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Kazakhmys PLC

2009 Half-Yearly Results Presentation

27 August 2009

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Oleg Novachuk

Chief Executive Officer

HIGHLIGHTS H1 2009

Decisive action

- Delivered copper cathode equivalent production of 170 kt in H1 2009
  - Suspended mine production partly offset by increase in output at continuing mines
  - Production benefited from processing stockpiled ore and efficiency gains
- Gross cash costs lower by 20%, net cash costs of 76 USc/lb
- Capex reduced by $177 million

Strong financial performance

- Group EBITDA[1]: $717 million
  - Benefit of reduced inventory – copper sales of 200 kt
- Solid cashflow generation

Focus on internal growth and productivity

- Pipeline of new mine and concentrator development projects
- Boschekul and Aktogay copper mines – pre-feasibility stage completed
  - Technically and economically attractive

Notes: 1. Earnings before interest, taxation, mineral extraction tax, depreciation, depletion and amortisation, as adjusted for special items and including share of EBITDA of the associate.

KAZAKHMYS STRATEGY

Optimise existing assets

Deliver major growth projects

Diversify and create value in Central Asia

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Eduard Ogay

Chief Executive Officer of Kazakhmys Copper

INCREASED METAL PRODUCTION

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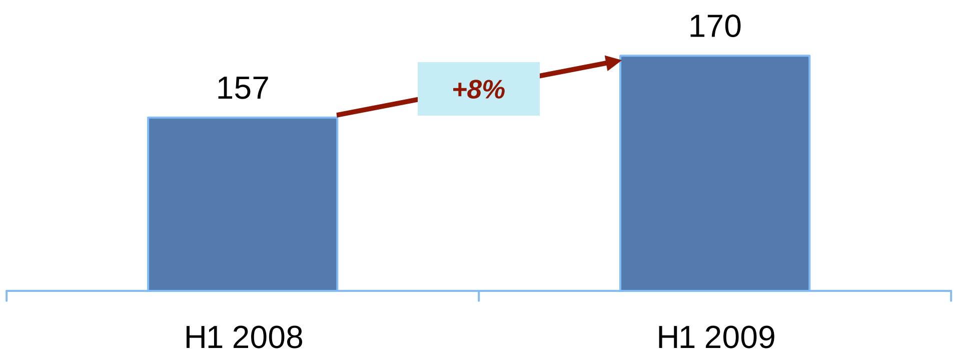
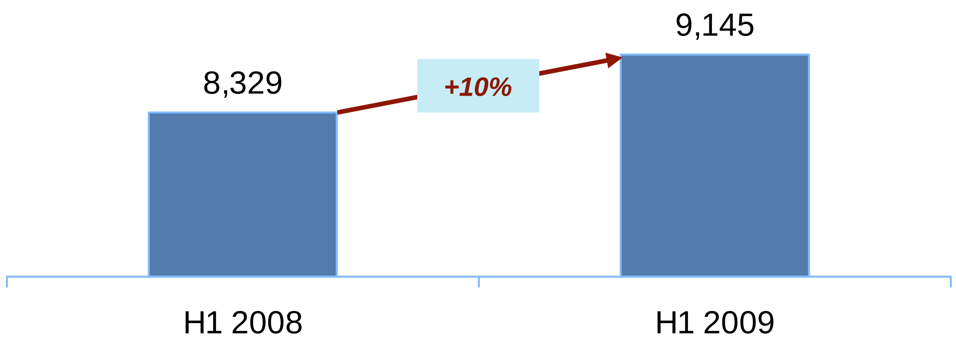
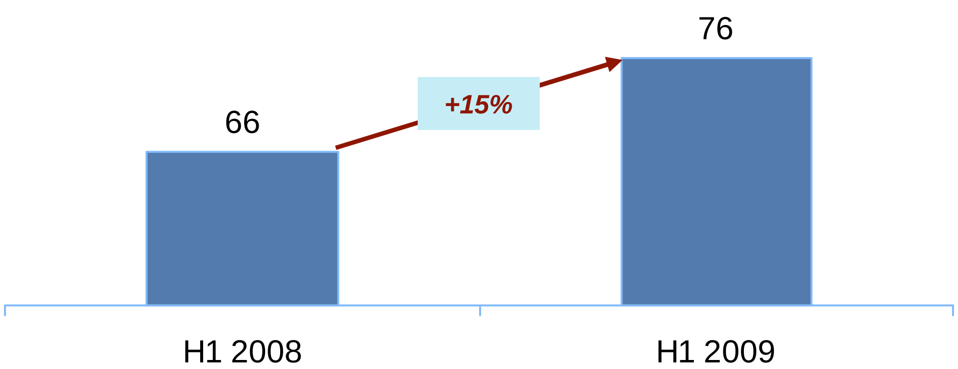
Copper cathode equivalent production[1] (kt)



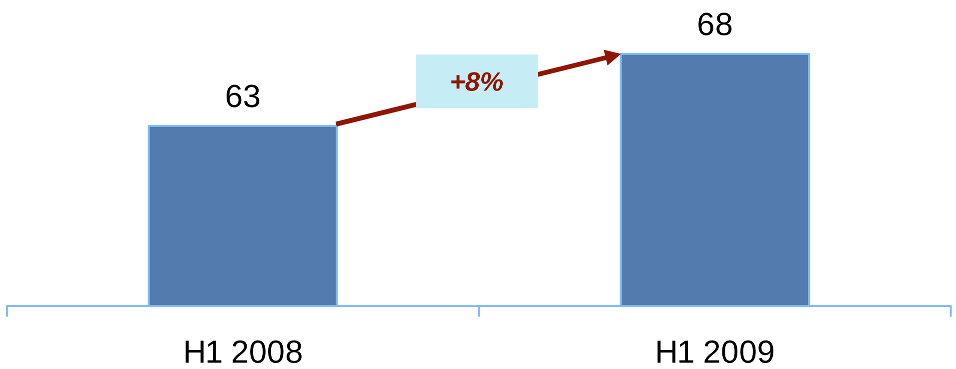
Silver[2] (koz)



Zinc in concentrate (kt)



Gold[2] (koz)



Notes: 1. Includes copper sold in concentrate and cathode converted into rod (from own metal only).
2. Production excluding tolling.

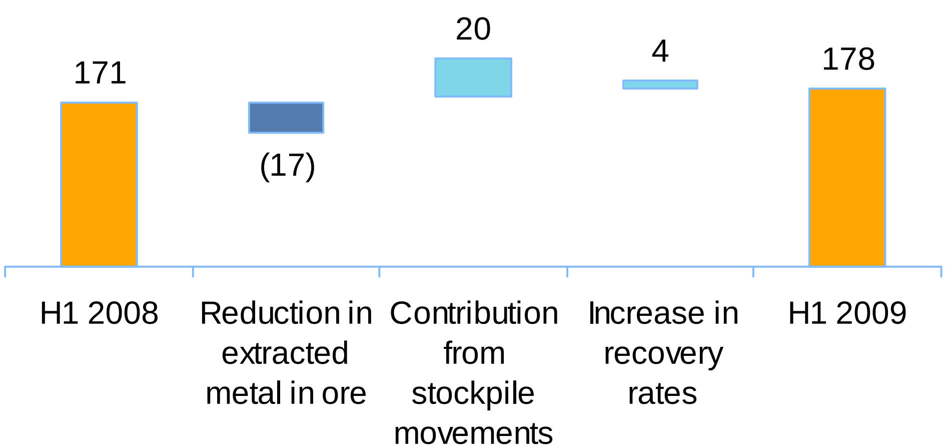
Strong output across all products

FOCUS ON EFFICIENCY

H1 2009 production volumes

kt (unless otherwise stated)	H1 2009	H1 2008
Ore extraction	16,013	17,472
Average copper grade	*1.19%*	*1.22%*
Copper in own concentrate production	178	171

Own copper in concentrate production H1 2008 vs H1 2009 (kt)



- 4 high cost mines suspended
- Improved productivity of existing mines
- Utilising stockpiles
- Improvement in recovery rates at concentrators
- Focused capex programme

H2 2009 UPDATE

- Limited utilisation of stockpiles in H2
- Reduction in copper grade
- Suspended mines to remain closed during H2

Copper cathode equivalent H1 2009	Zinc in concentrate H1 2009	Gold production H1 2009	Silver production H1 2009
170kt	76kt	68koz	9,145koz

Copper cathode equivalent 2009 estimate	Zinc in concentrate 2009 estimate	Gold production 2009 estimate	Silver production 2009 estimate
300kt + 15 kt from stockpiles	135kt	120koz	15,000koz

Copper cathode equivalent output remains on target

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Delivered projects

- Nurgazkan West underground mine – opened February 2009
  - Ramping up its capacity – 4 MT of ore output by 2011
- Improvements in by-products recovery rate achieved at Karagaily concentrator
  - Benefiting from new equipment
- Improved production process at Nikolaevsky concentrator raised by-product recovery rates

Medium-term mine projects

Copper projects

- East Sary-Oba: new underground mine
- Kosmurun: underground extension of existing open pit
- Akbastau: develop deposit for future ore extraction
- Construction of new concentrators planned

Bozymchak Gold/Copper mine project

- Completed feasibility study and progressed to development stage
- Gold equivalent resources: 1.2 Moz
- Copper grade: 0.89%, Gold grade: 1.42 g/t
- Planned extraction 2011

Maximise opportunities within the Group

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Oleg Novachuk

Chief Executive Officer

BOSCHEKUL PRE-FEASIBILITY COMPLETE

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Pre-feasibility completed

- Preparing for feasibility study, subject to financing

Current scope

- Mine life – 40 years, processing 28 MT of ore per year
  - 1,000 MT of ore with potential to increase resource to 1,300 MT
- Valuable multi product contribution:
  - Copper grade – 0.39%
  - Gold – 0.24 g/t
  - Silver – 5.75 g/t
  - Molybdenum – 0.009%
  - Copper equivalent of 0.6%
- Open pit mine, copper concentrator, power supply from Ekibastuz, road and rail access, waste disposal area
- Initial capital cost – $1.5 - $2.0 billion

AKTOGAY PRE-FEASIBILITY COMPLETE

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Separate Oxide & Sulphide pre-feasibility studies completed

- Preparing for integrated Sulphide/Oxide feasibility study

Current scope

- Mine life – 30 years, processing 22 MT of ore per year, processing of low grade stockpiles for a further 10 years
- Total oxide & sulphide resource of Aktogay
  - 1,700 MT of ore, of which:
    - Sulphide deposit – 1,600 MT, copper grade 0.33%
    - Oxide deposit – 100 MT, copper grade 0.37%
- Open pit mine, copper concentrator, close to existing power and rail infrastructure
- Initial capital cost – $1.5 - $2.0 billion

KAZAKHMYS POWER: INVESTMENT ENVIRONMENT

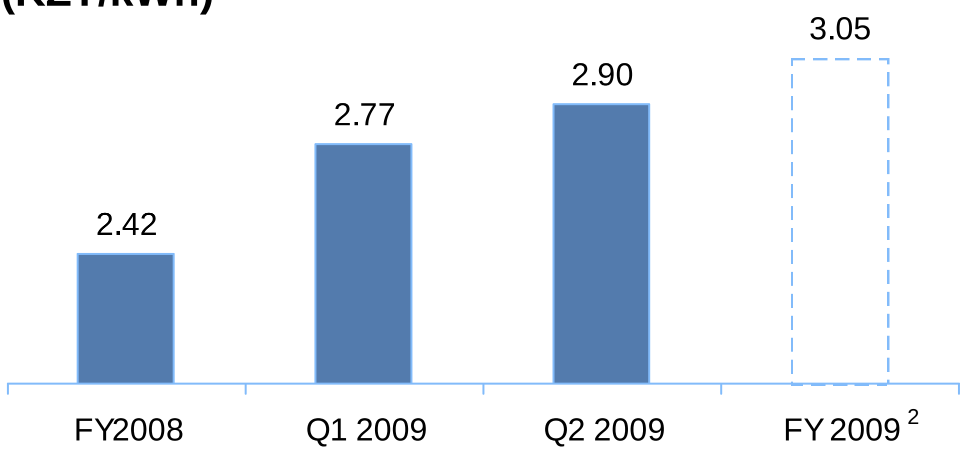
Increased tariffs

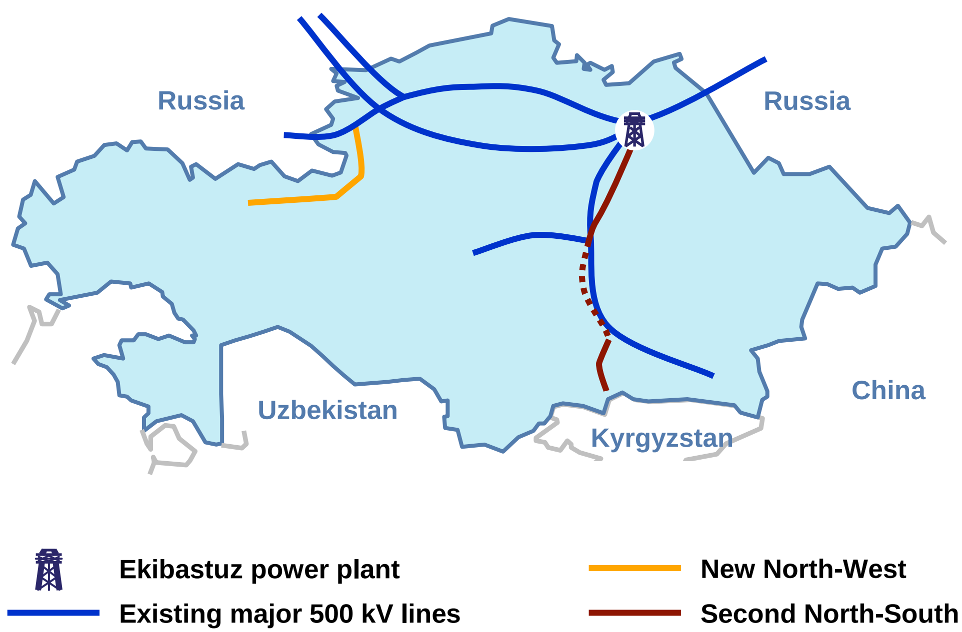
- Tariffs ceiling rising to create favourable investment environment
- 25% average realised tariff increase vs H1 2008[1]
- Ceiling indicated of 8.8 KZT/kWh for 2015

Improving national power infrastructure

- Infrastructure investment by the Government creates opportunity to displace imports with domestic generation
  - New North-West 500 kV line completed
  - Second North-South 500 kV line partially completed

Average realised electricity tariffs at Ekibastuz (KZT/kWh)





Notes: 1. Average realised tariff: H1 2008 - 2.27 KZT/Kwh; H1 2009 - 2.84 KTZ/Kwh.
2. Internal forecasted data.

Favourable investment environment with rising tariffs

KAZAKHMYS POWER: PRODUCTION AND OUTLOOK

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Demand

- H1 demand impacted by lower economic activity
  - Other commodity/power producers offloading surplus power on market
- Demand expected to recover in H2 2009
  - Return of other commodity producers to fuller capacity
  - Improvement in national power grid

Key production and sales of Power division

	H1 2009	H1 2008	
Net power generated (GWh)	3,761	5,506	*(32)%*
Net power generated attributable to Kazakhmys (GWh)[1,2]	3,761	938	
Net dependable capacity (MW)	2,256	2,036	*11%*

Capex

- Capex funded by operating cash flows
  - Benefiting from improved tariffs

Samruk

- Negotiations at an advanced stage
  - Ease funding of investment programme
  - Samruk – shareholder in main coal supplier

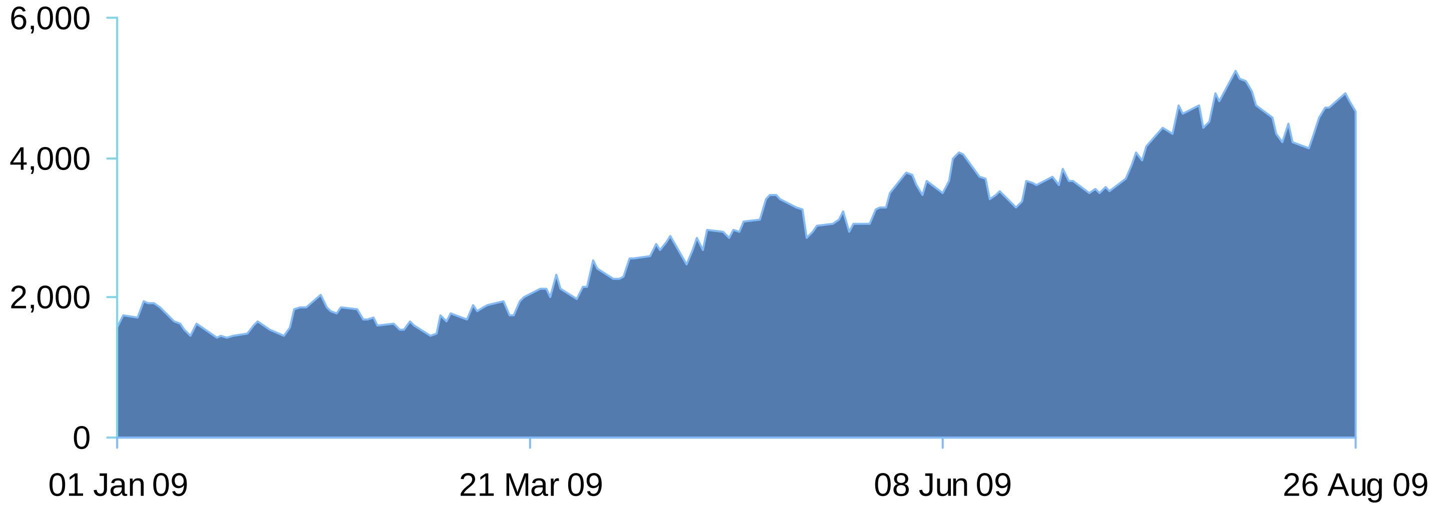
Notes: 1. Net power generated excludes house load and represents power generated for sale to external parties.
2. Period from acquisition on 29 May 2008.

Demand recovering in H2 2009

INVESTMENT IN ENRC

- 26% stake in ENRC
- Value of holding has risen sharply over past six months
  - Current value of $4.7 billion[1]
- Strategic opportunities to create value for all shareholders
- Diversification of earnings:
  - 26% of Kazakhmys EBITDA
  - Bulk materials, principally in Kazakhstan

Value of ENRC shareholding ($m)



Notes: 1. Value of Kazakhmys 26% stake in ENRC as at 26 August 2009

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Matthew Hird

Chief Financial Officer

FINANCIAL HIGHLIGHTS

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Key financial indicators

$m (unless otherwise stated)	**H1 2009**	**H1 2008**
Revenues	1,648	2,838
Group EBITDA[1]	717	1,050
EPS[2] ($)	0.50	1.34
Free Cash Flow[3]	299	391
Net cash cost of copper[4], USc/lb	76	94
Net debt	1,568	900

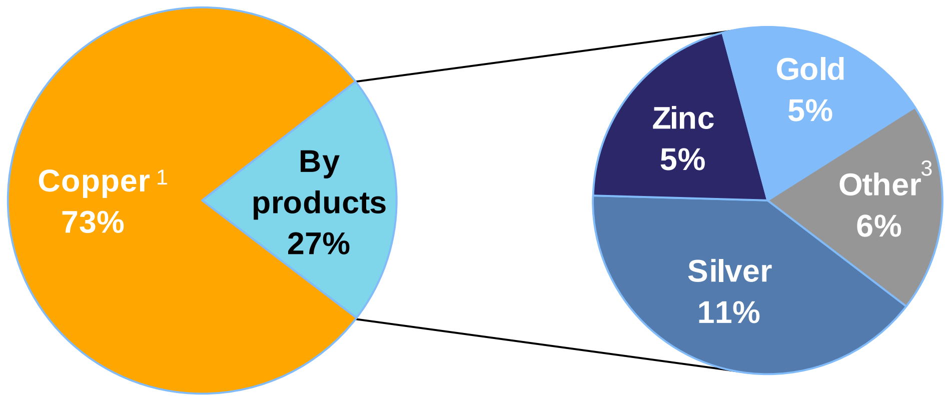
Notes:
1. *Earnings before interest, taxation, mineral extraction tax, depreciation, depletion and amortisation, as adjusted for special items and including share of EBITDA of the associate.*
2. *EPS based on Underlying Profit (defined as profit attributable to the owners of the Company after adding back items which are non-recurring or variable in nature and which do not impact the underlying trading performance of the business, together with their resultant tax and minority interest effects).*
3. *Net cash flows from operating activities less sustaining capital expenditure on tangible and intangible assets.*
4. *The total of cash operating costs of Kazakhmys Copper excluding purchased concentrate and mineral extraction tax, less by-product revenues, divided by the volume of copper cathode equivalent sales.*

KAZAKHMYS REVENUE ANALYSIS

Revenues ($m)

	H1 2009	H1 2008
Kazakhmys Copper	**1,104**	**1,786**
Copper[1]	810	1,460
Zinc[2]	60	84
Silver	117	129
Gold	60	59
Other[3]	57	54
Kazakhmys Power	**85**	**19**
MKM	**440**	**1,015**
Kazakhmys Gold	**19**	**18**
Total	**1,648**	**2,838**

Copper division H1 2009 – $1,104 million



- Key markets remain Europe and China
  - 90% of copper sold under annual contract
  - Contracted volumes split approximately 50:50 China/Europe
- Sales benefited from reduction in inventory of 26 kt cathodes

- Greater proportion of total copper sales were to China
  - Concentrate sales – 17 kt sold in H1 2009
  - Cathode spot sales directed to China

Notes: 1. Copper revenue includes copper cathode, copper in concentrate and copper rod.
2. Zinc revenue includes zinc metal and zinc in concentrate.
3. Other revenue includes coal, electricity, heat, etc.

Strong customer relationships

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Group EBITDA[1]

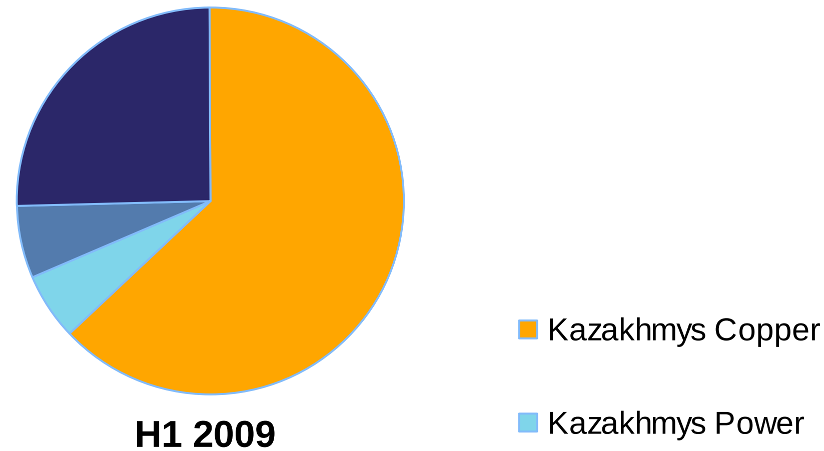
$m (unless otherwise stated)	H1 2009	H1 2008
Kazakhmys Copper	**453**	**990**
EBITDA margin	*41%*	*55%*
Kazakhmys Power	**41**	**8**
EBITDA margin	*48%*	*42%*
MKM	**45**	**55**
EBITDA margin	*10%*	*5%*
ENRC share of EBITDA	***184***	**-**
Other	**(6)**	**(3)**
Group EBITDA	**717**	**1,050**
EBITDA margin	*44%*	*37%*

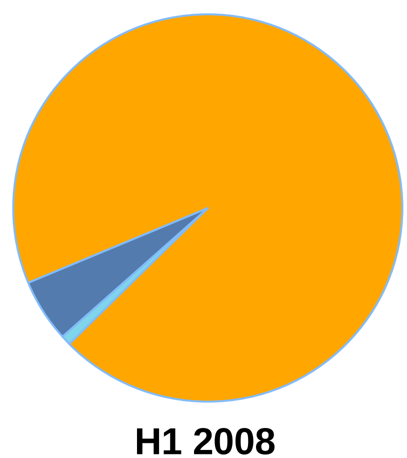
Diversification of EBITDA

- Full period contribution from:
  - Kazakhmys Power
  - Share of EBITDA from ENRC

Notes: 1. *Earnings before interest, taxation, mineral extraction tax, depreciation, depletion and amortisation, as adjusted for special items and including share of EBITDA of ENRC.*

Breakdown of Group EBITDA





Increased diversification of earnings

REDUCTION IN CASH COSTS

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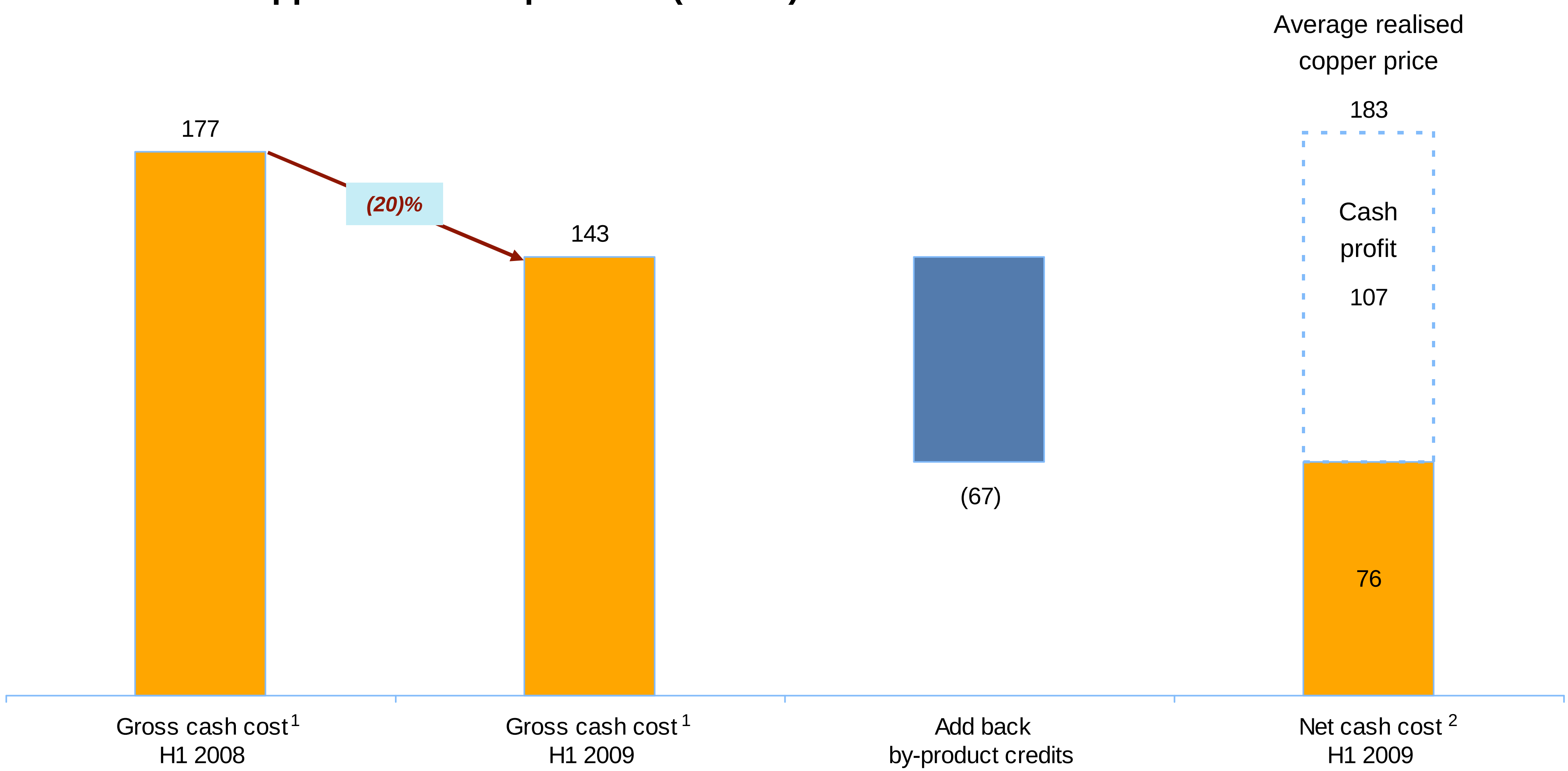
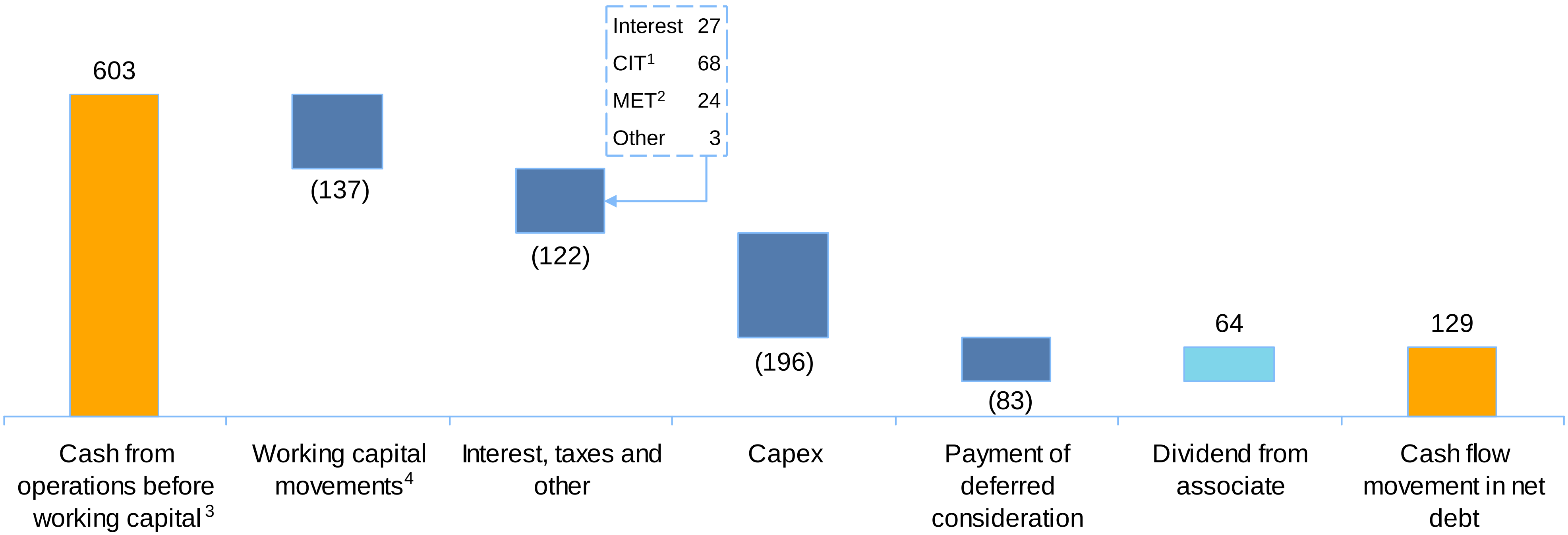
Cash costs of copper cathode equivalent (USc/lb)



Notes: 1. Kazakhmys Copper cash operating costs excluding purchased concentrate and mineral extraction tax, divided by the volume of copper cathode equivalent sales.

2. Kazakhmys Copper cash operating costs excluding purchased concentrate and mineral extraction tax, less by-product revenues, divided by the volume of copper cathode equivalent sales.

H1 2009 CASH FLOW GENERATION



- Working capital:
  - Reduction in inventories
  - Offset by increase in receivables
- Tax – utilisation of $100 million receivable balance
- Capex sharply reduced down by 47% vs H1 2008
- Deferred payment for Ekibastuz acquisition
  - Termination of AES management agreement
- ENRC dividend – $64 million

Notes: 1. Corporate income tax payments.
2. Mineral extraction tax payments (MET).
3. Segmental EBITDA after impairment losses, loss on disposal, and foreign exchange loss adjustment.
4. Working capital movements exclude any accruals in respect of MET.

Solid cash flow generation in challenging conditions

CAPITAL AND DEBT MANAGEMENT

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Net debt ($m)

	H1 2009	FY2008
Cash and liquid funds	491	572
Borrowings	(2,059)	(2,200)
Short-term	*(518)*	*(498)*
Long-term	*(1,541)*	*(1,702)*
Net debt	**(1,568)**	**(1,628)**

Credit facilities

- $2.1 billion pre-export facility
  - $175 million of principal repaid in H1 2009
  - $44 million amortisation per month to February 2013
- €170 million MKM facility
  - €108 million was drawn at 30 June 2009
- $150 million revolving credit facility
  - Matures in March 2010
  - Standby line remains undrawn

H2 2009 financing priorities

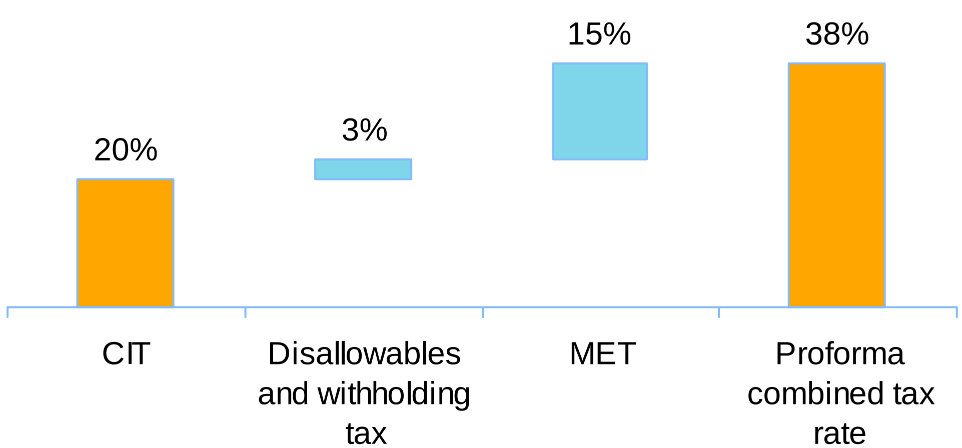
- Improved cash generation maintaining tight control on discretionary spending
- Suspended interim dividend
- Continued focus on working capital management

CHANGES IN TAX LEGISLATION

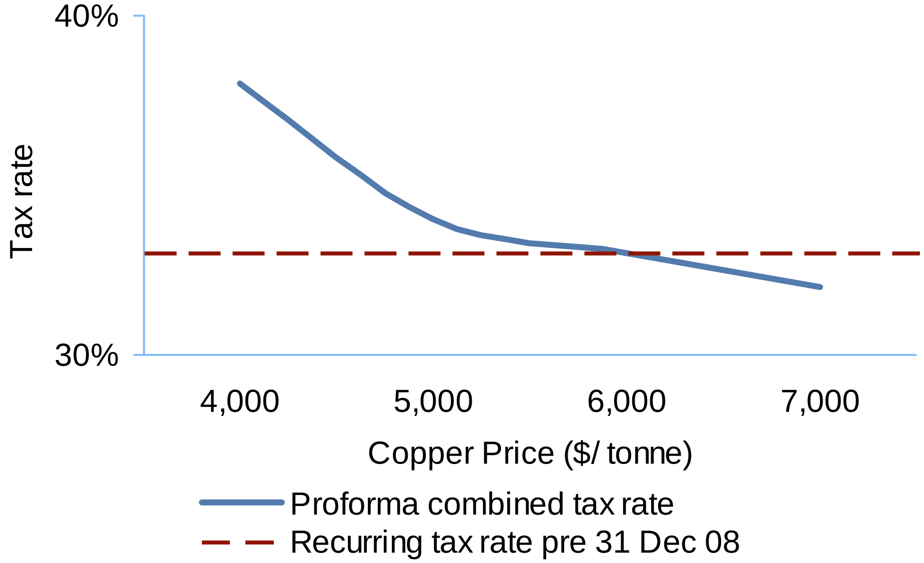
Introduction of the new tax code in Kazakhstan

- CIT: Phased reduction in corporate income tax from 30% in 2008 to 15% in 2011
  - Rate for 2009: 20%; 2010: 17.5%
- MET: Lowering of corporate income tax offset with the introduction of mineral extraction tax
- EPT: Changes in the excess profits tax methodology
  - Not currently payable within Kazakhmys Copper division

Proforma combined tax rate[1] at $4,000/tonne



Proforma combined tax rate against copper price[2]



Notes: 1. The proforma all-in effective tax rate is estimated based on H1 2009 production and costs, excludes associate income and special items.
2. Estimated figures.

New tax code neutral at current prices

H2 2009 FINANCIAL OUTLOOK

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Profitability

- Revenue
  - Kazakhmys Copper
    - Inventory reduction in H1 2009
    - Higher pricing to date in H2 2009
    - Hedging programme – one third of 2009 production
  - Kazakhmys Power
    - Rising volumes and tariffs

- Net cash cost expected to rise in H2 2009
  - Lower sales volumes and grade
  - Higher cost inflation following devaluation
  - On track at lower end of full year target range: 90 USc/lb to 120 USc/lb

Cash flow

- Debt repayments
  - $44 million of repayments each month
- Tax payments to resume in H2 2009
- Final payment in respect of Kazakhmys Power acquisition
  - December 2009 – $102 million

- Capex – modestly higher in H2 2009
  - Capex full year forecast:
    - $500 million for Kazakhmys Group
    - $300 - $350 million for Kazakhmys Copper

Focus on margin protection and cashflow generation

Oleg Novachuk

Chief Executive Officer

OUTLOOK H2 2009

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CHALLENGES MET	FOCUS AREAS FOR H2 2009
▣ Decisive action	▣ Margin protection & cash conservation
▣ Maximising efficiency and productivity	▣ Continued operational improvements
▣ Strong financial performance	▣ Delivering internal growth

Continued focus on driving returns

Successfully meeting challenges of 2009

Cost competitive copper producer

Diversified and growing asset base

Significant and attractive growth projects

Creating shareholder value in Central Asia

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Appendices

SUMMARY INCOME STATEMENT

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Key line items

$m (unless otherwise stated)	H1 2009	H1 2008
Revenues	**1,648**	**2,838**
Operating profit	**286**	**891**
Share of profits from associate	119	-
Net finance income/(expenses)	240	(5)
Profit before taxation	645	886
Income tax expense	(130)	(276)
Profit for the period	515	610
Minority interests	1	(2)
Profit attributable to owners of the Company	**516**	**608**
EPS – basic and diluted ($)	0.96	1.34
EPS – based on Underlying Profit ($)	**0.50**	**1.34**

Reconciliation of Underlying Profit

$m (unless otherwise stated)	H1 2009	H1 2008
Profit attributable to owners of the Company	**516**	**608**
Impairments and loss on disposal of fixed assets[1]	34	2
Net foreign exchange gain[2]	(345)	-
Tax effect of non-recurring items[3]	63	-
Minority interest effect of non-recurring items	1	-
Underlying Profit	**269**	**610**

Notes: 1. Impairments and loss on disposal of fixed assets are treated as special items.
2. Net foreign exchange gain arising on devaluation of the tenge for managed businesses and associate are treated as special items.
3. Tax effect of non-recurring items for managed businesses and associate are treated as special items.

H1 2009 CASH FLOW

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Summary cash flow

$m	H1 2009	H1 2008
Segmental EBITDA	**499**	**1,048**
Impairment losses and loss on disposal	61	9
Dividends from associate	64	-
Working capital movements[1]	(137)	(86)
Income tax paid	(68)	(379)
Interest paid	(32)	(18)
MET paid	(24)	-
Foreign exchange loss adjustment	43	(12)
Net cash flows from operating activities	**406**	**562**
Sustaining capital expenditure	(107)	(171)
Free Cash Flow	**299**	**391**
Expansionary and new project capital expenditure	(89)	(202)
Acquisition of subsidiaries (net)	-	(1,154)
Interest received	5	19
Dividends paid	-	(125)
Capital transactions with shareholders	-	(121)
Deferred consideration payment[2]	(83)	-
Other	(3)	10
Cash flow movement in net debt	**129**	**(1,182)**

Working capital movements[1]

$m	H1 2009	H1 2008
Kazakhmys Copper	(25)	(49)
MKM	(67)	(67)
Other	(45)	30
Total	**(137)**	**(86)**

Capital expenditure

$m	H1 2009	H1 2008
Kazakhmys Copper	148	343
Kazakhmys Petroleum	17	17
Kazakhmys Power	20	3
Kazakhmys Gold	3	4
MKM	3	5
Other	5	1
Total	**196**	**373**

Notes: 1. Working capital movements exclude any accruals in respect of mineral extraction tax (MET).
2. Deferred consideration arising from the acquisition of Kazakhmys Power.

EBITDA[1] VARIANCE

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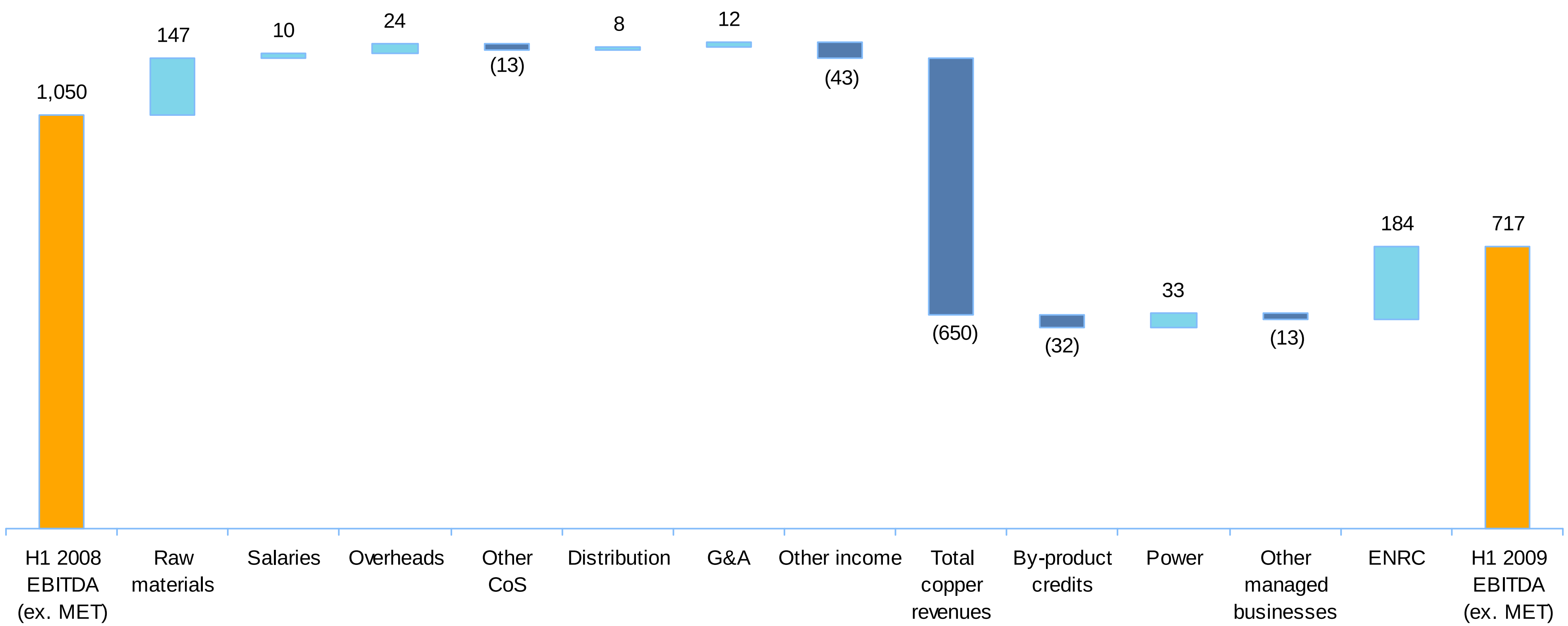
H1 2008 to H1 2009 EBITDA[1] reconciliation ($m)



Notes: 1. Earnings before interest, taxation, mineral extraction tax (MET), depreciation, depletion and amortisation, as adjusted for special items and including share of EBITDA of the associate.

Summary Balance Sheet

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Assets ($m)	H1 2009	H1 2008
Cash and liquid funds	491	560
Other current assets	1,092	1,653
Non-current assets	7,663	10,077
Total	**9,246**	**12,290**

Non-current assets ($m)	H1 2009	H1 2008
Intangible assets	965	1,322
Tangible assets	2,947	3,752
Investment in associate	3,745	-
Available for sale investment	-	4,996
Other non-current investments	6	7
Total	**7,663**	**10,077**

Equity & liabilities ($m)	H1 2009	H1 2008
Equity	6,393	9,396
Borrowings	2,059	1,460
Liabilities	794	1,434
Total	**9,246**	**12,290**

Net liquid funds ($m)	H1 2009	H1 2008
Cash and liquid funds	491	560
Borrowings	(2,059)	(1,460)
Short-term	(518)	(212)
Long-term	(1,541)	(1,248)
Total	**(1,568)**	**(900)**

ENRC RECONCILIATION

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EBITDA

$m (unless otherwise stated)	Six months ended 30 June 2009
Actual H1 2009 ENRC Published Results	628
Share of Kazakhmys' holding in ENRC (26%)	163
MET (not excluded from ENRC EBITDA)[1] - $80m x 26%	21
Total equity accounting amount for H1 2009	**184**

PAT

$m (unless otherwise stated)	Six months ended 30 June 2009
Actual H1 2009 ENRC Published Results	553
Share of Kazakhmys' holding in ENRC (26%)	144
Amortisation charge[2]	(25)
Total equity accounting amount for H1 2009	**119**

Notes: 1. ENRC EBITDA includes mineral extraction tax (MET), Kazakhmys reports its EBITDA excluding MET, so to be consistent MET is added back when calculating the share of ENRC EBITDA.
2. Amortisation is charged on the difference between the book and fair value of ENRC on the commencement of equity accounting.