

CONSOLIDATED FINANCIAL RESULTS ACCORDING TO IFRS¹

	UoM	2019	2018	%
Brent Dated, average	\$/bbl	64.21	71.31	-10.0%
Exchange rate, average	KZT/USD	382.87	345.04	11.0%
Revenue	KZT bln	6,859	6,989	-1.9%
	USD mln	17,915	20,255	-11.6%
Share in profit of JVs and associates, net	KZT bln	828	697	18.7%
	USD mln	2,163	2,021	7.0%
Net profit	KZT bln	1,158	694	67.0%
	USD mln	3,026	2,010	50.5%
EBITDA ²	KZT bln	1,963	1,707	15.0%
	USD mln	5,126	4,947	3.6%
FCF ³	KZT bln	592	416	42.4%
	USD mln	1,537	1,206	27.5%
Net debt	KZT bln	2,361	2,175	8.6%
	USD mln	6,171	5,661	9.0%



For more details see the Financial Statements section

Despite the ongoing market and geopolitical instability, 2019 was a sustainable and resilient year for KMG. In 2019, we significantly improved our financial indicators, exceeded a certain production plan and fulfilled a number of strategic tasks set by the Shareholder and the Government of the Republic of Kazakhstan.

As part of the development strategy, during the last years KMG balanced out its debt portfolio as a result of refinancing

of short-term bonds into long-term ones, KMG aligned the covenants in the documentation for the issuance of Eurobonds and systematically reduced the debt level. KMG also refinanced some loans from US dollars to tenge to minimize the currency risk. In 2019, KMG took all necessary measures to fulfill contractual obligations under TCO crude prepayment.

¹ For reader convenience, amounts in USD were converted at the average exchange rate for the applicable period (average exchange rates for 2019 and 2018 were 382.87 and 345.04 KZT/USD, respectively; period-end exchange rates as at 31 December 2019 and 31 December 2018 were 382.59 and 384.20 KZT/USD, respectively).

² Starting from 2019, the Company revised calculation approach of Earnings before interest, taxes, depreciation and amortization (EBITDA), excluding the finance income from the methodology. In the reports for 2019, and for further periods, the Company calculates EBITDA as "Revenue + Share in profit of JVs and associates, net - Cost of purchased oil, gas petroleum products and refining costs - G&A expenses - Transportation and selling expenses - Taxes other than income tax. Financial metrics for prior periods were recalculated respectively.

³ Starting from 2019, the Company revised calculation approach of the Free cash flow (FCF), including proceeds from Caspian Pipeline Consortium (CPC) under the "Kazakhstan Note". The Company calculates FCF as "CFO - TCO prepayments, net - Capex (cash basis) + Proceeds from CPC under the "Kazakhstan Note". FCF metrics for prior periods were recalculated respectively.