

Steppe Cement Ltd
11 July 2014

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Market update for the first half of 2014

In the first half of 2014, Steppe Cement Ltd (“Steppe Cement” or the “Company”) sold 709,459 tonnes of cement for 9,125 million Tenge, which compares with 564,440 tonnes of cement for 8,165 million Tenge in the first half of 2013. This represents an increase of 26% and 12% respectively over the same period in 2013. These figures are a consequence of the 2014 strategy of striving for higher volume, compared to the 2013 strategy of pursuing higher selling prices.

Average price for the current period for delivered cement was 12,862 Tenge per tonne (ex VAT), compared with 14,465 Tenge per tonne in the corresponding period of 2013.

Ex-factory price for the current period was 10,797 Tenge per tonne, compared with 12,084 Tenge per tonne in the corresponding period of 2013.

The cement market in Kazakhstan remained flat during the first half of 2014 compared to the same period last year. Steppe Cement managed to increase its market share to 19% in the first half of 2014 from 15% in the same period of 2013.

Although the Kazakhstan cement market has been recovering since the Kazakh Tenge devaluation in February 2014, the Company has revised its estimate for country consumption to 8.2 million tonnes for 2014, which is unchanged from 2013.

Steppe Cement's AIM nominated adviser is RFC Ambrian Ltd.
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