

Institutional Investor

Kazakhstan Investment Forum

The Gateway to Investing in Central Asia



September 18-19, 2008 | Metropolitan Club | New York

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Cocktail Reception Sponsor: **Newsdesk Media Group**

Preliminary Program as of September 17, 2008

Thursday, September 18

7:50-8:30 am Registration and Continental Breakfast
Great Hall

Forum Moderator:
Alan Glatt
Partner
Alpha Equity Management, LLC

8:30-8:35 am Welcome
West Lounge

Gary Mueller
Chairman and Chief Executive Officer
Institutional Investor

8:35-8:40 am Welcome Address
West Lounge

Erlan Idrissov
Ambassador to the United States
Republic of Kazakhstan

Institutional Investor's Kazakhstan Investment Forum

The Gateway to Investing in Central Asia

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8:40-9:00 am

Keynote address
West Lounge

Via Teleconference:
H.E. Karim Massimov
Prime Minister
Republic of Kazakhstan

9:00-9:15 am

Questions and Answers with H.E. Prime Minister

9:15-9:35 am

Special Presentation: **U.S. Government Support for Doing Business in Kazakhstan**
West Lounge

Presented by:
Danica R. Starks
Senior Desk Officer/Policy Advisor, Caucasus and Central Asia
U.S. Department of Commerce
International Trade Administration
Market Access and Compliance Unit
Office of Russia, Ukraine & Eurasia
U.S. Department of Commerce

This presentation will focus on the assistance and services that U.S. government agencies can provide to exporters and investors, pursuing or currently conducting business activities in Kazakhstan. (Contact information will be provided for individual, follow-up consultations with the U.S. Department of Commerce.)

9:35-10:50 am

Presentation Followed by Panel Session: **Identifying and Analyzing the Opportunities: Kazakhstan's Investment Climate and Economic Prospects**
West Lounge

With a presentation by:
Gulmira A. Makhmutova
Chief Executive Officer
Samruk Invest

Moderator:
Erlan Idrissov
Ambassador to the United States

Republic of Kazakhstan

Panelists:

Sarjeev Singh Sidhu
Global Head of Emerging Markets
Aegon USA

Yusuf Sarimsakci
Managing Director
Capital Partners

The Honorable Bijan R. Kian
Member, Board of Directors
Export-Import Bank of the United States

Ariel Cohen, Ph. D.
Senior Research Fellow
International Energy Security/Russian and Eurasian Studies
The Heritage Foundation

Dr. Vladimir Kvint
President
International Academy of Emerging Markets
Chair, Department of Financial Strategy
Moscow State University
Member
Bretton Woods Committee
Author
The Global Emerging Market: Strategic Management and Economics

Timothy Callen
Mission Chief for Kazakhstan
International Monetary Fund

Galymzhan Pirmatov
Vice Minister of Economy and Budget Planning
Republic of Kazakhstan

George R. Hoguet, CFA, FRM
Managing Director, Portfolio Manager and Global Investment Strategist
State Street Global Advisors

Kazakhstan continues to benefit from a number of crucial factors, including an abundance of important natural resources, a prime geopolitical location, political stability, a well-developed banking sector, one of the fastest-growing economies in the region, a fairly transparent and well-regulated market, and an open attitude to essential reforms as well as foreign investment. The country's critics, however, would also put out the need for continued diversification in the economy, ongoing efforts to curtail corruption, and renewed focus on reforms. This session will review the wealth of advantages Kazakhstan enjoys and will highlight the opportunities there for global investors.

10:50-11:10 am Coffee Break
Great Hall

11:10-11:40 am Presentation: **Overview of Lancaster Group Projects**
West Lounge

Presented by
Nurlan Kapparov
Chairman
Lancaster Group

Established in 2003, Lancaster Group has rapidly grown into a large holding company and has gained a solid reputation built on success of its long-term business relationships, quality projects and innovative vision. This presentation will cover an overview of the company's projects represented in different economic sectors. With a main focus on the industrial sector, the diversity and the scale of Lancaster Group projects provide a steady contribution to the economic development of Kazakhstan. A detailed overview will also provide insight into the company's strategic position, investment philosophy and long-term perspectives.

11:40-12:10 pm Presentation: **The Tide Has Gone Out in Kazakhstan: Who's Been Swimming Naked?**
West Lounge

Presented by:
Roman Solodchenko
Chairman of the Management Board
BTA Bank

12:10-1:00 pm Panel Session: **The Evolution of Kazakhstan's Financial Sector and Capital Markets**
West Lounge

Panelists:

Gregory J. Vojack
Managing Partner, Central Asia
Bracewell & Giuliani

Roman Solodchenko
Chairman of the Management Board
BTA Bank

Don Elefson
Portfolio Manager
Harding Loevner

Anvar Saidenov
Chairman
National Bank of Kazakhstan

Arken Arystanov
Chairman
Regional Financial Centre of Almaty City

John B. Chambers, CFA
Managing Director
Chairman, Sovereign Ratings Committee
Standard & Poor's

The domestic markets are booming, and much of the rest of Kazakhstan's economy is benefiting. The property market has created wealth, but how can those riches be used to build viable capital markets? Both corporate and retail lending have grown at double digit rates in recent years with attendant benefits for other sectors such as property and consumer goods. What are the government and leading financial figures doing to continue fostering the evolution of the country's domestic capital markets while moderating some of the excesses in its financial sector? What is the forecast for the domestic credit markets in Kazakhstan? What do these experts advise when it comes to continuing the evolution of Kazakhstan's financial sector and its capital markets?

1:00-2:30 pm

Lunch
Main Dining Room

2:30-2:45 pm

Keynote Address
West Lounge

Galymzhan Pirmatov
Vice Minister of Economy and Budget Planning
Republic of Kazakhstan

2:45-3:40 pm

Panel Session: A Sectoral Review of the Opportunities in Kazakh Industry – An Emphasis on Diversification
West Lounge

Moderator:
Robb L. Tretter
Partner
Bracewell & Giuliani

Panelists:
Yusuf Sarimsakci
Managing Director
Capital Partners

Zhanat Zhakhanov
President
Development Bank of Kazakhstan

David E. Short
Senior Counsel, Trade & International Affairs
FedEx Express

Robert Parisi
General Manager
GE Transportation

Gani Uzbekov
Deputy Chief Executive Officer
Kazyna

Siddique Khan
President
Lancaster Infrastructure

Murat Daribayev
Chairman, Committee of Industry
Ministry of Industry and Trade
Republic of Kazakhstan

Decidedly best known to global investors for its energy and mineral resources, Kazakhstan also offers much more in sectors outside the non-oil industries. The executives and international portfolio investors on this panel will discuss and debate where they see the opportunities in Kazakh assets in such areas as downstream petrochemicals, global logistics, and food processing.

3:40-3:55 pm Coffee Break
Great Hall

3:55-4:40 pm Workshop Series I

Delegates will select which concurrent session they will attend. Each breakout session will focus on a specific sector or industry that holds especially promising opportunities for global investors. Session leaders will explore such issues as: taxation, regulation, and legal issues; risk management; and suitable financing structures in these industries.

Workshop A: Investing in Kazakhstan's Financial Sector:
Analyzing the Opportunities and Managing the Risks
Governor's Room

Workshop Leaders:
Michael Carter
Chief Executive Officer
Visor Capital

Jason Hurwitz
Director, Financial Sector Research
Visor Capital

Participants in this workshop will explore the best means of investing in the most promising Kazakh assets, especially those in the banking sector. Where have the recent successes been, and where are the opportunities ahead? What vehicles and strategies are best suited for these investments? How are the most successful deals structured? What solutions are available for transferring and managing the risks? This firm follows eight banks that together account for 95 percent of the country's banking sector, so these speakers have a lot of information and expertise to share.

Workshop B: Kazakhstan Banking: Unanswered Questions and Hasty Conclusions

James Room

Workshop Leaders:

George Iosifyan

Member of the Board

BTA Bank

Roman Solodchenko

Chairman of the Management Board

BTA Bank

4:40-5:00 pm

Keynote Address: The Creation, Goals, Structure, and Investment Governance of the National Fund of Kazakhstan

West Lounge

Presented by:

Anvar Saidenov

Chairman

National Bank of Kazakhstan

The National Fund of the Republic of Kazakhstan is a stabilization used to insulate the economy against any price swings in oil, gas and metals. Governed by the National Bank of Kazakhstan, the fund has assets in excess of \$21.6 billion as of the beginning of this year. As with many sovereign funds elsewhere, investors are curious to know how these assets of the National Fund will be managed and whether any sums will be allocated to international managers.

5:00-6:15 pm

Cocktail Reception

Library

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6:15 pm

Evening Free for Private Functions

Friday, September 19

8:15-8:45 am

Continental Breakfast
Great Hall

Forum Moderator:
Alan Glatt
Partner
Alpha Equity Management, LLC

8:45-9:15 am

**Keynote Address: Kazakhstan: An Important Strategic Partner
for the U.S.**
West Lounge

Ambassador John M. Ordway
Ambassador of the United States to the Republic of Kazakhstan

Our speaker will offer an expert review of the breadth and depth of the U.S.-Kazakhstani relationship. The first country to establish diplomatic relations with independent Kazakhstan, the United States has developed an increasingly close and mutually beneficial partnership that also reflects America's role as the largest foreign investor in the country. With existing investment concentrated in the energy sector, the US government and its private sector partners are now working to improve the climate for a more diverse range of investments in Kazakhstan.

9:15-9:30 am

**Keynote Address: The Policy of the National Bank of
Kazakhstan Under Conditions of Financial Instability**
West Lounge

Presented by:
Anvar Saidenov
Chairman
National Bank of Kazakhstan

9:30-10:15 am

**Panel Session: The Role of the Domestic and Global Private
Markets in Kazakhstan**
West Lounge

Moderator:
Atul Patel
Managing Director & Chief Investment Officer
Compass Asset Management

Panelists:

Jonathan P. Gill

Partner

Bracewell & Giuliani

Rodney Lake

Investment Analyst, Office of the Chief Investment Officer

George Washington University

Aygul Amirzhanova

Head, Directorate of Investment Policy

Department of Innovative Investment Policy

Ministry of Industry and Trade

Republic of Kazakhstan

Darius Daubaras

Fund Manager - Private Equity

Tau Capital plc

The influence of private investors (eg, hedge funds, private equity, and venture capital firms) has grown tremendously throughout the whole of Asia. For some emerging economies like Kazakhstan's, these private sources of financing can provide immensely beneficial, especially as many non-public markets firms are able to quickly identify the opportunities and make an investment decision. What value do private markets players bring to Kazakh companies in comparison with more traditional buy-and-hold portfolio investors? What are the opportunities and risks created when private money invests in public companies? How do the interests of private equity and hedge fund managers align with other stakeholders in the companies they invest in? Finally, what is the status of Kazakhstan's domestic private markets?

10:15-10:45 am Coffee Break
Great Hall

10:45-11:30 am **Workshop: Lancaster PE Funds**
West Lounge

Workshop Leaders:

Nurlan Kapparov

Chairman

Lancaster Group

Siddique Khan
President
Lancaster Infrastructure

11:30-12:30 pm

Panel Session: **The Continuing Jewel in the Crown: The Extractive Industries**
West Lounge

Moderator:
Jeffrey R. Haber, Ph.D.
Controller
Commonwealth Fund

Panelists:
Alzhan Braliev
Vice-Minister of Environment Protection
Republic of Kazakhstan

Leila Kulbayeva
Senior Analyst, Mining Sector
Visor Capital

Erlan Sagadiev
Chairman
Zere Group of Companies
President
University of International Business

As much as the country emphasizes the need for diversifying its industries, the fact remains that the extractive industries, which currently account for about 70 percent of export revenues, will underpin much of Kazakhstan's economy for the foreseeable future. Accordingly, it is these industries that receive much of the growing interest amongst global investors in Kazakh assets. What is the reality of Kazakhstan's abundant iron, copper, uranium, oil and gas assets? How can investors access these opportunities?

12:30-2:15 pm

Lunch
Main Dining Room

2:15 pm

Forum Concludes