



“National management holding “KazAgo” JSC

*Doing together,
achieving more*

“KazAgro” Holding

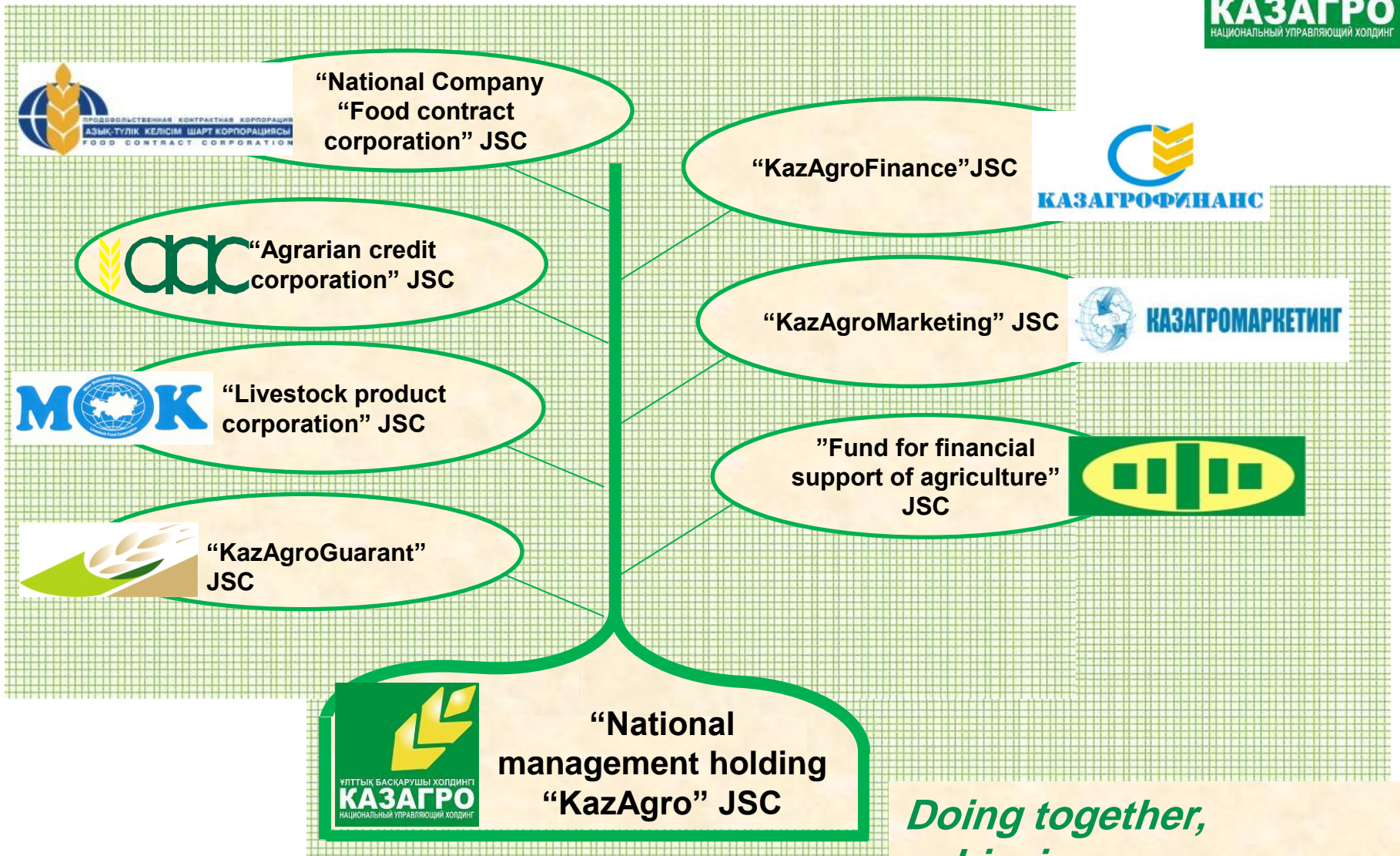


“KazAgro” National holding was established in accordance with the Decree of the President of the Republic of Kazakhstan in December of 2006.

100 % of shares of National holding are owned by state.

Mission is implementation of state policy on stimulating of industrial and innovative development of agro-industrial complex on principles of effectiveness, transparency and effective corporate governance of Holding structures.

KazAgro structure



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“KazAgro” National holding structure



Food contract corporation

Mission is participation in implementation of state policy on food safety of the country and development of export potential of grain and other crop products.



KazAgroFinance

Mission is participation in state policy on stimulating development of agrarian industrial diversification by means of accessible financial services for technical and technological modernization of agro-industrial complex branches.



Agrarian credit corporation

Mission is participation in implementation of state agrarian policy on industrialization and diversification by means of development of accessible credit system for agro-industrial complex subjects.



Stock-raising products corporation

Mission is participation in implementation of state policy on food safety protection and development of export potential of livestock branch.



KazAgroGarant

Mission is participation in implementation of state policy on stimulating of investment attraction to agrarian sector by means of development of obligations guarantee system of agro-industrial subjects.



Kazagromarketing

Mission is participation in implementation of state policy on increase of competitiveness of agriculture products by means of rendering accessible informational and marketing, and consulting services.



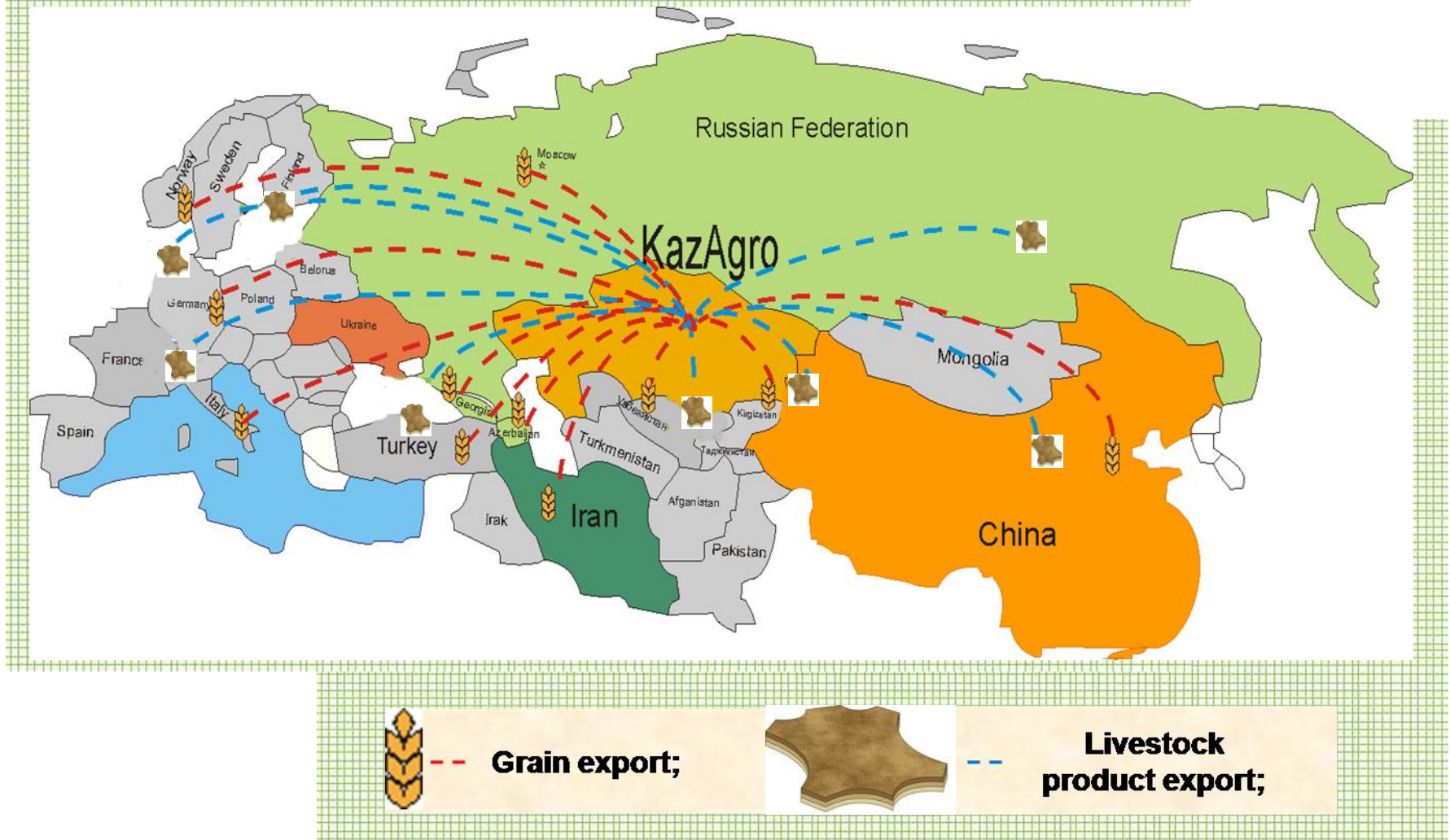
Fund of financial support for agriculture

Mission is participation in implementation of state policy on development of entrepreneurship and improvement of population prosperity on the basis of accessibility to microfinance and insurance services in rural areas.

Agricultural export



ҰЛТТЫҚ БАСҚАРУШЫ ХОЛДИНГ
КАЗАГРО
НАЦИОНАЛЬНЫЙ УПРАВЛЯЮЩИЙ ХОЛДИНГ









Terms of financing of investment projects at the expense of National Fund of the Republic of Kazakhstan



- Compliance with priority investment directions;
- Fee rate is 6% per annum;
- Loan term is up to 12 years;
- Co-financing of borrower at 15% of the project cost;
- Loan is granted for liquid mortgage security;
- Preferential period of the principal debt payment up to 2 years.







Investment directions for 2009-2010

Import substitution

	Name	Amount of financing (plan)	Project goal
	Hothouse networking	\$ 120 mln	-year-round fresh fruit and vegetable by reasonable price; - advance technologies introduction; - import substitution of similar product.
	Vegetable store networking	\$ 50,7 mln.	domestic price stabilization; - seasonal price leveling; - fruit and vegetable output increase.
	Fruit and vegetable, oil-bearing and technical production development with trickle irrigation	\$ 45,9 mln.	-averting of inflationary development and price surge for horticultural production; - switch to commercial farm produce; - cuts on imports.
	Milk commercial farm net development	\$ 78,2 mln.	-high quality milk output expansion; - Import substitution of milk produce; - pedigree cattle head increase
	Poultry factory networking	\$ 76 mln.	-food security stabilization; - import substitution and export; - modern competitive large commercial production establishment.
	Establishment and production of machinery assembly	\$ 10 mln.	-local machinery production by reasonable price for Kazakhstan Agribusiness entities.

Investment directions for 2009-2010

Development of export potential

	Name	Amount of financing (plan)	Project goal
	Feedlots networking with developed export infrastructure	\$ 112,5 mln.	-Competitive ecologically clean beef and mutton production for export at CIS and foreign markets, as well as for domestic supply.
	Pilot project of slaughterhouse networking	\$ 16,3 mln.	-epidemic security; - higher safety and output quality; - community health protection.
	Minced meat and large-sized cuts products in vacuum packing	\$ 26,7 mln.	-Competitive meat production for export
	Fine-wool advanced processing and production	\$ 15,3 mln.	Fine-wool processing for reliable competitive raw material base in industrial sector of the republic.
	Kazakhstan grain export infrastructure and grain deep processing development	\$ 119,1 mln.	-grain export increase -expansion and diversification of Kazakhstan grain export transport directions; - new marketing outlets.
	Construction and modernization of granaries	\$ 47,0 mln.	- Expansion of storage capacities of grain and oil-bearing plants; - Storage of grain for the further exporting

Approved for financing projects



TOTAL: 34 projects for 245,7 millions USD



Feedlots with meat producing



Milk commercial farms



Minced meat and large-sized cuts products in vacuum packing



Hothouse



Trickle irrigation



grain export infrastructure



Poultry factory



Vegetable stores



Deep grain processing



Agricultural machinery production



Deep wool processing

Grain export infrastructure development



- Realized projects: constructed grain terminals at seaports Aktau, Baku (Azerbaijan), Amirabad (Iran)



- Realizing projects: construction grain terminal in Beineu, Mangistau oblast
- Plans to construct grain terminal at the border with China



Main Kazakhstani grain export routes

“National company “Food contract corporation” JSC investments proposals

Construction of grain deep processing plant (bioethanol)



Total amount of the project: 1 stage - \$16,7 mln., 2 stage - \$133,3 mln.

Financing from state company – \$75 mln.

Necessary investments – \$75 mln.

Period of realization: **1 stage (2010–2012 y.):** Enterprise will render services for acceptance, drying, storage and underworking of grain.

Productivity – up to 60 thousand tons of at a time storage of grain.

2 stage – (2011-2013 yy.): Enterprise will produce vegetable protein, starch, syrup, feed additives.

Productivity – processing up to 300 thousand tons of grain.

Construction of oil-bearing processing plant (biodiesel)



Total amount of the project: 1 stage – \$16 mln., 2 stage - \$16,7 mln.

Financing from state company – \$16,3 mln.

Necessary investments – \$16,3 mln.

Period of realization: **1 stage (2011–2012y.):** Construction of specialized functional storage place for 60 thousands tons of oil-bearing, including manufacturing line for vegetable oil

2 stage (2011-2013 y.): Construction of biodiesel production capacities.

Meat export development

Planned directions of meat export



Producing and consumption of meat (except chicken meat) in Russian Federation, millions of ton

Producing	Import	Export	Consumption
2,5	1,7	0	4,2

Investment proposals of «Livestock Food Corporation» JSC

Construction of modern feedlot for 5000 units of cattle



Total amount of investments - \$16,89 millions.

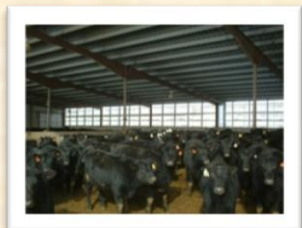
Financing from state company – \$6,75 millions.

Necessary investments – \$10,14 millions.

Period of realization: 2010-2011 years.

Place of realization: Akmoliskaia oblast, Republic of Kazakhstan

Construction of pedigree reproducer farm for 1000 units of cattle



Total amount of investments – \$8,11 millions

Financing from state company – \$3,38 millions.

Necessary investments – \$4,73 millions.

Period of realization: 2010-2011 years.

Place of realization: Akmoliskaia oblast, Republic of Kazakhstan

Construction of 2 milk farms for 1200 units of cattle



Amount of investments for construction of one milk farm:

Total cost of project - \$16,89 millions

Financing from state company – \$3,4 millions.

Necessary investments – \$13,49 millions..

Period of realization: 2010-2011 years.

Place of realization: Zhambilskaya oblast, South-Kazakhstan oblast, Republic of Kazakhstan.

Cooperation with IBD



“KazAgroFinance” JSC

- **August, 2009** – IBD Board of Executive Directors has approved granting of a loan for the “KazAgroFinance” JSC with the following terms:
 - *the loan sum: 30,0 million US dollars,*
 - *loan term: 10 years (a grace period 3 years),*
 - *the minimum sum of financing for one project: 100 thousand dollars USA.*
- **May, 2010** – the Financing Agreement between IBD and “KazAgroFinance” JSC is signed;
- For the first time in Kazakhstan IBD has given the line of credit for the company specializing on leasing operations;
- Loan means will be directed on financing of deliveries of various agricultural machinery to the Kazakhstan landowners under the “Murabaha” scheme, that is IDB buys the goods from the supplier and sells to the Company with payment installments;
- Currently, the Company is drafting the purchasing contracts with potential suppliers of agricultural machinery.



"Fund for financial support of agriculture" JSC

• **January, 2009** – IBD Board of Executive Directors has approved granting of a loan for the "Fund for financial support of agriculture" JSC with the following terms:

- *the loan sum: 10,0 million US dollars,*
- *loan term: 10 years (a grace period 3 years).*

• Loan means will be directed to microcrediting of rural population;

• Also, within the limits of a loan the technical assistance grant is allocated for the sum of 150 thousand dollars USA provided for:

- *financings of services of technical advisers,*
- *training of the personnel of the Company,*
- *acquisitions of the software and necessary means.*

• Currently, the draft Financing Agreement passes coordination process about conformity to the legislation of Republic of Kazakhstan and to internal documents of the Company.

Investment directions in Kazakhstan

- ✓ Construction and modernization of elevators;
- ✓ Construction of grain terminals;
- ✓ Production and processing of meat, including meeting the standards of “Halal” meat production;
- ✓ Production and processing of fruits and vegetables, including through the introduction of drip irrigation technology;
- ✓ Production of chicken meat.

Advantages of investing to Kazakhstan

- 👍 The state subsidized crop production, cattle meat, milk and other types of agricultural products;
- 👍 Investment preferences (incentives to pay taxes, exemption from import customs duties, land grants);
- 👍 From 01.01.2010 the Agreement on the establishment of the Customs Union entered into force , which expanded the boundaries of the market and ensure duty-free trade in the territory of the member countries of the Union;
- 👍 State program of forced industrial-innovative development for 2010-2014, which determined the development of the agricultural sector is a priority;
- 👍 Purposeful government support for the priority sectors of the agricultural sector (development and processing of meat, milk, wool, fruit and vegetables, poultry, oilseeds).

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achieving more***

THANKS FOR ATTENTION!