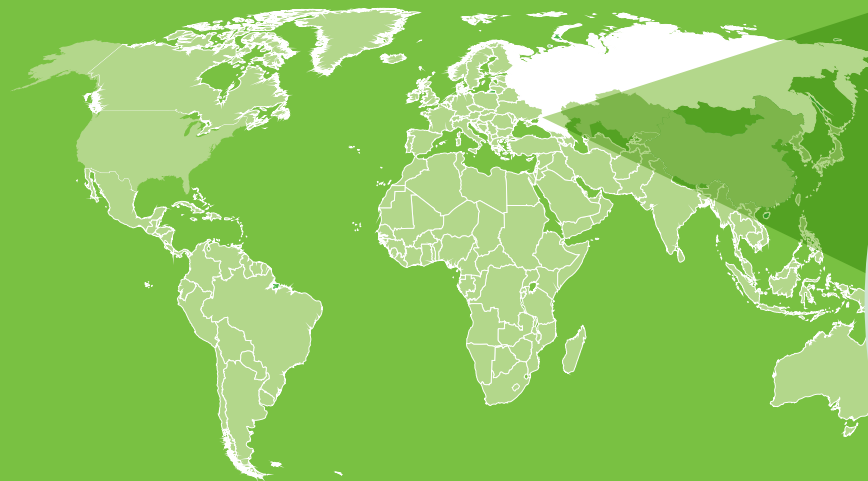


Presentation for investors

Sustainable banking business model in southern Russia

1Q2014 IFRS Results



Southern Russia. Region overview

- Southern Russia consists of the two federal districts: Southern and North Caucasian
- Main features of the region are:
 - favourable geographic position (the region brings together central Russia, the North Caucasus and Transcaucasia , Kalmykia, Kazakhstan) and well developed transport infrastructure;
 - mild climate and natural conditions favourable for the development of industries and the wellbeing of the local population, excellent human labour resources;
 - high specific weight of agriculture in region output (20-25% of total RF output);
 - long historical traditions of enterprise, conducive to SME development;
 - rapidly developed and diversified economy, dynamic banking and insurance system;
 - main industries are: agriculture, foods processing, metallurgy, coal mining, machinery, light industry, oil refinery and tourism

Comparative features of the region, % of RF	2005	2010	2011	2012	2013
Territory	3.5	3.5	3.5	3.5	3.5
Population	16.0	16.2	16.3	16.3	16.3
Construction	9.5	13.2	14.5	13.8	15.0
Industrial production	5.6	7.2	7.6	7.3	7.2
Agricultural output	22.6	24.4	23.2	23.6	23.4
Retail trade	11.5	13.8	14.0	14.2	14.1
Investments	9.4	13.2	14.5	13.0	13.9



* Towns where Center-invest operates



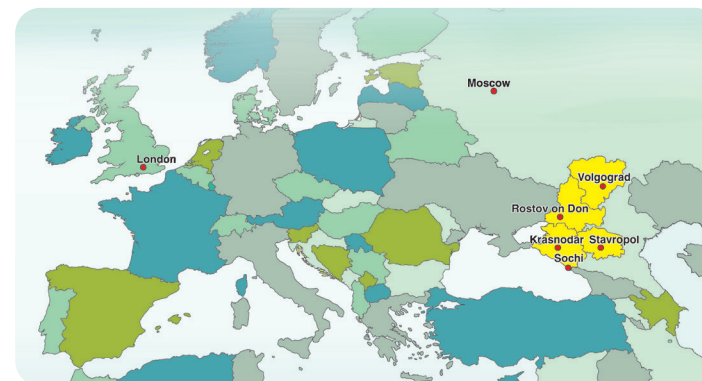
**BANK
CENTER-INVEST**

Bank overview

Mission statement

Center-invest Bank is the Sustainable Bank for Southern Russia

- Center-invest Bank is a leading universal regional bank in southern Russia, was founded in 1992 (General banking license N2225)
- Credit ratings were affirmed in October 2013:
 - Ba3 (stable outlook) – Moody's Investor Services
 - Aa3. ru - Moody's Interfax
- Four prominent IFI's (EBRD, DEG, Erste Group Bank AG, RLBOoe) together with Bank founders Vasily and Tatiana Vysokovy hold 81% of CIB's shares
- Extensive branch network consisting of 137 offices in southern Russia and representative office in Moscow
- Large client base:
 - ✓ over 50 000 companies
 - ✓ over 209 000 individuals
- Stable resources base: 62% of total liabilities and equity are customer accounts
- Low level Cost/Income Ratio – 37,9% as at 01.04.2014



Key financials						
RUB.billion	2009	2010	2011	2012	2013	1Q2014
Assets	42.9	48.3	54.5	62.7	75.9	77.2
Capital	5.4	5.8	6.7	7.6	8.8	9.1
Net Profit	0.1	0.2	0.9	1.1	1.4	0.3
ROAE,%	1.2	3.9	14.6	15.4	17.3	13.8
ROAA,%	0.1	0.5	1.8	1.9	2.0	1.6
NIM,%	6.5	6.3	6.8	6.7	6.6	6.4
Cost/Income, %	53.1	51.8	49.9	45.1	45.0	37.9
Loans/Deposits,%	94.6	90.6	109.1	109.9	124.5	133.4
CAR,%	20.8	19.5	18.2	17.4	15.6	16.1

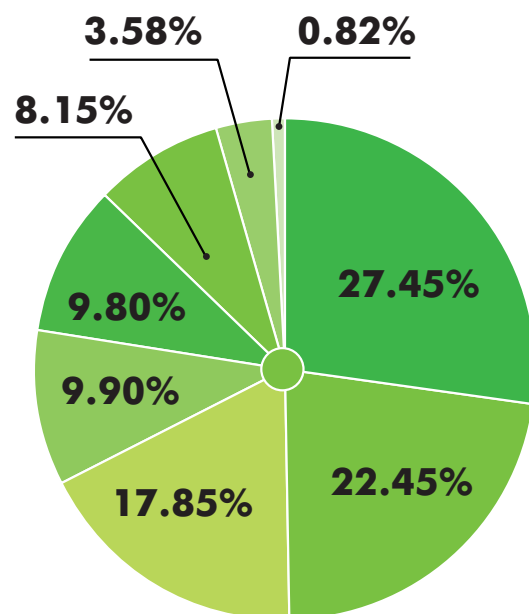
1USD=35,6871 RUB

Source: IFRS Statement

Shareholders

The participation of reputable and experienced international financial institutions has contributed to the bank's institutional development and its focus on shareholder value – i.e. strategic planning, internal audit and compliance and remuneration committees have been put in place.

Shareholders structure as at 01.04.2014*



Source: bank data

* %, Voting right share

- 27.45%** EBRD (European Bank for Reconstruction and Development)
- 22.45%** DEG (German investment corporation whose aim is to support countries with economies in transition through private sector support)
- 17.85%** Bank founders Vasily and Tatyana Vysokovy
- 9.90%** Firebird Investment Fund
- 9.80%** Erste Group Bank AG
- 8.15%** Rekha Holdings Limited
- 3.58%** Raiffeisenlandesbank Ooe
- 0.82%** Other shareholders



**BANK
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Competitive positions

Sustainable banking in speculative markets: Center-invest Bank's experience



2013
Sustainable
banking leader in
Eastern Europe



2010
The best Russian
bank in sphere of
sustainable
business



2010, 2012
STP Excellence
Award (Citibank)



2012
Finalist of "Sustainable
Entrepreneurship
Awards" (Austria)



2013
"Relationship
Award 2012"



2013
8th place in terms
of volume of loans
granted to SMEs



Moody's Investors Service

2013
Ba3 Moody's
Investors Service

Aa3.ru Moody's
Interfax

RBK RATING

In ranking 100 largest Russian banks Center-invest is placed*:

15	Largest regional banks (in terms of net assets)
20	Mortgage portfolio
41	Branch network
45	Value of retail loan portfolio
45	Value of retail deposits
48	Profit
50	Liquid assets
54	Corporate loan portfolio
56	Total loan portfolio
66	Total deposit portfolio
73	Net assets

Source: www.rating.rbc.ru most recent rankings

TOP-100 Russian Banks by «The Banker» magazine

19	Return on capital (ROAE)
31	Return on assets (ROAA)
64	Tier 1 capital
67	Assets
72	Tier 1 Capital Adequacy

In ranking Expert Rating Agency:

1	Largest banks of Southern Russia in terms of value of loan portfolio
3	Volume of lending in South Federal District
6	Volume of lending in North Caucasian District
16	Value of SME lending portfolio in 2013

Source: www.raexpert.ru



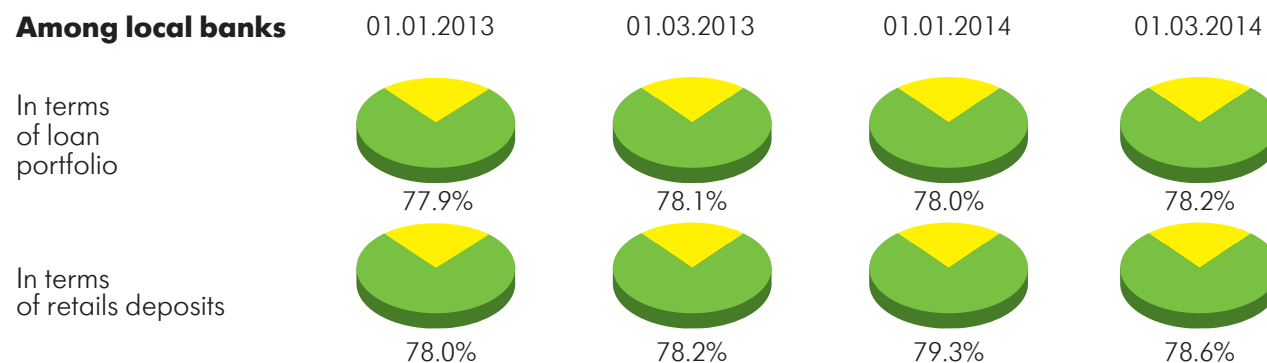
**BANK
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Market share of Center-invest Bank

Center-invest Bank is accounting 30% of local regional bank's total capital, assets, loans and deposits and retain its position as the largest private bank in Southern Russia.

Share of Center-invest bank in Rostov region

Among local banks

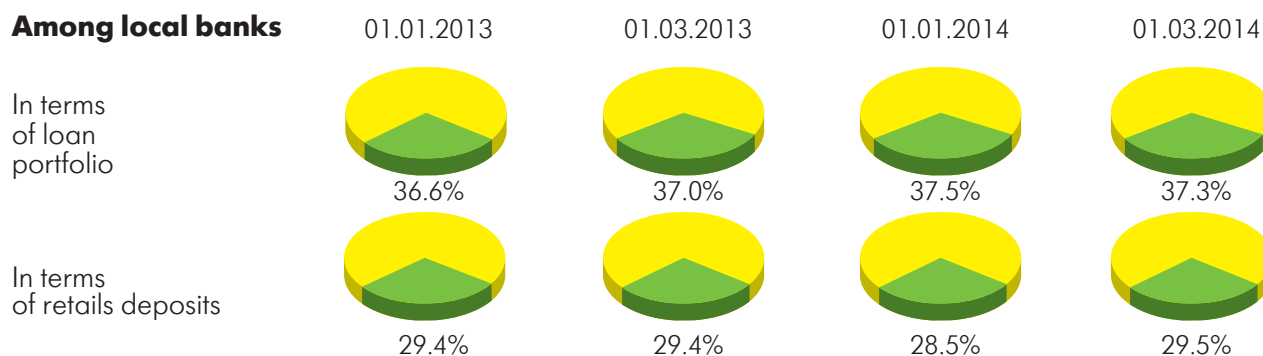


Strength vis-à-vis competitors:

- sustainable shareholder structure
- qualified and committed personnel
- sustainable loan portfolio management
- sustainable assets and liabilities management
- sustainable risk management and internal control
- strong brand awareness in the region and on the international capital markets
- high level of goodwill
- high level of equity efficiency – **13,8%**
- high capital adequacy ratio (CAR) - **16,1%**

Share of Center-invest bank in southern Russia

Among local banks



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Strategy of the Bank 2014-2017

Center-invest Bank has been executed ahead of schedule a strategy "Post crisis development strategy 2011-2015" in 2013. Bank's Board of Directors has approved the bank's development strategy for 2014-2017 entitled **"The Global Competitiveness of Center-invest Bank's Customers"** which anticipates a twofold increase in the bank's main performance indicators during the four years. This will be achieved thanks to localization of best international practice and the production of globally competitive goods. The new strategy will be implemented on the basis of a sustainable banking business model, requiring a commitment to environmental and social responsibility and effective management of regional risks, underpinned by modern technologies.

The Global Competitiveness of Center-invest Bank's Customers*

RUB, bln

	01.01.12	01.01.13	01.01.14	01.04.14	01.01.15	01.01.16	01.01.17	01.01.18
	Fact				Strategy 2014-2017*			
Capital	6.7	7.6	8.8	9.1	10.8	13.1	16.0	19.6
Assets	54.4	62.7	75.9	77.2	87.5	98.0	109.6	122.1
Net loans and leasing	42.5	48.4	61.5	63.5	71.3	80.8	90.9	102.4
Deposits	39.0	44.1	49.4	47.6	57.8	64.0	71.2	78.7
Profit	0.9	1.1	1.4	0.3	2.17	2.64	3.23	3.95
CAR, RAS, %	13.3	12.8	12.6	12.0	12.7	13.3	14.2	15.8
CAR, IFRS, %	18.2	17.4	15.6	16.1	15.7	16.4	17.4	18.5
CAR, Basel 3, %	15.9	15.3	13.9	14.3	13.9	14.4	15.2	16.2
CAR, Tier 1, IFRS, %	11.6	11.8	11.3	11.7	12.4	13.8	15.5	17.2
CAR, Tier 1, Basel 3, %	10.1	10.4	10.0	10.4	11.0	12.1	13.5	15.0
ROAA, %	1.8	1.9	2.0	1.6	2.6	2.9	3.1	3.4
ROAE, %	14.5	15.4	17.3	13.8	22.1	22.1	22.1	22.2

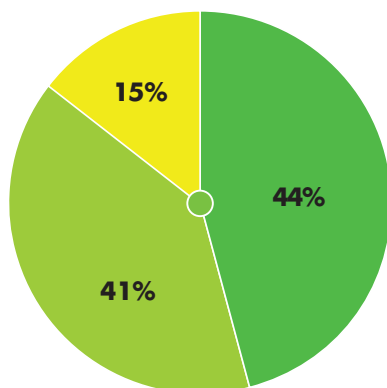
* approved by the Board of Directors



**BANK
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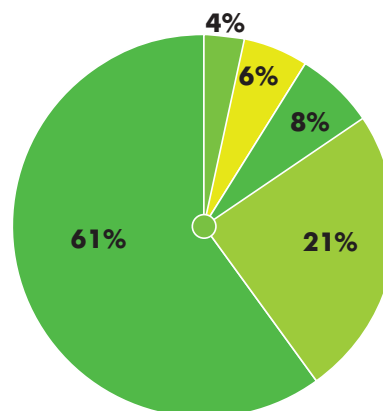
Overview of loan portfolio

Clients structure



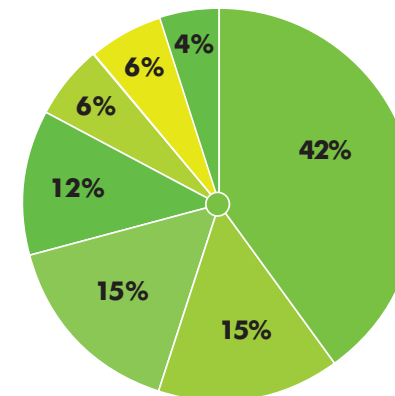
44 % - SMEs
41 % - Retail
15 % - Corporate

Maturities structure



4 % - < 30 days
6 % - 31-90 days
8 % - 91-180 days
21 % - 181-365 days
61 % - > 1 year

Industries structure

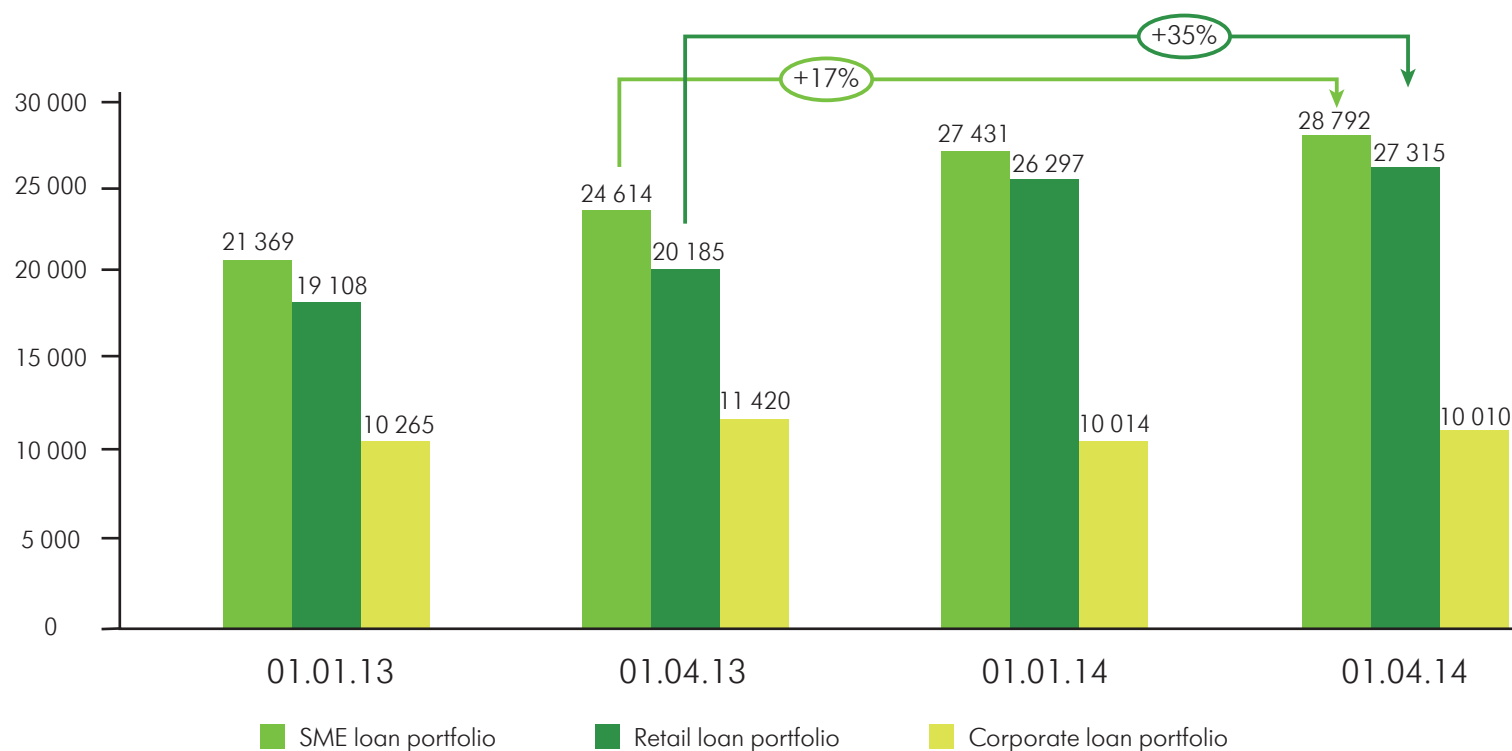


42 % - Individuals
15 % - Agriculture
15 % - Trade
12 % - Manufacturing
6 % - Others
6 % - Transport
4 % - Construction

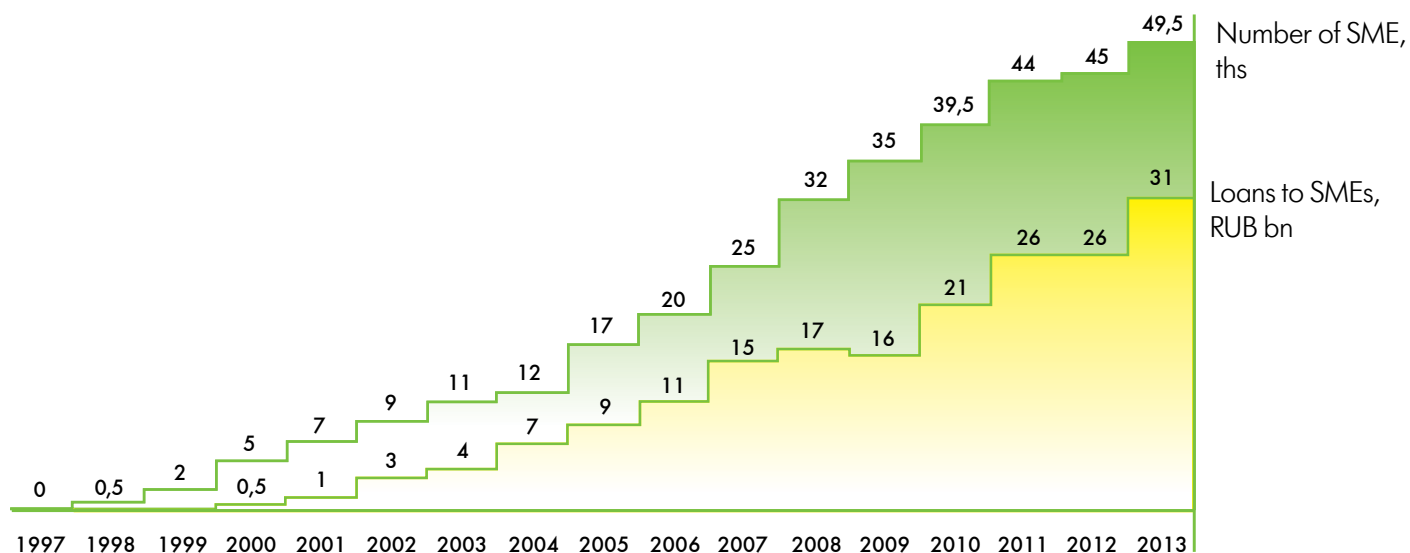
- Using a sustainable banking business model in lending, knowledge of the market environment, monitoring of regional risks and effective decision making procedures in lending allows Center-invest Bank to develop SME and retail lending without taking on excessive risks.
- About **94%** of the total loan portfolio is in Russian roubles
- Loan to Deposit Ratio is **133,4%** as at 01.04.2014
- Collateralized loans (including guarantees) – **94%** as at 01.04.2014
- Diversified loan portfolio: 10 largest borrowers make up **14,4%** of the total loan portfolio

Growth in the loan book

- Core banking activity mainly focused on SME and retail customers that together represent **85%** of the total loan portfolio
- During 1Q2014 gross credit portfolio increased by 18% vs 1Q2013 and reached **RUB 63.5 bln.**
- The growth of loan portfolio is attributable to the following factors:
 - ✓ special lending programmes,
 - ✓ loans on preferential terms,
 - ✓ free consultations in business-planning



CIB focus on SMEs



• Bank financed **2 019** SME projects for **RUB14.8bln** during 1st quarter 2014.

• SME loan portfolio made up **RUB28.8bln** as at 01.04.2014

• Bank is one of the leader of SME lending as a part of **“Regional long-term purposed-oriented programme for development of small and medium-sized entrepreneurship in 2009-2014”**

Criteria of enterprises' assignment to micro, small and medium business*

Segment	Number of employees	Sales proceeds, RUB mln
Micro business	up to 15	up to 60
Small business	up to 100	up to 400
Medium business	up to 250	up to 1000

* Federal Law N209 dd 24.07.2007 "On the Development of Small and Medium-Sized Business in the Russian Federation"

• Center-invest Bank first began working with SMEs back in 1997.

• During more than 20 years it has gathered an extensive experience and it is recognized as one of the best from regional banks in Russia in SME lending.

• Our support for the sector has remained consistent and our customers recognise that our approach differs from speculative express lending based on scoring models.

• In the Rostov region Center-invest Bank accounts for a quarter of all long-term loans for investment purposes for small and medium businesses.



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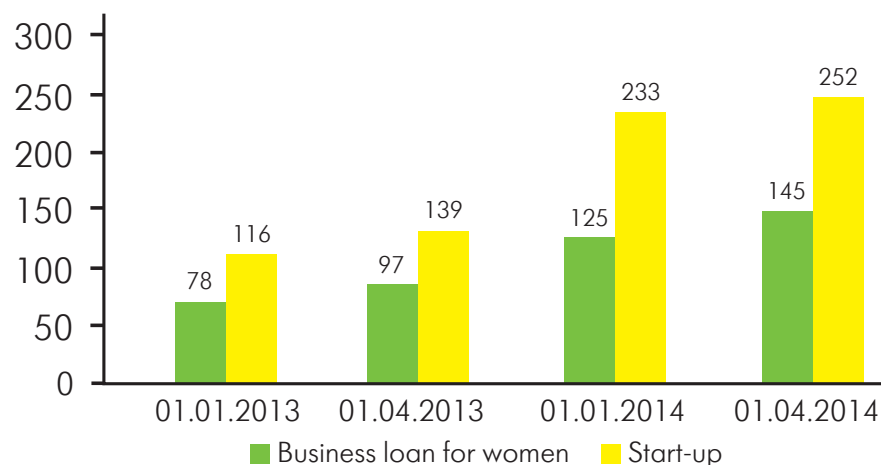
Unique lending programmes for clients

Center-invest Bank is retaining and consolidating its positions in the business lending market. We continue to introduce new products that enable the bank to remain competitive in a changing economic environment.

Bank continued to promote its **Start-up loan programme** for new businesses. The **Bank's Advisory Centre** holds more than 60 free seminars every year. In 2012 Center-invest Bank became a financial partner of **the Youth Business Programme** run by the International Business Leaders Forum (IBLF). As well as financial assistance, the young people are offered business mentoring by experienced business people as a part of this programme.

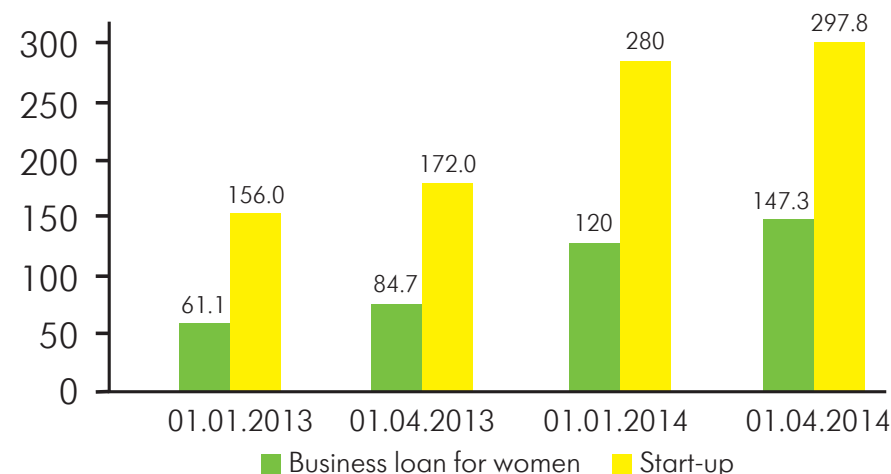
- **Business loan for businesswomen** - a loan product which was developed in November 2011 to support female entrepreneurs in Southern Russia, is the only one of its kind in the region. The low interest rate on this loan product is intended to help successful business ladies grow their business.

Number of projects



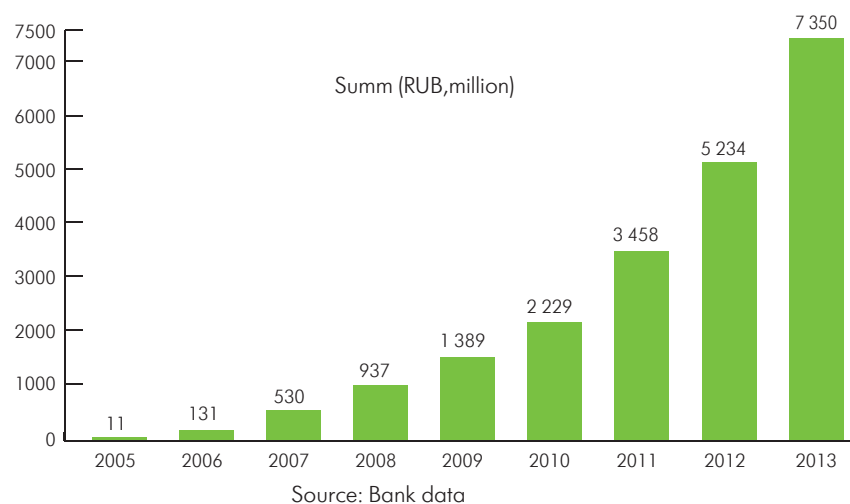
Source: Bank data

Total amount (RUB,million)



Source: Bank data

Partnership for modernization and energy efficiency programmes



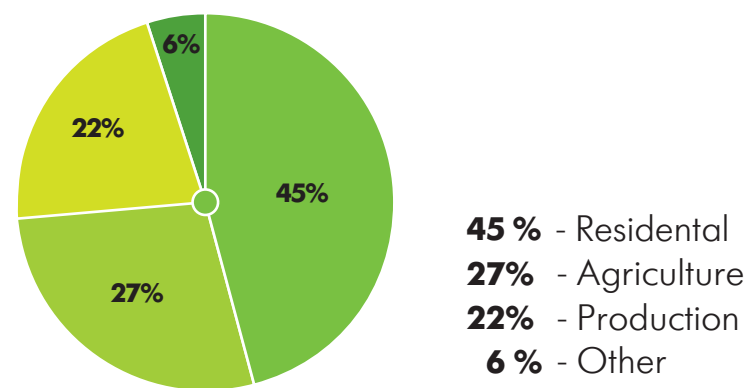
- CIB is the Russian leader in terms of value of financing EE projects – over **RUB7.7billion**
- In 1Q2014 Bank made **298** energy efficiency loans for a total amount **RUB0.36bn**
- EE projects financed by CIB have achieved an annual reduction of CO2 emissions of **135 600** tonnes which equals emissions from **79 300** cars
- The first International Centre for Energy Efficiency (ICEE) was opened at Center-invest Bank in 2012

Center-invest Bank's success in financing energy efficiency projects is attributable to the fundamentally new approach that we have developed for our customers in southern Russia: **sustainable lending**.

This approach combines technical, financial and social engineering. The projects financed by the Bank meet the social and environmental requirements dictated by the Bank's policies and procedures.

In 2010 the Bank adopted a new version of "Environmental and Social Policy" which was approved by shareholders and agreed with the partners of the Bank.

Breakdown of financed EE projects in 2013

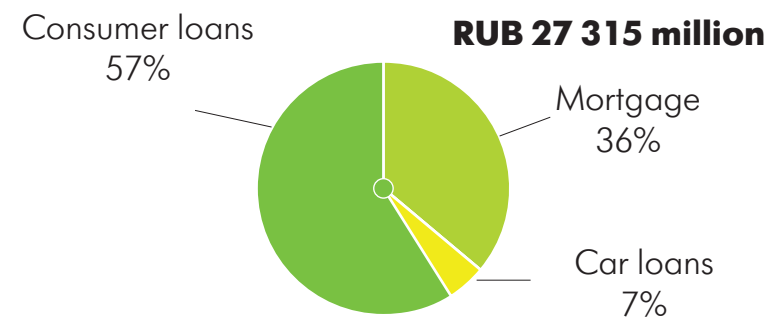


Source: bank data

Retail loan portfolio

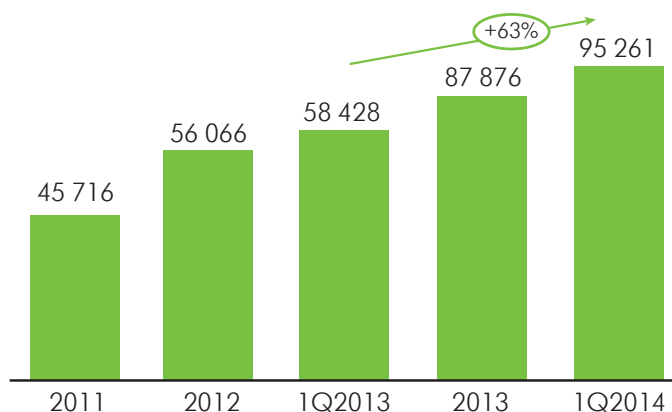
- **7 604** loans totaling **RUB3.4bn** were granted during 1Q2014 to the population of Southern Russia
- Retail lending portfolio grew by RUB1.0bn and reached **RUB27.3bn** and made up 41% of the total loan portfolio
- The growth of the loan portfolio is attributable to the following factors:
 - ✓ Interest rates are the lowest in the market
 - ✓ Extensive product line
 - ✓ Flexible loan terms
- Retail loan portfolio comprised **95 261** active loan agreements
- Bank cards lending value exceeded RUB1.0bn during 1Q2014
- Bank doesn't provide an express loans and give preferences to own depositors, customers with solid credit histories and people who have a Center-invest Bank's salary cards.

Breakdown by loan volumes as at 01.04.2014

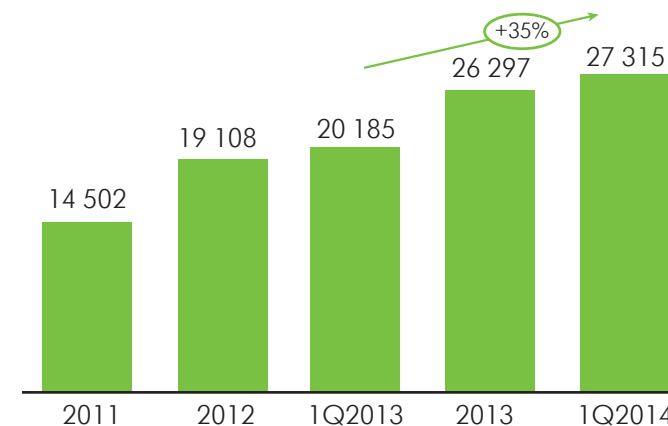


Source: 1Q2014 IFRS Statement

Number of retail loan agreements



Growth of retail loan portfolio, RUB million

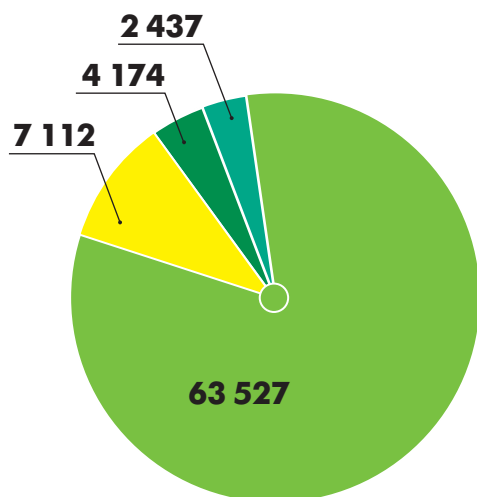


Source: 1Q2014 IFRS Statement

Assets and liabilities structure as at 01.04.2014

Assets

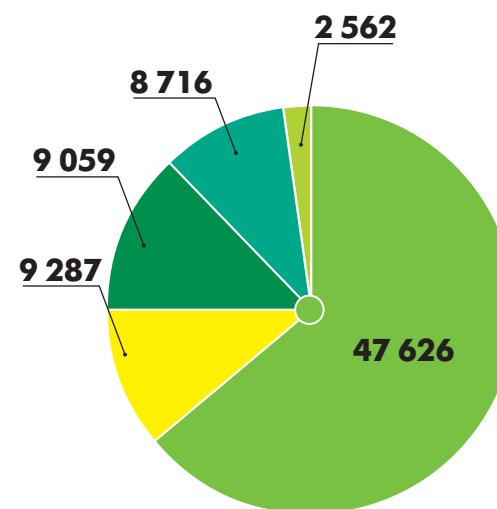
RUB 77 250 million



- Net loans and Lease, 82%
- Cash and mandatory reserves with CBRF, 9%
- Other assets, 6%
- Fixed assets, 3%

Liabilities

RUB 77 250 million



- Customer accounts, 62%
- Debt securities in issue, 12%
- Total shareholders equity, 12%
- Loans from IFIs, 11%
- Other liabilities, 3%

Source: 1Q2014 IFRS Statement



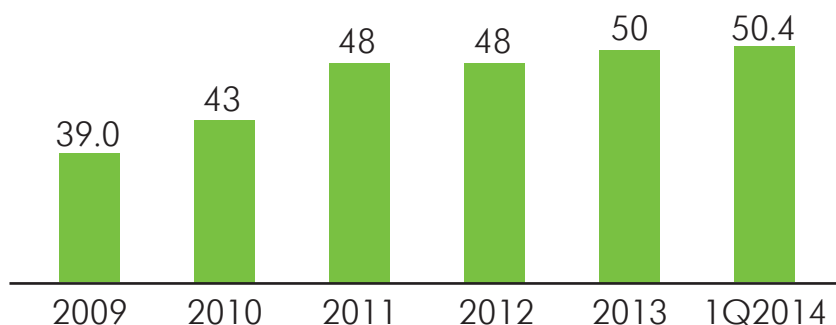
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Resource base

The bank displays a fairly diversified funding structure with a well balanced, short term liquidity gap, and is mainly funded by customer accounts that constituted 70% of total liabilities as at 01.04.2014, as well as by corporate deposits and long term borrowings from international financial institutions.

In terms of political volatility in the 1Q2014 the population of Russia has used the savings to buy a foreign currency and to "stay in cash"

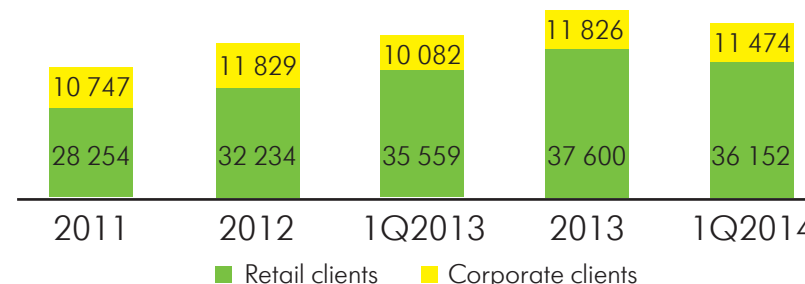
Growth of corporate clients accounts, thous. accounts



Structure of client accounts:
72% - term deposits
28% - current accounts

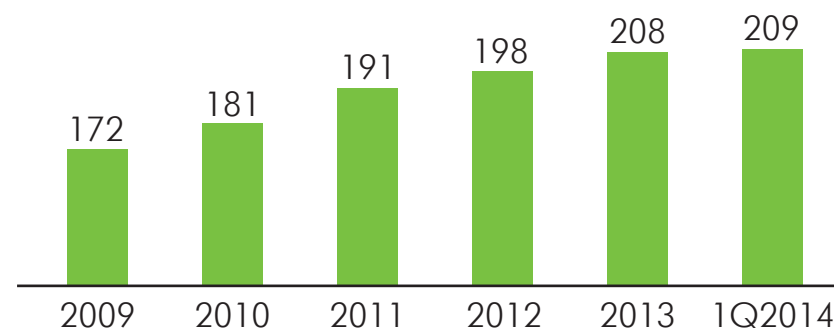
76% - retail clients
24% - corporate clients

Dynamics and structure of clients deposits, RUB million



Changes in a legislation connected with the twofold increase of social security contributions for individual entrepreneurs (starting from 2013) lead up to mass closing of individual entrepreneurs accounts in Russian banks and, respectively, outflow from client's accounts. But Center-invest Bank succeed in keeping its clients and increase the number of accounts.

Number of individuals account, thous. account



**BANK
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Positive credit history

Starting from 2002 Bank has been attracting funds from both the Russian and the international financial markets. At a time when long-term resources in the Russian markets are extremely limited, the Bank has benefited from its cooperation with IFIs. Now borrowed funds from IFIs – one of the main and reliable long-term source (11% in liabilities structure).

Date	Financial institution	Amount	Period (years)
April 2007	Subordinated loan from Black Sea Trade and Development Bank	USD 10 million	7
November 2007	Syndicated loan from EBRD + FMO	RUB 1.0 billion	5-7
April 2008	Subordinated loan from EBRD	USD 20 million	10
May 2008	Subordinated loan from DEG	USD 30 million	10
April 2009	Loan for SME from EBRD	USD 35 million	5
May 2009	Loan for SME from OeEB (Austrian Development Bank)	USD 10 million	5
November 2009	Loan for Agriculture and EE from IFC	RUB 600+350 million	3
January 2012	Loan for SME and EE from EBRD	RUB 1.125 million	3
June 2012	Loan for SME and EE from Eurasian Development Bank	RUB 300 million	3
September 2012	Loan for EE and SME from OeEB (Austrian Development Bank)	EUR 20 million	7
November 2012	Loan for SME from Russian Bank for Small and Medium Enterprise Support	RUB 500 million	5
December 2012	Loan for EE from Eurasian Development Bank	RUB 150 million	3
February 2013	Loan for SME from IFC	RUB 900 million	3
March 2013	Loan for MSME and EE from EBRD	RUB 1.500 million	3
April 2013	Loan for SME from Eurasian Development Bank	RUB 150 million	3
August 2013	Funding from responsAbility Global Microfinance Fund (Luxemburg)	RUB 130 million	3
October 2013	Funding from responsAbility Global Microfinance Fund (Luxemburg)	RUB 175 million	3
November 2013	Funding from responsAbility Global Microfinance Fund (Luxemburg)	RUB 180 million	3
December 2013	Loan for SME from Black Sea Trade and Development Bank	EUR 20 million	5
March 2014	Loan from IFC for agribusiness	RUB 600.0 million	1



Center-invest Bank on bond market

Bonds in circulation

Series	Total par value, RUB million	In circulation, RUB million	Maturity date	Put option date	Coupon rate, % per annum
Bond, series 02	3 000,00	2 726,00	06.2014		9.4
Exchange bonds BO-01, BO-05 series	2 500,00	0	06.2014		0.5
Exchange bonds, BO-02 series	1 500,00	1 500,00	04.2015		10.2
Exchange bonds BO-03, BO-06 series	2 500,00	2 500,00	03.2016	09.2014	10.25
Exchange bonds, BO-07 series	2 000,00	2 000,00	11.2018	11.2015	9.2

Registered issues

Series	Total par value, RUB million	Maturity
Exchange bonds, BO-04 series	1 500,00	3 years
Exchange bonds, BO-08 series	2 000,00	5 years
Exchange bonds, BO-09 series	2 000,00	5 years
Exchange bonds, BO-10 series	3 000,00	5 years
Exchange bonds, BO-11 series	3 000,00	5 years

Center-invest Bank successfully placed five of the six issues from the First exchange bonds programmes which was approved by Bank's Board of Directors.

In May 2013 a new exchange bonds programme was registered. It is comprised of five issues totaling RUB 12.0bn with 5 years maturity.

Bank is slightly increasing a maturity of exchange bonds:

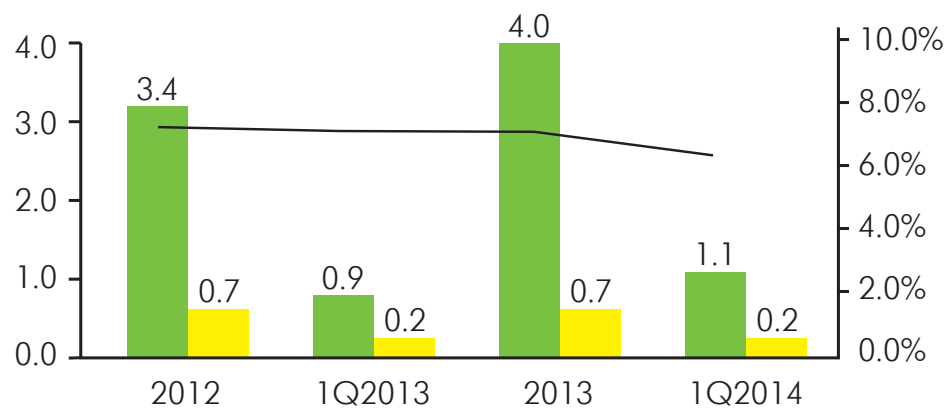
- under the offer, in April 2013, 4 coupons under BO-02 series were announced with 2 years maturity and coupon rate 10.20% per annum. Bank bought out bonds worth a total of RUB30.0.

- In November 2013 BO-07 series bonds with a total par value of RUB2.0bn was placed on the MICEX. The bonds mature in 5 years and carry a put option after 2 years. Annual coupon rate was set at 9.20% per annum.



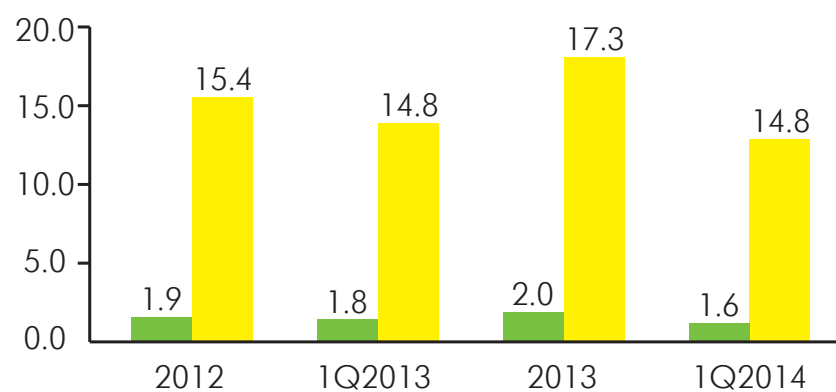
Efficiency

Net interest and commission income



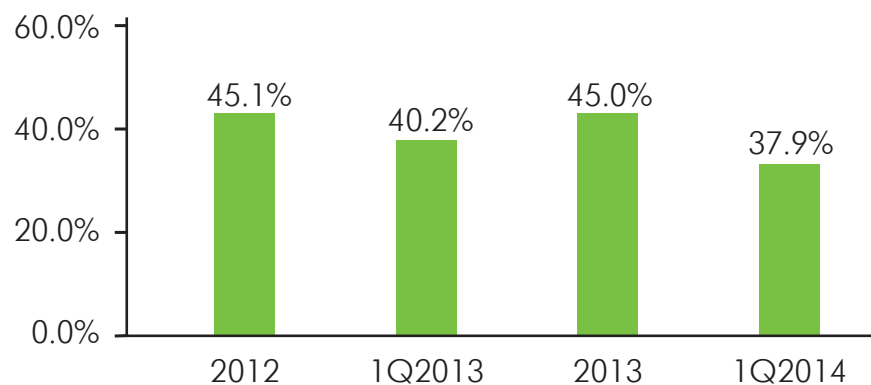
■ Net interest income (RUB billion)
 ■ Net fee and commission income (RUB billion)
 — NIM

ROAA and ROAE dynamics

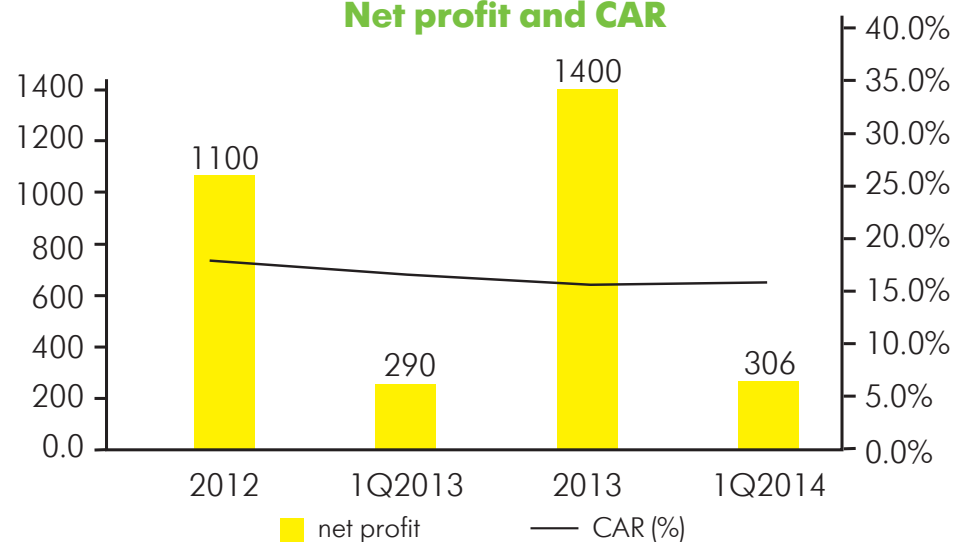


■ ROAA (%) ■ ROAE (%)

Cost/Income



Net profit and CAR



■ net profit — CAR (%)

Source: IFRS Statement

CIB News 2014

Exchange bonds of CIB have been included into the **Bank of Russia's Lombard List** of securities that commercial banks can pledge to borrow funds from the regulator

Social projects "Enterprise for All" and "Business loan for businesswoman" were recognized as **"The Best Social Projects of Russia"** in nomination "Education and Science" and "Social marketing"

Dr. Vysokov presented a speech **"Climate change - Business transformation: case studies of Center-invest Bank"** during "IFC TRANSFORMATIONAL DAYS 2014: Europe, Middle East & North Africa"

CIB ranked among **TOP-100 Russian Banks** by "The Banker" magazine and published **Dr. Vasily Vysokov's expert opinion** on the secrets of the success of the bank's business model

CIB organized a **Presentation for investors** and partners and presented successful **IFRS Results for the 2013**. A signing ceremony of **new loan agreement between IFC and CIB** in the total amount **RUB600.0million** for financing agribusiness projects was held in frame of Presentation for investors

In frame of **World Money Week 2014** in Russia CIB on conjunction with the Rostov Region Local Studies Museum organized an interactive lecture on the history of entrepreneurship and the origins of the merchant trade in the Rostov Region

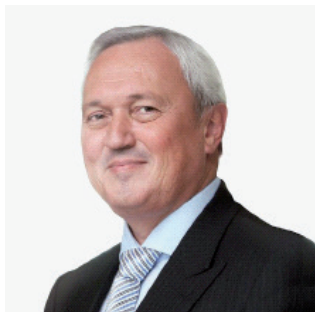
Dr. Vysokov presented an **English version of educational platform "Enterprise for all"** during the Global Entrepreneurship Congress

Dr. Vysokov delivered a speech **"Strategy on sustainable development: experience of Center-invest Bank"** in frame of seminar for FIs devoted to the strategy for sustainable development organized by IFC and Association of regional banks of Russia



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CENTER-INVEST**

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