b>	<b>291,802</b>	<b>13,894,308</b>
Dividends	15	-	-	(4,781,072)	(4,781,072)	-	(4,781,072)
<b>Balance at 30 June 2015</b>		<b>355,364,386</b>	<b>54,958,239</b>	<b>89,409,976</b>	<b>499,732,601</b>	<b>2,430,086</b>	<b>502,162,687</b>

\* - Comparative information has been restated to reflect discontinued operations (Note 24) and the gain on fair value measurement of previously held interest in EGRES-1 in the amount of Tenge 56,682,576 thousand and additional depreciation charges in the amount of Tenge 2,300,653 thousand on property, plant and equipment acquired through business combination, previously recorded at provisional fair value

**SAMRUK-ENERGY JSC**  
**Condensed Consolidated Interim Statement of Cash Flows**

<i>In thousands of Kazakhstani Tenge</i>	<b>Note</b>	<b>Six months ended 30 June 2015</b>	<b>Six months ended 30 June 2014 (restated) *</b>
<b>Cash flows from operating activities of continuing operations</b>			
Profit before income tax		13,098,736	40,290,183
Profit before income tax of discontinued operations		6,308,642	2,680,539
Adjustments for:			
Depreciation and amortisation		17,635,217	13,285,204
Impairment of property, plant and equipment		-	165,329
Goodwill impairment		-	31,295,823
Losses on disposal of property, plant and equipment		-	124,986
Gain on fair value measurement of previously held interest		-	(56,682,576)
Charge of provision for impairment of trade and other receivables		135,851	161,204
Charge/ (reversal) of provision on obsolete and slow-moving inventories		(134,796)	23,278
Amortisation of income from connection of additional capacities		(182,463)	(189,679)
Current service cost and actuarial losses on employee benefits		15,680	17,384
Finance costs	22	12,109,800	11,704,188
Finance income	21	(1,462,762)	(6,389,580)
Share of profit in joint ventures and associates	8	(2,854,865)	(3,560,587)
Other adjustments		(112,274)	196,578
<b>Operating cash flows before working capital changes of continuing operations:</b>		<b>44,556,766</b>	<b>33,122,274</b>
(Increase) / Decrease in trade and other receivables and other current assets		(5,094,295)	4,984,029
(Increase) / Decrease in inventories		(2,192,233)	4,020,666
Decrease in trade and other payables		(6,945,508)	(10,391,065)
(Increase) / Decrease in employee benefits payable		20,681	(132,174)
(Increase) / Decrease in taxes payable		1,228,304	(623,196)
<b>Cash generated from operations of continuing operations</b>		<b>31,573,715</b>	<b>30,980,534</b>
Income tax paid		(3,283,965)	(1,041,710)
Interest paid		(9,682,882)	(8,165,113)
Dividends received		2,787,450	2,999,267
<b>Net cash from operating activities of continuing operations</b>		<b>21,394,318</b>	<b>24,772,978</b>
<b>Net cash from operating activities of disposal group</b>		<b>4,830,732</b>	<b>1,978,412</b>

\* - Comparative information has been restated to reflect discontinued operations (Note 24) and the gain on fair value measurement of previously held interest in EGRES-1 in the amount of Tenge 56,682,576 thousand and additional depreciation charges in the amount of Tenge 2,300,653 thousand on property, plant and equipment acquired through business combination, previously recorded at provisional fair value



**SAMRUK-ENERGY JSC**  
**Condensed Consolidated Interim Statement of Cash Flows (continued)**

<i>In thousands of Kazakhstani Tenge</i>	Note	Six months ended 30 June 2015	Six months ended 30 June 2014 (restated) *
<b>Cash flows from investing activities of continuing operations</b>			
Purchase of property, plant and equipment		(49,686,626)	(38,111,692)
Acquisition of intangible assets		(192,478)	(47,999)
Purchase of exploration and evaluation assets		(1,717,764)	(300,401)
Acquisition of GRES-1, net of cash acquired		-	(233,023,376)
Acquisition of shares in Moinak HPS		-	(9,175,000)
Acquisition of share in associates	8	(7,556,910)	-
Proceeds from sale of interest in associates		-	45,500
Cash received from sale of property, plant and equipment		15,950	14,847
Proceeds from sale of assets of disposal group		370,396	-
Interest income received		984,249	3,669,540
Placement repayment of bank deposits, net		1,767,265	29,571,967
Placement of restricted cash		440,864	(722,781)
<b>Net cash used in investing activities of continuing operations</b>		<b>(55,575,054)</b>	<b>(248,079,395)</b>
<b>Net cash used in investing activities of disposal group</b>		<b>(5,059,289)</b>	<b>(3,340,744)</b>
<b>Cash flows from financing activities of continuing operations</b>			
Proceeds from issue of shares		-	21,000,000
Proceeds from borrowings		71,229,782	209,500,000
Repayment of borrowings		(42,474,312)	(8,305,806)
Repayment of loans from customers		-	(558,889)
Dividends paid to shareholder	15	(4,781,072)	-
Dividends paid to non-controlling interest holders		(121,375)	(56,746)
<b>Net cash from financing activities of continuing operation</b>		<b>23,853,023</b>	<b>221,578,559</b>
<b>Net cash from/(used) financing activities of disposal group</b>		<b>211,290</b>	<b>(1,399,635)</b>
Foreign exchange difference effect on cash & cash equivalents		155,454	18,305,320
<b>Net (decrease)/increase in cash and cash equivalents of continuing operations</b>		<b>(10,172,259)</b>	<b>16,577,462</b>
<b>Net decrease in cash and cash equivalents of disposal group</b>		<b>(17,267)</b>	<b>(2,761,967)</b>
Cash and cash equivalents at the beginning of the year of continuing operations	13	20,592,055	15,049,799
Cash and cash equivalents at the beginning of the year of disposal group		1,066,110	192,199
<b>Cash and cash equivalents at the year- end of continuing operations</b>	13	<b>10,730,652</b>	<b>28,134,202</b>
<b>Cash and cash equivalents at the year- end of discontinued operations</b>		<b>737,987</b>	<b>923,291</b>

\* - Comparative information has been restated to reflect discontinued operations (Note 24) and the gain on fair value measurement of previously held interest in EGRES-1 in the amount of Tenge 56,682,576 thousand and additional depreciation charges in the amount of Tenge 2,300,653 thousand on property, plant and equipment acquired through business combination, previously recorded at provisional fair value



## **1 Samruk-Energy Group and Its Operations**

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, "Interim financial reporting" for six months period ended 30 June 2015 for Samruk-Energy JSC (the "Company") and its subsidiaries (together referred to as the "Group").

The Company was incorporated on 18 April 2007 and registered on 10 May 2007. The Company is a joint stock company, and was set up in accordance with regulations of the Republic of Kazakhstan. The Group was established for the purpose of consolidation of entities in the electric power industry of the Republic of Kazakhstan.

The Company's shareholder is Samruk-Kazyna National Welfare Fund JSC ("Samruk-Kazyna") (Note 15).

The Company's immediate parent company is Samruk-Kazyna. The Company's ultimate controlling party is the Government of the Republic of Kazakhstan.

### ***Principal activity***

The Group's principal activities are production of electricity and heat energy and hot water on the basis of coal, hydrocarbons, water and other renewable resources, and sale to households and industrial enterprises, transmission of electricity and technical distribution of electricity within the network, construction of power stations, lease of property of power stations and others. Principal subsidiaries, joint ventures and associates are disclosed in Note 26.

The operations of the Group's subsidiaries and joint ventures, which are dominant entities and natural monopolists in certain areas, are regulated by the Law of the Republic of Kazakhstan on Natural Monopolies and Regulated Markets and the Law on Competition and the Restriction of Monopolistic Activity (the "Antimonopoly legislation"). The tariffs for heat and electricity supply, transmission and technical distribution services in the grid are determined in accordance with the Pricing Rules on Regulated Markets approved by the Decree of the Government of the Republic of Kazakhstan dated 25 March 2009, and approved by the Committee on Regulation of Natural Monopolies of the Ministry of Economics of the Republic of Kazakhstan. The tariffs for electricity sold by the energy producing entities are determined in accordance with the Rules for Determination of Tariff and Approval of Cap and Individual Tariffs approved by the Decree of the Government of the Republic of Kazakhstan dated 10 March 2009, and are subject to confirmation and approval by the Ministry of Energy of the Republic of Kazakhstan.

Electricity tariffs for electricity producers are approved by Decree of the Government of the Republic of Kazakhstan #392 dated 25 March 2009 on Approval of Cap for Tariffs and Decree of Ministry of Energy and Natural Resources #61 dated 10 March 2009 on Approval of Groups of Energy Producing Entities for period of 2009-2015 which have the investment component – "tariffs in exchange for investments". Based on investment agreements, signed by Ministry of Energy and Natural Resources the tariffs set for electricity producers shall not exceed the maximum limits. Tariffs for transmission and distribution of electricity, production of heat energy and energy supply are regulated by Committee on Regulation of Natural Monopolies and Competition Protection of Ministry of Economics. Regulation and control are performed in accordance with legislation.

The tariff related decisions are significantly exposed to social and political issues. Economic, social and other policies of the Government of the Republic of Kazakhstan may have the significant effect on the Group's operations.

### ***Registered address and place of business***

The registered address and place of Company's Head Office is: Kabanbai Batyr Avenue 15A, Astana, Republic of Kazakhstan.

## 2 Basis of Preparation and Significant Accounting Policies

### *Basis of preparation*

These condensed consolidated interim financial statements for the six-month period ended 30 June 2015 have been prepared in accordance with IAS 34 Interim Financial Reporting, under the historical cost convention, as modified by the initial recognition of financial instruments based on fair value. The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2014, which have been prepared in accordance with IFRS. The principal accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with those of the previous financial year except for accounting for income taxes.

Income tax expenses for the interim period are accrued using the calculated effective tax rate that would be applicable for the financial year.

**Seasonality of operations.** The Group's operations are exposed to the seasonal fluctuations. Fluctuations in electricity transmission volume, production of heat and electricity relate to heating season from October to April.

Also, the Group's repair and maintenance works are subject to seasonality. Significant amount of maintenance and repair work are expected to be carried out in second half of 2015 that will significantly increase the Group's expenses, downtime of power units and decreased level of electricity production.

### *Exchange rates*

At 30 June 2015 the exchange rate used for translation of foreign currency balances was 1 US Dollar = Tenge 186.20 (31 December 2014: 1 US Dollar = Tenge 182.35).

On 11 February 2014 the National Bank of the Republic of Kazakhstan ceased to support the exchange rate of Tenge against foreign currencies. Tenge weakened by 20% against US dollar and the final exchange rate at KASE at that date was 1 US Dollar = Tenge 184.50.

On 15 July 2015 the National Bank of the Republic of Kazakhstan decided to widen the corridor for fluctuations of the exchange rate of Tenge against US Dollar from current 185 +3/-15 Tenge to 185 +13/-15 Tenge for 1 US Dollar. Therefore, the corridor for fluctuations of exchange rate changed from 170-188 Tenge to 170-198 Tenge for 1 US Dollar.

### *New accounting pronouncements*

New and amended standards and interpretations should be applied in the preparation of the first interim financial statements issued after their effective date. There are no new IFRSs or IFRICs that are effective for the first time for this interim period and that would be expected to have a material impact on the Group.

A set of new standards, amendments to standards and interpretations is not effective as at 30 June 2015. The requirements of these amended standards have not been considered for the preparation of these condensed consolidated interim financial statements. The Group plans to adopt these standards as they become effective. Currently, the Group has not yet completed the analysis of potential effect of these standards on its financial statements.



**3 Critical Accounting Estimates, and Judgements in Applying Accounting Policies**

The preparation of interim consolidated financial statements required management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2014, with the exception of change in estimates that are required in determining the provision for income taxes.

**4 Segment Information**

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM) and for which discrete financial information is available. The CODM is the person or group of persons who allocates resources and assesses the performance for the entity. The functions of the CODM are performed by the management board of the Group.

CODM is responsible for decision making on operating activities, assess segment results on the basis of EBITDA, which is calculated as profit/(loss) for the period before accounting for finance income and finance expense, income tax expenses, depreciation of property, plant and equipment and amortisation of intangible assets, impairment of property plant and equipment and investment property, impairment of goodwill, income/loss from legal claims, share of profit/(loss) of associates and effects, related to acquisition, such as excess of fair value of interest in identifiable assets and liabilities over cost of investment and other similar effects. Sequence for identification of EBITDA by Group might be different from sequence used by other companies.

Discontinued operations (Note 24) continue to engage in business activity of the Group, operating results are regularly reviewed by the CODM and there is discrete financial information available to facilitate the review. Results of discontinued operations are included in segment information.

***(a) Description of products and services from which each reportable segment derives its revenue***

The Group is organised on the basis of three main business segments:

- Production of heat power and electricity;
- Transmission and distribution of electricity;
- Sale of electricity.

***(b) Performance of operating segments***

The CODM evaluates performance of each segment based on a measure of adjusted EBITDA.



**SAMIRUK-ENERGY JSC**  
**Notes to the Condensed Consolidated Interim Financial Statements – 30 June 2015**

**4 Segment Information (Continued)**

<i>In thousands of Kazakhstani Tenge</i>	Production of electric energy and heating energy		Electric energy transmission and distribution		Sale of electric energy		Others		Total	
	30 June 2015	30 June 2014	30 June 2015	30 June 2014	30 June 2015	30 June 2014	30 June 2015	30 June 2014	30 June 2015	30 June 2014
External revenues	49,480,511	33,883,366	6,718,967	6,225,126	58,248,919	56,116,289	-	-	114,448,397	96,224,781
Inter-segment revenue	25,180,931	21,841,114	20,019,266	19,171,912	547	-	-	-	45,200,744	41,013,026
<b>Total revenue</b>	<b>74,661,442</b>	<b>55,724,480</b>	<b>26,738,233</b>	<b>25,397,038</b>	<b>58,249,466</b>	<b>56,116,289</b>	<b>-</b>	<b>-</b>	<b>159,649,141</b>	<b>137,237,807</b>
Share of profit of joint ventures	572,826	(2,018,284)	-	-	-	-	2,330,724	1,669,221	2,903,550	(349,063)
<b>Adjusted EBITDA</b>	<b>34,392,853</b>	<b>30,659,126</b>	<b>9,926,985</b>	<b>8,727,211</b>	<b>(1,089,566)</b>	<b>30,154</b>	<b>(422,242)</b>	<b>(2,755,456)</b>	<b>42,808,030</b>	<b>36,661,035</b>

#### **4 Segment Information (Continued)**

##### **(d) Reconciliation of reportable segment revenues, profit or loss, assets and liabilities**

<i>In thousands of Kazakhstani Tenge</i>	<b>6 months ended 30 June 2015</b>	<b>6 months ended 30 June 2014 (restated) *</b>
Total revenues for reportable segments	159,649,141	137,237,807
Revenues from other operations	-	-
<b>Total revenue</b>	<b>159,649,141</b>	<b>137,237,807</b>
Inter-segment revenue	(45,200,744)	(41,013,026)
Discontinued operations	(23,242,543)	(21,854,566)
<b>Total consolidated revenues</b>	<b>91,205,854</b>	<b>74,370,215</b>

\* - Comparative information has been adjusted to reflect discontinued operations (Note 24)

##### **(e) A reconciliation of total adjusted EBITDA to total profit before income tax is provided as follows:**

<i>In thousands of Kazakhstani Tenge</i>	<b>6 months ended 30 June 2015</b>	<b>6 months ended 30 June 2014 (restated) *</b>
<b>Adjusted EBITDA</b>	<b>42,808,030</b>	<b>36,661,035</b>
Depreciation and amortisation	(17,840,484)	(13,429,208)
Income/(loss) from legal claims	(148,873)	250,553
Finance income	1,528,770	6,396,396
Finance costs	(11,829,992)	(12,171,491)
Impairment of goodwill	-	(31,295,823)
Gain on fair value measurement of previously held interest	-	56,682,576
Share of profit of associates	(48,687)	(123,315)
Income from sale of investment in ZhGRES	2,469,307	-
<b>Profit before income tax of continuing operations</b>	<b>13,098,736</b>	<b>40,290,183</b>
<b>Profit before income tax of discontinued operations</b>	<b>3,839,335</b>	<b>2,680,540</b>

\* - Comparative information has been restated to reflect discontinued operations (Note 24) and the gain on fair value measurement of previously held interest in EGRES-1 in the amount of Tenge 56,682,576 thousand and additional depreciation charges in the amount of Tenge 2,300,653 thousand on property, plant and equipment acquired through business combination, previously recorded at provisional fair value

##### **(f) Analysis of revenues by products and services**

The Group's revenues are disclosed by products and services in Note 18 (revenue from core activities). Majority of sales of the Group are within Kazakhstan.

##### **(g) Major customers**

During six months periods ended 30 June 2015 and 30 June 2014 there were no customers for which sales of the Group represented 10% or more of the total revenues. There has been no material change in total assets or total liabilities from the amounts disclosed in the last annual financial statements.

**5 Balances and Transactions with Related Parties**

Related parties are defined in IAS 24, Related Party Disclosures. Parties are generally considered to be related if one party has the ability to control the other party, is under common control, or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. The Company's parent entity and ultimate controlling party are disclosed in Note 1.

The related parties include the companies under control of Samruk-Kazyna. Transactions with the state owned entities are not disclosed when they are entered into in the ordinary course of business with terms consistently applied to all public and private entities i) when they are not individually significant, ii) if the Group's services are provided on the standard terms available for all customers, or iii) where there is no choice of supplier of such services as electricity transmission services, telecommunications and etc.

The nature of relations with those related parties with whom the Group entered into transactions or had balances outstanding at 30 June 2015 and 31 December 2014 is detailed below.



**5 Balances and Transactions with Related Parties (Continued)**

At 30 June 2015, the outstanding balances with related parties were as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>Companies under common control</b>	<b>JVs and associates of Samruk-Energy</b>	<b>JVs and associates of Samruk-Kazyna</b>	<b>Shareholders</b>	<b>Government related entities</b>
Trade and other receivables	430,446	1,044,525	5,012	-	3,043,551
Cash and cash equivalents	39,595	-	-	-	910,832
Other non-current assets	3,737,825	-	-	223,491	-
Other current assets	110,935	2,397,794	-	-	-
Borrowings	-	-	-	129,201,784	17,209,234
Trade and other payables	329,394	2,968,584	29,099	5,568	1,053,143

At 31 December 2014, the outstanding balances with related parties were as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>Companies under common control</b>	<b>JVs and associates of Samruk-Energy</b>	<b>JVs and associates of Samruk-Kazyna</b>	<b>Shareholders</b>	<b>Government related entities</b>
Trade and other receivables	2,139,390	341,047	-	-	3,388,283
Cash and cash equivalents	33,253	-	-	-	-
Other non-current assets	3,660,539	-	-	223,491	-
Other current assets	397,340	2,991,591	3,185	-	-
Borrowings	-	-	-	130,817,459	17,691,141
Trade and other payables	1,023,080	2,523,591	90,550	77,260	1,006,008

The income and expense items with related parties for six months ended 30 June 2015 were as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>Companies under common control</b>	<b>JVs and associates of Samruk- Energy</b>	<b>JVs and associates of Samruk-Kazyna</b>	<b>Shareholders</b>	<b>Government related entities</b>
Revenue	5,034,862	1,173,466	13,136	-	8,833,371
Cost of sales	7,907,337	12,928,488	-	-	1,245,108
General and administrative expenses	202,111	-	-	-	-
Distribution costs	1,492,430	-	-	-	-
Other expenses	-	13,432	-	-	-
Other income	5,885	-	-	410	-
Finance costs	-	-	-	5,564,020	588,499
Finance income	84,410	-	-	6,479	-
Gain on foreign exchange	77,482	-	-	-	-

The income and expense items with related parties for six months ended 30 June 2014 were as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>Companies under common control</b>	<b>JVs and associates of Samruk Energy</b>	<b>JVs and associates of Samruk-Kazyna</b>	<b>Shareholders</b>	<b>Government related entities</b>
Revenue	3,843,499	-	3,306,908	-	10,692,291
Cost of sales	9,744,061	13,605,815	-	-	1,561,493
General and administrative expenses	291,642	-	-	117,210	-
Distribution costs	609,269	-	-	-	-
Other expenses	1,992	-	-	-	-
Other income	1,230	-	-	-	-
Finance costs	-	-	-	8,244,267	315,314
Finance income	417,881	20,668	-	-	-
Gain on foreign exchange	9,174	-	-	-	-

**5 Balances and Transactions with Related Parties (Continued)**

Key management compensation is presented below:

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2015</b>	<b>30 June 2014</b>
Key management compensation	341,007	181,005
<b>Total key management compensation</b>	<b>341,007</b>	<b>181,005</b>

Key management personnel compensation represents the salaries, bonuses and other short-term employee benefits. Key management personnel as at 30 June 2015 include 8 persons (30 June 2014: 9 persons).



**6 Property, Plant and Equipment**

Movements in the carrying amount of property, plant and equipment were as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>Buildings and constructions</b>	<b>Machinery and equipment</b>	<b>Other</b>	<b>Construction in progress</b>	<b>Total</b>
Cost at 1 January 2014	98,591,330	166,797,761	7,909,168	24,821,251	298,119,510
Accumulated depreciation and impairment	(20,929,745)	(38,946,049)	(2,976,029)	(121,984)	(62,973,807)
<b>Carrying amount at 1 January 2014</b>	<b>77,661,585</b>	<b>127,851,712</b>	<b>4,933,139</b>	<b>24,699,267</b>	<b>235,145,703</b>
Additions	291,278	263,867	192,804	24,394,194	25,142,143
Acquisition through business combination (restated)*	74,685,224	295,058,045	5,462,373	87,245,742	462,451,384
Capitalised borrowing costs	-	-	-	167,277	167,277
Transfers	52,260	2,997,528	15,238	(3,065,026)	-
Depreciation (restated)*	(3,850,312)	(8,712,019)	(516,278)	-	(13,078,609)
Impairment	-	35,089	-	(200,418)	(165,329)
Disposals	(3,633)	(110,167)	(6,927)	(9,107)	(129,834)
Transfer (to)/from other assets	-	-	3,566	(47,451)	(43,885)
<b>Carrying amount at 30 June 2014</b>	<b>148,836,402</b>	<b>417,384,055</b>	<b>10,083,915</b>	<b>133,184,478</b>	<b>709,488,850</b>
Cost at 30 June 2014	173,564,597	464,943,417	13,546,932	133,306,462	785,361,408
Accumulated depreciation and impairment	(24,728,195)	(47,559,362)	(3,463,017)	(121,984)	(75,872,558)
<b>Carrying amount at 30 June 2014</b>	<b>148,836,402</b>	<b>417,384,055</b>	<b>10,083,915</b>	<b>133,184,478</b>	<b>709,488,850</b>
Cost at 1 January 2015	176,513,833	523,988,509	13,648,156	87,458,930	801,609,428
Accumulated depreciation and impairment	(29,005,198)	(58,041,896)	(4,035,434)	(121,984)	(91,204,512)
<b>Carrying amount at 1 January 2015</b>	<b>147,508,635</b>	<b>465,946,613</b>	<b>9,612,722</b>	<b>87,336,946</b>	<b>710,404,916</b>
Additions	12,752	687,409	525,419	53,062,232	54,287,812
Transfers	1,144,354	1,254,335	86,877	(2,485,566)	-
Depreciation	(4,461,292)	(12,482,787)	(426,124)	-	(17,370,203)
Disposals	(68,588)	(92,973)	(18,729)	-	(180,290)
Transfer (to)/from other assets	(1,231)	3,927	9,351	(2,681)	9,366
<b>Carrying amount at 30 June 2015</b>	<b>144,134,630</b>	<b>455,316,524</b>	<b>9,789,516</b>	<b>137,910,931</b>	<b>747,151,601</b>
Cost at 30 June 2015	175,561,780	525,397,038	14,201,423	138,032,915	853,193,156
Accumulated depreciation and impairment	(31,427,150)	(70,080,514)	(4,411,907)	(121,984)	(106,041,555)
<b>Carrying amount at 30 June 2015</b>	<b>144,134,630</b>	<b>455,316,524</b>	<b>9,789,516</b>	<b>137,910,931</b>	<b>747,151,601</b>

\*- Comparative information has been restated to reflect additional depreciation charge in the amount of Tenge 2,300,653 thousand and attributed fair value of the assets acquired through business combination, previously recorded at a provisional fair value

As at 30 June 2015 the property, plant and equipment with carrying value of Tenge 4,441,016 thousand (31 December 2014: Tenge 4,648,573 thousand) were pledged as collateral for borrowings received by the Group (Moinak HPS) from JSC "Development Bank of Kazakhstan".

**6 Property, Plant and Equipment (Continued)**

Depreciation charge is allocated to the following items of profit and loss for the period:

<i>In thousands of Kazakhstani Tenge</i>	Six months ended 30 June 2015	Six months ended 30 June 2014 (restated) *
Cost of sales	16,861,643	12,786,638
General and administrative expenses	485,718	285,618
Other expenses	22,842	6,353
<b>Total depreciation charge</b>	<b>17,370,203</b>	<b>13,078,609</b>

**7 Intangible Assets**

<i>In thousands of Kazakhstani Tenge</i>	Licenses	Computer software	Other	Total
Cost at 1 January 2014	132,574	1,390,472	546,455	2,069,501
Accumulated amortisation	(106,915)	(623,791)	(6,169)	(736,875)
<b>Carrying amount at 1 January 2014</b>	<b>25,659</b>	<b>766,681</b>	<b>540,286</b>	<b>1,332,626</b>
Acquisition through business combination	55	76,255	-	76,310
Additions	1,055	38,162	4,641	43,858
Transfers	-	28,925	12,660	41,585
Amortisation charge	(4,421)	(139,320)	(10,158)	(153,899)
<b>Carrying amount at 30 June 2014</b>	<b>22,348</b>	<b>770,703</b>	<b>547,429</b>	<b>1,340,480</b>
Cost at 30 June 2014	133,684	1,533,814	563,758	2,231,256
Accumulated amortisation	(111,336)	(763,111)	(16,329)	(890,776)
<b>Carrying amount at 30 June 2014</b>	<b>22,348</b>	<b>770,703</b>	<b>547,429</b>	<b>1,340,480</b>
Cost at 1 January 2015	225,134	1,982,943	782,107	2,990,184
Accumulated amortisation	(122,212)	(796,301)	(19,363)	(937,876)
<b>Carrying amount at 1 January 2015</b>	<b>102,922</b>	<b>1,186,642</b>	<b>762,744</b>	<b>2,052,308</b>
Additions	797	85,300	68,953	155,050
Transfers	-	2,679	-	2,679
Amortisation charge	(23,542)	(154,892)	(33,105)	(211,539)
<b>Carrying amount at 30 June 2015</b>	<b>80,177</b>	<b>1,119,729</b>	<b>798,592</b>	<b>1,998,498</b>
Cost at 30 June 2015	225,931	2,062,722	851,060	3,139,713
Accumulated amortisation	(145,754)	(942,993)	(52,468)	(1,141,215)
<b>Carrying amount at 30 June 2015</b>	<b>80,177</b>	<b>1,119,729</b>	<b>798,592</b>	<b>1,998,498</b>



**8 Investments in Joint Ventures and Associates**

The table below summarises the movements in the carrying amount of the Group's investment in joint ventures and associates.

<i>In thousands of Kazakhstani Tenge</i>	<b>EGRES-2</b>	<b>Forum Muider</b>	<b>ZhGRES</b>	<b>EGRES-1</b>	<b>BTES</b>	<b>Total</b>
<b>Balance at 1 January 2014</b>	<b>38,661,671</b>	<b>28,361,093</b>	-	<b>171,237,259</b>	<b>4,639,877</b>	<b>242,899,900</b>
Share of profit/(loss) for the period	(2,018,284)	1,669,221	-	4,032,966	(123,316)	3,560,587
Dividend accrued	(1,500,000)	(3,711,083)	-	-	-	(5,211,083)
Transfer to subsidiary	-	-	-	(175,270,225)	-	(175,270,225)
<b>Balance at 30 June 2014</b>	<b>35,143,387</b>	<b>26,319,231</b>	-	-	<b>4,516,561</b>	<b>65,979,179</b>
<b>Balance at 1 January 2015</b>	<b>42,290,615</b>	<b>26,049,797</b>	-	-	<b>10,556,290</b>	<b>78,896,702</b>
Contribution to share capital	-	-	-	-	7,556,910	7,556,910
Share of profit/(loss) for the period	572,826	2,330,724	-	-	(48,685)	2,854,865
Dividend accrued	-	(2,911,420)	-	-	-	(2,911,420)
<b>Balance at 30 June 2015</b>	<b>42,863,441</b>	<b>25,469,101</b>	-	-	<b>18,064,515</b>	<b>86,397,057</b>

At 30 June 2015 the Group has interests in the following jointly controlled entities:

- EGRES-2 – 50%. The remaining 50% interest is owned by Inter-RAO UES OJSC.
- Forum Muider – 50%. The remaining 50% is owned by UC RUSAL.

On 31 March 2015 the Group has signed the agreement on sale of 50% of shares of ZhGRES with TarazEnergo-2005 LLP. The sale price was agreed is Tenge 2,469,307 thousand. Transfer of ownership was completed on 18 May 2015.

Investment in ZhGRES was fully impaired in prior periods since the recoverable amount of assets was equal to zero. As of 31 December 2014 investment in ZhGRES was classified as "non-current assets held for sale" and recognized at carrying amount of nil Tenge. The Group has derecognized the investment after the transfer of all risks and rewards associated with ownership rights to the buyer and has recognised profit on discontinued operations in amount of Tenge 2,469,307 thousand net of expenses related to sale.

The Group has acquired control over EGRES-1 on 31 March 2014 and its share of profits or losses of the entity for the period prior to the acquisition of control is recorded as share of results in joint ventures. The Group started to consolidate results of EGRES-1 from 1 April 2014.

The Group has interests in the following associates: Balkhashskaya TES (36.25% plus one share): an entity was incorporated in the Republic of Kazakhstan, established by the Group in 2008 for construction of Balkhash thermal power station.

The Group's share of the results in joint ventures and associates and its aggregated assets and liabilities at 30 June 2015 are shown below:

<i>In thousands of Kazakhstani Tenge</i>	<b>GRES-2</b>	<b>Forum Muider</b>	<b>BTES</b>
Assets	79,268,250	40,078,206	19,459,204
Liabilities	36,404,809	14,609,105	1,394,689
Revenues	6,436,619	17,705,650	-
Share of profit/(loss)	572,826	2,330,724	(48,685)
Percentage held	50%	50%	36.25%

Transactions and balances with joint ventures and associates are presented in Note 5.

## 9 Other Non-Current Assets

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2015</b>	<b>31 December 2014</b>
Prepayments for non-current assets	9,486,115	12,157,253
Bonds	3,944,000	3,867,000
Non-current VAT recoverable	1,331,504	1,738,069
Restricted cash	527,544	524,586
Long-term deposits	230,548	320,537
Other non-current assets	121,520	57,759
<b>Total other non-current assets</b>	<b>15,641,231</b>	<b>18,665,204</b>

Gross amount of prepayments for non-current assets includes advances and prepayments for the following types of construction and fixed assets:

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2015</b>	<b>31 December 2014</b>
Reconstruction and expansion of HPP-2 of ALES	3,899,333	4,537,773
Modernization of Shardara GES	2,957,785	3,231,623
Construction of administrative building	1,299,576	1,100,000
Construction and reconstruction of substations in Almaty and Almaty region	975,657	492,994
Construction of First Wind Power station	-	2,328,900
Other	353,764	465,963
<b>Total prepayments for non-current assets</b>	<b>9,486,115</b>	<b>12,157,253</b>

### *Non-current VAT recoverable*

Non-current VAT recoverable represent asset on input VAT recognised as a result of purchase of the goods and services at the territory of the Republic of Kazakhstan mainly for the construction of Moinak HPS. Management believes that this amount will be recovered in full in the future as Moinak HPS has been put into operation.

## 10 Inventories

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2015</b>	<b>31 December 2014</b>
Auxiliary production materials	7,163,316	6,993,488
Fuel	4,705,757	5,035,481
Spare parts	3,415,836	1,283,914
Raw materials	14,635	13,254
Other materials	816,778	597,952
Less: provision for write down to net realisable value and provision for slow-moving and obsolete inventories	(1,754,246)	(1,889,042)
<b>Total inventories</b>	<b>14,362,076</b>	<b>12,035,047</b>

## 11 Trade and Other Receivables

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2015</b>	<b>31 December 2014</b>
Trade receivables	12,497,247	11,992,719
Less: impairment provision	(281,406)	(290,812)
<b>Total financial receivables</b>	<b>12,215,841</b>	<b>11,701,907</b>
Other receivables	6,158,694	3,749,485
Less: impairment provision	(3,870,145)	(3,724,888)
<b>Total trade and other receivables</b>	<b>14,504,390</b>	<b>11,726,504</b>



**12 Other Current Assets***In thousands of Kazakhstani Tenge*

	30 June 2015	31 December 2014
Term deposits	25,038,332	26,202,745
VAT recoverable and prepaid taxes	5,653,792	7,163,496
Restricted cash	3,897,464	4,257,052
Advances to suppliers	2,500,232	2,083,758
Dividends receivable	2,376,242	2,252,360
Short-term loans to related parties	12,342	12,613
Other	374,201	466,968
<b>Total other current assets</b>	<b>39,852,605</b>	<b>42,438,992</b>

Restricted cash represents cash received from electricity sale and placed to the pledge account according to the loans agreement with the Development Bank of Kazakhstan and the Development Bank of China in the amount of Tenge 3,897,464 thousand (31 December 2014: Tenge 4,257,052 thousand). Management believes that it will be able to use this cash not only for the repayment of interest on loans, but also for covering its operating expenses. Restricted cash balances are expressed in USD.

Dividends receivable of Tenge 2,376,242 thousand represents dividends receivable from Forum Muider B.V.

**13 Cash and Cash Equivalents***In thousands of Kazakhstani Tenge*

	30 June 2015	31 December 2014
Cash at current bank accounts	7,645,079	7,406,688
Demand deposits	3,059,545	13,174,464
Cash on hand	26,028	10,903
<b>Total cash and cash equivalents</b>	<b>10,730,652</b>	<b>20,592,055</b>

Term deposits and bank deposits have contractual maturity terms less than three months and are receivable on demand.

Cash and cash equivalents balances are denominated in the following currencies:

*In thousands of Kazakhstani Tenge*

	30 June 2015	31 December 2014
Kazakhstani Tenge	8,086,994	11,511,220
US Dollar	2,082,990	9,022,216
Other currencies	560,668	58,619
<b>Total cash and cash equivalents</b>	<b>10,730,652</b>	<b>20,592,055</b>

**14 Non-current Assets Held for Sale and Disposal Groups**

On 24 July 2014, Board of Directors approved the disposal of number of subsidiaries including of EKREDC, SET, MEDC, Aktobe TEC and ZhGRES in accordance with the Governmental Decree on privatization of national companies. At 30 June 2015 and 31 December 2014 these subsidiaries are classified as a disposal group and their assets and liabilities were accordingly reclassified in the consolidated statement of financial position. Since operations of EKREDC, SET, MEDC, Aktobe TEC, ZhGRES represented separate major types of the Group's operations, these disposal groups are presented as discontinued operations in the consolidated statement of profit or loss and other comprehensive income (Note 24), and therefore the comparatives have been restated and presented in accordance with the presentation of the current period.



**14 Non-current Assets Held for Sale and Disposal Groups (Continued)**

Major classes of assets classified as disposal group at 30 June 2015 are as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>Aktobe TPS</b>	<b>MEDC</b>	<b>EKREDC</b>	<b>SET</b>	<b>Total</b>
Property, plant and equipment	8,758,173	18,076,512	13,276,393	124,362	40,235,440
Intangible assets	29,189	141,862	211,163	27,070	409,284
Other non-current assets	39,793	513,483	-	-	553,276
Deferred income tax assets	-	-	-	34,747	34,747
Inventories	497,239	344,652	354,528	13,968	1,210,387
Trade receivables	425,655	293,550	132,431	1,160,474	2,012,110
Other current assets	96,829	79,796	36,478	211,424	424,527
Cash and cash equivalents	23,690	480,447	204,667	29,184	737,988
<b>Total non-current assets and assets of disposal groups classified as held for sale</b>	<b>9,870,568</b>	<b>19,930,302</b>	<b>14,215,660</b>	<b>1,601,229</b>	<b>45,617,759</b>
Employee benefits	153,433	65,073	106,255	-	324,761
Loans	300,000	3,689,103	933,917	141,265	5,064,285
Deferred income tax liability	304,620	1,253,341	758,295	-	2,316,256
Other liabilities	142,374	2,813,664	936,092	977,750	4,869,880
Trade payables	933,001	740,467	875,978	1,421,053	3,970,499
<b>Total liabilities of disposal groups classified as held for sale and liabilities directly associated with disposal groups</b>	<b>1,833,428</b>	<b>8,561,648</b>	<b>3,610,537</b>	<b>2,540,068</b>	<b>16,545,681</b>

Major classes of assets classified as disposal group at 31 December 2014 are as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>Aktobe TPS</b>	<b>MEDC</b>	<b>EKREDC</b>	<b>SET</b>	<b>Total</b>
Property, plant and equipment	8,304,524	16,597,944	11,878,182	123,493	36,904,143
Intangible assets	26,609	141,020	203,536	27,070	398,235
Other non-current assets	102,135	15,960	-	-	118,095
Deferred income tax assets	-	-	-	201,305	201,305
Inventories	433,887	222,189	347,681	14,990	1,018,747
Trade receivables	570,627	333,369	143,895	2,157,411	3,205,302
Other current assets	139,813	602,312	79,192	251,516	1,072,833
Cash and cash equivalents	62,772	685,637	306,967	10,734	1,066,110
<b>Total non-current assets and assets of disposal groups classified as held for sale</b>	<b>9,640,367</b>	<b>18,598,431</b>	<b>12,959,453</b>	<b>2,786,519</b>	<b>43,984,770</b>
Employee benefits	148,761	63,396	116,978	-	329,135
Loans	-	3,591,188	410,641	857,694	4,859,523
Deferred income tax liability	307,757	1,192,372	708,629	-	2,208,758
Other liabilities	554,220	2,569,125	978,628	1,254,038	5,356,011
Trade payables	1,250,602	1,871,103	1,965,193	475,254	5,562,152
<b>Total liabilities of disposal groups classified as held for sale and liabilities directly associated with disposal groups</b>	<b>2,261,340</b>	<b>9,287,184</b>	<b>4,180,069</b>	<b>2,586,986</b>	<b>18,315,579</b>

## 15 Equity

## Share capital

	Issue date	Number of authorised and issued shares	Value per share, Tenge	Share capital, (thousands of Tenge)
<b>Balance at 1 January 2014</b>		<b>5,463,437</b>		<b>233,946,269</b>
Payment of unpaid portion of previous issues:				
11 <sup>th</sup> issue of shares	26 of March 2014	21,000	1,000,000	21,000,000
12 <sup>th</sup> issue of shares	6 of October 2014	100,000	1,000,000	100,000,000
13 <sup>th</sup> issue of shares	1 of September 2014	1,000	418,117	418,117
<b>Balance at 31 December 2014</b>		<b>5,585,437</b>		<b>355,364,386</b>
Issue of shares		-		-
<b>Balance at 30 June 2015</b>		<b>5,585,437</b>		<b>355,364,386</b>

At 30 June 2015, 5,585,437 issued common shares were fully paid (31 December 2014: 5,585,437 shares). Each ordinary share carries one vote. The Company does not have any preference shares.

## Dividends declared

On 22 April 2015 the Group has declared dividends to its only shareholder for amount of Tenge 4,781,072 thousand. Dividends were paid in cash on 22 June 2015.

	30 June 2015		31 December 2014	
	Samruk-Kazyna	Total	Samruk-Kazyna	Total
Number of paid common shares	5,585,437	5,585,437	5,585,437	5,585,437
% of ownership	100%	100%	100%	100%
<b>Total share capital</b>	<b>355,364,386</b>	<b>355,364,386</b>	<b>355,364,386</b>	<b>355,364,386</b>

## Other reserves

	Merger reserve	Result of transactions with shareholders	Other comprehensive loss	Total
<i>In thousands of Kazakhstani Tenge</i>				
<b>Balance at 1 January 2014</b>	<b>57,445,241</b>	<b>18,025,646</b>	<b>(162,072)</b>	<b>75,308,815</b>
Acquisition of non-controlling interest in Moinak HPS	(20,162,954)	-	-	(20,162,954)
Gain on initial recognition on Samruk-Kazyna loan	-	18,922,380	-	18,922,380
<b>Balance at 30 June 2014</b>	<b>37,282,287</b>	<b>36,948,026</b>	<b>(162,072)</b>	<b>74,068,241</b>
<b>Balance at 1 January 2015</b>	<b>37,282,287</b>	<b>18,025,646</b>	<b>(314,836)</b>	<b>54,993,097</b>
Other comprehensive loss	-	-	(34,858)	(34,858)
<b>Balance at 30 June 2015</b>	<b>37,282,287</b>	<b>18,025,646</b>	<b>(349,694)</b>	<b>54,958,239</b>



**16 Borrowings**

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2015</b>	<b>31 December 2014</b>
<b>Non-current portion</b>		
Loan from Samruk-Kazyna	125,887,205	127,617,869
Bonds issued	92,846,465	90,896,278
Bank term loans	59,906,028	59,749,620
Loans from customers	1,831,941	2,062,539
<b>Total borrowings-non-current portion</b>	<b>280,471,639</b>	<b>280,326,306</b>
<b>Current portion</b>		
Bank term loans	64,459,627	31,431,352
Bonds issued	2,637,367	3,221,065
Loan from Samruk-Kazyna	3,316,006	3,199,590
Loans from customers	598,761	582,991
Notes payable	883,028	405,234
<b>Total borrowings-current portion</b>	<b>71,894,789</b>	<b>38,840,232</b>
<b>Total borrowings</b>	<b>352,366,428</b>	<b>319,166,538</b>

The following borrowings were obtained after the year ended 31 December 2014:

**Samruk-Energy**
**ATF Bank**

On 13 October 2014 and 14 November 2014, the Group entered into a short-term general purpose loan agreement with ATF bank. Interest rate varies from 11% to 13% depending on maturity of each tranche. During 2015, the Group has obtained additional tranche on this agreement for amount of Tenge 10,682,000 thousand.

**Halyk Bank**

On 25 May 2015 the Group entered into a short-term general purpose loan agreement with Halyk Bank for amount of Tenge 10,000,000 thousand. Interest rate varies from 10.5% to 12.5% depending on maturity of each tranche.

**Ekibastuzskaya GRES-1**
**Halyk Bank**

On 8 April 2015 EGRES-1 entered into a short-term general purpose loan agreement with Halyk Bank for amount of Tenge 12,000,000 thousand. The interest rate for loans obtained in Kazakhstani Tenge is 14%, for loans obtained in US dollars the interest rate is 6%.

**Sberbank**

On 19 May 2015 EGRES-1 entered into a short-term general purpose loan agreement with Sberbank for amount of Tenge 15,000,000 thousand. The interest rate on this loan is 14%. The outstanding amount of Tenge 13,132,000 thousand on previous contract was fully repaid.



**16 Borrowings (Continued)**

The Group's borrowings mature as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2015</b>	<b>31 December 2014</b>
<b>Borrowings due:</b>		
- within 1 year	71,894,789	38,840,826
- from 2 to 5 years	133,429,945	133,284,018
- over 5 years	147,041,694	147,041,694
<b>Total borrowings</b>	<b>352,366,428</b>	<b>319,166,538</b>

The Group's borrowings are denominated in the following currencies:

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2015</b>	<b>31 December 2014</b>
<b>Borrowings denominated in:</b>		
- Tenge	219,996,199	187,148,721
- US Dollars	132,370,229	132,017,817
<b>Total borrowings</b>	<b>352,366,428</b>	<b>319,166,538</b>

Fair value of loans is disclosed in Note 28. The Group does not apply hedge accounting and has not entered into any hedging arrangements in respect of its foreign currency obligations or interest rate exposures during the six-month period ended 30 June 2015.

**17 Trade and Other Payables**

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2015</b>	<b>31 December 2014</b>
Trade payables	17,037,678	19,027,548
Payable to Almaty Akimat	6,841,513	6,841,513
Dividends payable	666,740	620,970
Other financial payables	1,500,000	1,245,002
<b>Total financial payables</b>	<b>26,045,931</b>	<b>27,735,033</b>
Advances received from customers	2,199,432	5,167,532
Salaries payable	932,422	911,741
Accrued provisions for unused vacations	1,008,839	976,899
Other payables	1,714,274	1,447,972
<b>Total trade and other payables</b>	<b>31,900,898</b>	<b>36,239,177</b>

**18 Revenue**

<i>In thousands of Kazakhstani Tenge</i>	<b>Six months ended 30 June 2015</b>	<b>Six months ended 30 June 2014 (restated) *</b>
Sale of electricity	80,825,164	63,304,038
Sale of heat energy	7,567,570	8,379,985
Income from lease of investment property	1,128,137	1,017,159
Sale of chemical water	828,271	915,544
Electricity transmission and distribution services	745,540	485,761
Other	111,172	267,728
<b>Total revenue</b>	<b>91,205,854</b>	<b>74,370,215</b>

\* - Comparative information has been adjusted to reflect discontinued operations (Note 24).

## 19 Cost of Sales

<i>In thousands of Kazakhstani Tenge</i>	Six months ended 30 June 2015	Six months ended 30 June 2014 (restated) *
Fuel	17,101,137	13,040,053
Depreciation of property, plant and equipment and amortisation of intangible assets	17,009,404	11,936,941
Payroll and related expenses	9,700,606	8,838,322
Electricity transmission and other services	5,064,406	4,935,698
Cost of purchased electricity	3,682,420	6,656,740
Taxes other than on income	2,806,843	1,779,174
Repairing and maintenance	1,989,197	1,613,339
Water supply	1,884,201	989,929
Materials	1,741,164	723,949
Third party services	709,897	280,094
Security service	398,403	452,871
Rent services	90,193	89,978
Electricity losses on transmission	61,000	71,326
Provision on obsolete and slow-moving inventories	(131,215)	23,964
Other	783,257	257,084
<b>Total cost of sales</b>	<b>62,890,913</b>	<b>51,689,462</b>

\* - Comparative information has been adjusted to reflect discontinued operations (Note 24).

## 20 General and Administrative Expenses

<i>In thousands of Kazakhstani Tenge</i>	Six months ended 30 June 2015	Six months ended 30 June 2014 (restated) *
Payroll and related expenses	3,029,578	2,351,329
Depreciation of property, plant and equipment and amortisation of intangible assets	613,903	379,468
Rent expense	333,655	242,605
Consulting and other professional services	323,284	386,460
Taxes other than on income	273,233	244,512
Insurance	136,218	91,523
Business trip and representative expenses	131,945	157,942
Security services	112,784	68,996
Materials	98,907	106,221
Bank charges	70,762	74,053
Communication expenses	66,324	64,346
Donation and public assistance	66,014	176,617
Repair and maintenance	32,314	26,233
Charge/(reversal) of provision for impairment of trade and other receivables and other current assets	2,368	(7,100)
Other	774,925	890,333
<b>Total general and administrative expenses</b>	<b>6,066,214</b>	<b>5,253,538</b>

\* - Comparative information has been adjusted to reflect discontinued operations (Note 24).

**21 Finance Income**

<i>In thousands of Kazakhstani Tenge</i>	<b>Six months ended 30 June 2015</b>	<b>Six months ended 30 June 2014 (restated) *</b>
Foreign exchange gains less losses	-	4,847,859
Interest income on bank deposits	1,017,141	1,365,615
Other	445,621	176,106
<b>Total finance income</b>	<b>1,462,762</b>	<b>6,389,580</b>

\* - Comparative information has been adjusted to reflect discontinued operations (Note 24).

**22 Finance Costs**

<i>In thousands of Kazakhstani Tenge</i>	<b>Six months ended 30 June 2015</b>	<b>Six months ended 30 June 2014 (restated) *</b>
Interest expense on borrowings	6,674,923	8,456,341
Foreign exchange losses less gains	1,991,149	-
Interest expense on bonds	1,829,219	1,770,095
Dividends on preference shares of subsidiaries	70,553	70,553
Unwinding of the present value discount:		
- loans and financial aid from shareholders	773,688	812,901
- notes payable	159,572	174,237
- employee benefit payable	39,983	37,519
- ash dump restoration provision	38,678	20,829
- loans from customers	32,468	39,473
- bonds issued	17,090	13,946
Other	482,477	308,294
<b>Total finance costs</b>	<b>12,109,800</b>	<b>11,704,188</b>

\* - Comparative information has been adjusted to reflect discontinued operations (Note 24).

**23 Taxes**

<i>In thousands of Kazakhstani Tenge</i>	<b>Six months ended 30 June 2015</b>	<b>Six months ended 30 June 2014 (restated) *</b>
Current income tax	2,912,687	3,570,919
Deferred income tax	1,728,193	1,141,990
<b>Total income tax expense</b>	<b>4,640,880</b>	<b>4,712,909</b>

\* - Comparative information has been adjusted to reflect discontinued operations (Note 24).



## 23 Taxes (Continued)

Reconciliation between the expected and the actual taxation charge is provided below:

<i>In thousands of Kazakhstani Tenge</i>	<b>Note</b>	<b>Six months ended 30 June 2015</b>	<b>Six months ended 30 June 2014 (restated) *</b>
<b>Profit before tax under IFRS</b>		<b>13,098,736</b>	<b>40,290,183</b>
Theoretical tax (benefit)/expense at statutory rate of 20% (2014: 20%)		2,619,747	8,058,037
Adjustments for:			
Share of profit of joint ventures not subject to income tax	8	(570,973)	(712,117)
Non-deductible expenses		517,617	1,302,616
Non-taxable income		-	(32,891)
Temporary differences that will be recognised upon termination of investment contract		276,224	1,524,546
Withholding tax		129,721	4,065
Corrections of prior periods		7,471	-
Changes in unrecognised deferred income tax assets		1,661,073	(353,996)
Gain of fair value measurement of previously held interest		-	(11,336,515)
Goodwill impairment		-	6,259,164
<b>Total income tax expense</b>		<b>4,640,880</b>	<b>4,712,909</b>

\* - Comparative information has been adjusted to reflect discontinued operations (Note 24).

### **Taxes payable**

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2015</b>	<b>31 December 2014</b>
Income tax	143,621	148,636
<b>Income tax payable</b>	<b>143,621</b>	<b>148,636</b>
VAT	297,066	23,248
Individual income tax	169,988	222,767
Environmental taxes	385,372	650,653
Social tax	142,067	183,338
Other taxes	33,484	229,371
<b>Taxes payable other than income tax</b>	<b>1,027,977</b>	<b>1,309,377</b>
<b>Total taxes payable</b>	<b>1,171,598</b>	<b>1,458,013</b>

**24 Discontinued Operations**

On 24 July 2014, the Board of Directors approved disposal of number of subsidiaries including of EKREDC, SET, MEDC, Aktobe TEC, ZhGRES, in accordance with the Governmental Decree on privatization of national companies. At 30 June 2015 and 31 December 2014 these subsidiaries are classified as a disposal group and assets and liabilities were accordingly reclassified in the consolidated statement of financial position. Since operations of EKREDC, SET, MEDC, Aktobe TEC, ZhGRES represented separate major types of the Group's operations, these disposal groups are presented as discontinued operations in the consolidated statement of profit or loss and other comprehensive income, and therefore the comparatives have been restated and presented in accordance with the presentation of the current year.

The analysis of the results of discontinued operations for the period ended 30 June 2015 is presented below:

<i>In thousands of Kazakhstan Tenge</i>	<b>ZhGRES</b>	<b>Aktobe TPS</b>	<b>MEDC</b>	<b>EKREDC</b>	<b>SET</b>	<b>Total</b>
Revenue	-	3,095,599	4,568,748	1,271,418	14,306,778	23,242,543
Expenses	-	(2,692,000)	(2,449,538)	(3,614,440)	(10,647,230)	(19,403,208)
Profit or loss before tax of discontinued operations	-	403,599	2,119,210	(2,343,022)	3,659,548	3,839,335
Income tax expense	-	(49,904)	(309,341)	(336,009)	(142,078)	(837,332)
Sale of investment in ZhGRES	2,469,307	-	-	-	-	2,469,307
<b>Profit or loss for the year from discontinued operations</b>	<b>2,469,307</b>	<b>353,695</b>	<b>1,809,869</b>	<b>(2,679,031)</b>	<b>3,517,470</b>	<b>5,471,310</b>

**24 Discontinued Operations (Continued)**

An analysis of the result of discontinued operations for the period ended 30 June 2014, and the result recognised on the remeasurement of assets or the disposal group is as follows:

<i>In thousands of Kazakhstan tenge</i>	<b>Aktobe TPS</b>	<b>MEDC</b>	<b>EKREDC</b>	<b>SET</b>	<b>Total</b>
Revenue	2,997,498	4,308,122	1,059,599	13,489,347	21,854,566
Expenses	(2,197,310)	(3,369,897)	(4,389,560)	(9,217,259)	(19,174,026)
Profit or loss before tax of discontinued operations	800,188	938,225	(3,329,961)	4,272,088	2,680,540
Income tax expense	(169,403)	(199,630)	(155,379)	(16,070)	(540,482)
<b>Profit or loss after tax of discontinued operations</b>	<b>630,785</b>	<b>738,595</b>	<b>(3,485,340)</b>	<b>4,256,018</b>	<b>2,140,058</b>

An analyses of the cash flows of discontinued operations is as follows:

<i>In thousands of Kazakhstan tenge</i>	<b>6 months ended 30 June 2015</b>	<b>6 months ended 30 June 2014 (restated) *</b>
Operating cash flows	4,830,732	1,978,412
Investing cash flows	(5,059,289)	(3,340,744)
Financing cash flows	211,290	(1,399,635)
<b>Total cash flows</b>	<b>(17,267)</b>	<b>(2,761,967)</b>



## 25 Contingencies, Commitments and Operating Risks

Except for the information prescribed below, as of 30 June 2015 there were no contingent and contractual obligations and operational risks other than those which have been disclosed in the consolidated financial statements for the year ended 31 December 2014.

### Legal proceedings

In the course of normal operations, the Group is subject to litigations and claims. At present, the Group's management believes that final obligations, if any, arising from such litigations and claims will not have any significant adverse effect on the future financial position of the Group.

## 26 Principal Subsidiaries, Associates and Joint Ventures

Name	Nature of business	Percentage of voting rights	Percentage of ownership	Country of registration
<b>Subsidiaries:</b>				
<i>Alatau Zharyk Company JSC</i> ("AZhC")	Electricity transmission and distribution in Almaty and the Almaty region	100%	100%	Kazakhstan
<i>Almaty Power Stations JSC</i> ("ALES")	Production of electricity, heat energy and hot water in Almaty and the Almaty region	100%	100%	Kazakhstan
<i>Aktobe Thermal Power Station JSC</i> ("Aktobe TPS")	Production of electricity, heat energy and hot water in Aktobe city	100%	100%	Kazakhstan
<i>AlmatyEnergoSbyt LLP</i> ("AlmatyEnergoSbyt")	Sale of electricity in Almaty city and region	100%	100%	Kazakhstan
<i>Shardara HPS JSC</i> ("Shardara HPS")	Production of electricity on the basis of water resources in the Southern Kazakhstan	100%	100%	Kazakhstan
<i>Moinak HPS JSC</i> ("Moinak HPS")	Production of electricity on hydropower station	100%	100%	Kazakhstan
<i>Mangistau Electricity Distribution Company JSC</i> ("MEDC")	Transmission of electricity, technical distribution of electricity within the network for oil and other companies, and sale of electricity to the remote rural districts of the Mangistau region of the Republic of Kazakhstan.	78.6%	78.6%	Kazakhstan
<i>Tegis Munai LLP</i>	Gas field exploration and development activities	100%	100%	Kazakhstan
<i>Ekibastuzskaya GRES-1</i> <i>named after Bulat Nurzhanov</i> ("EGRES-1")	Production of electricity and heat energy on the basis of coal	100%	100%	Kazakhstan
<i>Bukhtarminskaya HPS JSC</i> ("Bukhtarminskaya HPS")	Owner of Bukhtarminskaya hydropower station transferred under lease arrangement	91%	91%	Kazakhstan
<i>Ust-Kamenogorskaya HPS JSC and Shulbinskaya HPS JSC</i> (together referred to as "Hydropower companies")	Owners of Ust-Kamenogorskaya and Shulbinskaya hydropower stations transferred under concession agreement. From the moment of transfer of the hydropower stations to concession, these entities are dormant	90%	90%	Kazakhstan
<i>Samruk Green Energy LLP</i>	Development of renewable electricity	100%	100%	Kazakhstan
<i>First Wind Turbine LLP</i>	Development of renewable electricity. The company is constructing a wind farm near to Astana.	100%	100%	Kazakhstan
<i>Energiya Semirechiya LLP</i> ("ES")	Finalized construction of Solar plant near Almaty	51%	51%	Kazakhstan
<i>East-Kazakhstan regional electricity distribution company</i> ("EKREDC")	Provision of the services on the transmission and technical distribution of electricity in East Kazakhstan	100%	100%	Kazakhstan
<i>Shygys Energo Trade LLP</i> ("SET")	Sale of electricity in East Kazakhstan region	100%	100%	Kazakhstan

## 26 Principal Subsidiaries, Associates and Joint Ventures (Continued)

## Associates:

<i>Balkhashskaya TES</i>	Construction of Balkhash thermal power station	36.25%	36.25%	Kazakhstan
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## Joint ventures:

<i>Stantciya Ekibastuzskaya GRES-2 JSC ("EGRES-2")</i>	Production of electricity and heat energy on the basis of coal Company holding 100% charter in <i>Bogatyr Komir</i> (Company involved in production of power generating coal) and a range of companies incorporated in the Russian Federation and the Republic of Cyprus, and not engaged in significant operations	50%	50%	Kazakhstan
<i>Forum Muider BV</i> («Forum Muider»)		50%	50%	Netherlands

## 27 Financial Risk Management

## Financial Risk Factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the group's annual financial statements as at 31 December 2014.

There have been no changes in the risk management department or in any risk management policies since the year end.

## Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. In accordance with the Group policy on formation and monitoring of development plans the Group manages the liquidity risk using short-term (one month) forecasts and also mid-term forecast for the next five years. In addition, the Group develops and approves development strategy of the Group for the next five years (currently until 2019). In planning cash flows the Group also accounts for income from temporary excess cash using the bank deposits.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date.

<i>In thousands of Kazakhstani Tenge</i>	On demand and within 1 month	Between 1 and 3 months	From 3 to 12 months	Between 12 months and 5 years	Over 5 years
<i>At 30 June 2015</i>					
Borrowings	2,039,105	2,811,579	71,262,766	172,409,199	256,833,796
Other non-current financial liabilities	-	-	-	2,718,562	-
Trade and other payables	6,120,395	15,617,165	8,796,800	4,689	-
<b>Total financial liabilities</b>	<b>8,159,500</b>	<b>18,428,744</b>	<b>80,059,566</b>	<b>175,132,450</b>	<b>256,833,796</b>
<i>At 31 December 2014</i>					
Borrowings	1,276,196	6,160,209	43,986,575	201,627,324	258,953,070
Other non-current financial liabilities	-	-	-	2,866,923	-
Trade and other payables	15,304,593	9,710,120	2,720,319	-	-
<b>Total financial liabilities</b>	<b>16,580,789</b>	<b>15,870,329</b>	<b>46,706,894</b>	<b>204,494,247</b>	<b>258,953,070</b>



## 28 Fair Value of Financial Instruments

### *Fair value measurement*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best evidence of fair value is price in an active market. An active market is one in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level 1 are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level 2 measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level 3 measurements are valuations not based on solely observable market data (that is, the measurement requires significant unobservable inputs).

All the Group's financial instruments are carried at amortised cost. Their fair values in level 3 of fair value hierarchy were estimated using the discounted cash flows valuation technique.

### *Financial assets carried at amortised cost*

The estimated fair value of fixed interest rate instruments is based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risk and remaining maturity. Discount rates used depend on credit risk of the counterparty. Due to the short-term nature of financial receivables, their carrying amounts approximate fair values.

### *Financial liabilities carried at amortised cost*

The estimated fair value of fixed interest rate instruments with stated maturity, for which a quoted market price is not available, was estimated based on expected cash flows discounted at current interest rates for new instruments with similar credit risk and remaining maturity. Due to the short-term nature of financial payables, their carrying amounts approximate fair values.

**28 Fair Value of Financial Instruments (Continued)**

Fair values analysed by level in the fair value hierarchy and the carrying value of assets and liabilities not measured at fair value are as follows:

In thousands of Kazakhstani tenge	30 June 2015				31 December 2014			
	Level 1 fair value	Level 2 fair value	Level 3 fair value	Carrying value	Level 1 fair value	Level 2 fair value	Level 3 fair value	Carrying value
<b>ASSETS</b>								
Cash and cash equivalents	-	-	10,730,652	10,730,652	-	-	20,592,055	20,592,055
Restricted cash	-	-	3,897,464	3,897,464	-	-	4,781,638	4,781,638
Term deposit	-	-	25,268,880	25,268,880	-	-	26,523,282	26,523,282
Financial receivables	-	-	14,504,390	14,504,390	-	-	11,701,907	11,701,907
Dividends receivable	-	-	2,376,242	2,376,242	-	-	2,252,360	2,252,360
Fair value of future minimum lease payments on operating lease of Bukhtarminskaya HPS	-	-	6,249,875	829,067	-	-	6,799,268	882,542
Short term loans	-	-	12,342	12,342	-	-	12,613	12,613
Bonds	3,862,092	-	-	3,944,000	3,741,206	-	-	3,867,000
<b>Total Financial assets</b>	<b>3,862,092</b>	<b>-</b>	<b>63,039,845</b>	<b>61,563,037</b>	<b>3,741,206</b>	<b>-</b>	<b>72,663,123</b>	<b>70,613,397</b>
<b>Financial assets of disposal group</b>	<b>-</b>	<b>-</b>	<b>1,162,515</b>	<b>1,162,515</b>	<b>-</b>	<b>-</b>	<b>4,271,412</b>	<b>4,271,412</b>
<b>LIABILITIES</b>								
Borrowings	94,208,000	-	227,630,077	352,366,428	91,045,657	-	223,647,479	319,166,538
Financial payables	-	-	26,045,931	26,045,931	-	-	27,735,033	27,735,033
Non-current trade payables	-	-	2,629,439	2,629,439	-	-	2,866,923	2,866,923
Other financial liabilities	-	-	215,407	215,407	-	-	309,014	309,014
<b>Total Financial liabilities</b>	<b>94,208,000</b>	<b>-</b>	<b>256,520,854</b>	<b>381,257,205</b>	<b>91,045,657</b>	<b>-</b>	<b>254,558,449</b>	<b>350,077,508</b>
<b>Financial liabilities of disposal group</b>	<b>-</b>	<b>-</b>	<b>9,034,784</b>	<b>9,034,784</b>	<b>-</b>	<b>-</b>	<b>10,967,370</b>	<b>10,421,675</b>

**29 Events Occurring After the Reporting Period****EGRES-1**

On 9 July 2015, EGRES-1 has obtained short-term loan from Sberbank for amount of Tenge 8,000,000 thousand. The loan matures on 19 May 2016.

**ALES**

On 10 July 2015 Halyk Bank has increased the interest rate on loan for Almaty Power Station to 11%. On 24 July 2015 Almaty Power Station obtained short-term loan on this agreement for amount of Tenge 1,348,532 thousand. The loan matures on 22 January 2016.