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PRESS RELEASE

Bank Saint Petersburg 9M 2012 and 3Q 2012 IFRS Results

Financial highlights*:

- **Net income for 9M 2012** amounted to RUB 930.3 million (USD 30.1 million);
- **3Q 2012** RUB 692.9 million **net income** (USD 22.4 million) and RUB 4.0 billion **revenues** (USD 129.4 million) make 3Q the strongest quarter in 12 months;
- **Loan portfolio** increased by 6.8% compared with January 1, 2012 to RUB 246.9 billion (USD 8.0 billion);
- **Retail loan portfolio** increased by 20.1% compared with January 1, 2012 to RUB 19.3 billion (USD 622.9 million).

*The RUB-nominated figures are translated into USD at the official exchange rate quoted by the CBR for October 1, 2012 (USD 1.00 = RUB 30.92).

Alexander Savelyev, Chairman of the Management Board, commented the report: *“Our 3Q results are the strongest over the past 12 months. They reflect the progress the Bank has been making in reaching its strategic goals - reduction of concentration and growth in retail segments. Our financials are getting less influenced from old problems, and we expect key ratios to improve over the next quarters”.*

As at October 1, 2012, Bank Saint Petersburg was ranked 18th in terms of assets and 18th in terms of retail deposits among the Russian banks (Interfax ranking). As at October 1, 2012, the number of cards issued by the Bank amounted to 753 thousand; the Bank's ATM network - 540 units. Today, the Bank provides services to over 1.2 million individuals and 37 thousand corporates. As at October 1, 2012, Internet-Bank was actively used by 153 thousand clients.

In October 2012 the Bank placed 3-year RUB 5 billion domestic bonds and 6-year USD 101 million subordinated eurobonds. On November 8 the Central Bank approved this subdebt issue inclusion in the Bank's capital.

Net interest income for 3Q 2012 amounted to RUB 2.9 billion (-3.9% compared with the previous quarter). 9M 2012 net interest income decreased by 14.1% compared with 9M 2011 amounting to RUB 8.9 billion. **Net interest margin (NIM)** for 3Q 2012 amounted to 3.8% (for 2Q 2012 - 3.8%). NIM for 9M 2012 is 3.9%.

Net fee and commission income increased by 12.3% compared with 9M 2011 and amounted to RUB 1.6 billion. Net fee and commission income for 3Q 2012 amounted to RUB 608.8 million (+10.0% compared with 2Q 2012; +16.0% compared with 3Q 2011). This growth was primarily driven by increase in commissions on guarantees and letters of credit as well as commissions on settlements and plastic cards transactions.

Net trading income. In 9M 2012 an aggregate result from financial markets operations amounted to RUB 542.4 million. The result is attributed to the gains from operations with foreign currencies in the amount of RUB 471.8 million and the gains from operations with securities in the amount of RUB 70.6 million.

Revenues for 9M 2012 totalled RUB 11.1 billion (-7.1% compared with 9M 2011). Revenues for 3Q 2012 grew by 16.1% compared with 2Q 2012 to RUB 4.0 billion.

Bank's **operational expenses** for 9M 2012 increased by 20.7% compared with 9M 2011 to RUB 5.2 billion; operational expenses for 3Q 2012 amounted to RUB 1.8 billion (+2.1% compared with 2Q 2012). The Bank's **Cost-to-Income Ratio** for 9M 2012 amounted to 46.5%, 3Q 2012 Cost-to-Income Ratio amounted to 43.5%.

Net income for 9M 2012 amounted to RUB 930.3 million; net income for 3Q 2012 amounted to RUB 692.9 million which represents the strongest result in the past 4 quarters. The Bank's **return on average equity (ROAE)** for 9M 2012 amounted to 3.1%. ROAE for 3Q 2012 is 6.9% as well.

As at October 1, 2012, the **Bank's assets** amounted to RUB 317.2 billion (-3.9% compared with January 1, 2012).

Liabilities. Customer deposits totalled RUB 224.7 billion (-4.8% compared with January 1, 2012). As at October 1, 2012, 57.6% of customer deposits belonged to corporate customers and 42.4% - to individuals. During 9M 2012, the volume of retail customer accounts grew by 9.1%; the volume of corporate customer accounts decreased by 13.0%. As at October 1, 2012, the share of wholesale funding in total amount of liabilities and shareholders' equity was 7.1%.

Equity and capital. As at October 1, 2012, the shareholders' equity amounted to RUB 40.2 billion (+0.5% compared with January 1, 2012). The Bank's total capital amounted to RUB 46.2 billion (-1.8% compared with January 1, 2012). As at October 1, 2012, the Bank's Tier 1 and total capital adequacy ratios were 9.8% and 13.1% respectively.

As at October 1, 2012, **Loan portfolio before provisions** reached RUB 246.9 billion (+6.8% compared to January 1, 2012). Corporate loans constituted 92.2% of the loan book and amounted to RUB 227.6 billion (+5.8% compared to January 1, 2012). Retail loan portfolio amounted to RUB 19.3 billion as at October 1, 2012; its 9M 2012 growth rate amounted to 20.1%.

Loan portfolio quality. As at October 1, 2012, the share of overdue loans in the Bank's portfolio amounted to 5.2% of the total volume of loans (5.7% as at January 1, 2012). The share of the corporate overdue loans amounted to 5.2% of the total corporate loans (5.7% as at January 1, 2012); the share of the retail overdue loans amounted to 5.0% of the total retail loans (6.2% as at January 1, 2012).

As at October 1, 2012, impaired not past due loans constituted 7.9% of the total volume of loans (6.6% as at January 1, 2012). The rate of provisions for loan impairment increased to 9.7% from 9.2% as at January 1, 2012. Provision charge for 3Q 2012 amounted to RUB 1.6 billion (remained at the level of 2Q 2012). At the same time the Bank posted RUB 214 million gains from disposal of investment property related to the problem KD Avia loan.

9M 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. The Bank provides services to over 1.2 million individuals and 37 thousand corporates through its 39 offices in St. Petersburg, the Leningrad region, Moscow, Kaliningrad and Nizhniy Novgorod. As at October 1, 2012, the Bank was ranked 18th in terms of assets among Russian banks (according to Interfax).

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For more information about Bank Saint Petersburg please visit www.bspb.ru