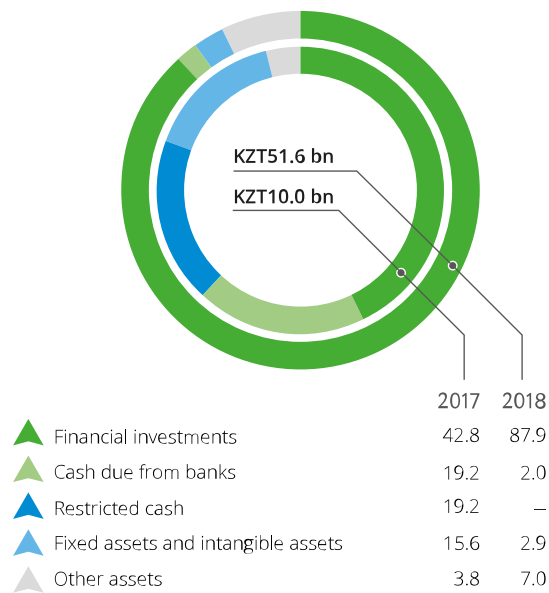


OPERATING AND FINANCIAL RESULTS

Assets

KASE Asset Structure, %



As of December 31, 2018, the Exchange's assets amounted to KZT 51,583.8 mln, an increase of 415.3% (KZT 41,574.3 mln) compared to the last year indicator.

Significant growth of assets is due to the fact that since October 1, 2018, the Exchange has been acting as a central counterparty on the foreign exchange market, being a party for each participant in all transactions concluded at the exchange-based trading and guarantees their execution on a net basis.

In the structure of assets, money and their equivalents increased from KZT 102.8 mln to KZT 26,720.5 mln mainly on account of guarantee contributions and security for exchange-based transactions of clearing members on the Exchange's accounts. The portfolio of securities rose from KZT 4,156.1 mln to KZT 18 593.2 mln owing to investments of these funds in short-term notes of the National Bank of Kazakhstan.

Equity and Liabilities

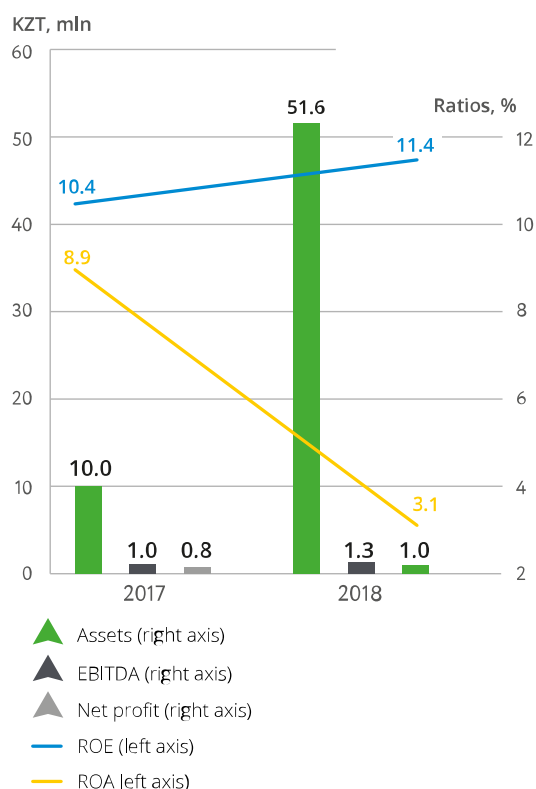
The Exchange's liabilities increased by KZT 40,674.3 mln to KZT 42,671.8 mln, of which 91.7% (KZT 39,141.4 mln) are liabilities to clearing members (on guarantee contributions and security).

The Exchange's shareholders' equity for the reporting year increased by 11.2% (KZT 900.0 mln) to KZT 8,912.0 mln on account of net income recorded in retained earnings item. The share of shareholders' equity in the structure of liabilities was 17.3%. The amount of the Exchange's charter capital has not changed, dividends were not paid.

In 2018, the Exchange bought back its own shares for the total amount of KZT 62.1 mln at the request of shareholders on the basis of its Board of Directors' decision. Other funds increased by KZT 1,510 mln and amounted to KZT 1,750 mln as a result of the increase in clearing reserve funds formed using retained earnings.

Revaluation reserve for fixed assets decreased due to amortization of the revaluation amount by KZT 1.2 mln and amounted to KZT 179.9 mln.

Key performance indicators



Revenues

The Exchange's revenues amounted to KZT 3,080.9 mln according to the 2018 results, which is by KZT 559.3 mln or 22.2% higher than the last year results. Income from services and commission fees amounted to KZT 2,360.8 mln having increased by KZT 421.3 mln or 21.7%. Interest income rose by KZT 117.4 mln or 21.2%.

The increase in interest income was due to an increase in the amount of money invested.

Income from commission fees (42,1%), listing fees (30,4%) and membership fees (14,4%) represent the largest shares of the Exchange's revenue structure.

The Exchange's commission fees amounted to KZT 993,7 mln having increased by KZT 305.9 mln or 44.5%. This growth is associated with the increased activity in the corporate bond market and growing trading volume in the repo market.

The Exchange's listing fees in 2018 increased by KZT 64.0 mln or 9.8% having reached KZT 718.2 mln. This growth is due to the increases in the value of MCI and the rise in the volume of securities issues.

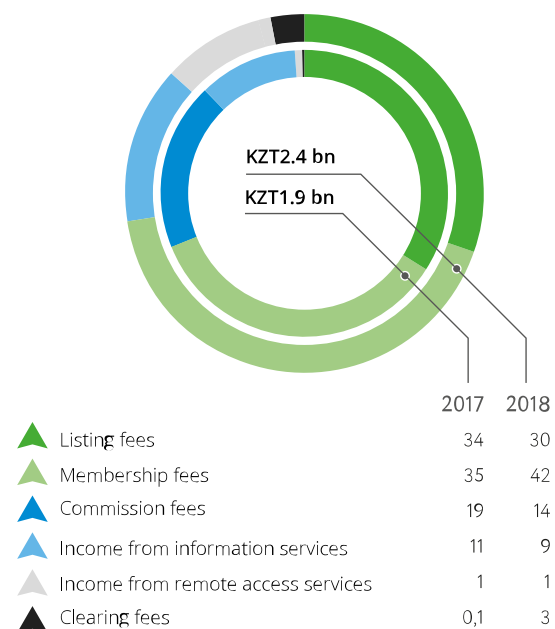
Income from membership fees decreased by KZT 19.5 mln or 5.4% compared to 2017 and amounted to KZT 340.5 mln, which is related to the decrease in the number of KASE members by the "currency" and "stock exchange" category. The total number of KASE members has reduced from 56 to 52 entities.

In addition, KASE has reduced the rates of the monthly membership fee in the foreign exchange market and at the same time introduced clearing fees in this market segment. Thus, the decrease in membership fees was offset by an increase in clearing fees.

The Exchange's clearing fees amounted to KZT 73.4 mln having increased by KZT 71.4 mln over the year due to the above stated reason.

Revenue from information services diminished by KZT 8.8 mln or 4.2% in 2018 and came to KZT 203.8 mln. This decrease is related to the reduced number of recipients of stock market data.

Revenue structure by main types of services



Expenses

The Exchange's expenses for the year amounted to KZT 1,938.68 mln and increased by KZT 322.71 mln or 19.9% compared to the previous year. This increase is mainly due to the increase in staff expenses and related taxes, the increase in business development costs.

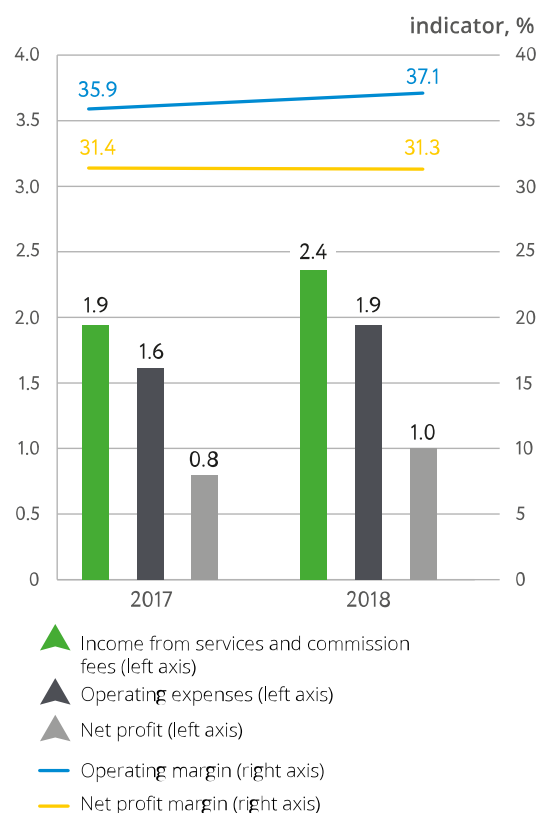
The greatest share of the Exchange cost structure is represented by staff expenses (63,2%) and depreciation and amortization (6,8%).

Exchange's Operating Results

The Exchange's net profit for 2018 amounted to KZT 965.31 mln, which is by 21.8% higher than the last year results. EBITDA increased by 24.8% and made KZT 1,298.35 mln. The Exchange's operating income increased by 22.2% while operating expenses increased by 19.9%, and, therefore, operating profit margin¹ increased to 37.1% in 2018 against 35.9% a year earlier. Net profit margin² was maintained at 31.3% against 31.4% last year.

The return on equity (ROE) increased from 10.4% to 11.4% according to the 2018 results. The return on assets (ROA) decreased from 8.9% to 3.1% as a result of significant increase in assets for the above reason.

KASE operating performance indicators



1. Income before tax / Operating income ratio

2. Net profit / Operating income ratio