

**Open joint stock company**

**“Asian-Pacific Bank”**

**Consolidated Interim Condensed  
Financial Statements**



**for the 3 months ended 31 March 2013**

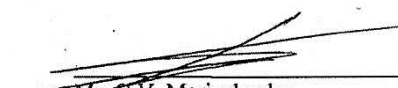
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	Notes	31 March 2013 RUB'000	31 March 2012 RUB'000
Interest income	4	3 423 873	2 535 158
Interest expense	4	(1 621 505)	(919 258)
<b>Net interest income</b>		<b>1 802 368</b>	<b>1 615 900</b>
Fee and commission income	5	622 539	321 756
Fee and commission expense		(44 922)	(28 961)
<b>Net fee and commission income</b>		<b>577 617</b>	<b>292 795</b>
Net gain on financial instruments at fair value through profit or loss and realised gain on available-for-sale financial instruments		264 802	217 399
Net foreign exchange income	6	56 538	67 352
Net loss on operations with precious metals	7	(19 860)	(14 259)
Other operating income	8	121 671	91 625
<b>Operating income</b>		<b>2 803 136</b>	<b>2 270 812</b>
Impairment losses	9	(830 736)	(275 855)
Personnel expenses	10	(765 707)	(614 128)
Other general administrative expenses	11	(360 200)	(226 546)
<b>Profit before income tax</b>		<b>846 493</b>	<b>1 154 283</b>
Income tax expense	12	(203 978)	(248 004)
<b>Profit for the period</b>		<b>642 515</b>	<b>906 279</b>
Net loss from revaluation of available-for-sale financial assets		(24 658)	-
Income tax related to other comprehensive income		4 931	-
<b>Other comprehensive income, net of income tax</b>		<b>(19 727)</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>622 788</b>	<b>906 279</b>

The consolidated interim condensed financial statements were approved by the Management board on 29 May 2013.

  
  
 Mr. E. No Arsenov  
 Chairman of the Board

  
 Mr. O.V. Marinchenko  
 Chief Accountant

**OJSC "Asian-Pacific Bank"**  
Consolidated Interim Condensed Statement of Financial Position as at 31 March 2013

	Notes	31 March 2013 RUB'000	31 December 2012 RUB'000
<b>ASSETS</b>			
Cash		2 377 793	2 635 977
Placements with the Central Bank of the Russian Federation	13	2 438 862	3 102 000
Financial instruments at fair value through profit or loss	14	7 503 466	12 400 814
Available-for-sale financial assets	15	7 786 876	3 412 061
Due from banks	16	6 775 078	3 627 677
Amounts receivable under reverse repurchase agreements	17	1 109 564	150 107
Loans to customers	18	62 293 830	58 468 269
Net investments in finance leases	19	2 057 247	2 071 329
Current tax asset		221 034	9 563
Deferred tax asset	12	21 265	25 432
Property, equipment, intangible assets and investment property	21	4 656 657	4 592 030
Other assets	22	2 378 184	1 680 550
<b>Total assets</b>		<b>99 619 856</b>	<b>92 175 809</b>
<b>LIABILITIES</b>			
Derivative financial instruments	14	148 584	160 740
Deposits and balances from banks	23	7 580 676	7 130 691
Amounts payable under repurchase agreements	24	-	2 113 126
Current accounts and deposits from customers	25	69 727 270	65 143 328
Debt securities issued	26	8 057 651	4 184 231
Subordinated borrowings	27	961 919	915 050
Current tax liability		4 487	87 204
Deferred tax liability	12	469 257	288 773
Other liabilities	28	518 290	623 732
<b>Total liabilities</b>		<b>87 468 134</b>	<b>80 646 875</b>
<b>EQUITY</b>			
Share capital		562 312	562 312
Share premium		1 192 723	1 192 723
Revaluation surplus for available-for-sale financial assets		(10 009)	9 718
Revaluation surplus for buildings		1 280 014	1 280 014
Retained earnings		9 126 682	8 484 167
<b>Total equity</b>		<b>12 151 722</b>	<b>11 528 934</b>
<b>Total liabilities and equity</b>		<b>99 619 856</b>	<b>92 175 809</b>



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Mr. O. V. Marinchenko  
Chief Accountant

The consolidated interim condensed statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements.


**OJSC “Asian-Pacific Bank”**  
*Consolidated Interim Condensed Statement of Cash Flows for the 3 months ended 31 March 2013*

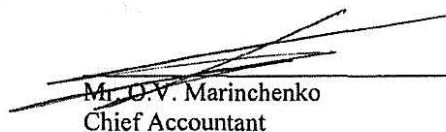
	Notes	31 March 2013 RUB'000	31 March 2012 RUB'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Interest receipts		3 264 195	2 175 679
Interest payments		(1 333 674)	(667 394)
Fee and commission receipts		620 218	323 803
Fee and commission payments		(44 922)	(28 961)
Net receipts from financial instruments at fair value through profit or loss and available-for-sale financial instruments		218 330	244 454
Net receipts from foreign exchange		77 661	35 958
Other income receipts		121 671	91 627
Net receipts (loss) from operations with precious metals		(8 497)	2 759
General administrative expenses payments		(1 235 732)	(755 429)
<b>(Increase) decrease in operating assets</b>			
Obligatory reserves with the CBR		(124 721)	(90 828)
Financial instruments at fair value through profit or loss		4 943 820	(2 151 865)
Available-for-sale financial assets		(4 399 473)	-
Due from banks		(44 617)	(6 677)
Amounts receivable under reverse repurchase agreements		(959 198)	(48 175)
Loans to customers		(4 509 597)	(3 495 417)
Net investments in finance leases		7 071	(154 297)
Other assets		(739 864)	(73 022)
<b>Increase (decrease) in operating liabilities</b>			
Deposits and balances from banks		420 404	1 057 137
Amounts payable under repurchase agreements		(2 112 160)	-
Current accounts and deposits from customers		4 489 321	2 616 601
Promissory notes		734 218	481 416
Other liabilities		(34 586)	(284 974)
<b>Cash flows from operating activities before income tax paid</b>		<b>(650 132)</b>	<b>(727 605)</b>
Income tax paid		(143 149)	(263 109)
<b>Cash flows from operations</b>		<b>(793 281)</b>	<b>(990 714)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net purchases of property and equipment and intangible assets		(127 665)	(62 913)
<b>Cash flows used in investing activities</b>		<b>(127 665)</b>	<b>(62 913)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Issue of bonds		2 999 625	-
<b>Cash flows from (used in) financing activities</b>		<b>2 999 625</b>	<b>-</b>

The consolidated interim condensed statement of cash flows is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements.

**OJSC "Asian-Pacific Bank"**  
*Consolidated Interim Condensed Statement of Cash Flows for the 3 months ended 31 March 2013*

	31 March 2013	31 March 2012
Notes	RUB'000	RUB'000
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>2 078 679</b>	<b>(1 053 627)</b>
Effect of changes in exchange rates on cash and cash equivalents	(22 791)	20 506
Cash and cash equivalents as at the beginning of the year	8 180 610	4 518 619
<b>Cash and cash equivalents as at the end of the year</b>	<b>10 236 498</b>	<b>3 485 498</b>

  
 Mr. E. V. Aksenov  
 Chairman of the Board

  
 Mr. O.V. Marinchenko  
 Chief Accountant

The consolidated interim condensed statement of cash flows is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements.

**OJSC "Asian-Pacific Bank"**

*Consolidated Interim Condensed Statement of Changes in Equity for the 3 months ended 31 March 2013*

RUB'000	Share capital	Share premium	Revaluation surplus for available- for-sale financial assets	Revaluation surplus for buildings	Retained earnings	Total equity
<b>Balance as at 1 January 2012</b>	<b>562 312</b>	<b>1 192 723</b>	<b>-</b>	<b>1 353 464</b>	<b>5 615 677</b>	<b>8 724 176</b>
<b>Total comprehensive income</b>						
Profit for the period	-	-	-	-	906 279	906 279
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>906 279</b>	<b>906 279</b>
<b>Total transactions with owners, recorded directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 31 March 2012</b>	<b>562 312</b>	<b>1 192 723</b>	<b>-</b>	<b>1 353 464</b>	<b>6 521 956</b>	<b>9 630 455</b>
 <b>Balance as at 1 January 2013</b>	 <b>562 312</b>	 <b>1 192 723</b>	 <b>9 718</b>	 <b>1 280 014</b>	 <b>8 484 167</b>	 <b>11 528 934</b>
<b>Total comprehensive income</b>						
Profit for the period	-	-	-	-	642 515	642 515
<b>Other comprehensive income</b>						
Revaluation of available-for-sale financial assets, net of deferred tax of RUB 4 931 thousand	-	-	(19 727)	-	-	(19 727)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>(19 727)</b>	<b>-</b>	<b>642 515</b>	<b>622 788</b>
<b>Total transactions with owners, recorded directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 31 March 2013</b>	<b>562 312</b>	<b>1 192 723</b>	<b>(10 009)</b>	<b>1 280 014</b>	<b>9 126 682</b>	<b>12 151 722</b>

Mr. E.V. Aksenov  
Chairman of the Board



Mr. O.V. Marinchenko  
Chief Accountant

# 1 Background

## Organisation and operations

These consolidated interim condensed financial statements include the financial statements of OJSC “Asian-Pacific Bank” (the Bank) and its subsidiaries (together referred to as the Group).

The Bank was established in the Russian Federation as a closed joint stock company in 1992 under the name Amurpromstroybank as a successor of Promstroybank of USSR which was founded in 1929. In 2006 the Bank was reorganised from a closed joint stock company to an open joint stock company and renamed to Asian-Pacific Bank by decision of the shareholders. On 7 May 2010 LLC “PPFIN Region”, being a common majority shareholder for OJSC “Asian-Pacific Bank”, OJSC “Kamchatprombank” and OJSC “Kolyma-Bank”, merged the operations of these entities and therefore granted full control over OJSC “Kamchatprombank” and OJSC “Kolyma-Bank” to OJSC “Asian-Pacific Bank”.

The principal activities of the Bank are deposit taking and customer accounts maintenance, lending, issuing guarantees, cash and settlement operations and operations with securities and foreign exchange. The activities of the Bank are regulated by the Central Bank of the Russian Federation (the CBR). The Bank has a general banking license, and is a member of the state deposit insurance system in the Russian Federation.

The Bank has 276 (31 December 2012: 272) offices from which it conducts business throughout the Russian Federation including a head office, 5 regional branches, 64 additional offices, 203 operational offices and 3 operational cash boxes. The registered address of the head office is 225, Amurskaya Street, Blagoveschensk, 675000. The majority of the assets and liabilities are located in the Russian Federation.

As at 31 March 2013 the following shareholders held the issued shares of Open Joint Stock Company “Asian-Pacific Bank”:

Shareholder	31 March 2013 %	31 December 2012 %
LLC “PPFIN Region” (Russian Federation)	58.22	66.62
East Capital Explorer Financial Institutions Fund AB (Sweden)	17.91	17.91
TECHSUN ENTERPRISES LIMITED (Cyprus)	8.40	-
International Financial Corporation	6.99	6.99
Aksenov E. V.	5.21	5.21
Others	3.27	3.27
<b>Total:</b>	<b>100.00</b>	<b>100.00</b>

Details of the subsidiaries are as follows:

Name	Country of incorporation	Principal activities	Ownership %	
			31 March 2013 %	31 December 2012 %
LLC “Expo-Leasing”	Russian Federation	Leasing	100%	100%
CJSC “Mortgage agent APB”	Russian Federation	Mortgage agent	see below	see below

On 1 October 2010 100% of the shares of LLC “Expo-Leasing” were acquired by the Bank.



LLC “Expo-Leasing” was registered in 2002 in Russia. Its head office is in Moscow and it has 13 branches (31 December 2012: 12) comprising a head office, 1 regional branch and 11 separate offices.

CJSC “Mortgage agent APB” is a special purpose entity established to facilitate the Bank’s issue of mortgage backed securities (refer to Note 26). This entity is not owned by the Group. Control arises through the predetermination of the entity’s activities, having rights to obtain the majority of benefits of the SPE, and retaining the majority of the residual risks related to the entity.

As at 31 March 2013 the average number of the Group’s employees was 4 166 (31 December 2012: 3 673).

### **Russian business environment**

The Group’s operations are primarily located in the Russian Federation. Consequently, the Group is exposed to the economic and financial markets of the Russian Federation which display characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in the Russian Federation. In addition, the contraction in the capital and credit markets and its impact on the Russian economy have further increased the level of economic uncertainty in the environment. The consolidated interim condensed financial statements reflect management’s assessment of the impact of the Russian business environment on the operations and the financial position of the Group. The future business environment may differ from management’s assessment.

## **2 Basis of preparation**

### **Statement of compliance**

The accompanying consolidated interim condensed financial statements are prepared in accordance with International Financial Reporting Standards (IFRS).

These consolidated interim condensed financial statements are prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting. As a result, they do not include all of the information required by IFRS for a complete set of financial statements. Operating results for the three month period ended 31 March 2013 are not necessarily indicative of the results that may be expected for the year ending 31 December 2013.

These consolidated interim condensed financial statements should be read in conjunction with the complete consolidated financial statements as at 31 December 2012.

### **Basis of measurement**

The consolidated interim condensed financial statements are prepared on the historical cost basis except that financial instruments at fair value through profit or loss and available-for-sale financial assets are stated at fair value, and buildings are stated at revalued amounts.

### **Functional and presentation currency**

The functional currency of the Bank and the subsidiaries is the Russian Rouble (RUB) as, being the national currency of the Russian Federation, it reflects the economic substance of the majority of underlying events and circumstances relevant to them.

The RUB is also the presentation currency for the purposes of these consolidated interim condensed financial statements.

Financial information presented in RUB is rounded to the nearest thousand.

### **Use of estimates and judgments**

The preparation of consolidated interim condensed financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

## **3 Significant accounting policies**

In general the accounting policies applied by the Group in these consolidated interim condensed financial statements are consistent with those applied by the Group in the year ended 31 December 2012, except for the changes resulting from the amendments to IFRS.

## **4 Interest income and expense**

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 March 2012</b> <b>RUB'000</b>
<b>Interest income</b>		
Loans to customers	3 215 321	2 347 625
Net investments in finance leases	124 240	96 469
Financial instruments at fair value through profit or loss (promissory notes)	51 923	80 917
Due from banks	32 389	10 147
	<b>3 423 873</b>	<b>2 535 158</b>
<b>Interest expense</b>		
Current accounts and deposits from customers	1 271 107	798 430
Deposits and balances from banks	172 867	105 871
Debt securities issued	152 514	14 957
Subordinated borrowings	25 017	-
	<b>1 621 505</b>	<b>919 258</b>

## **5 Fee and commission income**

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 March 2012</b> <b>RUB'000</b>
Settlement operations	294 500	227 275
Insurance agent commission	269 826	46 422
Accounts opening and maintenance	30 391	27 610
Guarantee and letter of credit issuance	15 042	10 712
Other	12 780	9 737
	<b>622 539</b>	<b>321 756</b>

## 6 Net foreign exchange income

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 March 2012</b> <b>RUB'000</b>
Gain on spot transactions and derivatives	101 180	46 846
Gain (loss) from revaluation of financial assets and liabilities	(44 642)	20 506
	<b>56 538</b>	<b>67 352</b>

## 7 Net loss on operations with precious metals

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 March 2012</b> <b>RUB'000</b>
Gain on trading operations	2 946	2 783
Loss from revaluation of financial assets and liabilities and swap transactions	(22 806)	(17 042)
	<b>(19 860)</b>	<b>(14 259)</b>

## 8 Other operating income

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 March 2012</b> <b>RUB'000</b>
Penalties on loans issued	77 723	52 547
Rental income	6 156	6 060
Other income	37 792	33 018
	<b>121 671</b>	<b>91 625</b>

## 9 Impairment losses

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 March 2012</b> <b>RUB'000</b>
Loans to customers	823 725	275 748
Net investments in finance leases	7 011	107
	<b>830 736</b>	<b>275 855</b>

## 10 Personnel expenses

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 March 2012</b> <b>RUB'000</b>
Employee compensation	587 274	457 981
Payroll related taxes	178 433	156 147
	<b>765 707</b>	<b>614 128</b>

## 11 Other general administrative expenses

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 March 2012</b> <b>RUB'000</b>
Depreciation and amortization	63 038	35 125
Taxes other than income tax	23 706	18 211
Write-off of materials and loss on disposals of assets	36 362	34 185
Insurance	42 124	26 014
Repairs and maintenance	22 675	17 733
Rent	26 804	16 738
Communications and information services	11 849	12 742
Advertising and marketing	19 191	16 769
Security	8 602	7 178
Travel expenses	6 128	4 002
Professional services	1 274	-
Fines and penalties	522	285
Expenses of previous periods	61 398	6 767
Other	36 527	30 797
	<b>360 200</b>	<b>226 546</b>

## 12 Income tax expense

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 March 2012</b> <b>RUB'000</b>
<b>Current tax expense</b>		
Current year	14 396	121 829
Origination of temporary differences	189 582	126 175
<b>Total income tax expense</b>	<b>203 978</b>	<b>248 004</b>

During 3 months ended 31 March 2013 applicable tax rate for current and deferred tax is 20% (31 March 2012: 20%).

### Reconciliation of effective tax rate for the period ended 31 March:

	<b>31 March 2013</b> <b>RUB'000</b>	<b>%</b>	<b>31 March 2012</b> <b>RUB'000</b>	<b>%</b>
<b>Profit before tax</b>	<b>846 493</b>		<b>1 154 283</b>	
Income tax at the applicable tax rate	169 299	20.0%	230 857	20.0%
Other differences	39 030	4.6%	20 739	1.8%
Income taxed at lower tax rates	(4 351)	(0.5%)	(3 592)	(0.3%)
	<b>203 978</b>	<b>24.1%</b>	<b>248 004</b>	<b>21.5%</b>

### Deferred tax asset and liability

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes give rise to deferred tax assets and liabilities as at 31 March 2013 and 31 December 2012. Net deferred tax liabilities have been recognised in these consolidated interim condensed financial statements.

Movements in temporary differences during the 3 months ended 31 March are presented as follows:

<b>RUB'000</b>	<b>Balance 1 January 2013</b>	<b>Recognized in profit or loss</b>	<b>Recognized in equity</b>	<b>Balance 31 March 2013</b>
Financial instruments at fair value through profit or loss	2 385	(1 914)	-	471
Available-for-sale financial assets	(2 429)	-	4 931	2 502
Derivative financial instruments	32 143	(2 432)	-	29 711
Loans to customers	(111 223)	(137 820)	-	(249 043)
Net investments in finance leases	25 432	(4 167)	-	21 265
Property, equipment and intangible assets	(300 582)	(10 350)	-	(310 932)
Debt securities issued	(662)	1 103	-	441
Other liabilities	91 595	(34 002)	-	57 593
	<b>(263 341)</b>	<b>(189 582)</b>	<b>4 931</b>	<b>(447 992)</b>

<b>RUB'000</b>	<b>Balance 1 January 2012</b>	<b>Recognised in profit or loss</b>	<b>Recognized in equity</b>	<b>Balance 31 March 2012</b>
Due from banks	(1 217)	(791)	-	(2 008)
Financial instruments at fair value through profit or loss	10 395	(9 564)	-	831
Derivative financial instruments	(5 058)	8 197	-	3 139
Loans to customers	(50 538)	(101 101)	-	(151 639)
Net investment in finance leases	8 660	-	-	8 660
Property and equipment	(318 095)	3	-	(318 092)
Debt securities issued	246	1 125	-	1 371
Other liabilities	51 367	(24 044)	-	27 323
	<b>(304 240)</b>	<b>(126 175)</b>	<b>-</b>	<b>(430 415)</b>

## 13 Placements with the Central Bank of the Russian Federation

	<b>31 March 2013 RUB'000</b>	<b>31 December 2012 RUB'000</b>
Nostro accounts	1 567 686	2 155 496
Obligatory reserves with the CBR	871 176	746 455
Term deposits	-	200 049
<b>Total placements with the Central Bank of the Russian Federation</b>	<b>2 438 862</b>	<b>3 102 000</b>

**14 Financial instruments at fair value through profit or loss**

	31 March 2013 RUB'000	31 December 2012 RUB'000
<b>ASSETS</b>		
<b>Held by the Group</b>		
<b>Debt and other fixed-income instruments</b>		
- <b>Government and municipal bonds</b>		
Russian Government Federal bonds (OFZ)	-	2 274 536
Regional authorities bonds	1 033 616	882 547
<b>Total government and municipal bonds</b>	<b>1 033 616</b>	<b>3 157 083</b>
- <b>Corporate bonds</b>		
rated from BB- to BBB+	2 577 949	6 290 939
rated below B+	-	851 179
not rated	-	148 896
<b>Total corporate bonds</b>	<b>2 577 949</b>	<b>7 291 014</b>
- <b>Promissory notes</b>		
rated from BB- to BBB+	2 044 891	736 756
rated below B+	1 815 670	639 637
<b>Total promissory notes</b>	<b>3 860 561</b>	<b>1 376 393</b>
<b>Equity investments</b>		
Corporate shares	31 311	185 718
<b>Total equity investments</b>	<b>31 311</b>	<b>185 718</b>
<b>Derivative financial instruments</b>		
Foreign currency contracts	29	27
	<b>29</b>	<b>27</b>
<b>Total financial instruments at fair value through profit or loss held by Group</b>	<b>7 503 466</b>	<b>12 010 235</b>
<b>Pledged under sale and repurchase agreements</b>		
- <b>Corporate bonds</b>		
rated below B+	-	390 579
<b>Total corporate bonds</b>	<b>-</b>	<b>390 579</b>
<b>Total financial instruments at fair value through profit or loss pledged under sale and repurchase agreements</b>	<b>-</b>	<b>390 579</b>
<b>Total financial instruments at fair value through profit or loss</b>	<b>7 503 466</b>	<b>12 400 814</b>
<b>LIABILITIES</b>		
<b>Derivative financial instruments</b>		
Foreign currency and precious metals contracts	148 584	160 740
	<b>148 584</b>	<b>160 740</b>

Ratings of corporate entities are based on Standart & Poor's or the equivalent ratings assigned by Fitch Rating and Moody's.

All financial instruments at fair value through profit or loss are classified as held for trading.

The table below analyses financial instruments at fair value through profit or loss at 31 March 2013, by the level in the fair value hierarchy into which the fair value measurement is categorised:

<b>RUB '000</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
Financial instruments at fair value through profit or loss			
- Debt and other fixed income instruments	3 611 565	3 860 561	7 472 126
- Equity investments	31 311	-	31 311
- Derivative assets	29	-	29
- Derivative liabilities	4 855	143 729	148 584
	<b>3 647 760</b>	<b>4 004 290</b>	<b>7 652 050</b>

The table below analyses financial instruments at fair value through profit or loss at 31 December 2012, by the level in the fair value hierarchy into which the fair value measurement is categorised:

<b>RUB '000</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
Financial instruments at fair value through profit or loss			
- Debt and other fixed income instruments	10 838 676	1 376 393	12 215 069
- Equity investments	185 718	-	185 718
- Derivative assets	27	-	27
- Derivative liabilities	18 417	142 323	160 740
	<b>11 042 838</b>	<b>1 518 716</b>	<b>12 561 554</b>

None financial assets at fair value through profit or loss are past due or impaired.

**Foreign currency contracts**

The table below summarises, by major currencies, the contractual amounts of forward exchange contracts outstanding at 31 March 2013 and at 31 December 2012 with details of the contractual exchange rates and remaining periods to maturity. Foreign currency amounts presented below are translated at rates ruling at the reporting date. The resultant unrealised gains and losses on these unmatured contracts are recognized in profit or loss and in financial instruments at fair value through profit or loss, as appropriate.

	Notional amount		Weighted average contractual exchange rates	
	31 March 2013 RUB'000	31 December 2012 RUB'000	31 March 2013	31 December 2012
<b>Buy USD sell RUB</b>				
Less than 3 months	77 709	60 745	31.08	30.41
From 3 to 12 months	1 866 290	1 839 800	33.35	33.35
<b>Buy Euro sell RUB</b>				
Less than 3 months	19 901	10 057	39.80	40.12
From 3 to 12 months	204 675	-	41.54	-
<b>Buy Gold (grams) sell RUB</b>				
Less than 3 months	689 892	1 884 968	1 785.02	1 696.76
<b>Sell JPY buy RUB</b>				
Less than 3 months	6 609	-	33.12	-



## 15 Available-for-sale financial assets

	31 March 2013 RUB'000	31 December 2012 RUB'000
<b>Held by the Group</b>		
<b>Debt and other fixed-income instruments</b>		
- <b>Government and municipal bonds</b>		
Russian Government Federal bonds (OFZ and Eurobonds)	648 878	-
Regional authorities bonds	951 909	205 336
<b>Total government and municipal bonds</b>	<b>1 600 787</b>	<b>205 336</b>
- <b>Corporate bonds</b>		
rated from BB- to BBB+	5 556 515	850 182
rated below B+	513 104	445 656
<b>Total corporate bonds</b>	<b>6 069 619</b>	<b>1 295 838</b>
- <b>Equity investments</b>		
Corporate shares	116 470	-
<b>Total equity investments</b>	<b>116 470</b>	<b>-</b>
<b>Total available-for-sale financial instruments held by Group</b>	<b>7 786 876</b>	<b>1 501 174</b>
<b>Pledged under sale and repurchase agreements</b>		
- <b>Corporate bonds</b>		
rated from BB- to BBB+	-	1 910 887
<b>Total corporate bonds</b>	<b>-</b>	<b>1 910 887</b>
<b>Total available-for-sale financial instruments pledged under sale and repurchase agreements</b>	<b>-</b>	<b>1 910 887</b>
<b>Total available-for-sale financial instruments</b>	<b>7 786 876</b>	<b>3 412 061</b>

Ratings of corporate entities are based on Standart & Poor's or the equivalent ratings assigned by Fitch Rating and Moody's.

The table below analyses available-for-sale financial assets at 31 March 2013, by the level in the fair value hierarchy into which the fair value measurement is categorised:

RUB '000	Level 1	Level 2	Total
Available-for-sale financial assets			
- Debt and other fixed income instruments	7 670 406	-	7 670 406
- Equity investments	116 470	-	116 470
	<b>7 786 876</b>	<b>-</b>	<b>7 786 876</b>

The table below analyses available-for-sale financial assets at 31 December 2012, by the level in the fair value hierarchy into which the fair value measurement is categorised:

RUB '000	Level 1	Level 2	Total
Available-for-sale financial assets			
- Debt and other fixed income instruments	3 412 061	-	3 412 061
	<b>3 412 061</b>	<b>-</b>	<b>3 412 061</b>

None available-for-sale financial assets are past due or impaired.

## 16 Due from banks

	31 March 2013 RUB'000	31 December 2012 RUB'000
<b>Nostro accounts</b>		
- OECD banks	1 315 847	1 259 776
- Largest 30 Russian banks	1 200 683	228 066
- Other Russian banks	259 971	242 497
- Other foreign banks	56 064	95 081
<b>Total nostro accounts</b>	<b>2 832 565</b>	<b>1 825 420</b>
<b>Term deposits</b>		
- Largest 30 Russian banks	1 821 197	1 406 054
- Other Russian banks	2 121 316	396 203
<b>Total term deposits</b>	<b>3 942 513</b>	<b>1 802 257</b>
	<b>6 775 078</b>	<b>3 627 677</b>

None of due from banks balances are impaired or past due.

As at 31 March 2013 the Group has no banks (31 December 2012: no banks), whose balances individually exceed 10% of equity.

## 17 Amounts receivable under reverse repurchase agreements

The table below sets out receivables under reverse repurchase agreements showing individual types of securities received as collateral under reverse repurchase agreements outstanding as at 31 March 2013:

	Corporate bonds	Corporate shares	Total
<b>Amounts receivable under reverse repurchase agreements</b>			
- Other Russian banks	815 934	-	815 934
- Largest 30 Russian banks	171 480	122 150	293 630
	<b>987 414</b>	<b>122 150</b>	<b>1 109 564</b>

The table below sets out receivables under reverse repurchase agreements showing individual types of securities received as collateral under reverse repurchase agreements outstanding as at 31 December 2012:

	Corporate bonds	Total
<b>Amounts receivable under reverse repurchase agreements</b>		
- Largest 30 Russian banks	150 107	150 107
	<b>150 107</b>	<b>150 107</b>

At 31 March 2013 the fair value of financial assets collateralizing reverse repurchase agreements that the Group is permitted to sell or repledge in the absence of default is RUB 1 221 804 thousand (31 December 2012: RUB 166 683 thousand).

None amounts receivable under reverse repurchase agreements are past due or impaired.

## 18 Loans to customers

	31 March 2013 RUB'000	31 December 2012 RUB'000
<b>Loans to corporate customers</b>	<b>20 077 474</b>	<b>18 118 707</b>
<b>Loans to retail customers</b>		
Consumer loans	39 393 045	37 578 136
Mortgage loans	6 347 584	5 691 261
<b>Total loans to retail customers</b>	<b>45 740 629</b>	<b>43 269 397</b>
<b>Gross loans to customers</b>	<b>65 818 103</b>	<b>61 388 104</b>
Impairment allowance	(3 524 273)	(2 919 835)
<b>Net loans to customers</b>	<b>62 293 830</b>	<b>58 468 269</b>

Movements in the loan impairment allowance by classes of loans to customers for the 3 months ended 31 March 2013 are as follows:

	Loans to corporate customers RUB'000	Loans to retail customers RUB'000	Total RUB'000
<b>Balance at 1 January 2013</b>	<b>266 267</b>	<b>2 653 568</b>	<b>2 919 835</b>
Net charge	107 908	715 817	823 725
Write-offs	(29 303)	(189 984)	(219 287)
<b>Balance at 31 March 2013</b>	<b>344 872</b>	<b>3 179 401</b>	<b>3 524 273</b>

Movements in the loan impairment allowance by classes of loans to customers for the 3 months ended 31 March 2012 are as follows:

	Loans to corporate customers RUB'000	Loans to retail customers RUB'000	Total RUB'000
<b>Balance at 1 January 2012</b>	<b>347 376</b>	<b>1 460 729</b>	<b>1 808 105</b>
Net charge / (recovery)	(8 752)	284 607	275 855
Write-offs	(1 170)	(132 973)	(134 143)
<b>Balance at 31 March 2012</b>	<b>337 454</b>	<b>1 612 363</b>	<b>1 949 817</b>

## Credit quality of loans to customers

The following table provides information on the credit quality of loans to customers as at 31 March 2013:

	<b>Gross loans</b>	<b>Impairment allowance</b>	<b>Net loans</b>	<b>Impairment allowance to gross loans,</b>
	<b>RUB'000</b>	<b>RUB'000</b>	<b>RUB'000</b>	<b>%</b>
<b>Loans to corporate customers</b>				
Loans without individual signs of impairment	17 954 679	(150 636)	17 804 043	0.84%
Watch list loans	1 457 078	(12 867)	1 444 211	0.88%
Impaired loans:				
- not overdue	169 183	(1 471)	167 712	0.87%
- overdue less than 90 days	117 367	(47 538)	69 829	40.50%
- overdue more than 90 days and less than 1 year	46 689	(32 018)	14 671	68.58%
- overdue more than 1 year	332 478	(100 342)	232 136	30.18%
Total impaired loans	<b>665 717</b>	<b>(181 369)</b>	<b>484 348</b>	<b>27.24%</b>
<b>Total loans to corporate customers</b>	<b>20 077 474</b>	<b>(344 872)</b>	<b>19 732 602</b>	<b>1.72%</b>
<b>Loans to retail customers</b>				
<b>Consumer loans</b>				
- not overdue	33 129 834	(174 510)	32 955 324	0.53%
- overdue less than 30 days	1 261 936	(182 212)	1 079 724	14.44%
- overdue 30-89 days	1 183 954	(497 449)	686 505	42.02%
- overdue 90-179 days	970 810	(523 505)	447 305	53.92%
- overdue more than 180 days	2 846 511	(1 769 681)	1 076 830	62.17%
<b>Total consumer loans</b>	<b>39 393 045</b>	<b>(3 147 357)</b>	<b>36 245 688</b>	<b>7.99%</b>
<b>Mortgage loans</b>				
- not overdue	6 299 483	(2 481)	6 297 002	0.04%
- overdue less than 30 days	2 613	(120)	2 493	4.59%
- overdue 30-89 days	11 926	(3 884)	8 042	32.57%
- overdue 90-179 days	9 658	(5 931)	3 727	61.41%
- overdue more than 180 days	23 904	(19 628)	4 276	82.11%
<b>Total mortgage loans</b>	<b>6 347 584</b>	<b>(32 044)</b>	<b>6 315 540</b>	<b>0.50%</b>
<b>Total loans to retail customers</b>	<b>45 740 629</b>	<b>(3 179 401)</b>	<b>42 561 228</b>	<b>6.95%</b>
<b>Total loans to customers</b>	<b>65 818 103</b>	<b>(3 524 273)</b>	<b>62 293 830</b>	<b>5.35%</b>

The following table provides information on the credit quality of loans to customers as at 31 December 2012:

	<b>Gross loans</b>	<b>Impairment allowance</b>	<b>Net loans</b>	<b>Impairment allowance to gross loans,</b>
	<b>RUB'000</b>	<b>RUB'000</b>	<b>RUB'000</b>	<b>%</b>
<b>Loans to corporate customers</b>				
Loans without individual signs of impairment	16 116 693	(137 502)	15 979 191	0.85%
Watch list loans	1 431 913	(12 646)	1 419 267	0.88%
Impaired loans:				
- not overdue	186 337	(1 630)	184 707	0.87%
- overdue less than 90 days	14 778	(5 609)	9 169	37.96%
- overdue more than 90 days and less than 1 year	93 827	(8 590)	85 237	9.16%
- overdue more than 1 year	275 159	(100 290)	174 869	36.45%
Total impaired loans	570 101	(116 119)	453 982	20.37%
<b>Total loans to corporate customers</b>	<b>18 118 707</b>	<b>(266 267)</b>	<b>17 852 440</b>	<b>1.47%</b>
<b>Loans to retail customers</b>				
<b>Consumer loans</b>				
- not overdue	32 768 664	(152 528)	32 616 136	0.47%
- overdue less than 30 days	852 956	(115 751)	737 205	13.57%
- overdue 30-89 days	789 077	(342 214)	446 863	43.37%
- overdue 90-179 days	750 908	(441 145)	309 763	58.75%
- overdue more than 180 days	2 416 531	(1 580 746)	835 785	65.41%
<b>Total consumer loans</b>	<b>37 578 136</b>	<b>(2 632 384)</b>	<b>34 945 752</b>	<b>7.01%</b>
<b>Mortgage loans</b>				
- not overdue	5 654 942	(1 418)	5 653 524	0.03%
- overdue less than 30 days	1 315	(29)	1 286	2.21%
- overdue 30-89 days	10 574	(2 284)	8 290	21.60%
- overdue 90-179 days	6 799	(3 410)	3 389	50.15%
- overdue more than 180 days	17 631	(14 043)	3 588	79.65%
<b>Total mortgage loans</b>	<b>5 691 261</b>	<b>(21 184)</b>	<b>5 670 077</b>	<b>0.37%</b>
<b>Total loans to retail customers</b>	<b>43 269 397</b>	<b>(2 653 568)</b>	<b>40 615 829</b>	<b>6.13%</b>
<b>Total loans to customers</b>	<b>61 388 104</b>	<b>(2 919 835)</b>	<b>58 468 269</b>	<b>4.76%</b>

## Industry and geographical analysis of the loan portfolio

Loans to customers were issued primarily to customers located within the Russian Federation who operate in the following economic sectors:

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 December 2012</b> <b>RUB'000</b>
Wholesale and retail trade	4 892 585	4 919 057
Services	2 657 639	2 328 410
Production	1 869 094	1 842 182
Mining	1 912 835	1 257 622
Energy	1 298 671	1 177 738
Construction	1 284 371	1 133 124
Real estate	992 311	922 597
Fishery	464 417	596 740
Investment activities	144 600	277 031
Insurance	74 304	224 280
Other	4 486 649	3 439 926
Individuals	45 740 627	43 269 397
	<b>65 818 103</b>	<b>61 388 104</b>
Impairment allowance	(3 524 273)	(2 919 835)
	<b>62 293 830</b>	<b>58 468 269</b>

## Significant credit exposures

As at 31 March 2013 the Group has no borrowers or groups of connected borrowers whose loan balances individually exceed 10% of equity (31 December 2012: no borrowers or group of borrowers).

## 19 Net investments in finance leases

Net investments in finance leases comprise:

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 December 2012</b> <b>RUB'000</b>
Gross investments in finance leases	2 728 709	2 769 945
Less unearned finance lease income	(616 132)	(650 297)
	<b>2 112 577</b>	<b>2 119 648</b>
Less allowance for impairment	(55 330)	(48 319)
<b>Net investments in finance leases</b>	<b>2 057 247</b>	<b>2 071 329</b>

Net investments in finance leases generally comprise lease contracts on various types of equipment and vehicles.

Future minimum lease payments to be received are disclosed below:

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 December 2012</b> <b>RUB'000</b>
Within 1 year	1 434 294	1 409 117
From 1 to 5 years	1 274 412	1 334 199
More than 5 years	20 003	26 629
<b>Minimum lease payments receivable</b>	<b>2 728 709</b>	<b>2 769 945</b>

Gross investment in leases is receivable in the following currencies:

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 December 2012</b> <b>RUB'000</b>
RUB	2 437 079	2 468 452
USD	291 630	301 117
EUR	-	376
<b>Gross investments in finance leases</b>	<b>2 728 709</b>	<b>2 769 945</b>

Movements in the impairment allowance are as follows:

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 March 2012</b> <b>RUB'000</b>
<b>Balance at the beginning of the year</b>	48 319	36 995
Net charge	7 011	107
<b>Balance at the end of the period</b>	<b>55 330</b>	<b>37 102</b>

## 20 Transfers of financial assets

As at 31 March 2013 there are no securities sold under agreements to repurchase and transferred to a third party.

The securities sold under agreements to repurchase as at 31 December 2012 are presented in the table below:

<b>RUB'000</b>	<b>Financial assets at fair value through profit or loss</b>	<b>Financial assets available for sale</b>
Carrying amount of assets	390 579	1 910 887
Carrying amount of associated liabilities	292 702	1 686 994

## 21 Property, equipment and intangible assets and investment property

<b>RUB'000</b>	<b>Land and buildings</b>	<b>Computers and equipment</b>	<b>Fixtures and fittings</b>	<b>Vehicles</b>	<b>Intangible assets</b>	<b>Construction in progress</b>	<b>Total</b>
<b>Cost/revalued amount</b>							
Balance at 1 January 2013	3 892 179	579 286	39 750	63 431	224 224	258 058	5 056 928
Additions	2 362	22 508	347	1 369	8 309	228 171	263 066
Disposals	-	(8 242)	-	-	(11 685)	(125 824)	(145 751)
<b>At 31 March 2013</b>	<b>3 894 541</b>	<b>593 552</b>	<b>40 097</b>	<b>64 800</b>	<b>220 848</b>	<b>360 405</b>	<b>5 174 243</b>
<b>Depreciation and impairment losses</b>							
Balance at 1 January 2013	100 806	346 501	36 664	27 026	97 336	-	608 333
Depreciation and amortisation for the period	26 110	21 496	240	1 989	13 203	-	63 038
Disposals	-	(7 396)	-	-	(3 761)	-	(11 157)
<b>Balance at 31 March 2013</b>	<b>126 916</b>	<b>360 601</b>	<b>36 904</b>	<b>29 015</b>	<b>106 778</b>	<b>-</b>	<b>660 214</b>
<b>Carrying amounts</b>							
<b>At 31 March 2013</b>	<b>3 767 625</b>	<b>232 951</b>	<b>3 193</b>	<b>35 785</b>	<b>114 070</b>	<b>360 405</b>	<b>4 514 029</b>
<b>At 1 January 2013</b>	<b>3 791 373</b>	<b>232 785</b>	<b>3 086</b>	<b>36 405</b>	<b>126 888</b>	<b>258 058</b>	<b>4 448 595</b>

There are no capitalised borrowing costs related to the acquisition or construction of property, equipment and intangible assets during the 3 months ended 31 March 2013 (31 March 2012: nil).



<b>RUB'000</b>	<b>Land and buildings</b>	<b>Leasehold improvements</b>	<b>Computers and equipment</b>	<b>Fixtures and fittings</b>	<b>Vehicles</b>	<b>Intangible assets</b>	<b>Construction in progress</b>	<b>Total</b>
Cost								
Balance at 1 January 2012	3 589 540	5 288	447 627	38 667	116 677	227 249	191 405	4 616 453
Additions	-	-	32 437	136	1 071	7 027	22 242	62 913
Disposals	-	-	(7 050)	(42)	(218)	(7 250)	-	(14 560)
<b>At 31 March 2012</b>	<b>3 589 540</b>	<b>5 288</b>	<b>473 014</b>	<b>38 761</b>	<b>117 530</b>	<b>227 026</b>	<b>213 647</b>	<b>4 664 806</b>
Depreciation and impairment losses								
Balance at 1 January 2012	4 104	574	280 946	36 320	18 520	55 844	-	396 308
Depreciation for the year	10 990	26	15 934	188	1 476	6 511	-	35 125
Disposals	-	-	(368)	(42)	(218)	(2 217)	-	(2 845)
<b>Balance at 31 March 2012</b>	<b>15 094</b>	<b>600</b>	<b>296 512</b>	<b>36 466</b>	<b>19 778</b>	<b>60 138</b>	<b>-</b>	<b>428 588</b>
Carrying amounts								
<b>At 31 March 2012</b>	<b>3 574 446</b>	<b>4 688</b>	<b>176 502</b>	<b>2 295</b>	<b>97 752</b>	<b>166 888</b>	<b>213 647</b>	<b>4 236 218</b>
<b>At 1 January 2012</b>	<b>3 585 436</b>	<b>4 714</b>	<b>166 681</b>	<b>2 347</b>	<b>98 157</b>	<b>171 405</b>	<b>191 405</b>	<b>4 220 145</b>

**Investment property**

	31 March 2013 RUB'000	31 March 2012 RUB'000
Balance at 1 January	143 435	-
Transfer from property, equipment and intangible assets	-	-
Taking possession of collateral for loans to customers	-	-
Purchase of investment property	-	-
Fair value revaluation	(807)	-
Disposal of investment property	-	-
Balance at 31 March	<b>142 628</b>	-

Rental income from investment property for the 3 months ended 31 March 2013 comprised RUB 1 773 thousand (31 March 2012: none).

**22 Other assets**

	31 March 2013 RUB'000	31 December 2012 RUB'000
Other receivables	717 287	173 657
<b>Total other financial assets</b>	<b>717 287</b>	<b>173 657</b>
Prepayments for assets to be leased under finance lease	245 458	248 977
Prepayments	500 117	315 711
Advances on precious metals delivery	857 920	814 310
Materials and supplies	29 708	31 968
Other	27 694	95 927
<b>Total other non-financial assets</b>	<b>1 660 897</b>	<b>1 506 893</b>
<b>Total other assets</b>	<b>2 378 184</b>	<b>1 680 550</b>

**23 Deposits and balances from banks**

	31 March 2013 RUB'000	31 December 2012 RUB'000
Vostro accounts	46 858	40 304
Term deposits	7 533 818	7 090 387
	<b>7 580 676</b>	<b>7 130 691</b>

As at 31 March 2013 the Group has two banks (31 December 2012: one bank), whose balances exceed 10% of equity. The gross value of these balances as at 31 March 2013 is RUB 3 568 926 thousand (31 December 2012: RUB 1 716 023 thousand).

**Covenants**

As at 31 March 2013, the Group has term deposits from one of the banks amounting to RUB 1 465 456 thousand (31 December 2012: RUB 1 438 209 thousand) with maturities set out in the table below:

	31 March 2013 RUB'000	31 December 2012 RUB'000
- repayable on 23 December 2013	401 602	453 075
- repayable on 27 July 2016	395 511	483 542
- repayable on 5 July 2017	199 111	200 794
- repayable on 15 August 2017	299 154	300 798
- repayable on 19 March 2018	170 078	-
	<b>1 465 456</b>	<b>1 438 209</b>

According to the terms of the agreements, the Group is subject to a debt covenant stating that funds should be used for loan issuance to small and medium size entities. The Bank should comply with all ratios of the CBR and the N1 statutory ratio should be not less than 10.1%.

As at 31 March 2013, the Group has term deposits from another bank amounting to RUB 237 888 thousand repayable on 15 June 2015 (31 December 2012: RUB 237 708 thousand). According to the terms of the agreement the Group is subject to a debt covenant stating that funds should be used for issuance of loans to small and medium size entities and at the end of each quarter the Group should comply with a number of financial and non-financial covenants.

During the 3 months ended 31 March 2013 and 31 March 2012 the Group did not breach any covenants described above.

## 24 Amounts payable under repurchase agreements

There are no payables under direct repo agreements as at 31 March 2013.

The table below sets out payables under direct repo agreements showing individual types of securities transferred as collateral under repo agreements outstanding as at 31 December 2012:

	Corporate bonds	Total
<b>Amounts payable under direct repo agreements</b>		
- The CBR	2 023 180	2 023 180
- Other Russian banks	89 946	89 946
	<b>2 113 126</b>	<b>2 113 126</b>

Fair value of securities transferred under repo agreements as at 31 December 2012 comprised RUB 2 301 466 thousand. For details please refer to Note 20.

## 25 Current accounts and deposits from customers

	31 March 2013 RUB'000	31 December 2012 RUB'000
Current accounts and demand deposits		
- Retail	4 412 327	4 115 199
- Corporate	10 290 199	11 984 271
Term deposits		
- Retail	44 020 394	39 269 989
- Corporate	11 004 350	9 773 869
	<b>69 727 270</b>	<b>65 143 328</b>

As at 31 March 2013, the Group has no customers (31 December 2012: no customers), whose balances individually exceed 10% of equity.

## 26 Debt securities issued

	31 March 2013 RUB'000	31 December 2012 RUB'000
Bonds	6 131 255	3 022 432
Promissory notes	1 926 396	1 161 799
	<b>8 057 651</b>	<b>4 184 231</b>

Bonds are presented by three issues: two of the Bank and the other of one CJSC “Mortgage agent APB”.

In April 2012, the Group issued RUB 1 500 000 thousand of bonds with a coupon rate as at 31 March 2013 of 10.4%. These bonds mature on 30 April 2015.

In December 2012, the Group issued RUB 1 521 863 thousand of mortgage backed securities with a coupon rate of 8.75%. These securities mature on 26 April 2045. As at 31 March 2013 the carrying amount of mortgages served as collateral comprised RUB 1 403 454 thousand (31 December 2012: RUB 1 458 747 thousand).

In February 2013, the Group issued RUB 3 000 000 thousand of bonds with a coupon rate as at 31 March 2013 of 10.4%. These bonds mature on 19 February 2016.

## 27 Subordinated borrowings

	31 March 2013 RUB'000	31 December 2012 RUB'000
Subordinated deposit	961 919	915 050
	<b>961 919</b>	<b>915 050</b>

On 21 November 2012 the Bank attracted a subordinated loan in the amount USD 30 mln from one of the Bank's shareholders - IFC. The loan with interest rate 10.92% mature on 16 December 2019.

According to the terms of the agreement the Group is subject to a debt covenant stating that at the end of each quarter the Group should comply with a number of financial and non-financial covenants.

During 3 months 2013 the Group did not breach any covenants described above.

## 28 Other liabilities

	31 March 2013 RUB'000	31 December 2012 RUB'000
Payables to employees	263 196	431 291
Other taxes payable	64 840	69 607
Payables to creditors	84 138	35 904
Provision for guarantees and letters of credit issued	20 623	26 975
Other non-financial liabilities	85 493	59 955
	<b>518 290</b>	<b>623 732</b>

## 29 Analysis by segment

The Group has eighteen divisions located in different regions of the Russian Federation, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately. For each of the strategic business units the chief operating decision maker reviews internal management reports on at least a monthly basis. The Group combined branches into three reporting units based on geographical location: Far East region, Siberia region and West region.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax as included in the internal management reports that are based on statutory financial information and that are reviewed by the CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to others who operate within these industries.

Segment breakdown of assets and liabilities is set out below:

	31 March 2013 RUB'000	31 December 2012 RUB'000
<b>ASSETS</b>		
Far East region	45 320 237	42 381 816
Siberia region	22 673 351	21 174 510
West region	26 180 922	24 015 575
<b>Total assets</b>	<b>94 174 510</b>	<b>87 571 901</b>
<b>LIABILITIES</b>		
Far East region	53 018 317	51 259 406
Siberia region	14 579 349	12 941 005
West region	16 136 243	12 828 857
<b>Total liabilities</b>	<b>83 733 909</b>	<b>77 029 268</b>

Segment information for the main reportable segments for the 3 months ended 31 March 2013 is set below:

<b>RUB'000</b>	<b>Far East region</b>	<b>Siberia region</b>	<b>West region</b>	<b>Total</b>
External interest income	1 674 158	987 929	238 504	2 900 591
Fee and commission income	547 873	329 043	26 961	903 877
Net (loss) gain on financial instruments at fair value through profit or loss and realised gain on available-for-sale financial instruments	(474)	-	256 601	256 127
Net foreign exchange income (loss)	(22 503)	(28 289)	80 854	30 062
Other operating income	58 283	32 229	1 456	91 968
<b>Revenue</b>	<b>2 257 337</b>	<b>1 320 912</b>	<b>604 376</b>	<b>4 182 625</b>
Impairment losses	765 640	537 357	68 301	1 371 298
Interest expense	979 043	296 104	256 449	1 531 596
Fee and commission expense	18 372	5 213	3 077	26 662
Other general administrative expenses	836 028	79 004	13 641	928 673
<b>Segment result</b>	<b>(341 746)</b>	<b>403 235</b>	<b>262 908</b>	<b>324 396</b>
Income tax expense				13 052
<b>Net profit after taxes</b>				<b>311 344</b>

Segment information for the main reportable segments on profit and losses for the 3 months ended 31 March 2012 is set below:

<b>RUB'000</b>	<b>Far East region</b>	<b>Siberia region</b>	<b>West region</b>	<b>Total</b>
External interest income	1 136 757	644 046	172 157	1 952 960
Fee and commission income	350 767	190 544	21 467	562 778
Net gain on financial instruments at fair value through profit or loss and realised gain on available-for-sale financial instruments	-	-	242 623	242 623
Net foreign exchange income	36 499	21 453	29 316	87 268
Other operating income	42 265	22 821	482	65 568
<b>Revenue</b>	<b>1 566 288</b>	<b>878 864</b>	<b>466 045</b>	<b>2 911 197</b>
Impairment losses	276 330	106 236	23 597	406 163
Interest expense	652 238	145 232	85 755	883 225
Fee and commission expense	5 851	3 224	2 589	11 664
Other general administrative expenses	547 577	184 493	30 060	762 130
<b>Segment result</b>	<b>84 292</b>	<b>439 679</b>	<b>324 044</b>	<b>848 015</b>
Income tax expense				111 736
<b>Net profit after taxes</b>				<b>736 279</b>

## Reconciliations of reportable segment profit or loss

	31 March 2013 RUB'000	31 March 2012 RUB'000
<b>Profit or loss</b>		
Total profit or loss for reportable segments	311 344	736 279
IFRS accounting policy adjustments:		
- interest income on loans and advances to customers	57 005	243 509
- allowance for impairment of loans and advances to customers, finance lease receivables and other assets	547 599	130 309
- depreciation and amortisation of property and equipment and intangible assets	(8 525)	2 285
- securities at fair value	7 621	-
- other adjustments	(272 529)	(206 103)
<b>Consolidated profit or loss</b>	<b>642 515</b>	<b>906 279</b>

## Reconciliations of reportable assets and liabilities

	31 March 2013 RUB'000	31 December 2012 RUB'000
<b>Assets</b>		
Total assets for reportable segments	94 174 510	87 571 901
IFRS accounting policy adjustments:		
- interest income on loans and advances to customers	75 209	(24 341)
- allowance for impairment of loans and advances to customers and finance lease receivables	1 182 495	1 028 501
- allowance for impairment of other assets	441 676	355 056
- depreciation and amortisation of property and equipment and intangible assets and other adjustments to cost	243 828	182 624
- securities at fair value	23 908	8 925
- deferred income tax asset	21 265	25 432
- revaluation of property and equipment	125 861	125 668
- assets of subsidiaries and consolidation adjustments	3 101 206	3 043 640
- other adjustments	229 898	(141 597)
<b>Consolidated assets</b>	<b>99 619 856</b>	<b>92 175 809</b>
<b>Liabilities</b>		
Total liabilities for reportable segments	83 733 909	77 029 268
IFRS accounting policy adjustments:		
- accounting for deferred tax liability	469 257	288 773
- liabilities of subsidiaries and consolidation adjustments	3 034 526	3 023 604
- other adjustments	230 442	305 230
<b>Consolidated liabilities</b>	<b>87 468 134</b>	<b>80 646 875</b>

## 30 Risk management

### a) Interest rate risk

The table below displays average effective interest rates for interest bearing assets and liabilities as at 31 March 2013 and 31 December 2012. These interest rates are an approximation of the yields to maturity of these assets and liabilities.

	31 March 2013			31 December 2012		
	Average effective interest rate. %			Average effective interest rate. %		
	RUB	USD	Other currencies	RUB	USD	Other currencies
<b>Interest bearing assets</b>						
Term deposits with the CBR	-	-	-	4%	-	-
Financial instruments at fair value through profit or loss	8%	-	-	9%	8%	-
Available-for-sale financial assets	8%	12%	-	9%	13%	-
Due from banks						
- nostro accounts	2%	-	-	2%	-	-
- term deposits	6%	7%	-	5%	7%	-
Amounts receivable under reverse repurchase agreements	6%	-	-	7%	-	-
Loans to customers						
- retail	24%	11%	-	24%	11%	-
- corporate	13%	10%	11%	13%	10%	11%
Net investments in finance leases	29%	23%	-	29%	23%	40%
<b>Interest bearing liabilities</b>						
Deposits and balances from banks	10%	4%	3%	10%	4%	4%
Amounts payable under repurchase agreements	-	-	-	6%	-	-
Current accounts and deposits from customers						
- retail	9%	4%	4%	10%	5%	5%
- corporate	9%	4%	4%	8%	4%	3%
Debt securities issued						
- promissory notes	10%	3%	-	10%	9%	-
- bonds	10%	-	-	10%	-	-
Subordinated borrowings	-	11%	-	-	11%	-



**b) Currency risk**

The following table shows the foreign currency structure of assets and liabilities as at 31 March 2013:

	<b>RUB</b>	<b>USD</b>	<b>EUR</b>	<b>Gold</b>	<b>Other</b>	<b>Total</b>
	<b>RUB'000</b>	<b>RUB'000</b>	<b>RUB'000</b>	<b>RUB'000</b>	<b>currencies</b>	<b>RUB'000</b>
					<b>RUB'000</b>	
<b>ASSETS</b>						
Cash	1 602 256	506 456	181 917	-	87 165	2 377 793
Placements with the Central Bank of the Russian Federation	2 438 862	-	-	-	-	2 438 862
Financial instruments at fair value through profit or loss	7 503 437	12	1	-	16	7 503 466
Available-for-sale financial assets	7 452 266	334 610	-	-	-	7 786 876
Due from banks	4 321 361	1 320 759	185 283	929 012	18 663	6 775 078
Amounts receivable under reverse repurchase agreements	1 109 564	-	-	-	-	1 109 564
Loans to customers	60 693 811	1 330 712	265 295	-	4 012	62 293 830
Net investments in finance leases	1 866 433	190 814	-	-	-	2 057 247
Current tax asset	221 034	-	-	-	-	221 034
Deferred tax asset	21 265	-	-	-	-	21 265
Property, equipment, intangible assets and investment property	4 656 657	-	-	-	-	4 656 657
Other assets	1 708 579	659 161	4 755	-	5 689	2 378 184
<b>Total assets</b>	<b>93 595 525</b>	<b>4 342 524</b>	<b>637 251</b>	<b>929 012</b>	<b>115 545</b>	<b>99 619 856</b>

	<b>RUB</b>	<b>USD</b>	<b>EUR</b>	<b>Gold</b>	<b>Other</b>	<b>Total</b>
	<b>RUB'000</b>	<b>RUB'000</b>	<b>RUB'000</b>	<b>RUB'000</b>	<b>currencies</b>	<b>RUB'000</b>
					<b>RUB'000</b>	
<b>LIABILITIES</b>						
Derivative financial instruments	-	67 882	3 035	77 667	-	148 584
Deposits and balances from banks	6 365 376	1 142 197	69 063	-	4 040	7 580 676
Current accounts and deposits from customers	63 393 445	3 858 787	812 648	1 607 852	54 538	69 727 270
Debt securities issued	7 847 722	209 929	-	-	-	8 057 651
Subordinated borrowings	-	961 919	-	-	-	961 919
Current tax liability	4 487	-	-	-	-	4 487
Deferred tax liability	469 257	-	-	-	-	469 257
Other liabilities	476 981	38 314	2 985	-	10	518 290
<b>Total liabilities</b>	<b>78 557 268</b>	<b>6 279 028</b>	<b>887 731</b>	<b>1 685 519</b>	<b>58 588</b>	<b>87 468 134</b>
<b>Net position</b>	<b>15 038 257</b>	<b>(1 936 504)</b>	<b>(250 480)</b>	<b>(756 507)</b>	<b>56 957</b>	<b>12 151 722</b>
<b>The effect of derivatives held for risk management</b>	<b>(2 851 858)</b>	<b>1 943 999</b>	<b>224 576</b>	<b>689 892</b>	<b>(6 609)</b>	<b>-</b>
<b>Net position after derivatives held for risk management purposes</b>	<b>12 186 399</b>	<b>7 494</b>	<b>(25 904)</b>	<b>(66 615)</b>	<b>50 348</b>	<b>12 151 722</b>

The following table shows the foreign currency structure of assets and liabilities as at 31 December 2012:

	<b>RUB</b> <b>RUB'000</b>	<b>USD</b> <b>RUB'000</b>	<b>EUR</b> <b>RUB'000</b>	<b>Gold</b> <b>RUB'000</b>	<b>Other</b> <b>currencies</b> <b>RUB'000</b>	<b>Total</b> <b>RUB'000</b>
<b>ASSETS</b>						
Cash	2 131 583	286 975	169 062	-	48 357	2 635 977
Placements with the Central Bank of the Russian Federation	3 102 000	-	-	-	-	3 102 000
Financial instruments at fair value through profit or loss	11 450 166	950 621	27	-	-	12 400 814
Available-for-sale financial assets	3 114 299	297 762	-	-	-	3 412 061
Due from banks	1 974 698	1 199 822	356 664	84 408	12 085	3 627 677
Amounts receivable under reverse repurchase agreements	150 107	-	-	-	-	150 107
Loans to customers	56 795 489	1 416 746	256 034	-	-	58 468 269
Net investments in finance leases	1 878 252	192 718	359	-	-	2 071 329
Current tax asset	9 563	-	-	-	-	9 563
Deferred tax asset	25 432	-	-	-	-	25 432
Property, equipment, intangible assets and investment property	4 592 030	-	-	-	-	4 592 030
Other assets	1 612 342	17 595	44 717	-	5 896	1 680 550
<b>Total assets</b>	<b>86 835 961</b>	<b>4 362 239</b>	<b>826 863</b>	<b>84 408</b>	<b>66 338</b>	<b>92 175 809</b>

	<b>RUB</b>	<b>USD</b>	<b>EUR</b>	<b>Gold</b>	<b>Other</b>	<b>Total</b>
	<b>RUB'000</b>	<b>RUB'000</b>	<b>RUB'000</b>	<b>RUB'000</b>	<b>currencies</b>	<b>RUB'000</b>
					<b>RUB'000</b>	
<b>LIABILITIES</b>						
Derivative financial instruments	-	94 434	-	66 306	-	160 740
Deposits and balances from banks	5 893 112	1 200 166	37 233	-	180	7 130 691
Amounts payable under repurchase agreements	2 113 126	-	-	-	-	2 113 126
Current accounts and deposits from customers	58 477 009	3 953 736	756 429	1 938 022	18 132	65 143 328
Debt securities issued	3 978 892	205 339	-	-	-	4 184 231
Subordinated borrowings	-	915 050	-	-	-	915 050
Current tax liability	87 204	-	-	-	-	87 204
Deferred tax liability	288 773	-	-	-	-	288 773
Other liabilities	609 510	13 452	765		5	623 732
<b>Total liabilities</b>	<b>71 447 626</b>	<b>6 382 177</b>	<b>794 427</b>	<b>2 004 328</b>	<b>18 317</b>	<b>80 646 875</b>
<b>Net position</b>	<b>15 388 335</b>	<b>(2 019 938)</b>	<b>32 436</b>	<b>(1 919 920)</b>	<b>48 021</b>	<b>11 528 934</b>
<b>The effect of derivatives held for risk management</b>	<b>(3 795 570)</b>	<b>1 900 545</b>	<b>10 057</b>	<b>1 884 968</b>	<b>-</b>	<b>-</b>
<b>Net position after derivatives held for risk management purposes</b>	<b>11 592 765</b>	<b>(119 393)</b>	<b>42 493</b>	<b>(34 952)</b>	<b>48 021</b>	<b>11 528 934</b>

**c) Liquidity risk**

The table below shows an analysis, by expected maturities, of the amounts recognized in the consolidated interim condensed statement of financial position as at 31 March 2013:

<b>RUB'000</b>	<b>Demand and less than 1 month</b>	<b>From 1 to 3 months</b>	<b>From 3 to 12 months</b>	<b>From 1 to 5 years</b>	<b>More than 5 years</b>	<b>No maturity</b>	<b>Total</b>
<b>ASSETS</b>							
Cash	2 377 793	-	-	-	-	-	2 377 793
Placements with the Central Bank of Russia	1 567 686	-	-	-	-	871 176	2 438 862
Financial instruments at fair value through profit or loss	4 866 771	2 636 695	-	-	-	-	7 503 466
Available-for-sale financial assets	-	7 786 876	-	-	-	-	7 786 876
Due from banks	6 295 241	-	305 031	-	-	174 806	6 775 078
Amounts receivable under reverse repurchase agreements	1 109 564	-	-	-	-	-	1 109 564
Loans to customers	4 011 878	3 517 326	17 379 572	32 087 681	5 297 372	-	62 293 830
Net investments in finance leases	87 452	174 903	787 063	982 176	25 653	-	2 057 247
Current tax asset	221 034	-	-	-	-	-	221 034
Deferred tax asset	-	-	-	-	-	21 265	21 265
Property, equipment, intangible assets and investment property	-	-	-	-	-	4 656 657	4 656 657
Other assets	1 591 757	142 987	643 440	-	-	-	2 378 184
<b>Total assets</b>	<b>22 129 176</b>	<b>14 258 787</b>	<b>19 115 106</b>	<b>33 069 857</b>	<b>5 323 025</b>	<b>5 723 904</b>	<b>99 619 856</b>

<b>RUB'000</b>	<b>Demand and less than 1 month</b>	<b>From 1 to 3 months</b>	<b>From 3 to 12 months</b>	<b>From 1 to 5 years</b>	<b>More than 5 years</b>	<b>No maturity</b>	<b>Total</b>
<b>LIABILITIES</b>							
Derivative financial instruments	5	77 666	70 913	-	-	-	148 584
Deposits and balances from banks	416 186	320 968	3 299 417	3 533 130	10 975	-	7 580 676
Current accounts and deposits from customers	22 879 119	10 506 625	28 593 152	7 748 374	-	-	69 727 270
Debt securities issued	642 632	21 550	1 721 279	5 648 466	23 724	-	8 057 651
Subordinated borrowings	-	29 417	-	186 500	746 002	-	961 919
Current tax liability	4 487	-	-	-	-	-	4 487
Deferred tax liability	-	-	-	-	-	469 257	469 257
Other liabilities	518 290	-	-	-	-	-	518 290
<b>Total liabilities</b>	<b>24 460 719</b>	<b>10 956 226</b>	<b>33 684 761</b>	<b>17 116 470</b>	<b>780 701</b>	<b>469 257</b>	<b>87 468 134</b>
<b>Net position</b>	<b>(2 331 543)</b>	<b>3 302 561</b>	<b>(14 569 655)</b>	<b>15 953 387</b>	<b>4 542 324</b>	<b>5 254 647</b>	<b>12 151 722</b>

The table below shows an analysis, by expected maturities, of the amounts recognized in the consolidated statement of financial position as at 31 December 2012:

<b>RUB'000</b>	<b>Demand and less than 1 month</b>	<b>From 1 to 3 months</b>	<b>From 3 to 12 months</b>	<b>From 1 to 5 years</b>	<b>More than 5 years</b>	<b>No maturity</b>	<b>Total</b>
<b>ASSETS</b>							
Cash	2 635 977	-	-	-	-	-	2 635 977
Placements with the Central Bank of Russia	2 355 545	-	-	-	-	746 455	3 102 000
Financial instruments at fair value through profit or loss	11 024 421	1 376 393	-	-	-	-	12 400 814
Available-for-sale financial assets	-	3 412 061	-	-	-	-	3 412 061
Due from banks	3 189 088	-	347 642	-	-	90 947	3 627 677
Amounts receivable under reverse repurchase agreements	150 107	-	-	-	-	-	150 107
Loans to customers	1 066 974	5 718 396	19 583 890	27 285 997	4 813 012	-	58 468 269
Net investments in finance leases	82 933	166 552	747 641	1 050 339	23 864	-	2 071 329
Current tax asset	9 563	-	-	-	-	-	9 563
Deferred tax asset	-	-	-	-	-	25 432	25 432
Property, equipment, intangible assets and investment property	-	-	-	-	-	4 592 030	4 592 030
Other assets	936 899	135 220	608 431	-	-	-	1 680 550
<b>Total assets</b>	<b>21 451 507</b>	<b>10 808 622</b>	<b>21 287 604</b>	<b>28 336 336</b>	<b>4 836 876</b>	<b>5 454 864</b>	<b>92 175 809</b>
<b>LIABILITIES</b>							
Derivative financial instruments	18 417	-	142 323	-	-	-	160 740
Deposits and balances from banks	534 872	503 806	3 615 619	2 419 835	56 559	-	7 130 691
Amounts payable under repurchase agreements	2 113 126	-	-	-	-	-	2 113 126
Current accounts and deposits from customers	24 476 465	9 779 765	24 971 432	5 915 666	-	-	65 143 328
Debt securities issued	111 172	109 209	1 063 546	2 824 884	75 420	-	4 184 231
Subordinated borrowings	-	-	3 869	182 236	728 945	-	915 050
Current tax liability	87 204	-	-	-	-	-	87 204
Deferred tax liability	-	-	-	-	-	288 773	288 773
Other liabilities	220 766	402 966	-	-	-	-	623 732
<b>Total liabilities</b>	<b>27 562 022</b>	<b>10 795 746</b>	<b>29 796 789</b>	<b>11 342 621</b>	<b>860 924</b>	<b>288 773</b>	<b>80 646 875</b>
<b>Net position</b>	<b>(6 110 515)</b>	<b>12 876</b>	<b>(8 509 185)</b>	<b>16 993 715</b>	<b>3 975 952</b>	<b>5 166 091</b>	<b>11 528 934</b>

## 31 Capital management

The CBR sets and monitors capital requirements for the Bank.

The Bank defines as capital those items defined by statutory regulation as capital for credit institutions. Under the current capital requirements set by the CBR, banks have to maintain a ratio of capital to risk weighted assets (statutory capital ratio) above the prescribed minimum level. As at 31 March 2013 and 31 December 2012, this minimum level is 10%. The Bank is in compliance with the statutory capital ratio.

The Group also monitors its capital adequacy levels calculated in accordance with the requirements of the Basel Accord, as defined in the International Convergence of Capital Measurement and Capital Standards (updated April 1998) and Amendment to the Capital Accord to incorporate market risks (updated November 2007), commonly known as Basel I.

The following table shows the composition of the capital position calculated in accordance with the requirements of the Basle Accord as at 31 March:

	31 March 2013 RUB'000	31 December 2012 RUB'000
<b>Tier 1 capital</b>		
Share capital	562 312	562 312
Share premium	1 192 723	1 192 723
Retained earnings	9 126 682	8 484 167
<b>Total tier 1 capital</b>	<b>10 881 717</b>	<b>10 239 202</b>
<b>Tier 2 capital</b>		
Revaluation surplus for available-for-sale assets	(10 009)	9 718
Revaluation surplus for buildings	1 280 014	1 280 014
Subordinated debt (unamortized portion)	961 919	915 050
<b>Total tier 2 capital</b>	<b>2 231 924</b>	<b>2 204 782</b>
<b>Total capital</b>	<b>13 113 641</b>	<b>12 443 984</b>
<b>Risk-weighted assets</b>		
Banking book	72 459 117	69 521 689
Trading book	9 625 427	10 789 199
<b>Total risk weighted assets</b>	<b>82 084 544</b>	<b>80 310 888</b>
<b>Total capital expressed as a percentage of risk-weighted assets (total capital ratio)</b>	<b>15.98%</b>	<b>15.49%</b>
<b>Total tier 1 capital expressed as a percentage of risk-weighted assets (tier 1 capital ratio)</b>	<b>13.26%</b>	<b>12.75%</b>

The risk-weighted assets are measured by means of a hierarchy of risk weights classified according to the nature and reflecting an estimate of credit, market and other risks associated with each asset and counterparty, taking into account any eligible collateral or guarantees. A similar treatment is adopted for unrecognized contractual commitments, with some adjustments to reflect the more contingent nature of the potential losses.



The Group is subject to minimum capital adequacy requirements calculated in accordance with the methodology of International Finance Corporation (IFC) established by covenants under liabilities incurred by the Group. The Group has complied with all externally imposed capital requirements.

## 32 Commitments

	31 March 2013 RUB'000	31 December 2012 RUB'000
<b>Contracted amount</b>		
Guarantees and letters of credit	2 716 978	2 820 942
Undrawn overdraft facilities	4 788 988	4 145 561
Loan and credit line commitments	489 123	527 160
	<b>7 995 089</b>	<b>7 493 663</b>

As at 31 March 2013 the Group has a commitment to purchase 3 642 kg of gold and 8 923 kg of silver (31 December 2012: 1 698 kg of gold and 8 923 kg of silver) under contracts to be settled at the market price at the date of maturity.

## 33 Cash and cash equivalents

	31 March 2013 RUB'000	31 December 2012 RUB'000
Cash on hand	2 377 793	2 635 977
Nostro accounts with the CBR	1 567 686	2 155 496
Nostro accounts with other banks	2 832 565	1 825 420
Term deposits with the CBR	-	200 049
Term deposits with other banks	3 458 454	1 363 668
<b>Total cash and cash equivalents</b>	<b>10 236 498</b>	<b>8 180 610</b>

None of cash and cash equivalents are impaired or past due.

## 34 Related party transactions

### (a) Control relationships

The Group's parent company is LLC “PPFIN Region” (Russian Federation). As of 31 March 2013, the ultimate beneficial owners of the Group were Mr. Andrey Vdovin (the owner of 16.6553%), Mr. Kirill Yakubovsky (the owner of 16.6553%), Mr. Pavel Maslovsky (the owner of 16.6553%), Mr. Peter Hambro (the owner of 16.6553%), East Capital Explorer Financial Institution Fund (Sweden) (the owner of 17.91%), International Finance Corporation (6.99%) and Mr. Evgeniy Aksenov (the owner of 5.21%).

**(b) Transactions with the members of the Board of Directors and the Management Board**

Total remuneration included in personnel expenses for the 3 months ended 31 March is as follows:

	<b>31 March 2013 RUB'000</b>	<b>31 March 2012 RUB'000</b>
Short term employee benefits	101 968	80 841
	<b>101 968</b>	<b>80 841</b>

These amounts include non-cash benefits in respect of the members of the Board of Directors and the Management Board.

The outstanding balances and average effective interest rates as at 31 March 2013 and 31 December 2012 for transactions with the members of the Board of Directors and the Management Board are as follows:

	<b>31 March 2013 RUB'000</b>	<b>Average effective interest rate, %</b>	<b>31 December 2012 RUB'000</b>	<b>Average effective interest rate, %</b>
<b>Consolidated statement of financial position</b>				
<b>ASSETS</b>				
Loans to customers	24 463	12.33%	138	29.12%
Other assets	1 381	-	433	-
<b>LIABILITIES</b>				
Current accounts and deposits from customers	146 843	8.74%	118 765	9.27%
Debt securities issued	-	-	100 078	9.50%

Other amounts included in the consolidated interim condensed statement of comprehensive income in relation to transactions with the members of the Board of Directors and the Management Board for the 3 months ended 31 March are as follows:

	<b>31 March 2013 RUB'000</b>	<b>31 March 2012 RUB'000</b>
<b>Consolidated interim condensed statement of comprehensive income</b>		
Interest income	24	96
Interest expense	(2 669)	(415)

**(c) Transactions with shareholders**

The outstanding balances and average effective interest rates as at 31 March 2013 and 31 December 2012 for transactions with shareholders are as follows:

	31 March 2013 RUB'000	Average effective interest rate, %	31 December 2012 RUB'000	Average effective interest rate, %
<b>Consolidated statement of financial position</b>				
<b>ASSETS</b>				
Loans to customers	-	-	38	16.00%
Other assets	457	-	500	-
<b>LIABILITIES</b>				
Deposits and balances from banks	237 888	14.79%	237 708	14.79%
Current accounts and deposits	94 950	11.06%	88 961	11.22%
Subordinated borrowings	961 919	10.92%	915 050	10.92%
Other liabilities	40	-	-	-

Amounts included in the consolidated interim condensed statement of comprehensive income in relation to transactions with shareholders for the 3 months ended 31 March are as follows:

	31 March 2013 RUB'000	31 March 2012 RUB'000
<b>Consolidated interim condensed statement of comprehensive income</b>		
Interest expense	(35 427)	(11 854)
Commission income	40	-

**(d) Transactions with the Banking Holding Group**

The Group is part of a Holding Group (the Banking Holding Group) which as at 31 March 2013 and 31 December 2012 includes VMHY Holding, the parent company of LLC "PPFIN Region".

The outstanding balances and average effective interest rates as at 31 March 2013 and 31 December 2012 for transactions with the Banking Holding Group are as follows:

	31 March 2013 RUB'000	Average effective interest rate, %	31 December 2012 RUB'000	Average effective interest rate, %
<b>Consolidated statement of financial position</b>				
<b>LIABILITIES</b>				
Current accounts and deposits	65	-	23	-

Amounts included in the consolidated interim condensed statement of comprehensive income in relation to transactions with the Banking Holding Group for the 3 months ended 31 March are as follows:

	31 March 2013 RUB'000	31 March 2012 RUB'000
<b>Consolidated interim condensed statement of comprehensive income</b>		
Interest expense	-	4 194
Commission income	7	-

**(e) Transactions with other related parties**

Other related parties are represented by companies controlled by management or shareholders of the Group.

The outstanding balances and average effective interest rates as at 31 March 2013 and 31 December 2012 for transactions with other related parties are as follows:

	31 March 2013 RUB'000	Average effective interest rate, %	31 December 2012 RUB'000	Average effective interest rate, %
<b>Consolidated statement of financial position</b>				
<b>ASSETS</b>				
Due from banks	1 777	-	938	-
Loans to customers	1 071 220	11.62%	1 066 968	11.91%
Other assets	9 053	-	9 120	-
<b>LIABILITIES</b>				
Deposits and balances from banks	27 522	12.00%	72 815	12.00%
Current accounts and deposits from customers	1 898 605	8.61%	798 965	9.75%
Other liabilities	1 487	-	3 880	-
Debt securities issued	306 122	11.31%	300 632	11.29%
<b>Commitments</b>				
Guarantees and letters of credit	20 285	-	30 502	-
Undrawn loan commitments and overdraft	267 672	-	19 150	-

Amounts included in the consolidated interim condensed statement of comprehensive income in relation to transactions with other related parties for the 3 months ended 31 March are as follows:

	<b>31 March 2013</b> <b>RUB'000</b>	<b>31 March 2012</b> <b>RUB'000</b>
<b>Consolidated interim condensed statement of comprehensive income</b>		
Interest income	30 392	6 375
Interest expense	(18 179)	(10 050)
Commission income	4 318	-
Other income	2 319	-
Other expense	(7 053)	-
Impairment loss origination	(38)	(5 809)