



**International Financial Reporting Standards  
Condensed Separate Interim Financial Statement (unaudited)**

**31 March 2017**

## SEPARATE FINANCIAL STATEMENTS

Separate Statement of Financial Position .....	1
Separate Statement of Profit and Loss and Comprehensive Income.....	2
Condensed Separate Interim Statement of Changes in Equity .....	3
Separate Statement of Cash Flows.....	4

Notes to Condensed Separate Interim Statements as at 31 March 2017 and for 3 months ended on this date:

1	Company and Its Operations .....	5
2	Basis of Preparation and Significant Accounting Policies .....	5
3	Critical Accounting Estimates, and Judgments in Applying Accounting Policies.....	6
4	Settlements and transactions with related parties.....	6
4	Settlements and transactions with related parties.....	7
5	Property, Plant and Equipment.....	8
6	Intangible assets .....	9
7	Investments in Subsidiaries and Joint Ventures .....	10
8	Loans and financial aid provided.....	11
<b>9.</b>	<b>Other non-current assets</b> .....	<b>11</b>
<b>10.</b>	<b>Other current assets</b> .....	<b>11</b>
<b>11.</b>	<b>Cash and cash equivalents</b> .....	<b>12</b>
<b>12.</b>	<b>Assets held for sale</b> .....	<b>12</b>
<b>13.</b>	<b>Equity</b> .....	<b>12</b>
14	Borrowings.....	13
14	Borrowings.....	14
15	Other payables and accrued liabilities .....	14
16	Financial guarantees.....	15
17	Administrative expenses .....	15
18	Finance income.....	15
19	Finance costs.....	15
20	Income tax .....	16
21	Fair Value of Financial Instruments.....	16
22	Events after the reporting date.....	17

“Samruk-Energy” JSC  
Condensed Separate Interim Statement of financial position

<i>In thousands of Kazakhstani tenge</i>	Note	31 March 2017	31 December 2016
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	606,920	620,644
Intangible assets	6	1,049,243	1,014,924
Investments in subsidiaries and associates	7	534,704,153	533,424,495
Loans and financial support provided	8	31,111,175	35,712,236
Other non-current assets	9	3,560,691	3,516,718
<b>Total non-current assets</b>		<b>571,032,182</b>	<b>574,289,017</b>
<b>Current assets</b>			
Inventories		15,387	22,397
Loans and financial support provided	8	17,478,413	14,511,037
Other current assets	10	27,311,703	31,300,110
Cash and cash equivalents	11	7,293,944	4,812,476
Non-current assets held for sale	12	31,227,512	31,182,280
<b>Total current assets</b>		<b>83,326,959</b>	<b>81,828,300</b>
<b>TOTAL ASSETS</b>		<b>654,359,141</b>	<b>656,117,317</b>
<b>EQUITY</b>			
Share capital	13	373,314,888	373,314,888
Other reserves		91,668,501	91,668,501
Retained earnings (retained loss)		(45,195,778)	(49,725,062)
<b>TOTAL EQUITY</b>		<b>419,787,611</b>	<b>415,258,327</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	14	68,347,042	66,434,655
Long-term financial guarantee	16	1,422,378	1,432,273
<b>Total non-current liabilities</b>		<b>69,769,420</b>	<b>67,866,928</b>
<b>Current liabilities</b>			
Borrowings	14	162,442,525	170,832,678
other payables and accrued liabilities	15	1,114,618	907,798
Liability for the benefit of the Shareholder		1,174,065	1,174,065
Other taxes payable		70,902	77,521
<b>Total current liabilities</b>		<b>164,802,110</b>	<b>172,992,062</b>
<b>TOTAL LIABILITIES</b>		<b>234,571,530</b>	<b>240,858,990</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>654,359,141</b>	<b>656,117,317</b>

Signed on behalf of the management on April 30, 2017

Maxutov Kairat Berikovich  
Managing Director for Economic and  
Finance



Tulekova Saule Bekzadayevna  
Head of Accounting and Tax accounting  
Department – Chief accountant

Accompanying notes on page 5 to 17 are an integral part of these condensed separate interim statement of financial position

“Samruk-Energy” JSC

**Condensed Separate Interim Statement of Profit or Loss and Comprehensive Income**

<i>In thousands of Kazakhstani tenge</i>	<b>Note</b>	<b>three months ended 31 March 2017</b>	<b>three months ended 31 March 2016</b>
Dividend income		1,508,334	1,380,231
Other income		2,485	566
General and administrative expenses	17	(1,368,979)	(1,233,538)
<b>Profit/(loss) from main activity</b>		<b>141,840</b>	<b>147,259</b>
Finance income	18	1,310,754	4,500,898
Finance expenses	19	(4,825,250)	(6,330,086)
Gains / (losses) from exchange rate differences, net		7,938,353	(1,022,177)
<b>(Loss)/profit before tax</b>		<b>4,565,697</b>	<b>(2,704,106)</b>
Income tax expenses	20	(36,413)	(74,969)
<b>(Loss)/profit for the year</b>		<b>4,529,284</b>	<b>(2,779,075)</b>
<b>Total comprehensive (loss)/profit for the period</b>		<b>4,529,284</b>	<b>(2,779,075)</b>

“Samruk-Energy” JSC

**Condensed Separate Interim Statement of Changes in Equity**

	Share capital	Other reserves	Retained earnings / (Uncovered loss)	Total equity
<i>In thousands of Kazakhstani tenge</i>				
	<b>Note</b>			
<b>Balance at 1 January 2016</b>	<b>355,650,405</b>	<b>91,668,501</b>	<b>(39,940,758)</b>	<b>407,378,148</b>
(loss)/profit for the period	-	-	(7,743,304)	<b>(7,743,304)</b>
Total comprehensive income/(loss) for the period	-	-	<b>(7,743,304)</b>	<b>(7,743,304)</b>
Increase in share capital	17,664,483			<b>17,664,483</b>
Dividends payment	-	-	(2,041,000)	<b>(2,041,000)</b>
<b>Balance at 31 December 2016</b>	<b>373,314,888</b>	<b>91,668,501</b>	<b>(49,725,062)</b>	<b>415,258,327</b>
<b>Balance at 1 January 2017</b>	<b>373,314,888</b>	<b>91,668,501</b>	<b>(49,725,062)</b>	<b>415,258,327</b>
Profit (loss) for the period	-	-	4,529,284	<b>4,529,284</b>
Total comprehensive loss for the period	-	-	4,529,284	<b>4,529,284</b>
<b>Balance at 31 March 2017</b>	<b>373,314,888</b>	<b>91,668,501</b>	<b>(45,195,778)</b>	<b>419,787,611</b>

“Samruk-Energy” JSC  
**Separate Statement of Cash Flows**

<i>In thousands of Kazakhstani tenge</i>	Note	3 months ended 31 March 2017	3 months ended 31 March 2016
<b>Cash flows from operating activities :</b>			
<b>Cash proceeds, total</b>		<b>1,403,219</b>	<b>1,005,321</b>
Interest received		977,234	947,717
Other proceeds		425,985	57,604
<b>Cash outflow, total</b>		<b>(1,984,693)</b>	<b>(2,039,349)</b>
Payments to suppliers for goods and services		(340,074)	(297,262)
Advances paid		(88,909)	(205,063)
Payments on wages		(384,561)	(407,931)
Repayment of interest on loans received		(595,786)	(905,523)
Corporate Income Tax		(36,414)	(1)
Other payments to the budget		(50,543)	(94,788)
Other payments		(488,406)	(128,781)
<b>Net cash used in operating activities</b>		<b>(581,474)</b>	<b>(1,034,028)</b>
<b>Cash flows from investment activities</b>			
<b>Cash proceeds, total</b>		<b>3,946,534</b>	<b>10,945,493</b>
Dividends received		3,066,534	1,094,444
Proceeds from sale of equity stake in associated organization		-	2,194,110
Return of bank deposits		790,000	4,019,201
Repayment of loans received		90,000	152,998
Proceeds from repayment of debt instruments by issuers		-	3,484,740
<b>Cash outflows, total</b>		<b>(1,269,525)</b>	<b>(5,999,446)</b>
Acquisition of property, plant and equipment and intangible assets		(28,696)	(101,178)
Borrowings and financial aid provided to subsidiaries		(48,000)	(844,648)
Contribution to equity of subsidiaries		(1,192,829)	(244,382)
Acquisition of equity stake in associated organizations		-	1,158,330
Placement of bank deposits,		-	(3,650,908)
<b>Net cash used in investment activities</b>		<b>2,677,009</b>	<b>4,946,047</b>
<b>Cash flows from financing activities</b>			
<b>Cash proceeds, total</b>		<b>3,402,000</b>	-
Obtaining bank loans		3,402,000	-
<b>Cash outflow, total</b>		<b>(2,702,543)</b>	<b>(10,584,244)</b>
Repayment of loans from Samruk-Kazyna		(2,381,109)	(2,381,109)
Repayment of loans from banks and other organizations		-	(8,200,000)
Payment of dividends to shareholders		-	(3,135)
Other payments		(321,434)	-
<b>Net cash flows (used in) / received from financial activities</b>		<b>699,457</b>	<b>(10,584,244)</b>
Foreign exchange difference effect on cash and cash equivalents		(313,524)	361,931
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>2,481,468</b>	<b>(6,310,294)</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>4,812,476</b>	<b>6,635,292</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>7,293,944</b>	<b>324,998</b>

## **1 Company and Its Operations**

Samruk-Energy JSC (the “Company”) was incorporated on 18 April 2007 and registered on 10 May 2007. The Company is a joint stock company set up in accordance with regulations of the Republic of Kazakhstan.

The Company’s sole shareholder is Samruk-Kazyna Sovereign Wealth Fund JSC (“Samruk-Kazyna”), which owns 100% of the Company. The Company’s ultimate controlling party is the Government of the Republic of Kazakhstan.

### ***Principal activity***

The Company is a holding company (the “Company”), including a number of companies (Note 6), whose principal activities are production of electricity, heat and hot water on the basis of coal, hydrocarbons and water resources, and sale to households and industrial enterprises, transmission of electricity and technical distribution of electricity within the network, construction of hydro and thermal power plants, and lease of property of hydro power plants.

### ***Address and place of business***

Registered address and place of business: 15A, Kabanbay Batyr Avenue, Astana, Republic of Kazakhstan.

## **2 Basis of Preparation and Significant Accounting Policies**

These separate condensed interim financial statements for three months ended 31 March 2017 were prepared in accordance with IFRS (IAS) 34 "Interim Financial Reporting" based on the principle of historical cost, adjusted for initial recognition of financial instruments at fair value. These separate condensed interim financial statements are subject to familiarization with the annual separate financial statements of the Company as at 31 December 2016, prepared in accordance with IFRS. The accounting policies used in preparing these condensed separate interim financial statements comply with the accounting policies that were applied in the previous separate financial statements.

In addition, the Company has prepared these separate condensed interim financial statements in accordance with IFRS (IAS) 34 "Interim Financial Reporting" in relation to the Company. In the separate condensed interim financial statements the operations of subsidiaries, defined as companies in which the Company directly or indirectly owns more than half of the voting shares or in relation to which the Company has the ability to otherwise control their financial and operating policies, are fully consolidated. The separate condensed interim financial statements of the Company may be received in Company’s office at the following address: 15 A, Kabanbai Batyr Avenue, Astana, Republic of Kazakhstan.

The user's acquaintance with these condensed separate interim financial statements should be carried out together with the condensed consolidated interim financial statements as of and for the period ended March 31, 2017 in order to obtain complete information on the financial position

### ***Exchange rates***

The weighted average exchange rates established by the Kazakhstan Stock Exchange are used as official currency exchange rates in the Republic of Kazakhstan.

At 31 March 2017 the exchange rate used for translation of balances denominated in US Dollars was 313.73 tenge for 1 US Dollar (31 December 2016: 333,29 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 Company, presentation of Financial Statements, and on assessment of its transactions and balances.

A set of new standards, amendments to standards and interpretations is not effective as at 30 Septmeber 2016. The requirements of these amended standards have not been considered for the preparation of these condensed interim financial statements. The Company plans to adopt these standards as they become effective. Currently, the Company has not yet completed the analysis of potential effect of these standards on its financial statements.

### 3 Critical Accounting Estimates, and Judgments in Applying Accounting Policies

The preparation of condensed interim separate 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.

Applied critical accounting estimates and judgments correspond to the accounting estimates and judgments applied in the preparation of the annual separate financial statements for the year ended December 31, 2016.

### 4 Settlements 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 etc.

The nature of relations with those related parties with which the Company entered into transactions or had balances outstanding at 31 March 2017 and 31 December 2016 is detailed below:

At 31 March 2017 the outstanding balances with related parties were as follows:

<i>In thousands of Kazakhstani tenge</i>	Shareholder	Companies under common control	Subsidiaries and affiliates
Loans issued to subsidiaries	-	-	6,294,476
Other current assets	-	-	-
Other asset in favor of the Shareholder	1,096,605	-	-
Other non-current assets	-	-	1,250,985
Interest receivable on loans issued	-	-	26,289
Dividends receivable	-	-	867,707
Related party securities	226,731	-	42,042,092
Accounts payable	-	4,699	193,424
Liability to shareholder	1,174,065	-	-
Borrowings	57,006,040	-	-

At 31 December 2016 the outstanding balances with related parties were as follows:

<i>In thousands of Kazakhstani tenge</i>	Shareholder	Companies under common control	Subsidiaries and associates
Loans issued to subsidiaries	-	-	6,313,014
Other current assets	-	-	4,367
Other asset in favor of the Shareholder	1,096,559	-	-
Other non-current assets	-	-	1,211,193
Interest receivable on loans issued	-	-	69,689
Dividends receivable	-	-	2,436,470
Related party securities	223,491	-	43,547,389
Accounts payable	-	8,064	234,388
Liability to the Shareholder	1,174,065	-	-
Borrowings	58,381,852	-	-



**4 Settlements and transactions with related parties**

The income and expense items on transactions with related parties for the quarter ended 31 March 2017:

<i>In thousands of Kazakhstani tenge</i>	<b>Shareholder</b>	<b>Companies under common control</b>	<b>Subsidiaries and affiliates</b>
Dividend income			1,508,334
Finance income	3,240	-	1,083,231
Finance costs	1,275,311	-	1,639,000
General and administrative expenses	-	10,249	112,379
Currency exchange rate gains (losses)-net	-	-	10,564

The income and expense items on transactions with related parties for the period ended 31 March 2016 were as follows:

<i>In thousands of Kazakhstani tenge</i>	<b>Shareholder</b>	<b>Companies under common control</b>	<b>Subsidiaries and affiliates</b>
Dividend income	-	-	1,094,444
Finance income	3,240	80,355	3,891,312
Finance costs	1,392,721	-	2,365,625
General and administrative expenses	-	22,791	-
Currency exchange rate gains (losses)-net		70,286	24,682

Key management personnel remuneration for the year ended 31 March 2017, including salaries, bonuses and other short-term benefits to employees is 34,346 thousand tenge (for the quarter ended 31 March 2016: 50,797 thousand tenge). Key executive staff as at 31 March 2017 consists of 9 persons (as of 31.03.2016: 11 persons).

## 5 Property, Plant and Equipment

Changes in carrying values of property, plant and equipment are as follows:

<i>In thousands of Kazakhstani tenge</i>	Other	Construction in progress	Total
Cost at 1 January 2016	976,710	325 097	1,301,807
Accumulated depreciation and impairment	(462,783)	-	(462,783)
<b>Carrying amount as at 1 January 2016</b>	<b>513 927</b>	<b>325 097</b>	<b>839 024</b>
Additions	11,621	-	11,621
Transfers	-	-	-
Depreciation	(179,448)	-	(179,448)
Disposals	(103,891)	-	(103,891)
Depreciation write off on disposed PPE	53,338	-	53,338
<b>Carrying amount as at 1 January 2017</b>	<b>295,547</b>	<b>325 097</b>	<b>620,644</b>
Cost at 1 January 2017	884,440	325 097	1,209,537
Accumulated depreciation and impairment	(588,893)	-	(588,893)
<b>Carrying amount as at 1 January 2017</b>	<b>295,547</b>	<b>325 097</b>	<b>620,644</b>
Additions	27,298	157	27,455
Transfers	-	-	-
Depreciation	(41,179)	-	(41,179)
Disposals	-	-	-
Depreciation write off on disposed PPE	-	-	-
<b>Carrying amount as at 31 March 2017</b>	<b>281,666</b>	<b>325,254</b>	<b>606,920</b>
Cost at 31 March 2017	911,738	325,254	1,236,992
Accumulated depreciation and impairment	(630,072)	-	(630,072)
<b>Carrying amount as at 31 March 2017</b>	<b>281,666</b>	<b>325,254</b>	<b>606,920</b>

## 6 Intangible assets

Changes in carrying values of intangible assets are as follows:

<i>In thousands of Kazakhstani tenge</i>	<b>Software</b>	<b>Others</b>	<b>Total</b>
Cost at 1 January 2016	1,001,146	449,669	1,450,815
Accumulated depreciation and impairment	(253,405)	(94,666)	(348,071)
<b>Carrying amount as at 1 January 2016</b>	<b>747,741</b>	<b>355,003</b>	<b>1,102,744</b>
Additions	71,096	6,398	77,495
Depreciation	(123,537)	(41,778)	(165,315)
<b>Carrying amount as at 31 December 2016</b>	<b>695,301</b>	<b>319,623</b>	<b>1,014,924</b>
Cost at 31 December 2016	1,072,242	456,067	1,528,309
Accumulated depreciation and impairment	(376,941)	(136,444)	(513,385)
<b>Carrying amount as at 31 December 2016</b>	<b>695,301</b>	<b>319,623</b>	<b>1,014,924</b>
Additions	74,175	-	74,175
Depreciation	(29,709)	(10,147)	(39,856)
<b>Carrying amount as at 31 March 2017</b>	<b>739,767</b>	<b>309,476</b>	<b>1,049,243</b>
Cost at 31 March 2017	1,146,417	456,067	1,602,484
Accumulated depreciation and impairment	(406,650)	(146,591)	(553,241)
<b>Carrying amount as at 31 March 2017</b>	<b>739,767</b>	<b>309,476</b>	<b>1,049,243</b>

## 7 Investments in Subsidiaries and Joint Ventures

At 31 March 2017 the cost of investment was as follows:

<i>In thousands of Kazakhstani tenge</i>	Country of registration	Cost of investments as at 31. 03.2017, in thousands of tenge	Ownership percentage at 31 March 2017
<i>a) Investments in subsidiaries:</i>			
“Alatau Zharyk Company” JSC	Kazakhstan	52,297,574	100%
“Almaty Power Plants” JSC	Kazakhstan	30,212,480	100%
“Almatyenergosbyt” LLP	Kazakhstan	136,003	100%
“Moynak HPP” JSC	Kazakhstan	21,864,616	100%
“Bukhtarminsk HPP” JSC	Kazakhstan	1,050,790	90%
“Shulbinsk HPP” JSC	Kazakhstan	1,230,658	92%
“Shardarinsk HPP” JSC	Kazakhstan	1,109,545	100%
“Ust-Kamenogorsk HPP” JSC	Kazakhstan	465,019	90%
“Samruk-Green Energy” LLP	Kazakhstan	2,739,234	100%
“Ekibastuz SDPP-1 named after Bulat Nurzhanov” LLP	Kazakhstan	338,272,063	100%
“Kazhydrotechenergo” LLP	Kazakhstan	222,506	100%
“First wind power plant” LLP	Kazakhstan	8,941,831	100%
“Ereymenau Wind Power” LLP	Kazakhstan	1,357,890	100%
“Energy Solutions Center” LLP	Kazakhstan	53,150	100%
“Energiya Semirechya” LLP	Kazakhstan	15,319	51%
<i>b) Investments in joint ventures:</i>			
“Ekibastuz SDPP-2 Plant” JSC	Kazakhstan	8,725,133	50%
Forum Muider B.V.	The Netherlands	41,759,543	50%
<i>c) Investments in associated companies</i>			
“Balkhash TPP” JSC	Kazakhstan	32,085,280	49,99%
Less			
Impairment of investments		(7,834,480)	
		534,704,154	

At 31 December 2016 the cost of investments was as follows:

<i>In thousands of Kazakhstani tenge</i>	Country of registration	Carrying amount of investments at 31.12.2016, in thousands of tenge	Ownership percentage at 31.12. 2016
<i>a) Investments in subsidiaries:</i>			
“Alatau Zharyk Company” JSC	Kazakhstan	51,208,403	100%
“Almaty Power Plants” JSC	Kazakhstan	30,212,480	100%
“Almatyenergosbyt” LLP	Kazakhstan	136,003	100%
“Moynak HPP” JSC	Kazakhstan	21,864,616	100%
“Bukhtarminsk HPP” JSC	Kazakhstan	1,050,790	90%
“Shulbinsk HPP” JSC	Kazakhstan	1,230,658	92%
“Shardarinsk HPP” JSC	Kazakhstan	1,109,544	100%
“Ust-Kamenogorsk HPP” JSC	Kazakhstan	465,019	90%
“Samruk-Green Energy” LLP	Kazakhstan	2,739,234	100%
“Ekibastuz SDPP-1 named after Bulat Nurzhanov” LLP	Kazakhstan	338,272,063	100%
“Kazhydrotechenergo” LLP	Kazakhstan	222,506	100%
“First wind power plant” LLP	Kazakhstan	8,809,618	100%
“Ereymenau Wind Power” LLP	Kazakhstan	1,299,616	100%
“Energy Solutions Center” LLP (previously – Kapshagay HPP LLP)	Kazakhstan	53,150	100%
“Energiya Semirechya” LLP	Kazakhstan	15,319	51%
<i>b) Investments in joint ventures:</i>			
“Ekibastuz SDPP-2 Plant” JSC	Kazakhstan	8,725,133	50%
Forum Muider B.V.	The Netherlands	41,759,543	50%
<i>c) Investments in associated companies</i>			
“Balkhash TPP” JSC	Kazakhstan	32,085,280	49,99%
Less			
Impairment of investments		(7,834,480)	
<b>Total investments</b>		<b>533,424,495</b>	

Transactions and balances with subsidiaries and joint ventures are disclosed in Note 4.

## 8 Loans and financial aid provided

<i>In thousands of Kazakhstani tenge</i>	<b>31 March 2017</b>	<b>31 December 2016</b>
<i>Non-current portion</i>		
“Alatau Zharyk Company” JSC bonds	4,463,486	4,463,486
“Almaty Power Plants” JSC bonds	19,725,000	24,329,000
“MDPGC” JSC bonds	1,199,505	1,198,337
Loan issued to “Alatau Zharyk Company” JSC	3,749,576	3,691,503
Loan issued to “First Wind Power Plant” JSC (FWPP)	1,531,033	1,651,325
Interest accrued on “FWPP” LLP loan	442,575	378,585
<b>Total financial assets –non-current portion</b>	<b>31,111,175</b>	<b>35,712,236</b>
<i>Current portion</i>		
“Almaty Power Plants” JSC bonds	5,780,500	2,745,000
“Alatau Zharyk Company” JSC bonds	10,043,515	10,043,515
“Samruk-Kazyna” SWF JSC bonds	220,000	220,000
Interest accrued on bonds	836,818	771,542
Interest accrued on loans issued	26,289	69,689
Financial aid provided to “Ust-Kamenogorsk HPP” JSC	30,390	30,390
Loans issued to “Zhambyl SDPP named after T.I.Baturov” JSC	5,442	5,442
Loan issued to “Aktobe CHP” JSC	90,000	180,000
Loan issued to “Energia Semirechya” LLP	450,901	450,901
Others	-	-
<i>Less impairment:</i>	-5,442	-5,442
<b>Total financial assets – current portion</b>	<b>17,478,413</b>	<b>14,511,037</b>

## 9. Other non-current assets

<i>In thousands of Kazakhstani tenge</i>	<b>31 March 2017</b>	<b>31 December 2016</b>
Advances paid for non-current assets	2,200,000	2,200,000
Debt under provided financial guarantee of “First Wind Power Plant” LLP	1,250,985	1,211,193
Other non-current assets	109,706	105,525
<b>Total other non-current assets</b>	<b>3,560,691</b>	<b>3,516,718</b>

## 10. Other current assets

<i>In thousands of Kazakhstani tenge</i>	<b>31 March 2017</b>	<b>31 December 2016</b>
Dividends receivable	867,707	2,436,471
Bank deposits from 3 to 12 months	25,134,225	27,394,854
VAT recoverable and other taxes prepaid	18,672	66,144
Advances paid	51,369	241,719
Deferred expenses	109,734	634
Receivables from employees	29,170	54,129
Other assets	4,221	9,600
Assets held for the benefit of the Shareholder	1,096,605	1,096,559
<b>Total other current assets</b>	<b>27,311,703</b>	<b>31,300,110</b>

### **Assets held for the benefit of the Shareholder**

In 2014, on behalf of the Shareholder, the Company made a commitment for the construction of a kindergarten in Astana for the amount of 1,174,065 thousand tenge.. As at 31 March 2017, the Company incurred expenses of 1,096,559 thousand tenge associated with construction of a kindergarten. These incurred expenses are recorded as current assets held for the benefit of the Shareholder, as it is expected that these assets will be transferred to the Shareholder during 2017.

### 11. Cash and cash equivalents

<i>In thousand of Kazakhstani tenge</i>	<b>31 March 2017</b>	<b>31 December 2016</b>
Cash on bank accounts – USD	5,577,359	876,408
Cash on bank accounts – EUR	7,177	27,593
Cash on bank accounts – RUB	2	2
Cash on bank accounts – KZT	65,904	105,821
Cash on hand	3,502	2,652
Cash on fixed-term deposits up to 3 months – KZT	1,640,000	3,800,000
<b>Total cash and cash equivalents</b>	<b>7,293,944</b>	<b>4,812,476</b>

As of March 31, 2017 the weighted average interest rate on short-term bank deposits in tenge (up to 3 months) amounted to 9,5% (as at 31.12.2016 – 10,5%)

As of March 31, 2017, the interest rate on current accounts in US dollars ranged from 2% to 4.5% (2016 from 2% to 4.5%).

### 12. Assets held for sale

On November 23, 2016, the Board of Directors approved the plan for sale of a number of subsidiaries in accordance with the Government's resolution on privatization of non-core assets. As of December 31, 2016, investments in EK REC, MDPGC, Aktobe CHP, Tegis Munay were included in Assets held for sale

<i>In thousands of Kazakhstani teng</i>	<b>31 March 2017</b>	<b>31 December 2016</b>
Investments in “Aktobe CHP” JSC	7,176,726	7,176,726
Investments in “EK REC” JSC	7,723,741	7,723,741
Investments in “Mangistau DPGC” JSC	785,297	785,297
Investments in “Tegis Munay” LLP	15,541,748	15,496,516
<b>Total investments in assets held for sale</b>	<b>31,227,512</b>	<b>31,182,280</b>

### 13. Equity

	<b>Issue date</b>	<b>Number of declared and issued shares</b>	<b>Value, KZT</b>	<b>Share capital, in thousands tenge</b>
Paid-in capital as at 1 January 2016.		<b>5,585,723</b>		<b>355,650,405</b>
15 <sup>th</sup> issue of shares	1 April 2016	10,964	1,000,044	10,964,483
16 <sup>th</sup> issue of shares	14 July 2016	2,239	1,340,000	3,000,260
17 <sup>th</sup> issue of shares	23 August 2016	2,761	1,340,000	3,699,740
<b>Paid-in capital as at 31 December 2016</b>		<b>5,601,687</b>		<b>373,314,888</b>
<b>Paid-in capital as at 31 March 2017</b>		<b>5,601,687</b>		<b>373,314,888</b>

At 31 March 2017, 5,601,687 issued ordinary shares were fully paid (2016: 5,601,687 shares). Each ordinary share gives a right of one vote. The Company does not have preference shares.

At 31 March 2017, SWF “Samruk-Kazyna” JSC is a 100% shareholder of the Company (2016: 100%).

## 14 Borrowings

<i>In thousands of Kazakhstani tenge</i>	<b>31 March 2017</b>	<b>31 December 2016</b>
<b>Non-current portion</b>		
Borrowings from “Samruk-Kazyna” SWF JSC	54,275,042	55,764,655
Long-term bank loans	14,072,000	10,670,000
Eurobonds	-	-
<b>Total – non-current portion</b>	<b>68,347,042</b>	<b>66,434,655</b>
<b>Current portion</b>		
Short-term bank loans	1,285,700	1,248,900
Loans from “Samruk-Kazyna” SWF JSC	2,381,109	2,381,109
Eurobonds	156,486,060	166,560,927
Interest accrued – borrowings from Samruk-Kazyna	349,890	236,088
Interest accrued – Eurobonds	1,650,350	190,947
Interest accrued – bank loans	289,416	214,707
<b>Total current portion</b>	<b>162,442,525</b>	<b>170,832,678</b>
<b>Total borrowings</b>	<b>230,789,567</b>	<b>237,267,333</b>

### *Samruk-Kazyna*

On March 17, 2010, the Company signed a loan agreement with Samruk-Kazyna for KZT 48,200,000 thousand for debt refinancing as a result of acquisition of a 50% interest in Forum Muider. The loan was issued at the interest rate of 1.2% per annum (effective interest rate is 7.4 per annum), and maturity not later than September 15, 2029. The principal is repayable by equal annual installments, and interest is paid by semi-annual installments, starting from the next reporting year after the loan is received.

On January 14, 2011, the Company signed a loan agreement with Samruk-Kazyna for KZT 7,000,000 thousand for refinancing of construction of Alatau Zharyk Company's substation. The loan was issued at the interest rate of 2% per annum (effective interest rate is 7.4 per annum and maturity not later than January 25, 2024). The principal is repayable by the end of the period, and interest is paid by semi-annual installments.

On January 16, 2014, the Company signed a loan agreement with Samruk-Kazyna for KZT 200,000,000 thousand for acquisition of the remaining interest in ESDPP-1. The principal is repayable on December 1, 2028, and interest is paid by semi-annual installments at the rate of 7.8%.

On 3 October 2014, the loan agreement was changed significantly, according to addendum to the loan agreement #369, as follows:

- Principal of KZT 100,000,000 thousand was converted into shares of the Company
- Interest rate on the remaining principal was increased to 9% per annum, which approximates the market interest rate.

On December 25, 2015 the loan agreement was significantly amended in accordance with the amendment #369, the interest rate on the principal amount was reduced to 1% per annum. Management estimates that the reduction of the interest rate to a non-market rate of 1% and the change of the priority of a loan to a subordinated one represent a significant change in the conditions of the loan. Management believes that such a change in the conditions of the loan should be considered as a repayment of the original loan and recognition of a new loan at a fair value.

## 14 Borrowings

The market rate at the date of the loan receipt was 12.8% per annum. The Company recognized income from initial recognition of the loan of KZT 72,581,903 thousand, less the effect of income tax, within other capital, since management believes that when issuing a loan at the rate lower than the market one Samruk-Kazyna acted as a shareholder of the Company.

Profit from initial recognition of the loan received was recorded as a difference between the nominal value of the loan received and its fair value at the date of recognition, calculated using the discounted cash flow method and effective interest rate of 12.8% per annum.

### *Bank loans*

#### *Kazkommertsbank*

A 10,000,000 thousand tenge loan with a term of 5 years was obtained from "Kazkommertsbank" JSC during 2015 as part of an agreement on opening a credit line #1610 dated 21 October 2015. The purpose was to replenish the working capital. The nominal rate of the loan is 12%, and the effective rate is 12.7%.

#### SB Sberbank of Russia JSC

The Company received a loan in the amount of 230,000,000 Russian rubles at a rate of 14.5% per annum with a maturity date until June 16, 2017, as well as a long-term loan in the amount of 670,000,000 at a rate of 13% with a maturity date until December 21, 2018.

### *Bonds*

Based on the decision of the board of directors dated 7 September 2012 and 6 December 2012 the following parameters of the first emission of Eurobonds were approved:

- Volume of emission – USD 500,000,000;
- Form of emission – as per Provision S;
- Notes payable in 5 years.

The coupon interest rate was set at 3.75% per annum (effective rate of 3.85%). The number and form of issued bonds: 500,000 (five thousand) unsecured bonds. The nominal value of one bond is USD 1,000 (one thousand). The emission was registered on the Ireland's stock exchange on 20 December 2012 under number ISIN-XS0868359166. On 19 December 2012, the Kazakhstan stock exchange included Samruk-Kazyna JSC into the official register under category of "debt securities with rating score" under number ISIN-XS0868359166. The Company issued and placed the full amount of Eurobonds in the amount of USD 500,000 thousand.

As at 31 December 2016, Eurobonds were classified as short-term loans, as the maturity of the bonds is December 2017.

## 15 Other payables and accrued liabilities

<i>In thousands of Kazakhstani tenge</i>	<b>31 March 2017</b>	<b>31 December 2016</b>
Payables to suppliers and contractors	356.458	234,230
Guarantee obligation for tender participation	159.735	158,820
Other payables	598.425	514,748
<b>Total financial payables</b>	<b>1.114.618</b>	<b>907,798</b>



## 16 Financial guarantees

As of 31 March 2017, the Company recognizes guarantees issued for the loans received by “First Wind Power Plant” LLP and “Shardarinsk HPP” JSC in other long-term financial liabilities. The fair value at initial recognition was determined as the sum resulting from applying an interest rate to the guaranteed amount, representing a difference between the interest rate at which the borrower received the loan guaranteed by the Company and the interest rate, which would be applied if the Company did not issue the guarantee. The cost of the guarantee is regarded as an investment in a subsidiary.

## 17 Administrative expenses

<i>In thousands of Kazakhstani tenge</i>	<b>1 quarter 2017</b>	<b>1 quarter 2016</b>
Salaries and related costs	580,518	655,361
Consulting and other services	315,687	110,807
Rent expenses	81,482	88,379
Depreciation and amortization of intangible assets	81,035	85,570
Taxes	106,375	75,593
Business trip expenses	12,996	23,166
Staff training and related costs	6,152	9,959
Insurance	9,511	11,050
Others	175,223	173,653
<b>Total administrative expenses</b>	<b>1,368,979</b>	<b>1,233,538</b>

## 18 Finance income

<i>In thousands of Kazakhstani tenge</i>	<b>1 quarter 2017</b>	<b>1 quarter 2016</b>
Amortization of discount on loans issued	58,073	68,675
Interest income on bank deposits	220,102	425,373
Interest income on loans issued	98,990	191,374
Interest income on bonds	779,206	886,781
Income from bond indexing	70,500	2,736,343
Income from financial guarantee issued	78,534	91,732
Income from indexation of debt	-	95,199
Other	5,349	5,421
<b>Total finance income</b>	<b>1,310,754</b>	<b>4,500,898</b>

## 19 Finance costs

<i>In thousands of Kazakhstani tenge</i>	<b>1 quarter 2017</b>	<b>1 quarter 2016</b>
Amortization of discount of present value on loans	908,027	1,017,415
Interest expenses on borrowings	782,502	1,093,389
Interest expenses on bonds	1,485,516	1,655,656
Loss from indexation of bonds	1,639,000	2,365,625
Others	10,205	198,001
<b>Total finance costs</b>	<b>4,825,250</b>	<b>6,330,086</b>

## 20 Income tax

Income tax is a tax withheld at the source of payment on deposits. The company does not expect to receive taxable profits in the future.

## 21 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 when conducting a transaction on a voluntary basis between market participants at the evaluation 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 of financial instruments (continued)**

The results of fair value evaluation are analyzed and distributed to levels of fair value hierarchy: (i) the 1<sup>st</sup> level includes estimates on quoted prices (non-adjustable) in active markets for identical assets and liabilities, (ii) the 2<sup>nd</sup> level includes those received via evaluation methods in which all usable significant information is directly or indirectly observable for the asset or liability (i.e., e.g., price) and (iii) evaluations of 3<sup>rd</sup> level are estimates not based on observable market data (i.e., based on unobservable inputs).

All the Company's financial instruments are carried at amortized cost. Their fair value at 3<sup>rd</sup> level of fair value hierarchy was estimated using discounted cash flows.

### ***Financial assets carried at amortized value***

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 short maturities, carrying amounts of financial receivables and other financial current assets approximate their fair values.

### ***Financial liabilities carried at amortized value***

The estimated fair value of 1<sup>st</sup> level borrowings is based on quoted market prices.

The estimated fair value of fixed interest rate instruments with established maturity, which have no quoted market prices, was estimated based on expected cash flows discounted at current interest rates for new instruments with similar credit risk and maturity. Due to short maturities, the carrying amount of financial payables approximately equals their fair value.

Fair values analyzed by levels of fair value hierarchy and the carrying value of assets and liabilities not measured at fair value are as follows:

In thousands of Kazakhstani tenge	31 March 2017				31 December 2016			
	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	-	-	7,293,944	7,293,944	-	-	4,812,476	4,812,476
Deposits with fixed term	-	-	25,134,225	25,134,225	-	-	27,394,854	27,394,854
Dividends receivable	-	-	867,707	867,707	-	-	2,436,470	2,436,470
Loans issued	212,372	-	48,369,588	48,589,588	219,098	-	50,003,273	50,223,273
<b>Total financial assets</b>	<b>212,372</b>	<b>-</b>	<b>81,665,464</b>	<b>81,885,464</b>	<b>212,098</b>	<b>-</b>	<b>84,647,173</b>	<b>84,867,173</b>
<b>Liabilities</b>								
Borrowings	157,528,786	-	83,535,173	230,789,567	167,789,851	-	65,786,858	237,267,333
Financial receivables	-	-	1,185,519	1,185,519	-	-	907,798	907,798
Financial guarantees issued	-	-	1,422,378	1,422,378	-	-	1,432,273	1,432,273
<b>Total financial liabilities</b>	<b>157,528,786</b>	<b>-</b>	<b>86,143,070</b>	<b>233,397,464</b>	<b>167,789,851</b>	<b>-</b>	<b>68,126,927</b>	<b>239,607,403</b>

“Samruk-Energy” JSC

**Notes to Condensed Separate Interim Statements as at 31 March 2017 and for 3 months ended on this date**

---

## **22 Events after the reporting date**

“Almaty Power Plants” JSC redeemed third issued bonds at the indexed value in the amount of 2,565,000 thousand tenge on April 12, 2017.

---