

June 8, 2012

PRESS RELEASE

**Bank Saint Petersburg released its 1Q 2012 IFRS Results**

Financial highlights for 1Q 2012\*:

- **Assets** increased by 20.6% compared with April 1, 2011 to RUB 340.7 billion (USD 11.6 billion);
- **Net income** for 1Q 2012 amounted to RUB 123.3 million (USD 4.2 million);
- **Net interest income** for 1Q 2012 amounted to RUB 2.9 billion (USD 99.7 million);
- **Loan portfolio** as at April 1, 2012 exceeded RUB 232.1 billion (USD 7.9 billion).

\*The RUB-nominated figures are translated into USD at the official exchange rate quoted by the CBR for April 1, 2012 (USD 1.00 = RUB 29.33).

Alexander Savelyev, Chairman of the Management Board, commented on the Bank's 1Q 2012 results: *"Since last autumn, the negative impact of external factors on the Russian economy and banking sector has increased significantly. As a result, the increase in cost of funding puts more pressure on a margin than we forecasted. The impact of higher provisions on 1Q2012 profitability is in line with our expectations. In such circumstances the Bank continues to adhere to conservative strategy and targets growth as the market recovers"*.

As at April 1, 2012, Bank Saint Petersburg was ranked 15<sup>th</sup> in terms of assets and 18<sup>th</sup> in terms of retail deposits among the Russian banks (Interfax ranking). As at April 1, 2012, the number of cards issued by the Bank exceeded 725 thousand; the Bank's ATM network comprised of 515 units. Today, the Bank provides services to about 1.2 million individuals and 37 thousand corporates. As at April 1, 2012, Internet-Bank was actively used by 152 thousand clients.

**Net interest income** for 1Q 2012 amounted to RUB 2.9 billion. **Net interest margin (NIM) for 1Q 2012** amounted to 3.8% (4.4% for 4Q 2011). This decline was caused by faster liabilities repricing compared with assets in the growing interest rates environment.

**Net fee and commission income** increased by 9.8% compared with 1Q 2011 and amounted to RUB 482.1 million.

**Net trading income.** In 1Q 2012 an aggregate result from financial markets operations amounted to RUB 280.9 million (-45.4% compared with 1Q 2011). Gains from operations with securities amounted to RUB 77,9 million, gains from operations with foreign currencies amounted to RUB 203,0 million.

**Income before provisions and taxes** amounted to RUB 3.6 billion for 1Q 2012 (-14.9% compared with 1Q 2011). The Bank's **Cost-to-Income Ratio** for 1Q 2012 stood at 46.5% (44.5% for 4Q 2011, 36.1% for FY 2011). **Operating costs** amounted to RUB 1.7 billion (-8.5% compared with 4Q 2011).

**Net income** for 1Q 2012 amounted to RUB 123.3 million. The Bank's **return on equity (ROAE)** for 1Q 2012 amounted to 1.24%.

During 1Q 2012 the **Bank's assets** increased to RUB 340.7 billion (+3.2% compared with January 1, 2012; +20.6% compared with April 1, 2011).

**Liabilities.** As at April 1, 2012, customer accounts amounted to RUB 224.5 billion (-4.9% compared with January 1, 2012; +12.2% compared with April 1, 2011). 60.7% of customer accounts belonged to corporate customers and 39.3% - to individuals. As at April 1, 2012, the share of wholesale funding in liabilities amounted to 6.5% (7.2% as at January 1, 2012).

**Equity and capital.** As at April 1, 2012, the shareholders equity increased by 0.3% to RUB 40.1 billion compared with January 1, 2012. The Bank's total capital amounted to RUB 46.5 billion (-1.2% compared with January 1, 2012; +24.2% compared with April 1, 2011). As at April 1, 2012, the Bank's Tier 1 and total capital adequacy ratios were 10.0% and 13.5% respectively. On April 28, 2012, the Annual General Shareholders' Meeting of Bank Saint Petersburg made the decision on dividend payment for FY 2011. Total payout amounts to RUB 817.8 million and will not significantly impact the Bank's capital adequacy ratios.

As at April 1, 2012, **Loan portfolio before provisions** amounted to RUB 232.1 billion (+0.4% compared to January 1, 2012; +8.7% compared with April 1, 2011). Corporate loans constituted 92.9% of the loan book and amounted to RUB 215.7 billion, during 1Q 2012 their volume increased by 0.2%. Loans to retail customers amounted to RUB 16.4 billion (+2.3% compared with January 1, 2012).

**Loan portfolio quality.** As at April 1, 2012 the share of overdue loans in the Bank's portfolio amounted to 6.0% of the total volume of loans (5.7% as at January 1, 2012). The share of the corporate overdue loans amounted to 5.9% of the total corporate loans (5.7% as at January 1, 2012); the share of the retail overdue loans amounted to 6.6% of the total retail loans (6.2% as at January 1, 2012). As at April 1, 2012, impaired not past due loans constituted 8.4% of the total volume of loans (6.6% as at January 1, 2012). Provision charge amounted to RUB 1.8 billion.

**1Q 2012 IFRS Financial Statements are available on the Bank's website:** <http://en.bspb.ru/2095/>.

**Bank Saint Petersburg** is the leading privately-owned bank of the North-West of Russia. Founded in 1990, the Bank has become an integral part of the financial sector in the North-West of Russia over the past years. Today, the Bank provides services to about 1.2 million individuals and 37 thousand corporates through its 38 offices in St. Petersburg, the Leningrad region, Moscow, Kaliningrad and Nizhny Novgorod. Based on its 1Q 2012 performance, it ranks 15<sup>th</sup> in terms of assets and 18<sup>th</sup> in terms of retail deposits among Russian banks (according to Interfax). The Bank is rated "Ba3" by Moody's with "stable" outlook.

**For further information please contact:**

**Tatiana Oreshkina, Head of IR**

**Tel.: +7 812 332 78 36**

**E-mail: [ir@bspb.ru](mailto:ir@bspb.ru)**

**For more information about Bank Saint Petersburg please visit [www.bspb.ru](http://www.bspb.ru)**