

*This announcement contains important information that should be read carefully before any decision is made with respect to the Proposed Amendments (as defined below) and must read in conjunction with the Consent Solicitation Memorandum (as defined below). Any individual or company whose Notes (as defined below) are held by a broker, dealer, bank, custodian, trust company or accountholder must contact such entity and instruct such entity to effect Electronic Voting Instructions (as defined below) on their behalf in order for such Electronic Voting Instructions to be delivered to the relevant Clearing System in time for transmission to the Tabulation Agent. Any Noteholder who is in doubt as to what action to take should contact an independent professional adviser for advice on the merits of the Proposed Amendments including, without limitation, the tax consequences thereof.*

## **DEVELOPMENT BANK OF KAZAKHSTAN LAUNCHES CONSENT SOLICITATION**

20 October 2011 – JSC Development Bank of Kazakhstan (the “**Issuer**”), a joint stock company organised in the Republic of Kazakhstan, is commencing the solicitation of consents (the “**Consent Solicitation**”) from holders (the “**Noteholders**”) of its:

- U.S.\$100,000,000 7.375% Notes due 2013 (ISIN: XS0179958805) (the “**Series 2 Notes**”);
- U.S.\$100,000,000 6.500% Notes due 2020 (ISIN: XS0220743776) (the “**Series 3 Notes**”); and
- U.S.\$150,000,000 6.000% Notes due 2026 (ISIN: XS0248160102) (the “**Series 4 Notes**” and, together with the Series 2 Notes and the Series 3 Notes, the “**Notes**”).

The Series 2 Notes and the Series 3 Notes were issued pursuant to the terms of the trust deed dated 27 September 2002 between the Issuer and Deutsche Trustee Company Limited (the “**Trustee**”) and the Series 4 Notes were issued pursuant to the amended and restated trust deed dated 1 March 2006 between the Issuer and the Trustee (together, the “**Trust Deeds**”). Pursuant to the Consent Solicitation, the Issuer is requesting the Noteholders to approve certain amendments to the Trust Deeds (the “**Proposed Amendments**”). Capitalised terms used in this announcement and not otherwise defined herein have the meanings ascribed to them in the Consent Solicitation Memorandum (as defined below).

The Proposed Amendments require the consent of the Noteholders of at least of a majority of not less than three quarters of the votes cast at each Noteholder Meeting duly convened and held by two or more persons representing one more than half of the aggregate principal amount of the outstanding Notes (the “**Requisite Consents**”).

The Proposed Amendments would, as more fully described in the Consent Solicitation Memorandum dated 20 October 2011 issued by the Issuer (the “**Consent Solicitation Memorandum**”), amend certain provisions of the Terms and Conditions of the Notes to harmonise them with the corresponding provisions of the U.S.\$777,000,000 5.50% Notes due 2015 (Series 5) issued by the Issuer in December 2010 and January 2011, including as follows:

- (i) permit the Issuer to pay dividends and other cash distributions once per calendar year in an aggregate amount not exceeding 50% of the Issuer’s profit for the period so long as there does not exist an Event of Default;
- (ii) require the Issuer to send to the Trustee and the Principal Paying and Transfer Agent, *inter alia*, the consolidated annual financial statements of the Issuer as soon as practicable after their date of publication and in any event not more than 120 days after the end of each financial year of the Issuer and the consolidated interim condensed financial statements of the Issuer as soon as practicable after their date of publication and in any event

not more than 90 days after the end of the first half of each financial year of the Issuer;

- (iii) permit Noteholders to require the Issuer to redeem their Notes at 101% of the principal amount of such Notes (a put option) in the event that the Republic of Kazakhstan ceases to own directly or indirectly 100% of the share capital of the Issuer or, if the shares of the Issuer are sold or transferred to one or more supranational entities with a credit rating of AAA or its equivalent at the time of such sale or transfer, the Republic of Kazakhstan ceases to directly or indirectly own 51% of the share capital of the Issuer;
- (iv) permit Noteholders at any time prior to 20 December 2015 to require the Issuer to redeem their Notes at 101% of the principal amount of such Notes in the event that the Issuer ceases to be a “financial agency” under relevant Kazakhstan law;
- (v) increase the cross-default threshold from U.S.\$10,000,000 to U.S.\$20,000,000;
- (vi) remove the event of default in respect of the subject matter of the put option described in (iv) above;
- (vii) expand the definition of Permitted Security Interest to include security interests on the property, income or assets of the Issuer or any subsidiary securing Indebtedness, provided the Indebtedness secured does not exceed 15% of the Issuer’s total assets; and

- (viii) make certain additional conforming changes to the Terms and Conditions and the Trust Deeds to effect the foregoing.

**The Early Solicitation Deadline is 3:00 p.m. (London time) on 1 November 2011 and the Solicitation Deadline is 3:00 p.m. (London time) on 9 November 2011 (unless extended or earlier terminated by the Issuer). The Meetings will take place on 11 November 2011 unless adjourned.**

Noteholders wishing to participate in the Consent Solicitation should submit or to arrange to have submitted on their behalf no later than 3:00 p.m. (London time) on the Solicitation Deadline (unless extended or earlier terminated by the Issuer) Electronic Voting Instructions through the relevant Clearing System in accordance with the procedures of, and within the time limits specified by, the relevant Clearing System regarding the appointment of the Tabulation Agent as proxy and instructions as to how it wishes the votes in respect of the Notes beneficially owned by it to be cast at the relevant Meeting. If such Electronic Voting Instructions are delivered after the Early Solicitation Deadline, they will remain valid unless amended or revoked. All Electronic Voting Instructions will remain valid until the conclusion of the relevant Meeting or adjourned Meeting, as the case may be, unless validly amended or revoked (if revocable)

If: (i) the Extraordinary Resolutions are approved; (ii) pursuant to those Extraordinary Resolutions, the Proposed Amendments are implemented by duly executing and validly delivering the supplemental trust deeds (the “**Supplemental Trust Deeds**”) in accordance with the Trust Deeds; and (iii) all Conditions Precedent are satisfied or, if capable of

being waived, waived, then the Issuer will pay, or procure to be paid, on the Settlement Date:

- a cash payment of U.S.\$2.50 for each U.S.\$1,000 principal amount of a series of Notes (the “**Early Consent Fee**”) to Noteholders who complete and deliver valid Consents on or before the Early Solicitation Deadline; or
- a cash payment of U.S.\$1.00 for each U.S.\$1,000 principal amount of a series of Notes (the “**Consent Fee**”) to Noteholders of such series who either complete and deliver (and do not revoke) valid Consents after the Early Solicitation Deadline or who attend a Meeting with respect to a particular series of Notes and cast a vote approving the Extraordinary Resolution.

Consummation of the Consent Solicitation is conditioned upon the satisfaction or waiver of the conditions set forth in the Consent Solicitation Memorandum, including receipt of the Requisite Consents.

If the Extraordinary Resolutions are approved at the Meetings and the other conditions thereto are satisfied or, if capable of being waived, waived, all Noteholders will be bound by the Extraordinary Resolution with respect to the series of Notes held by it, whether or not a particular Noteholder delivered a valid Consent, or was present at the relevant Meeting and voted in respect of such Extraordinary Resolution.

A complete set of the Consent Solicitation materials is also available upon request by contacting the Tabulation Agent.

### **The Solicitation Agents for the Consent Solicitation are:**

#### **J.P. Morgan Securities Ltd.**

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### **The Tabulation Agent for the Consent Solicitation is:**

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**THIS ANNOUNCEMENT DOES NOT CONSTITUTE AN INVITATION  
TO PARTICIPATE IN THE CONSENT SOLICITATION.**

Within the United Kingdom, this announcement is directed only at persons having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (“relevant persons”). The investment or investment activity to which this announcement relates is only available to and will only be engaged in with relevant persons and persons who receive this announcement who are not relevant persons should not rely or act upon it.

This announcement is not a solicitation of consent with respect to any Notes and does not constitute an invitation to participate in the Consent Solicitation in or from any jurisdiction in or from which, or to or from any person to or from whom, it is unlawful to make such invitation under applicable securities laws. The Consent Solicitation is being made solely pursuant to the Consent Solicitation Memorandum and related documents, dated 20 October 2011, which set forth a detailed statement of the terms of the Consent Solicitation.

The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes are required to inform themselves about, and to observe, any such restrictions.

**Cautionary Statement regarding forward-looking statements**

The Solicitation Agents take no responsibility for the contents of this announcement. This announcement includes forward-looking statements. Certain statements set forth in this Consent Solicitation Memorandum contain “forward-looking statements,” that involve a number of risks and uncertainties. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as “believes”, “expects”, “may”, “are expected to”, “intends”, “will”, “will continue”, “should”, “would be”, “seeks”, “approximately” or “anticipates” or similar expressions or the negative or other variations thereof or comparable terminology. These forward-looking statements include all matters that are not historical facts. Although forward-looking statements reflect management’s good faith beliefs, reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements. The Issuer does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**Disclaimer**

This announcement must be read in conjunction with the Consent Solicitation Memorandum. This announcement and the Consent Solicitation Memorandum contain important information which should be read carefully before any decision is made with respect to the Proposed Amendments. If any Noteholder is in any doubt as to the contents of the Consent Solicitation Memorandum or the action it should take, it is recommended to seek its own financial advice immediately from its stockbroker, bank manager, accountant, tax advisor or independent advisor. None of the Issuer, the Tabulation Agent, the Solicitation Agents or the Trustee under the Trust Deeds, makes any recommendation as to whether Noteholders should consent to the Proposed Amendments.