

## Steppe Cement Ltd

### Market Update for the Third Quarter ended 30 September 2016

Third quarter 2016 revenue of KZT 7,316 million was 6% lower than revenue of KZT 7,770 million achieved in the corresponding quarter in 2015. For the 9 months ended 30 September 2016, Steppe Cement Ltd (“Steppe Cement”) recorded revenue of KZT 15,506 million compared to KZT 16,047 million in the corresponding 9 month period in 2015, representing a 3% decrease.

A sales volume of 609,471 tonnes was achieved during the third quarter, a 3% decrease from the third quarter of 2015 as we were limited by clinker output. For the first 9 months of 2016, the sales volume increased by 2% to 1,371,024 tonnes from 1,347,983 tonnes in the corresponding 9 month period in 2015.

Average price (ex-VAT) for delivered cement was KZT 11,310 per tonne in the first 9 months compared to KZT 11,905 per tonne in the corresponding period in 2015. For the first 9 months of 2016, ex-factory price stood at KZT 9,451 per tonne.

For the first 9 months of 2016, the cement market in Kazakhstan decreased by 7% compared to the corresponding period in 2015, while imports declined from 13% to 5% of the total consumption and exports from Kazakhstan increased by nearly three times. Steppe Cement maintains its estimate of the cement market for 2015 at 9 million tonnes, with Steppe Cement’s market share at 18 to 19%.

Steppe Cement's AIM nominated adviser and broker is RFC Ambrian Limited.

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Broker: Contact Charlie Cryer at +44 20 3440 6800