



ANNUAL REPORT
2013

Approved by

General Meeting of Shareholders of the Asian-Pacific Bank (OJSC)
Minutes dated 27.06.2014

Originally Approved by

Board of Directors of the Asian-Pacific Bank (OJSC)
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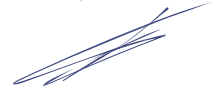
Concurred with

Management Board of the Asian-Pacific Bank (OJSC)
Minutes dated 16.05 2014

S.A. Tyrtsev
Chairman of the Executive Board
Asian-Pacific Bank (OJSC)



O.V. Marinchenko
Chief Accountant
Asian-Pacific Bank (OJSC)



Accuracy of information contained in this Annual Report of Asian-Pacific Bank (OJSC) for the year 2013 was confirmed by the Audit Commission.

M. V. Stotsky
Head of Audit Commission

**Disclaimer**

This Annual Report of Asian-Pacific Bank (Open Joint-Stock Company) (hereinafter the "Bank", "APB", "Asian-Pacific Bank") was prepared based on true and accurate data (information, analytics, statistics) as of the date of its publishing. It contains the Bank's forecasts on its financial standing, indicators and operational results, achievements in its core business and results of completion of individual projects.

Projections made in this report take into account risks, including those associated with economic situation in the country and situation in international financial markets that (given certain circumstances) may influence the Bank's operation. Projections describe different scenarios; however, they do not guarantee the concordance of the Bank's future results with such projections. There is still a probability that these projections will not be fulfilled.

Asian-Pacific Bank (OJSC) believes that such projections should be deemed as speculations of possible future scenarios valid as of the date hereof. The Bank undertakes no obligation to review and inform about any change in its projections to include new opportunities, except as required by the Russian law.

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CHAIRMAN'S MESSAGE



*Dear colleagues and partners!
Dear esteemed clients!*

This is the Annual Report of the Asian-Pacific Bank (OJS C) for the year 2013.

That year was not an easy one for the whole banking system. There were a lot of regulatory changes which, of course, were generally positive for the country's financial system, but have created a lot of difficulties for banks in the short-term.

Thanks to the professionalism of our management team we not only have successfully survived 2013, but have been able to earn and defend the interests of their clients at all times.

We got an enviable pre-planned profit, which would be a desirable target for any bank, even a major one. During the reported year the reserves increased by 4.5 billion roubles, which is 2.5 times more than in the year before, which had a very positive impact on the reliability of the APB!

The bank acquired a lot of new customers - we now serve more than twenty thousand of enterprises and organizations, as well as individual entrepreneurs, and more than eight hundred thousand individuals. We increased our branch network up to 316 offices from Kamchatka to the Urals!

For the first time in all the years of operations the APB reached the top 50 largest banks by assets!

The Bank still retains a high rate of return on capital of 23.8% per annum.

The world goes further, and we change along with it. We are in the era of high technology now and so our goal is also to become a high-tech and advanced bank.

We will not stop there. As I said earlier, we strive to become the bank №1 the Russian Far East and take an even higher position in the ratings.

I want to thank the Board of Directors, the Executive Board and each individual employee for their commitment to the Bank's values, for the high level of corporate culture, for their involvement in the work and their professionalism.

And I am telling our clients - thank you for your confidence.

I am sure that together we will reach new heights in business, and each of you will feel proud of our Bank.

*Chairman of
the Board of
Directors
of the Asian-
Pacific Bank*



K. V. Yakubovsky

CHAIRMAN OF THE EXECUTIVE BOARD MESSAGE



Dear shareholders, clients and partners!

The year 2013 was for the Asian-Pacific Bank a year of combination of stable work in the market and significant changes in its operations.

The economic situation in Russia has forced us to rethink the tasks that needed to be addressed in the framework of the Bank's Strategy implementation, and actions of the Regulator - to make adjustments to our immediate actions.

The reported year became an indicator - whether we forecasted the development of the market correctly, whether we set clear emphasis in the organization of business processes,

whether we built the internal systems of human resources development in accordance with the growth rate of the Bank? And today I can say with confidence - we have passed the test for stability, maturity and professionalism, confirming that the bank has a high potential and a large scope of business. And although the year was not too easy, it was a success for us.

For the first time in its twenty-two-year history the Asian-Pacific Bank hit the top 50 Russian banks in terms of net assets (RBC Rating) as a result of the 3rd quarter of 2013 by implementing one of the key points of our strategy - getting into the range of the major financial institutions in 2014. The Bank is also in the top 50 in terms of own equity for the reported year (Interfax-CEA).

The APB assets increased by 29% to 118.6 billion roubles in 2013, while the average growth in the banking system was 16%. The Bank continues to be one of the most profitable in the country with return on equity of 23.8% and return on assets of 3.0%.

Capital of the Bank reached 14.6 billion roubles, which exceeded the value at the beginning of the year by 26.6%.

The net profit for the year decreased slightly by 4.5% and amounted to 3.1 billion roubles. This decrease is due solely to the fact that provisions for reserves increased substantially in 2013; they more than doubled year-on-year to 4.5 billion roubles.

The Asian-Pacific Bank operates on more than half the territory of Russia,

serving the residents of the Far East, Siberia, the Urals, as well as Moscow, with 316 offices in 160 cities and towns of 18 regions of the country. In 2013 we opened 44 new offices including those in the most remote locations of the country. At the same time the quality of the products and services is consistently high throughout the Bank's territory of presence. The market share of the Bank's regional presence in almost all areas of business is in the range of 5-20%. The bank serves more than 20,000 corporate customers and over 800,000 private clients as of the end of 2013.

Stricter requirements of the megaregulator bank made us address the issues of optimizing business processes very seriously at all levels. There was an important change last year - a restructuring of the interaction of the Head Office and the regions in order to improve the efficiency of our operations. The word "efficiency" has become a key word in the field in evaluation of each employee as well; they got an opportunity to concentrate on sales and quality customer service.

As a result - a very good position in the rankings and ratings on the major activities. The APB was rated in the top 30 most profitable, most mortgage-oriented, most popular among the borrowers, most reliable, most cost-effective, most prolific branch-wise banks by the various agencies.

And we are the undoubted leaders in terms of assets in the Far East and Siberia among the multiregional banks (banki.ru), as well as in terms of the volume of issued loans to SMEs in the Far Eastern (4th place) and the Siberian Federal Districts (12th place) (Expert RA).

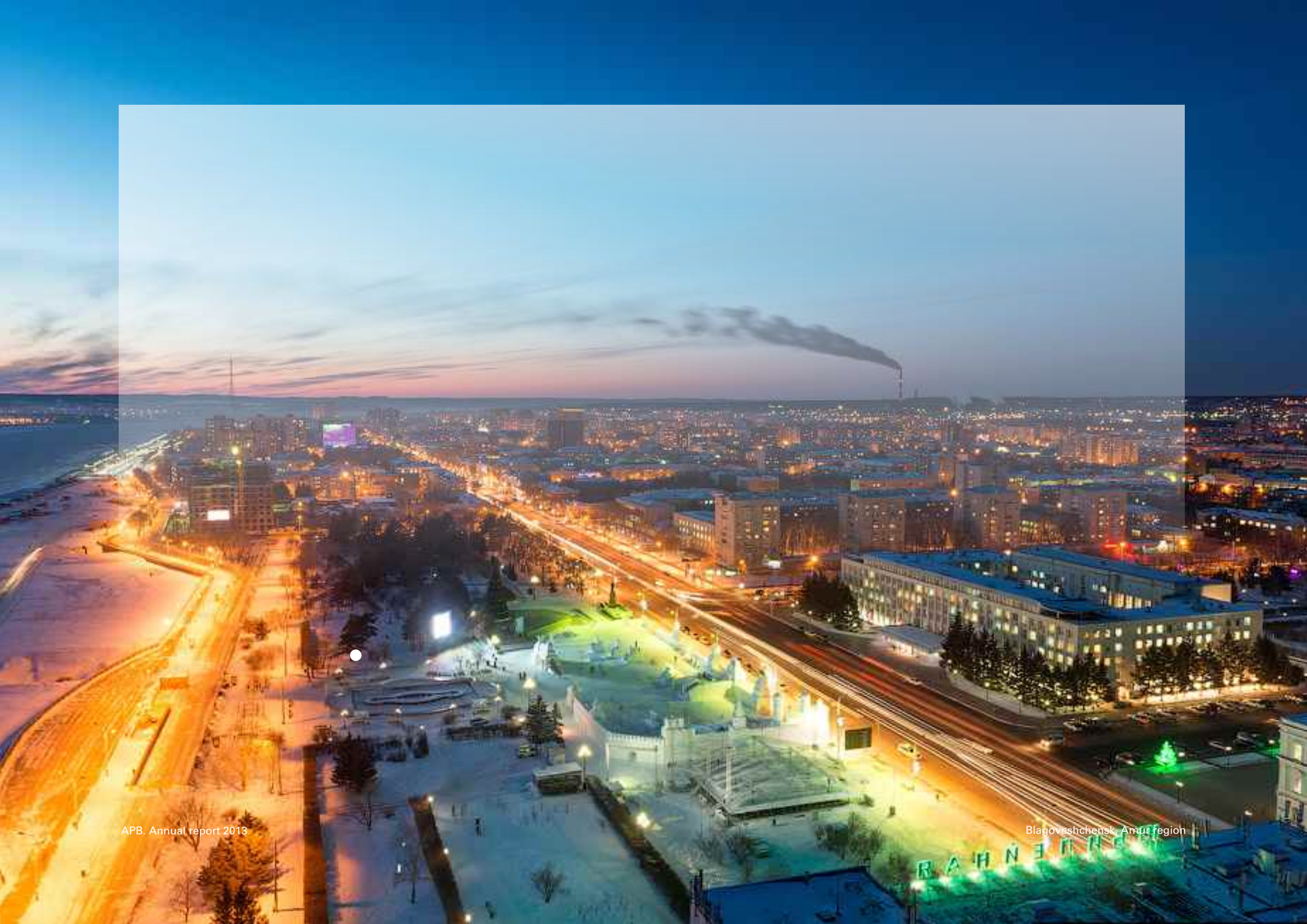
However, the growth of key business indicators ahead of the market average is not the only achievement this year. Successful cooperation with strategic investors has made it possible to attract significant funds from the major financial institutions of the SME Bank and the EBRD - 2.6 billion roubles for lending to small and medium-sized businesses, which is half the corporate client base.

We will continue the implementation of the Bank's Strategy next year. More detailed information on the operation results of the Asian-Pacific Bank is available in the offered Annual Report.

Certainly all our achievements were not possible without the support of shareholders, partners and clients. I sincerely thank you for your cooperation and reliability. We will continue to work together on the implementation of plans for steady development of our Bank!

*Chairman of the
Executive Board
of the Asian-Pacific Bank*

S.A. Tyrtsev



GENERAL INFORMATION ON THE BANK

KEY FINANCIAL INDICATORS

The Asian-Pacific Bank (OJSC) is one of the major regional banks in Russia, a leader in the banking market of the Russian Far East and Siberia. The offices of the APB operate on a vast territory from Anadyr in the East to Yekaterinburg in the West, as well as in Moscow. The Bank is represented by 316 offices in 160 cities and towns throughout 18 regions of the country. The APB is headquartered in Blagoveshchensk, the Amur Region.

According to banki.ru the Bank was rated 52nd among top Russian banks by net assets and 50th among top Russian banks by own equity according to Interfax-CEA, which uses the Russian Accounting System, as of 31 December 2013. The Asian-Pacific Bank is a member of the Deposit Insurance Scheme.

Large network, new products and services and ongoing quality management allowed the Bank to improve its positions in the banking industry. The Asian-Pacific Bank provides the whole range of banking products and services both for retail and corporate clients. It has a diversified customer base and a strong team of experienced professionals in different areas of business.

Constant stable growth and strategic approach to improving operations, implementing innovative banking technologies ensure the Bank's active development in every area of its activity. The APB is a full service bank that has built an effective balance between tradition and progress, innovation and healthy conservatism, standardised and individual approach

in servicing its clients.

The APB's mission stays unchanged for the past few years:

Offering the best financial solutions to bring to life the plans of our clients and partners, shareholders and employees. Realizing the drive to become one of the most efficient banks in Russia. Being a team and winning as a team.

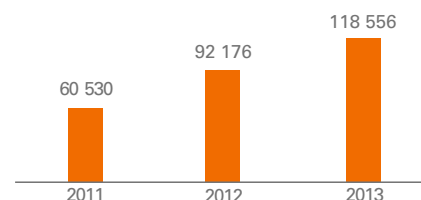
Retail business is the main activity of the Bank, which accounts for 68.7% of the loan portfolio as of December 31, 2013. The Bank's strategy aims at increasing the share of the corporate and SME business in the total volume of transactions.

The owners of the Bank as of late 2013 were PPFIN REGION LLC (58,22%) which is a part of VMHY holding and the TECHSUN ENTERPRISES LIMITED (7,76%), controlled by Alexey Maslovsky, Peter Hambro, Kirill Jakubovsky and Andrey Vdovin as well as a Swedish fund East Capital Financials Fund AB (17,91%), which acquired a stake in the ownership of the Bank in 2006, and the International Finance Corporation (IFC) (6,99%), which became a shareholder of the Bank in 2008. 3.21% of the shares of the Bank belonged to a member of the Board

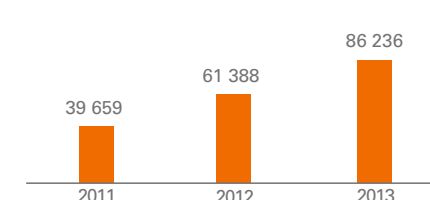
of Directors of the Bank E.V. Aksenov as of 31 December 2013; 2.83% - to EXPO-Leasing LLC, a subsidiary of the Bank, and the remaining 3.08% of the shares are held by minority shareholders.

Total assets of the Bank amounted to 119 billion roubles as of 31 December 2013, net profit - 3.1 billion roubles. Customers funds exceeded 81.4 billion roubles, own equity - 14.6 billion roubles¹.

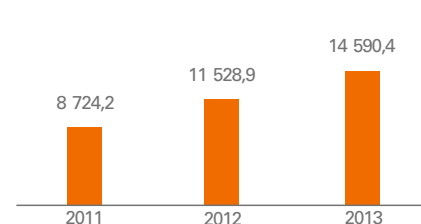
Assets of the Bank, mln roubles



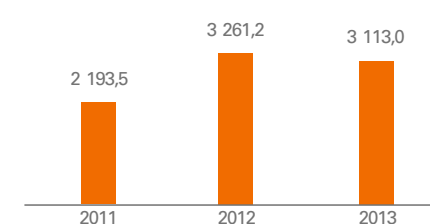
Credit Portfolio, mln roubles



Capital, mln roubles



Profit, mln roubles



Customers Accounts



¹Hereinafter financial data according to IRFS, unless otherwise specified

	2011	2012	2013
Assets	60 530	92 176	118 556
Loans issued to customers (before provision for impairment)	39 659	61 388	86 236
Funds deposited on accounts	46 341	65 143	81 370
Capital	8 724	11 529	14 590
Net interest income	4 593	6 513	8 928
Net annual income	2 193	3 261	3 113

	2011	2012	2013
Net interest margin (NIM)	11,8%	11,7%	11,4%
Cost-to-Income rate (CTI)	50,5%	43,4%	41,3%
ROAA	4,3%	4,3%	3,0%
ROAE	30,9%	32,2%	23,8%
Non-performing loans (NPL 90+)	5,8%	5,8%	7,5%
Cost of risk ²	1,7%	3,4%	6,0%
Tier 1 Capital Ratio	14,2%	12,8%	12,9%

²Calculated as the ratio of the cost of allowances for loan portfolio for the period to the average size of the loan portfolio for the same period



BANK'S POSITION IN THE INDUSTRY

Russian Economy in 2013

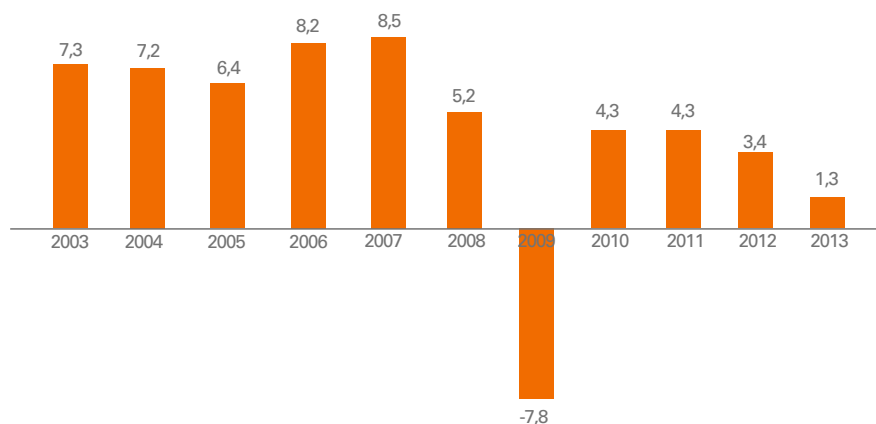
GDP

According to Rosstat, the Russian economy grew by 1.3% in 2013 compared with GDP growth of 3.4% in 2012 and 4.3% in 2011. The GDP in 2013 amounted to 66.755 trillion roubles at current prices. The highest growth was recorded in financial activities - 12%, in fishing - 3.8%, agriculture - 3.2%, in real estate transactions - 1.6%, as well as in wholesale and retail trade - 1.1 %. There was a decline in construction - 2.4%, production and distribution of electricity, gas and water - 1.6%.

The slowdown in economic growth was due to a decrease in government spending, lower investment

dynamics, less investor interest in emerging markets and a reduction in the economically active population size. The main source of economic growth is still private consumption, supported by an increase in public sector wages and lending. At the moment, according to the forecasts of the Ministry for Economic Development, the GDP growth in 2014 is 0.6%. Initially, the forecast was based on expectations of maintaining the previous growth rates but due to the political crisis in the Ukraine, the incorporation of the Crimea and the threat of sanctions by Western countries the estimates were lowered.

Russian Federation GDP Growth Rates, %



Source - CIA World Factbook

Level of Russia's GDP, at current prices, billion roubles

	2003	2004	2005	2006	2007
	13 208	17 027	21 609	26 917	33 247

	2008	2009	2010	2011	2012	2013
	41 276	38 807	46 308	55 967	62 218	66 755

Source - Rosstat

Inflation

The rate of inflation was 6.5% in 2013 according to Rosstat, which is 0.1 percentage point lower than in 2012. Official Government forecasts for inflation for 2014 stand at 4.5-5.5%, while the Central Bank of the Russian

Federation aims at an inflation rate of 5% for 2014. The inflation forecast can be increased to 7.6% due to the weakening rouble in late 2013 - early 2014, as stated by the officials of the Bank of Russia and other relevant agencies.

Employment and Income

The unemployment rate was 5.6% in December 2013 according to the Federal State Statistics Service which is 0.5 percentage points higher than that of December 2012. The rise in unemployment in 2013 came for the first time over the past few years - with the maximum values of 2009, it declined through to 2012. The labour market situation in 2013 reflects the

general deterioration of the economic situation in the Russian Federation and the stagnation of the industrial sector. Drawstring downturn in the economy has become the main cause of the increase in unemployment at the end of 2013; a further rise in employment is most likely if a negative scenario of economic development persists.

Exchange Rates

The Russian currency volatility has increased through 2013. Starting with II quarter of 2013, the pressure on the rouble exchange rate has increased due to the deterioration in the current account and the growth of capital outflow. Despite a significant scaling up of foreign exchange intervention

by the Bank of Russia, the rouble depreciated by 7.6% against the dollar and 13.0% against the euro from 1 January to 31 December 2013. According to the World Bank ("Russian Economic Report"), the Bank of Russia spent about 28.2 billion dollars to support the currency

as compared to 5.6 billion dollars in 2012. As a result the Bank of Russia's foreign exchange reserves declined by 5.5% to 509.6 billion dollars by the end of 2013, compared with 537.6 billion dollars at the end of 2012.

Continued capital flight from

emerging markets, unstable macroeconomic situation and the policies of the Central Bank of the Russian Federation aimed to reduce foreign exchange intervention predict an increase in volatility of the rouble against the dollar and the euro in 2014.

The Russian Banking Sector in 2013

Information on banking institutions

According to the Bank of Russia, the total number of registered banking institutions amounted to 1,071 as of January 1, 2014, of which 923 were operating, which is below the value at the beginning of the year - 1094 registered banking institutions, of which 956 were operating.

The risks associated with maintaining the quality of the loan portfolio increased in 2013, particularly in terms of retail lending. Since the

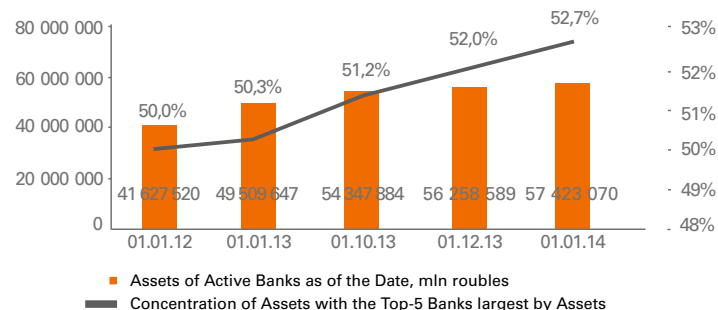
beginning of 2013 the Bank of Russia revoked the licenses of 33 banks, of which 21 banks ranked 501+ in terms of assets. Revoking licenses of some banks was due to cases of money laundering; in a number of cases they have been associated with improper lending to related persons, submission of false reporting, failure to repay debt owed to creditors, overstating the value of assets and their questionable quality.

Assets' growth and concentration with the major players

The total assets of banks in Russia increased by 16.0% in 2013, which is less than the growth rate in 2012 of 18.9%. The trend of increased competition by the major banks persisted. The concentration of banking assets with the top 5 largest

banks accounted to 52.7% in 2013, which is higher by 2.4 percentage points than in 2012. The group of 200 largest banks that the Asian-Pacific Bank belongs to accounted for 95% of total banking assets at the end of 2013.

Banks' Assets



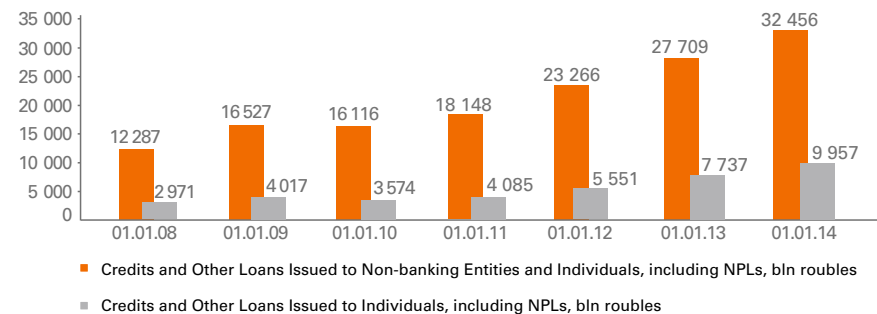
Source – Central Bank of RF

Loans Portfolio

The total loan portfolio of Russian banks (including outstanding and arrears of individuals and non-financial institutions) grew by 17% in 2013 compared to 19.1% in 2012. In this case, the portfolio of loans to individuals (including

arrears) increased by 28.7% in 2013 (39.4% in 2012), and the growth rate of the portfolio of loans to legal entities and individual entrepreneurs stayed unchanged in 2013 year-on-year and amounted to 12.7%.

Loans Portfolio



Source – Central Bank of RF

A consistent implementation by the Central Bank of Russia of a policy of "cooling" the consumer credit market was the main reason for slower growth in retail loans. Particularly, in 2013 the Central Bank of the Russian Federation has tightened reserve requirements on retail loans (for non-mature - up to 2% from 1%, for loans overdue up to 30 days - up to 6% from 3%; portfolio of loans overdue more than 360 days was specified separately and a requirement of 100% redundancy was set on it). Additionally, measures to increase the risk factors for consumer loans entered into force on July 1, which affected the calculation of banks' capital. The Bank of Russia has also increased the risk factors for loans with high interest rates. All these measures have led to a decrease in

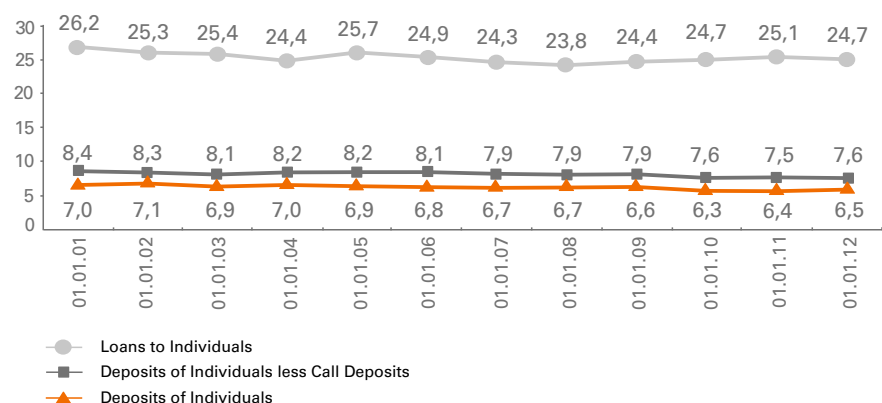
credit growth in 2013, and will affect the expected growth of the loan portfolio in 2014.

The share of overdue loans in the loan portfolio of individuals increased from 4.05% in 2012 to 4.42% in 2013. In absolute terms arrears of individuals increased by 7.5% in 2012 compared to 40.7% growth in 2013. The growth of arrears of individuals is linked to a high debt load of citizens, a difficult macroeconomic environment and high interest rates on loans to individuals (24.7% in December 2013). The share of overdue loans in the corporate loan portfolio decreased from 4.63% in 2012 to 4.15% in 2013. In absolute terms, the growth of arrears in this segment slowed to 1.0%, compared to 12.3% in 2012.

Non-Performing Loans	01.01.12	01.01.13	01.01.14
Level of arrears in the portfolio of loans to non-financial organizations	4,64%	4,63%	4,15%
Growth rate of overdue loans in the portfolio of loans to non-financial organizations, year-on-year		12,3%	1,0%
Level of arrears in the portfolio of loans to individuals	5,24%	4,05%	4,42%
Growth rate of arrears in the portfolio of loans to individuals, % change to previous year		7,5%	40,7%

Source – Central Bank of RF

Average interest rates for loans and deposits of individuals, up to 1 year, %



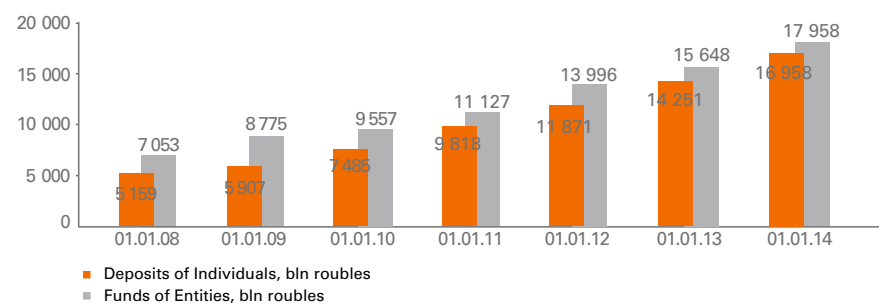
Source – Central Bank of RF

Deposits Portfolio

The amount of funds raised by the banks of the Russian Federation from organizations increased by 13.7% in 2013 to 18 trillion roubles as

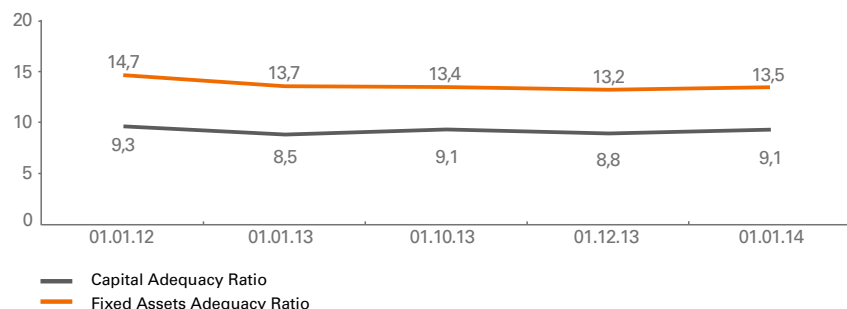
compared to a growth of 11.8% in 2012. Individuals' deposits in banks grew by 19.0% in 2013 compared to 11.8% in 2012.

Deposits Portfolio



Source – Central Bank of RF

Capital Adequacy



Source – Central Bank of RF

The capital adequacy ratio decreased during 2013 by 0.2 percent to 13.5% compared to a fall of 1 percent in 2012. The main pressure on the capital adequacy indexes came from the new requirements of the Central Bank of the Russian Federation to the capital.

The new requirements for the bank capital were introduced in 2013 which had to do with the adoption of the Basel 3 principles. According to the new requirements from 1 January 2014 a minimum allowable adequacy factors were set for the basic and fixed capital for banking institutions in the amount of 5% and 5.5% (for fixed capital in 2015 - 6%). Along with that a minimum level of adequacy requirements of the aggregate capital of banks was set in the amount of 10%.

In addition, there are requirements for the banking institutions of the Russian Federation as for the minimum amount of equity capital in the amount of 180 million roubles for

existing banks and 300 million roubles for the newly established banks. Requirements to the minimum equity capital for existing banks will be raised to 300 million roubles on January 1, 2015. The level of the minimum equity capital of banks may be raised to 1 billion roubles in the future. These plans may be made public in the new Russian Banking Sector Development Strategy.

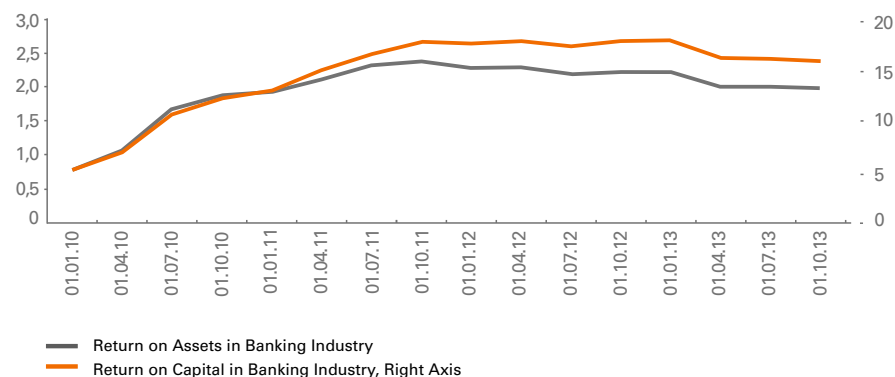
In early 2014 the Central Bank of the Russian Federation announced the creation of a list of banks of System Importance. In determining such a bank the following is considered: the size of the banking institution with respect to all banking assets, the amount of retail deposits in relation to all deposits in the banking system and the volume of transactions in the interbank borrowing. Additionally plans were announced for the establishment of extra requirements for the banks of System Importance for their base capital adequacy in the amount of 1% of assets weighted by risk level, as of 2016.

Profit

Russian banks earned 994 billion roubles in 2013 which is 1.8% less than the record of 2012, when the total profit of the banks exceeded \$ 1 trillion (1,012,000,000,000 roubles). According to a survey of financial stability prepared by the Bank of Russia, "the trend of a decline in profitability of the banking sector

which began in 2012 continues at present. Thus, the return on assets (ROA) decreased from 2.3% as of 1 January 2013 to 2% as of October 1. A similar trend was observed in terms of return on equity (ROE), which decreased during the period from 18.2 to 16.3%."

Profitability trends in the banking sector, %

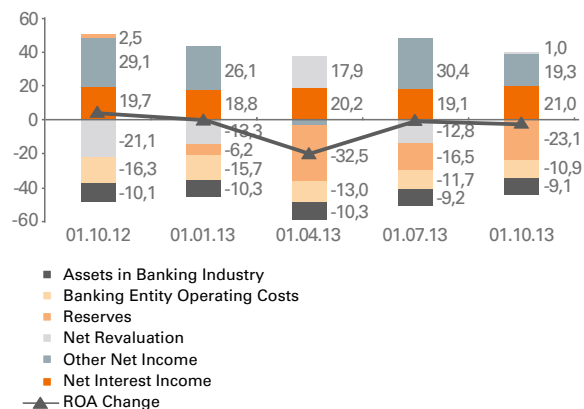


Source – Central Bank of RF

Since the beginning of 2013 the increase in provision spending on the creation of reserves for possible loan losses was the main factor in the decline of the profitability of the banking sector, evaluated in ROA, whose contribution to the trends of cost-effectiveness was wearing a steady negative effect from the

beginning of the year. Due to this factor ROA indicator decreased by 0.7 %. The rise in reserves was due to the deterioration of the quality of banks' loan portfolio and an increase in the Bank of Russia reserve requirements for portfolios of homogeneous unsecured loans to individuals from January 1, 2013:

Factors that affect the profitability of the banking sector assets, b. p.



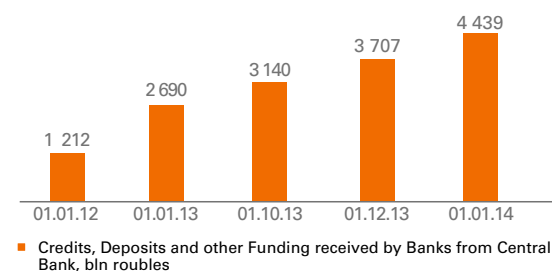
Source – Central Bank of RF

Liquidity

The liquidity situation in the banking system remains difficult just as in 2012. Massive withdrawal of licenses of banks at the end of 2013 and a gradual decline in deposit interest rates during the year resulted in a net outflow of private clients, which further complicated the situation with liquidity. As in the case of individuals, the nervousness in the banking market has accelerated the process of companies moving to major banking institutions, as in the case of bankruptcy of a private bank the companies often do not get their money back. In addition, corporate clients lacking liquidity reduce their

activity of placing free funds in banks. Against this background the dependence of banking institutions from the funds provided by the Central Bank of the Russian Federation increased significantly. The relatively low cost of funding from the CBR compared to other sources of funding allows banks to regulate short-term liquidity comfortably enough. The share of funding of the Russian banks from the Bank of Russia increased from 5.4% of the total liabilities of the banking system as of 1 January 2013 up to 7.7% as of 1 January 2014.

Funding received by banks from CB



Source – Central Bank of RF

Ratings and Main Rankings of the Bank

Bank's strong position in the Russian and in the international markets was confirmed by leading rating agencies:

Fitch Ratings – «B +» Issuer Default Rating, Short-term «B», Viability Rating «b +», the Support Rating of «5», the long-term national scale rating «A- (rus)», stable outlook;

short-term rating for deposits in roubles and foreign currencies, financial stability rating of «E +», «Baa1.ru» long-term national scale rating, stable outlook;

"Expert RA" - a very high level of creditworthiness, rating sublevel - I (highest), stable outlook.

Moody's - «B2 / NP» long-term /

Rankings of the Asian-Pacific Bank's by key performance indicators:

Index	As of 01.01.2014	As of 01.01.2013
Assets	52 ↑	61
Credit Portfolio	44 ↑	50
Loans to individuals	28 ↑	30
Loans to companies and organizations	77 ↑	81
Funds of companies and organizations	57 ↑	65
Deposits of individuals	39 →	39

Источник — banki.ru

APB's position according to rankings by the end of 2013:

1	On assets among multiregional banks of the Far East and Siberia /banki.ru/
6	On liabilities balance on microloans (a standardized issue procedure loan product, up to 3 mln roubles) MSB / Expert RA/
6	On purchasing gold in 2013 /PRIME/
7	On portfolio of loans to individuals for business purposes, results of 2013 r. / Expert RA /
7	Place in Top-10 banks on POS-credits portfolio size / Expert RA /
15-16	Place among 100 Russian banks with largest branch networks /RBC. Rating/
17	Place on portfolio of in service mortgage loans /Rusipoteka/
17	Place on loans issued to SMEs / Expert RA /
21	Place on balance of outstanding loans on credits to individual entrepreneurs / Expert RA /

Competitive advantages of the APB in the banking market

An extensive branch network, proximity to the customer. The Bank would open a branch office or a micro office on the principle of 1 point of sales for 20 thousand inhabitants. Actually the APB is within a walking distance to customers in all areas of the cities covered. The Bank would also open branches in all the settlements in the region with a population of over 20,000 inhabitants. In addition the Bank has a nationwide Call-center customer service.

Fast service. In the retail business the Bank pursues a policy of fast cash lending, which allows issuing loans

without bureaucratic red tape and very quickly (without income verification, collaterals and within 40 minutes from loan application). As for the service of large, medium and small businesses the bank pursues a policy of prompt decision-making, which is made possible, among other things, by the proximity of the Bank's management to the regions of presence. The micro-lending to small businesses is the most popular, which allows for small amounts of money to be lent to an active entrepreneur promptly without collaterals.

High quality service. The Bank has implemented a complete quality management system, which allows for the best results in this area. The Bank has also implemented a system of regular employee training. Customers appreciate the Bank for the good treatment.

Brand awareness. Due to the high concentration of branch offices in the regions covered, as well as ongoing campaigns of advertising and marketing activities, the Bank has managed to achieve success in the growth of factor.

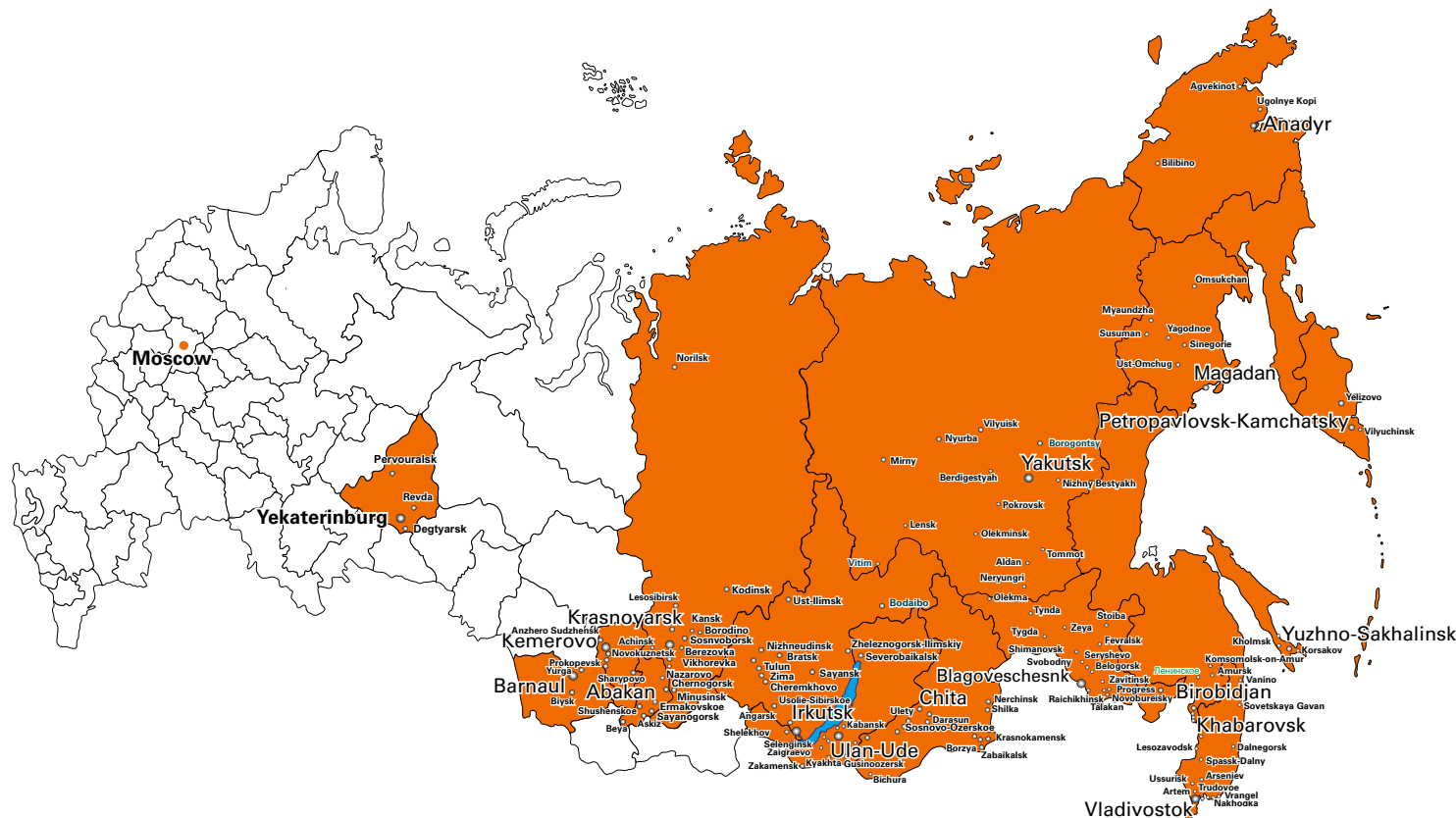
Organized system of administrating the divisions of the Bank for the implementation of their business performance targets, as well as standards established in the Bank. There is a system of daily reports on both business performance and performance on quality, cross-selling and activities of the management of the Bank. There are regular administrative procedures to control these parameters at different levels of the Bank, starting with the report to the Board every six months to weekly planning meetings at the level of each head of a sales outlet. Regional Directors have been institutionalized to administer the Bank's network on a regular basis.

Prompt efficiency of decision-making. The Bank regularly monitors the market conditions and quickly adjusts its product line, introducing new and better products and implementing flexible marketing policy.

Working with partners. Bank earns significant additional revenues from the sales of products of its partners. Examples would be the sales of insurance companies products, private pension funds, payment systems, mutual funds.

Versatility. The Bank is both retail and corporate which brings about synergies. In addition, the retail business of the bank is virtually universal and can offer customers a wide range of services. In loans, that would be POS-lending, cash loans, mortgages, credit cards. There is a separate system of VIP-service aimed at the segment of the Mass Affluent which features an involvement of the individual, service and support. There are also payments, transfers, partner products, credit cards, foreign currency exchange.

Geographical locations of the business



Bank division locations in Russia

Location	Branches
Larger city (RF Subjects centers)	18
Cities with population over 100 000	11
Cities with population under 100 000	71
Urban villages	14
Other settlements	46
Total all settlements	160

The number of settlements in which the offices of APB

Year	Number of settlements	Number of branches
2004	4	8
2005	6	11
2006	22	38
2007	31	67
2008	47	104
2009	53	117
2010	69	158
2011	88	208
2012	127	273
2013	160	316

In 2013 the Bank expanded its presence in some other settlements in the already covered areas. The APB is represented in 18 regions of the Russian Federation. The branch network consists of 316 offices in 160 cities of Russia as of 01.01.2014.

As part of the planning and development of the retail network in 2013 the Bank introduced offices of new formats: ROO, Standard, Mini-branch with a cash desk, Micro-branch.

■ ROO – a Regional Operational Office performing administrative functions and managing smaller structural units located in the same subject of the Russian Federation. This format is universal and involves the provision of all kinds of services for all types of customers.

■ Standard – is used to populate the network in the region where the Bank operates. This format of office

is universal and includes services for individuals and legal entities.

■ Mini-branch with a cash desk - is used to populate the network in the region where the Bank operates. Provision of a full range of banking operations to individuals.

■ Micro - is used to populate the network in the region where the Bank operates. This is the smallest format of a point of sale. Involves loans to individuals – loans to credit cards. Cashiering not provided.

Format	Quantity
ROO	18
Standard	111
Mini with cash	134
Micro	53

Regional Centers:

AMUR REGION

Department for the Amur region

Opening date: 14.02.1992

Address: 675000, Amur Region, Blagoveshchensk City, Amurskaya St, 225

Director of the Department:

Dmitry Makarov

Structure: 30 branch offices

KHABAROVSK TERRITORY

Operational office № 45 of Asian-Pacific Bank (JSC) in Khabarovsk

Opening date: 11.05.2006

Address: 680000, Khabarovsk Territory, Khabarovsk, Ussuriysky boulevard, 24, pom.-I (22-25); O (45-47, 49-65); I (66-68); I (37-45; 52-57); II (46-51); II (3-4)

Director of the Bank for the Khabarovsk Territory - Vice-President:

Sergey Yakimov

Structure: 21 operational offices

REPUBLIC of BURYATIA

Branch of Asian-Pacific Bank (JSC) in Ulan-Ude

Opening date: 01.01.2006

Address: 670000, Republic of Buryatia, Ulan-Ude city, Kommunisticheskaya St, 49

Management: Natalia Abramova

Structure: 23 branch offices

JEWISH AUTONOMOUS REGION

Operational office № 1 of Asian-Pacific Bank (JSC) in Birobidzhan

Opening date: 11.07.2006

Address: 679000, Jewish Autonomous Region, Birobidzhan, Avenue of 60th anniversary of the USSR, 22b.

Director of the Bank for the Khabarovsk Territory - Vice-President:

Sergey Yakimov

Structure: 4 operational offices

SAKHA REPUBLIC (YAKUTIA)

Operational office № 45 of Asian-Pacific Bank (JSC) in Yakutsk

Opening date: 21.04.2006

Address: 677000, Republic of Sakha (Yakutia), Yakutsk, Prospect Lenina, 19

Director of the Bank of the Republic of Sakha (Yakutia) - Vice-President:

Angelica Akimova

Structure: 31 operational offices, 1 operating cash office

TRANSBAIKAL TERRITORY

Operational office № 50 in Chita of the Ulan-Ude Branch of Asian-Pacific Bank (JSC)

Opening date: 26.09.2011

Address: 672000, Russia, Trans-Baikal region, Chita, Krasnoarmeyskaya St, 68

Director of the Bank for the Trans-Baikal Territory - Vice-President:

Mungalova Yevgeniya

Structure: 21 operational offices, 1 operating cash offices

MARITIME TERRITORY

Operational office № 18 in Vladivostok of Asian-Pacific Bank (JSC)
Opening date: 27.10.2006
Address: 690091, Maritime Territory, Vladivostok, street Svetlanskaya 56
Director of the Bank for the Maritime Territory - Vice President:
 Anna Talyzina
Structure: 29 operational offices

KRASNOYARSK TERRITORY

Operational office № 2 in Krasnoyarsk of the Ulan Ude Branch of Asian-Pacific Bank (JSC)
Opening date: 20.06.2008
Address: 660077, Russia, Krasnoyarsk Territory, Krasnoyarsk, 78th Volunteer Brigade St, 14A
Director of the Bank in the Krasnoyarsk Territory - Vice-President: Anton Shevnin
Structure: 40 operational offices

KAMCHATKA TERRITORY

Kamchatka Branch of the Asian-Pacific Bank (JSC)
Opening date: 02.06.1992
Address: 683000, Petropavlovsk-Kamchatsky, Sovetskaya St, 14
Branch Manager, First Vice-President of the Bank: Pavel Bagnyukov
Structure: 2 branch offices, 4 operating offices

SVERDLOVSK REGION

Branch Office of Asian-Pacific Bank" (JSC) in Yekaterinburg
Opening date: 06.10.2011
Address: 620000, Sverdlovsk region, Ekaterinburg, Lunacharsky St, 57
Branch Manager: Vasily Bolshakov
Structure: 4 additional offices

IRKUTSK REGION

Operational office № 39 in Irkutsk of the Ulan Ude Branch of Asian-Pacific Bank (JSC)
Opening date: 08.07.2011
Address: 664025, Russia, Irkutsk region, Irkutsk, Gagarina Blvd, 38
Director of the Bank for the Irkutsk Region - Vice-President:
 Tatyana Polevach
Structure: 38 operational offices

SAKHALIN REGION

Operational office № 41 in Yuzhno-Sakhalinsk of Asian-Pacific Bank (JSC)
Opening date: 09.03.2010
Address: 693020, Russia, Sakhalin Region, Yuzhno-Sakhalinsk, Sakhalinskaya St, 30, pom.1-30
Director of the Bank for the Sakhalin Region: Natalia Bogoslavets
Structure: 8 operational offices

MAGADAN REGION

Kolyma Branch of Asian-Pacific Bank (JSC)
Opening date: 05.12.1990
Address: 685000, Magadan, Proletarskaya St, 17
Branch Director, Vice-President of the Bank: Konstantin Yermilov
Structure: 11 branch offices

KEMEROVO REGION

Operational office № 85 in Kemerovo of the Ulan Ude Branch of Asian-Pacific Bank (JSC)
Opening date: 22.10.2012
Address: 650099, Kemerovo region, Kemerovo, Nikolai Ostrovsky St, 23, pom. 125
Director of the Bank for the Kemerovo region: Anastasia Penzina
Structure: 18 operational offices

REPUBLIC OF KHAKASSIA

Operational office № 31 in Abakan of the Ulan Ude Branch of Asian-Pacific Bank (JSC)
Opening date: 08.04.2011
Address: 655017, Republic of Khakassia, Abakan, Karl Marx St, 63, pom 90N
Director of the Bank of the Republic of Khakassia - Vice-President:
 Svetlana Shoshina
Structure: 13 operational offices

MOSCOW

Branch of Asian-Pacific Bank (JSC) in Moscow
Opening date: 01.12.2008
Address: 125009, Moscow, Leontievsky Lane, 21/1, bld 1
Branch Manager: Tatiana Shablyko
Structure: 1 branch office

**CHUKOTKA
AUTONOMOUS DISTRICT**

Operational office № 1 in Anadyr of the Kolyma Branch of Asian-Pacific Bank (JSC)
Opening date: 09.04.2008
Address: 689000, Chukotka, Anadyr, Otke St, 22
Acting Manager of operational office:
 Anastasia Stepanova
Structure: 4 operational offices

ALTAY TERRITORY

Operational office № 90 in Barnaul of the Ulan Ude Branch of Asian-Pacific Bank (JSC)
Opening date: 17.12.2012
Address: 656002, Altai Territory, Barnaul, ul. Profintern, 38 a
Управляющая:
 Anastasia Penzina
Structure: 6 operational offices



BANK STRATEGY AND DEVELOPMENT PROSPECTS

The Asian-Pacific Bank aims at building a reliable universal bank with a leading position in Russia's eastern regions, capable of successfully reaching and maintaining high levels of profitability and customer satisfaction. According to the strategy adopted by the Board of Directors for the 2011-2016, the Bank plans to achieve a qualitative change in the structure of income and increase the stability of financial results. The Asian-Pacific Bank focuses on the following to achieve this:

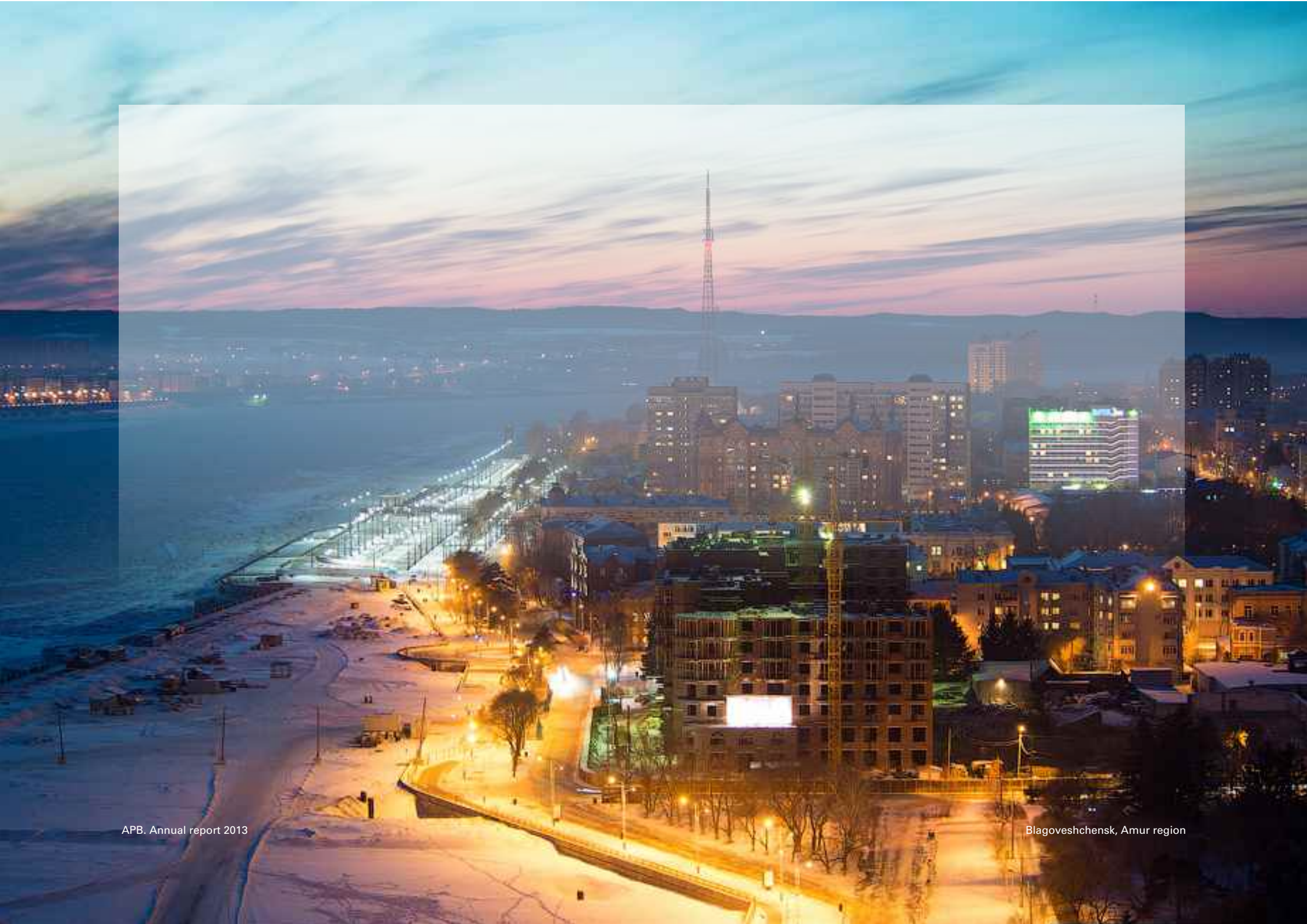
- optimizing service processes
- strengthening the position of the existing network and the development of remote banking channels
- improving the efficiency of the existing customer base through enhanced cross-selling
- covering new regions with significant potential for market development
- controlling the quality of services and customer retention
- System Risk Management

The main results of the strategy implementation in 2013 were:

- Optimization of key business processes, including the simplification of lending procedures for large and medium-sized corporate clients in order to reduce the decision-making time and improve business processes in general
- Reformatting network
- Strengthening functional coordination within the Bank
- Industrialization of systems and processes
- Developing and upgrading the Bank's Call Center

Given the forward-looking growth rate of the Bank approved in its Strategy, as well as changes in the macroeconomic situation and the innovations of the Central Bank of the Russian Federation in the regulation of the banking sector, the Asian-Pacific Bank is considering the developing of an updated model of development based on the following:

- Focus on the development of the retail segment of the Bank's business with the ability to use cross-selling, the development of remote sales channels and continued improvement of the product line
- Increased growth of corporate / SME business segment, more sales of hybrid products and the development of trade finance
- Concentration of the Bank's business in the regions already covered, improving the performance management of regional offices and branches
- Continued investment in infrastructure



BOARD OF DIRECTORS REPORT ON PRIORITY AREAS OF BANK DEVELOPMENT

22

Major Events of 2013:

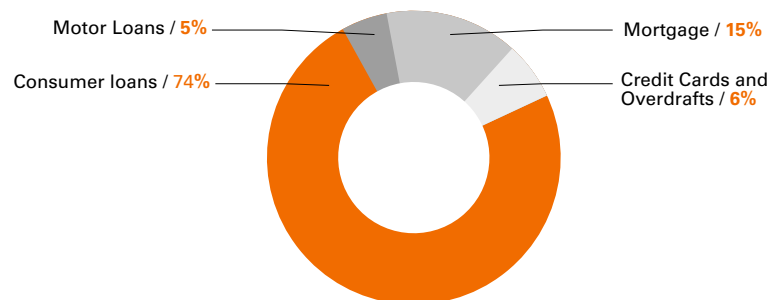
- In early 2013 the Bank was in the top 5 "Most Cost-Effective Large Domestic Banks in 2012" as rated by the RIA Rating agency - with a value of 5.38% on January 1, 2013.
- An APB-Mobile application for Windows Phone was developed, which allowed the owners of the phones with this operating system to take advantage of APB mobile banking along with users of iPhone, devices with the Android system and the conventional cellular phones supporting Java.
- The Bank actively developed cooperation with credit institutions and development institutions during 2013: the Asian-Pacific Bank and the European Bank for Reconstruction and Development have entered into a loan agreements totalling 1.05 billion roubles to finance small and medium-sized businesses and energy efficiency projects in February; the Bank also entered into several agreements with the SMP Bank to provide funding totalling 1 525.0 million roubles to support the bank's SME clients during 2013.
- In addition to outstanding Series 01 bonds worth 1.5 billion roubles the APB released the BO-01 bonds
- worth 3 billion maturing in 2016 and a coupon rating 10.4% per annum.
- The Europe - Asia Joint Settlement Center came online for settlement and clearing services of the respondent banks with a long 17-hour operating day and faster settlement traffic.
- The Banking Business magazine and the Kapitalist Club awarded the Best Regional Bank of 2013 title to the APB in the PLATINUM category. The prize is awarded annually to the leaders in promoting banking products, contributing to the growth of confidence in the Russian banking system and increasing the level of social responsibility.
- The Asian-Pacific Bank received a license for merchant acquiring with MasterCard and passed the necessary certification; it received a certificate of compliance with the international standard of data security in the payment card industry (PCI DSS), developed by the Visa and MasterCard international payment systems .
- Evgeny Aksenov resigned as Chairman of the Asian-Pacific Bank while staying on the board of directors and moved to the position of Adviser to Chairman of the Board. Sergey Tyrtsev was appointed Chairman of the Board.
- The Asian-Pacific Bank won the Grand Prix: Regional Bank of the Year award for the second year in a row by the results of the "Financial Elite of Russia" Joint final award in the field of Finance. Well-deserved rewards in the financial sector were given to the industry companies which showed outstanding results in 2012.
- The APB together with Neoflex introduced Consumer loans module based on the Neoflex FrontOffice business platform and the FICO Capstone Decision Accelerator credit decision system.
- The Fitch Ratings international rating agency has assigned a «B +» long-term Issuer Default Ratings (IDR) in foreign and local currency to the Asian-Pacific Bank with a stable outlook. Short-term IDR in foreign currency assigned is «B», while national long-term rating - «A (rus) ». Bank support rating is 5.
- All Asian-Pacific Bank service terminals offered an option to transfer donations to the flood victims in the Far Eastern Federal District.
- The 300th branch of the APB opened in the city of Bratsk in the Irkutsk region.
- As of September 2013 free cash acceptance function to all the APB Visa and MasterCard cards is available at all ATMs of the Joint Settlement System with the function of receiving cash.
- The APB entered into the state program of preferential car loans.
- The Management Board of the APB decided to pay 50 000 roubles to eight large families or families with handicapped affected by flooding in the Far East that found themselves in a particularly difficult situation.

Retail business

Retail banking is the main focus of the Asian-Pacific Bank. The share of the retail customer loans portfolio in the total portfolio of loans before provisions for reserves is 68.7% as of 31 December 2013, and the share of individuals in the total customer

deposits is 62.0%.

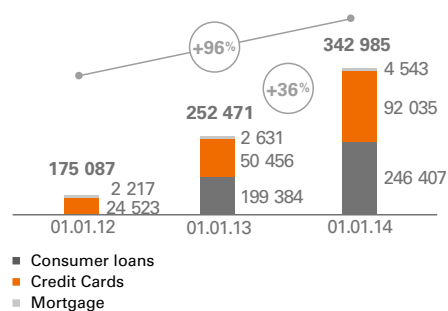
The core of the retail banking is unspecified consumer loans, constituting 74% of the portfolio of retail loans and mortgages (15%).



Source – Bank data. The ratio of the mortgage loans portfolio to total is presented in IFRS. The breakdown of the other products is represented in RAS.

Number of retail borrowers increased by 36% in 2013, a growth of 96% compared to 2011.

Increase in the number of retail borrowers



Source - Bank data, management reporting

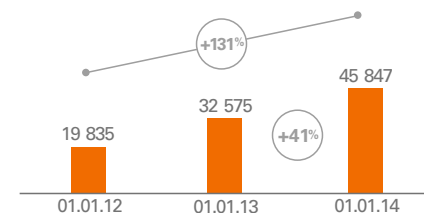
Implementation of the strategy of the Bank's retail business based on a client friendly approach designed to increase the quality of customer service combined with the strive for higher profits continued in 2013. In the medium term the retail business of the Bank along with dynamic expanding the scale of business and increasing the market share will focus on the intensive development of

relationships with customers and increasing the share of remote sales channels. According to its own estimates the Asian-Pacific Bank has a 3.2% market share in the individuals' loan portfolio throughout the areas of coverage except for Moscow and the Moscow region. The share was 2.8% a year before.

Consumer Credits

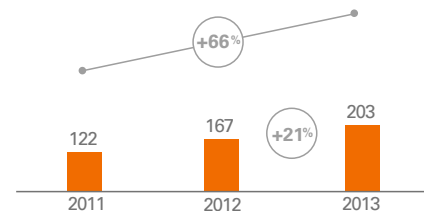
Consumer lending is a key focus of the Bank's business. The consumer loans portfolio of the Bank increased by 41% in 2013. At the same time, the average loan size in this segment increased from 167 million roubles in 2012 to 203 million roubles in 2013.

Growth in consumer loans, million roubles



Source - Bank data, RAS

Average loan size, million roubles



Source - Bank data, management reporting

The main focus of the Bank's retail business is unspecified loans. However, in the recent years the credit cards business was significantly gaining momentum both as a general market trend and as a part of the Bank's strategy. The Bank carries out cross-selling of credit card to unspecified loans, as well as developing and offering new products to existing customers as part of their credit card, which greatly reduces the cost of attracting new customers, increases loyalty and works on customer retention.

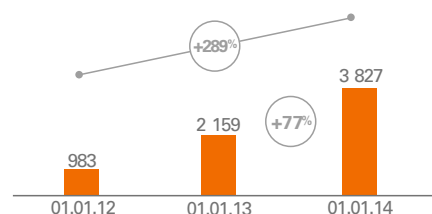
The year 2013 became one of the most successful for the Asian-Pacific Bank in the development of Consumer Credit. The loan portfolio increased by 1.4 times year-on-year, and 7.7 times since 2008. The Asian-Pacific Bank issued consumer loans to a total of 33 billion roubles in 2013, which is 18% higher than in 2012.

Plastic cards

The issuance of cards and loans with the use of cards are one of the most important and challenging areas of

business development of the Asia-Pacific Bank.

Growth of credit card debt, million roubles



Source - Bank data, RAS

Throughout 2013 the Bank actively stepped up the pace of development of its card business. The Bank issued 228,000 cards in 2013 which is 88 000 (or 36%) more than last year. Fees and commission income of the Bank for credit cards and balances on the card accounts of individuals also increased significantly and amounted to 432 million roubles and 2,120 million, respectively.

The Social Card project was successfully launched throughout the Bank's territories in 2013. More than 25,000 clients receiving social benefits and pensions became the owners of such cards. In the second half of the year the Bank together with its partner «CITYCARD» discount program developed and prepared for launch a co-branded project called "APB-Sitikard" on the territory of the Republic of Sakha (Yakutia). The launch was effected in early 2014. The APB Club (www.club.atb.su), a

new customer portal opened in the second half of 2013; the membership is open to all cardholders of the Bank. The portal includes information on ongoing actions with Visa and MasterCard international payment systems, as well as the Discount Card program for the customers to get discounts in shopping and services.

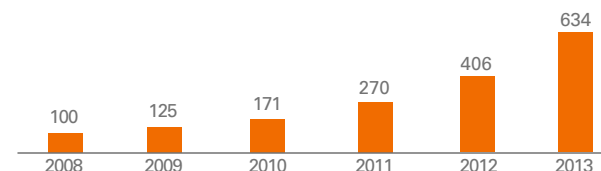
The Bank continued its active cooperation with international payment systems in 2013: Visa has granted a license for commercial acquiring and the Bank was successfully certified, participated in various events and promotional campaigns which have surely increased the turnover of bank card. Bank's customers became more interested in such activities; they participated and won prizes from the payment systems.

The high rate of development will continue in 2014. The next year the

target is to launch a unified line of card products both for the retail business and for payroll clients, to hold joint co-branded projects with large federal companies, to develop and launch a bonus system for the

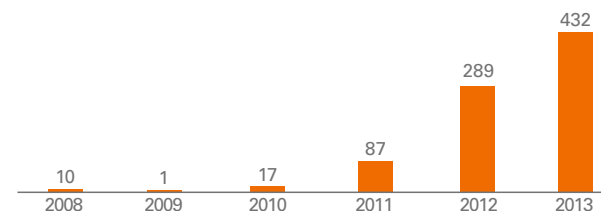
bank cards, as well as to finalize the APB-club mobile application, which will include a convenient service to locate ATMs and branches of the Asian-Pacific Bank and service outlets of the Joint Settlement system.

Cards emitted, thousand cards



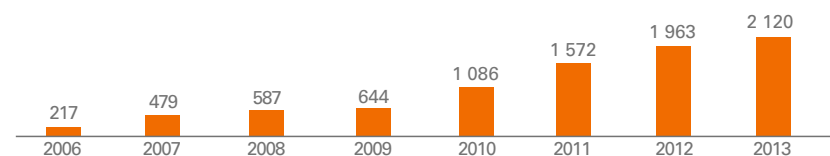
Source - Bank data, management reporting

Fees and commission income from transactions with bank cards, million roubles



Source - Bank data, management reporting

Balances on the bank cards, million roubles



Source - Bank data, management reporting

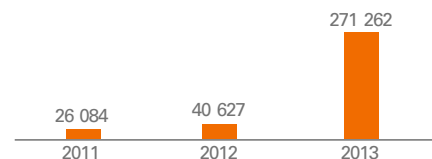
The turnover in the "APB-Live" Internet banking and in its "APB-Mobile" mobile application significantly increased in 2013, mainly due to the development of sales channels of the retail units of the Bank. For example there were more than 245,000 new personal cabinets registered in 2013, the number of cards in the system more doubled and reached 18,645 cards while the number of active customers increased 3.5 times.

The number of payments and transfers carried out in the system has exceeded 138 thousand transactions totaling more than 1060 million roubles. The most popular payments in 2013 were transfers between client cards (30,000 transactions worth 943 million roubles) and payments for mobile communications (89,000 transactions amounting to more than 27 million roubles).

The "ATB-Online"/"ATB-Mobile" – is a

modern, accessible and cost-effective service for the APB cardholders, which is planned to expand according to the functional strategy of the Bank in 2014. In the first place, it is planned to change the interface of the "ATB-Mobile" mobile application, make it easier to add and register cards, as well as to upgrade the functionality of internet banking to improve the safety of operations. The Bank has significantly revised software in order to meet the Federal Law On the National Payment System in 2013. Two packages of SMS messages to customers were implemented - a Complete one and a Mandatory one, the latter being free and compulsory for activation at the time of issuance of a credit card in a bank branch. The clients also have the capacity now to activate an SMS-notification service, to change the phone number for receiving SMS messages on the card not only when applying to the branch of the Bank, but also remotely - by calling the Call-center or at an ATM.

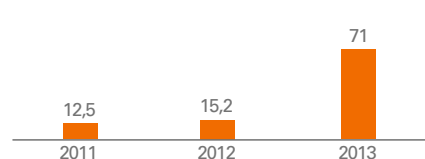
The number of cards connected to SMS-notification



Source - Bank data

In 2013 changes were effected to the ATM interface: changes in the brand book, changes in the logic of some of the actions at the ATM. Plans are to

SMS notification: coverage on active the cards, %



Source - Bank data

further improve the operations efficiency and the positioning of the bank's ATMs in 2014.

Serving VIP-clients

The Bank also provides services to wealthy private clients offering an innovative product line. VIP-clients are as usually private clients with larger deposits in the bank or those with major banking operations using the services of the Bank. The Asian-Pacific Bank offers its VIP-clients a wide range of products and services, including:

- individual lending programs;
- premium cards;
- savings;
- cash and settlement services.

The product line for VIP-clients has expanded significantly in 2013:

- a new type of deposit «VIP Platinum +» was introduced

with possible debit transactions and increased interest rates for bigger deposits.

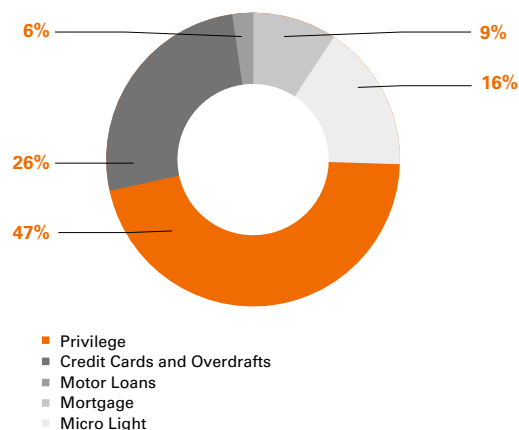
- sales of mutual funds controlled by leading managing companies were launched, as well as programs on wealth management.
- the bank introduced foreign exchange transactions at special rates for its VIP-clients, cancelled some commissions on premium cards and some types of products, prolonged the terms of credit limits and cancelled a condition for accidents insurance.

Due to these changes the sales of credit products to VIP-clients increased by 47.9% in 2013

Loan sales to VIP clients, mln roubles



Loan sales to VIP clients by type, %.



Source - Bank data, RAS

The Bank plans to introduce Concierge Service, Priority Pass and trust management, as well as plans to introduce savings certificates payable

to bearer. In addition, the Bank intends to develop services to the families of VIP-clients and their subsequent support on all issues.

Mortgage Lending

In 2013 mortgage lending remained an incipient positive trend; and its successful development continued. The volume of mortgage loan portfolio grew by more than 50% compared with 2012. The Bank offers lending programs of housing under construction, finished apartments and houses in the primary and secondary real estate markets, as well as loans for various purposes on the security of owned real estate. One of

the benefits of lending in the APB is the use of maternity capital to repay the debt.

The Bank deals with different types of customers and highlights the most significant ones within the loyalty program. Thus the Bank provides preferences in the form of lower interest rates for groups of VIP-clients, investors and participants of salary projects.

Trends of the volume of mortgage loans, million roubles



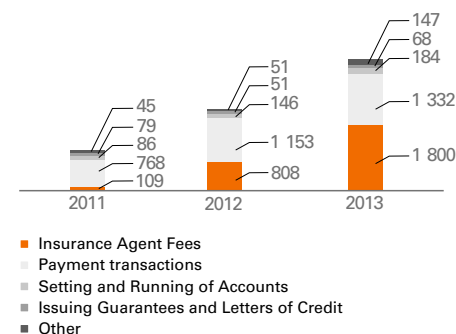
Source - Bank data, IFRS

Cash Remittances and Banking Commissions

Fees and commissions income take a substantial part in the income structure of the Bank's retail business. The largest contribution to the growth

of this segment of the income is the commissions charged by the Bank to individual clients for joining insurance contracts.

Fee and commission income of the Bank, million roubles



Source - Bank data, IFRS

Remittances are one of the other services popular with customers of the Bank and the income growth in 2013 compared with 2012 was over 40%. The popularity of the service is increased by reducing tariffs and launching incentive campaigns for clients. Through these activities the Bank's income from transfers by all payment systems

grew by almost 50%.

In 2013, we continued to develop Private Pension Funds business. As of December 31, 2013 the project to attract customers to the private pension funds was launched throughout the Bank's territories. Some partner companies are - PPF OPF, PPF Electroenergetiki and

Blagosostoyaniye.

The main influx of new clients in fee-based products in 2013 was provided by the regional offices of the Asian-Pacific Bank. Additionally, ushering of existing customers of the Bank to

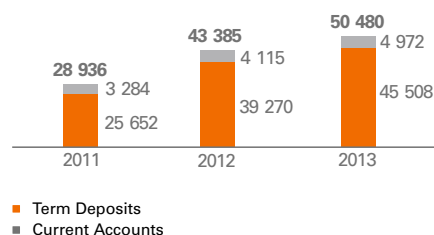
the use of the "Without Borders" service continued in 2013, with the own payment system of the Bank becoming a source of additional fee income.

Cash deposits by individuals

The amount of funds on the accounts of individuals amounted to 50,480 million roubles as of December 31, 2013, including term deposits of

45 508 million roubles. The amount of retail deposits increased by 16.4% in just one year.

Trends in funds deposited by individuals, million roubles



Source - Bank data, IFRS

The range of deposits in the APB meets the needs of customers of all groups: the classic deposits that could be topped up, with different terms of interest payments (monthly, quarterly, at the end of the term), deposits with the possibility of depositing and withdrawing funds, special deposits for people of retirement age, multi-currency deposits to manage cash in three currencies within a single contract.

The Bank continued to optimize the range of deposits for individuals in the reported period, aiming at facilitating the selection of a suitable deposit type for each client.

The Bank's own assessment of the market share in Eastern Siberia and the Far East in terms of funds raised from individuals at the end of the year 2013 is 4.1% (4.2% in 2012).

Corporate business and SME

Corporate Lending

The corporate loan portfolio accounts for more than 30% of the total loans portfolio. The volume of corporate lending as well as SME business segment and that of individual entrepreneurs increased by 48.8% to 27 billion roubles in 2013.

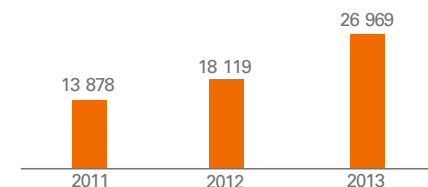
The Asian-Pacific Bank has developed a wide range of credit products. Customers are offered loans and credit lines (both revolving and not), overdrafts – all for various purposes and timings. The loans for working capital are most popular, as well as ones for investment purposes (acquisition of fixed assets, expansion of existing businesses). The Bank offers both short-term and long-term loans (up to 60 months.). In addition, the Bank offers a wide range of bank guarantees: customs guarantees, tender guarantees,

performance guarantees under the contract, advance payment guarantees.

In 2013, the Bank has successfully implemented the Flagship program, where the Bank involved major companies of importance to the regions and financed their projects at relatively low interest rates.

The largest share of the corporate sector clients are mid-size wholesale and retail trade companies (28% of the portfolio). As of 31 December 2013 11% of the corporate loans have been granted to companies of the service sector, 8% - mining industry and manufacturing companies, 7% - developers of residential and commercial real estate, and 4% - power and energy companies.

Trends in credit portfolios, corporate clients, million roubles

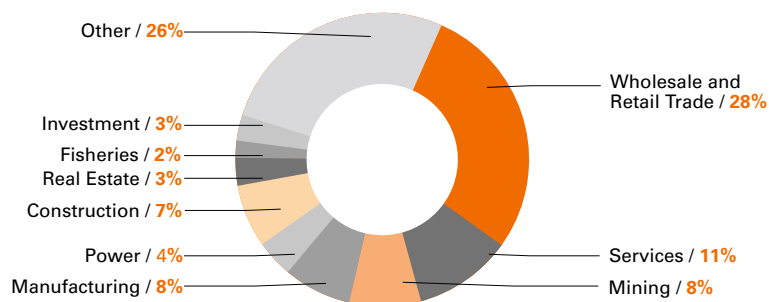


Source - Bank data, excluding leasing portfolio, with the SME loans, before provisions, IFRS

The legal entities and individual entrepreneurs loans portfolio is well diversified across regions covered by

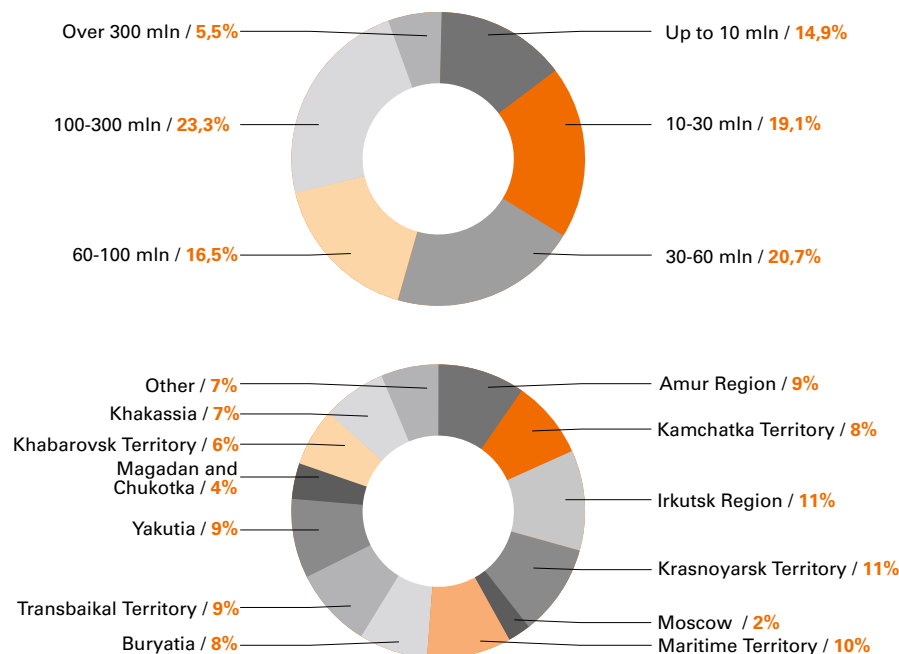
the Bank, by the loan amounts, and has a low concentration on the largest borrowers.

The structure of the loan portfolio by borrowers' industry



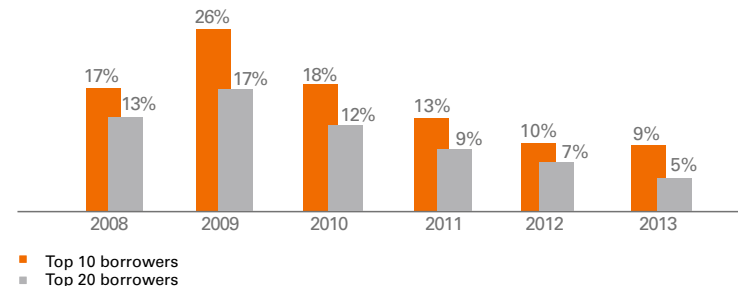
Source - Bank data, IFRS

The corporate loan portfolio structure by amounts and by regions



Source - Bank data, RAS, the loan amount is calculated in terms of the portfolio size; the breakdown of the portfolio by region - the number of loans in the portfolio

The concentration of the corporate loans portfolio on major borrowers



Source - Bank data, IFRS

By own estimates the market share of the Asian-Pacific Bank in Eastern Siberia and the Far East on corporate

loans at year-end was 1.4% (1.1% - at the end of 2012)

Loans to SMEs

Lending to small and medium-sized businesses is an important trend in corporate lending. As of 31 December 2013 52% of the total corporate loan portfolio of the Bank consisted of the debts of small and medium-sized businesses - companies with monthly revenues up to 30 million roubles, and

the maximum loan amount up to 60 million roubles. More than 1,200 small and medium-sized enterprises are the Bank's borrowers. The portfolio of loans to small and medium-sized businesses increased by 74.3% in 2013.

Trends in corporate and SME portfolio, billion roubles



Source - Bank data, management reporting

Lending to small and medium-sized businesses in all regions of the Bank's presence goes both as lending to business owners as individuals as well as commercial lending to legal entities and to individual entrepreneurs.

The business of micro-lending, including lending to business owners was rapidly developing in 2013. The Bank believes that this trend is the most promising in the lending market in the regions where the Bank

operates. New products were launched targeting business owners (auto loans and mortgages), a procedure was introduced for receiving applications through remote service channels.

The Bank works closely with the European Bank for Reconstruction and Development, as well as the SMP Bank OJSC on program to support small businesses and raised 2.6 billion roubles for this purpose in 2013.

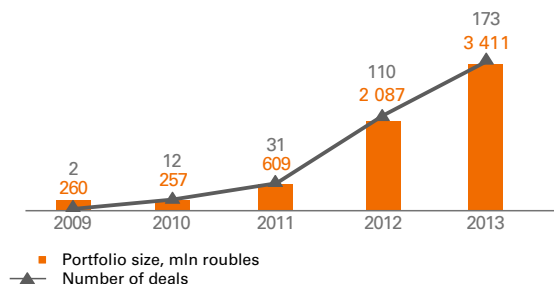
Trade Finance

The Bank is a leader in trade finance among regional Russian banks. The network of counterparties for these operations consists of more than 30 international financial institutions. The product line includes letters of credit, guarantees, pre-export and post-import financing.

Since August 2008, the Bank is an active member of the IFC Global Trade Finance Program (GTFP), where it received a guarantee facility in the amount of 5 million US dollars, which was gradually increased, reaching USD 40 million by the end

of 2013. In June 2011, the Bank also got a line of USD 8 million within the Trade Facilitation Program (TFP) of the European Bank for Reconstruction and Development; then this line has also been increased and reached 18 million US dollars by the end of 2013. In May 2013, the Bank received an award for its participation in the TFP as the "Most Active Russian Regional Bank in 2012".

The total portfolio of documentary transactions and trade finance transactions amounted to 3.4 billion roubles on 31 December 2013.



Source - Bank data, management reporting

In 2013, 33% of the portfolio of transactions for trade and structured finance was financed by foreign financial institutions. 66% of transactions were financed by own APB funding.

In the reported period the Bank began to cooperate with major international export credit agencies (such as Hermes, Oesterreichische Kontrollbank Aktiengesellschaft) in structuring transactions for long-term financing of equipment purchases for corporate clients. The Bank got accreditation with the Italian export credit agency SACE, signed a

framework agreement on the provision of bonded loans under the warranty coverage of export credit agencies with a consortium of German banks - AKA Ausfuhrkredit-Gesellschaft GmbH (Frankfurt am Main). Signing the agreement opened new possibilities for preferential financing terms for the corporate clients of the Asian-Pacific Bank for imports of goods and services from Europe.

On 31 December 2013 the total portfolio of documentary transactions and trade finance transactions amounted to 3.4 billion roubles.

Payment Transactions

The Bank provides a full range of services in cash management services for legal entities and individual entrepreneurs in roubles and foreign currency.

The Bank has a wide network of correspondent accounts in all major currencies in the leading financial institutions around the world. The clients of the Asian-Pacific Bank can make payments in USD, Euro, Chinese yuan, Japanese yen, British pounds, Swiss francs, and in Kazakh tenge after the establishment of

direct correspondent relations with Kazkommertsbank since December 2013.

The Bank promotes e-banking system. The number of customers using the Internet Banking or Client-to-Bank systems has increased over the year by more than 30%. A new SMS-informing remote service was launched in 2013 by which customers of the bank can control the flow of funds on the account via SMS. By the end of the year about 5% of the clients connected to this service.

Commission Income on Payment Transactions for Corporate and Individual Clients, thousand roubles



Source - Bank data, management reporting

Precious stones operations

Financing the gold mining industry companies and buying precious metals from them is one of the activities of the Asian-Pacific Bank. In 2013, the Bank entered into delivery contracts with 72 Russian mining companies on the total amount of more than 8.0 tonnes of gold. According to the PRIME agency the Bank maintained the sixth place in terms of the purchased gold from the mining companies among the largest commercial banks in Russia in 2013. The volume of lending to gold mining companies in the 2013 production season amounted to more than 940 million roubles, while the amount of advances paid to subsoil users for shipments of precious metals from their refining factories exceeded 3.5 billion roubles.

The Bank has been actively working with mining companies in the Amur, Magadan and Irkutsk regions, the Republic of Sakha (Yakutia) and Buryatia, the Chukotka Autonomous District, and the Khabarovsk, Krasnoyarsk, Kamchatka and the Trans-Baikal Territories. In 2013, the Bank has expanded its geographical

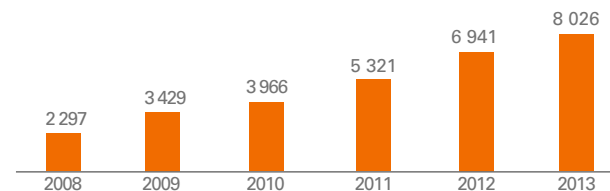
presence in the primary market of precious metals by purchasing gold in the Sverdlovsk region.

In addition to the purchase and sale of precious metals in kind, the Bank conducts transactions with unallocated metal accounts (UMA) both with legal entities as well as with individuals throughout its service area. The turnover of gold with UMA clients in the Bank amounted to more than 8.1 tons (11.8 billion roubles) in 2013.

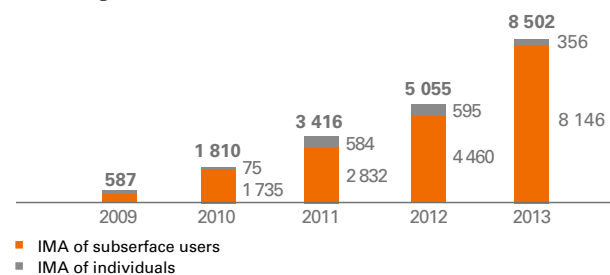
The Asian-Pacific Bank is one of the major participants in the Russian interbank market of precious metals with a long unblemished record. In 2013 the total amount of the Bank's operations with gold on the Russian interbank market, including transactions with metal in kind, as well as operations through UMA, reached more than 51 tonnes (73.7 billion roubles). The Bank took first place in the Best Regional Bank in the Precious Metals Market nomination by an open voting by the market players in 2013



Gold Purchase Contracts with Non-affiliated mining companies in kg



IMA* Turnover in kg



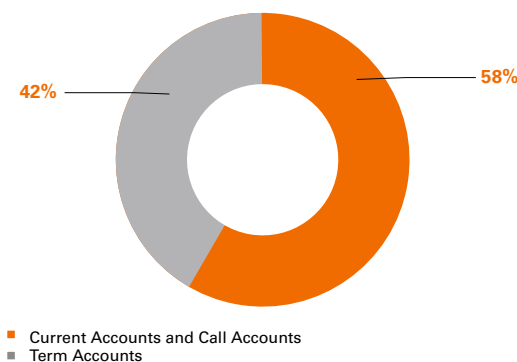
Source - Bank data, management reporting
*IMA - impersonal metal accounts

Corporate Deposits

Corporate customers in current and deposit accounts comprise 29.7% of the liabilities of the Bank in accordance with IFRS. Legal entities

normally placed funds in rubles, dollars, euros and other currencies and gold mainly on current accounts and demand accounts:

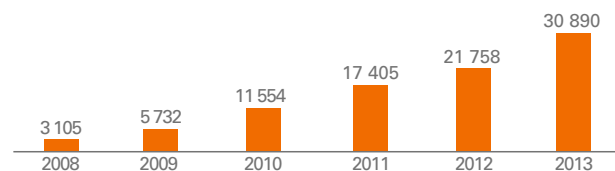
Corporate funds breakdown, in %



The Bank increased funds from legal entities by more than 42% in 2013

compared with 2012 which amounted to 30,890 million roubles.

Corporate funds, in mln roubles



Source - Bank data, IFRS

The Bank offers to legal entities and individual entrepreneurs servicing current accounts and investment of funds in deposits and promissory notes. Bank deposit line allows customers to allocate funds according to their needs in different currencies for different terms, with the provision for additional depositing and withdrawing or without it.

There were three types of deposits for legal entities and individual entrepreneurs in 2013: Classic, Top Up and Operational. All types of deposits provide for payment of interest monthly or at maturity. Deposit terms can be specified with up to 1 day accuracy allowing customers to optimally plan their cash flows.

In 2013 the Bank offered its customers an option of a General Agreement on Deposit Transactions. It can be used to simplify paperwork flow, eliminating the need to enter into deposit agreement and is effective when customers place their funds on a regular basis.

In addition to current accounts and deposits the Bank offers its corporate customers to purchase bills of the Bank which are a liquid financial tool.

The Bank's market share in Eastern Siberia and the Far East on corporate deposits at the end of the year 2013 is 5.98% (2012 - 5.56%) by its own estimates.

companies, construction firms, mining companies, agricultural producers, companies in construction and repair and maintenance of roads, utilities and other enterprises. Regional offices operate throughout the Bank's territories of presence. The Expert RA rating agency has confirmed the credit rating (financial stability) of EXPO-leasing at "A" and changed the outlook from "stable" to "positive" in 2013. The amount of net

investment in finance leasing increased by 16.4% to 2,412 million roubles in 2013.

EXPO-leasing takes 40th place in terms of the lease payments received, 10th place on financing equipment for utilities companies, 6th place for new business in the Far Eastern Federal District according to Expert RA in 2013.

Financial results review

Key results:

- The Bank's assets increased by 28.6% to 118 556 million roubles since the beginning of the year
- Net income for 2013 decreased slightly by 4.5% and amounted to 3,113 million roubles
- Return on average equity (ROAE) at the end of 2013 was 23.8% and return on average assets (ROAA) - 3, 0%, the ratio of operating costs to income ratio (CTI) was 41.3%
- The amount of funds in the accounts of corporate and retail customers increased by 24.9% since the beginning of the year and amounted to 81,370 million roubles
- Capital of the Bank reached 14 590 million roubles on December 31, 2013, which exceeds the value at the beginning of the year by 26.6%

EXPO-leasing

The Bank provides leasing services to customers to finance assets such as industrial equipment, vehicles, construction equipment, rail cars and

real estate via EXPO-leasing – an own specialized subsidiary company. Customers include industrial and commercial companies, transport

Net income for 2013 decreased by 4.5% compared with the net profit for 2012 and amounted to 3,113 million roubles. Net interest income, supported by the growth in the loan portfolio for 2013, increased by 37.1% to 8,928 million roubles. Net fees and commission income for the period increased by 64.1% to 3,273 million

roubles. The growth in commission income was provided by the agency fee increase for client insurance by 122.7% to 1,800 million roubles, and an increase in income on settlement transactions by 15.6% to 1 332 million roubles. It should be noted that the size of **transfers to reserves** for 2013 amounted to 4,478 million roubles, or

more than 2.5 times that of 2012, resulting in a net income growth of the Bank in this period being significantly lower than the growth of net interest and commission income.

Due to the increase in provisioning impairment the cost of risk increased to 6.0% as a result of 2013 compared to 3.4% in 2012, which led to a slight decline in **profitability** of the Bank, which, however, remains at a high level compared to the average market indicators: return on average equity of the Bank (ROAE) by the end of 2013 was 23.8% and return on average assets (ROAA) - 3.0% (32.2% and 4.3% at the beginning of the year, respectively). The net interest margin amounted to 11.4% (against 11.7% in 2012).

Operating income increased by 40.6% to 14,207 million rubles in 2013, while operating expenses increased by 33.5% to 5,863 million rubles. The main cause for the increase in operating expenses is an increase in administration costs, including the addition of 44 new offices in 2013, as well as the increase in staff costs by 30.0% to 3,897 million rubles. The cost-to-income ratio decreased to 41.3% by the end of 2013 against 43.4% in 2012 despite an increase in operating expenses.

Loan portfolio before provisions increased by 40.5% since the beginning of the year and amounted to 86 236 million rubles. Thus the portfolio of loans to individuals increased by 37.0% to 59,267 million rubles (68.7% of the portfolio), and the portfolio of loans to legal entities and individual entrepreneurs increased by 48.8% to 26 969 million rubles. The share of loans overdue for more than 90 days (NPL), increased to 7.5% by the end of 2013 (5.8% in 2012), while the level of NPL

in the corporate portfolio was 2.8% and 9.7% in retail. The NPL coverage level by reserves has increased to 89.8% (81.7% at the end of 2012).

Securities portfolio, accounting for 14.3% of total assets, increased by 6.9% since the beginning of the year and amounted to 16,900 million rubles. The Bank maintains a conservative policy of investments in securities; state and municipal bonds and corporate bonds with investment grade ratings from international rating agencies are a large part of the portfolio (92.1% of the bond portfolio).

The ratio of the loan portfolio and customer deposits amounted to 98.8% on 31 December 2013. The loan portfolio growth in 2013 was provided by the growth of **funds in the accounts** of the Bank's customers, which increased by 24.9% since the beginning of the year and reached 81,370 million rubles. The volume of deposits by legal entities increased by 50.1% since the beginning of the year and reached 17 989 million rubles, while the retail term deposits increased by 15.9% and amounted to 45 508 million rubles.

The amount of funds of banks and liabilities under repurchase agreements increased by 49.3% to 13,805 million rubles in 2013. The Bank actively developed cooperation with banking institutions and development institutions in 2013: the Asian-Pacific Bank and the European Bank for Reconstruction and Development have entered into loan agreements totaling 1.05 billion rubles to finance small and medium enterprises (SMEs) and energy efficiency projects in February; the Bank also entered into several agreements with the MSP Bank for

funding, totaling 1.525 billion rubles to support SME clients in 2013.

In addition to outstanding Series 01 bonds worth 1.5 billion rubles the APB released BO-01 bonds of 3 billion maturing in 2016 and a coupon rate of 10.4% per annum in February 2013. The volume of **debt securities** issued increased in 2013 by 45.9% to 6.104 billion rubles.

Capital of the Bank, calculated by the Basel Committee technique, was 15 432 million rubles (a growth of 24.0% since the beginning of the year). Tier 1 capital adequacy ratio is 12.9% and the total capital to risk-weighted assets ratio reached 15.3%.

Key financial indicators, million rubles

	2011	2012	2013
Assets	60 530	92 176	118 556
Loans to clients (before impairment)	39 659	61 388	86 236
Funds on clients' accounts	46 341	65 143	81 370
Capital	8 724	11 529	14 590
Net interest income	4 593	6 513	8 928
Net income in the period	2 193	3 261	3 113

Key indicators, %

	2011	2012	2013
Net interest margin (NIM)	11,8%	11,7%	11,4%
Costs-to-Income (CTI)	50,5%	43,4%	41,3%
ROAA	4,3%	4,3%	3,0%
ROAE	30,9%	32,2%	23,8%
Non-performing loans (NPL 90+)	5,8%	5,8%	7,5%
Cost of risk ²	1,7%	3,4%	6,0%
Capital adequacy ratio, Tier 1	14,2%	12,8%	12,9%

³Calculated as the ratio of the cost of allowances for loan portfolio for the period to the average loan portfolio before provisions impairment for the same period.

Risk management

Risk management is fundamental to the banking business and is an essential element of the Bank's operations. Credit risk, market risk (the risk of securities portfolio, interest rates and exchange rates in particular), operational risk, liquidity risk and reputation risk are the major risks faced by the Bank in its current activities. Risk management includes risk assessment and monitoring, control of the volume, structure and concentration, as well as the development of effective measures

to optimize and minimize the risks.

These risks are managed and monitored by the Audit and Risk Committee, a system of Credit Committees and the Committee on Asset and Liability Management (KUAP) and the Credit Risk directorate, the Market Risk directorate, the Treasury as well as the specialized units at both the portfolio level as a whole and at the level of individual transactions.

Credit risk

Credit risk is considered as one of the most significant risks to the Bank, taking into account the specifics of its operations and balance sheet structure. The main objective of credit risk management with the expansion of the number of counterparties and the range of the Bank's loan products is to optimize the assumed risks, to maintain the achieved quality of the loan portfolio, to optimize the industrial, regional and product portfolio structure breakdown.

Credit risk is managed in accordance with the Policy on Credit Risk

Management, which features a systematic approach based on the principles of risk awareness, delineation of authorities for the adoption, assessment, monitoring and control of risks taken, complex and system nature of credit risk assessment, harmonization of procedures and assessment methods for the above risks, the relevance of the procedures used for assessing and monitoring risks. Issues of identification, analysis, evaluation, optimization, monitoring and control of credit risk are governed by regulations of the Bank.

The main areas of credit risk management are:

- Limiting credit risk by a valid Bank system on limits on credit decisions, the concentration of credit risk on individual borrowers / groups of related borrowers;
- Covering credit risks by the received collaterals and insurance thereof, charging adequate fees for credit risk and provisioning for possible loan losses;

- Controlling the level of credit risk by assessing the credit risk attributed by the Bank to a counterparty and a group of related counterparties, as well as through regular monitoring of the loan portfolio, individual customer

transactions and collateral property;

- Preventing credit risk at the stage of loan application consideration, as well as by timely action to identify credit risk factors in the course of monitoring.

Basic principles of risk management system in the Bank:

■ A detailed study of the borrowers' business.

This includes an assessment of the financial status of the borrower, as well as the initial structuring of the transaction. Performed by regional credit units / credit committees.

■ Ongoing monitoring of loan projects.

Includes support of the assessment of the financial status of the borrower and his business as a whole to determine the level of risk and the size of loan loss provisions, clarifying the parameters and structure of the transaction, as well as confirmation of the evaluation received collaterals. Performed by credit departments of the head office

■ Independent assessment of loan projects.

Includes an evaluation of the corporate credit rating of the borrower, an assessment of the level of concentration of credit investments, checking the LLP calculations, adjusting the structure of the transaction, and an analysis of approved (amended) parameters of retail banking products as part of the retail lending, as well as the determination of the price of the products considering the risk premium. Performed by the risk management departments in the head office.

■ Delineation of authority in credit decision making.

Includes a valid system of assigning limits for independent risk-taking. Revision of limits is exercised at least twice a year by an authorized body.

■ The operation of the vetoing institution at all levels of credit decision making.

Includes vesting of the veto rights to the risk-management employees - members of the Credit Committee. The final authority to overcome the veto is the Management Board of the Bank.

■ Ongoing valuation of the portfolio credit risk.

Includes ongoing analysis and assessment of the credit risk of the loan portfolio (risk reporting), and evaluation of the effectiveness of credit transactions (the Risk-Return ratio). Implemented by the risk management departments of the head office; the results of evaluation in the form of preapproved forms of internal management reports are submitted for consideration by the Management Board. Upon review, the Management Board takes decisions to change / adjust credit policy in order to reduce credit risk.

Delineation of decision-making is as follows:

Lending to corporate customers:

1. Sole decision-making bodies (credit limits up to 5 million rubles);
2. Credit committees of regional divisions (credit limits up to 30 million rubles);
3. Credit Committee of the Bank (credit limits up to 5% of the Bank's capital);
4. Management Board (credit limits in excess of 5% of the Bank's capital);
5. Board of Directors (approval of major transactions and related party transactions).

Lending to retail customers:

1. Automated System for approval of credit applications except in certain categories, including a decision based on the scoring for assessing the financial position of the borrower (credit limits up to 1 million rubles);
2. Sole decision-making bodies (credit limits from 0.5 to 1 million rubles);
3. Credit committees of regional branches of the Bank (credit limits up to 10 million rubles);
4. Credit Committee of the Bank (credit limits up to 5% of the Bank's capital);
5. The Board of Directors (the approval of related party transactions).

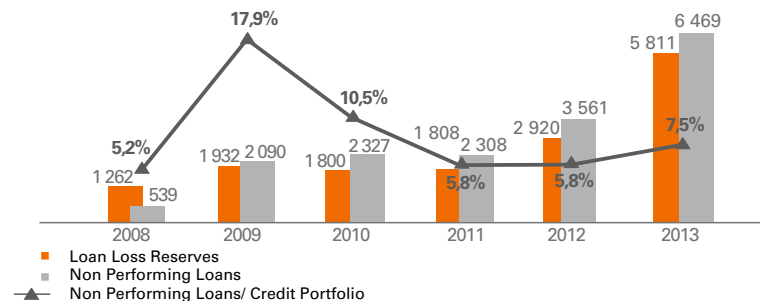
Non-performing loans, provisioning and write-offs:

The Bank classifies loans overdue by 90 days or more as non-performing loans (NPL). The Bank seeks to identify potential problem loans at an early stage, and write them off only if they feel that all measures have been taken, and all the possibilities to recover the arrears have been exhausted. Overdue loans may be deemed uncollectible and written off from the balance sheet of the Bank on the basis of a respective decision by the Board of Directors of the Bank.

The share of problem loans to total loans of the Bank amounted to 7.5% as of December 31, 2013. At the same time, non-performing loans in the corporate loan portfolio amounted to 2.8% of the total corporate loans; while in the retail credit portfolio - 9.7% of the total retail loans.

The ratio of the total allowance for impairment losses to non-performing loans amounted to 89.8% as of December 31, 2013, which is 8.1 % higher than last year.

Problem loans and reserves, billion roubles



Source - Bank data, management reporting

The Bank has taken the following measures in 2013 to enhance credit risk management system:

- optimization of the structure of the Bank's Credit Department with the assignment of separate areas for loans to corporate customers and small and medium-sized businesses;
- approval of the methodology for establishing the limits of independent credit decisions by the regional branches of the Bank in the corporate lending;
- a model of credit scoring to assess the level of credit risk in retail lending was developed and implemented;
- completion of the implementation of computer-aided decision-making in consumer lending.

In the future, the Bank plans to do the following for the development of credit risk management system:

- conduct a comprehensive evaluation of existing risk management system by an

independent specialized appraiser to develop a comprehensive action plan aimed at improving the existing system of risk management, including credit risk;

- improve the methodology of stress testing the loan portfolio;
- develop approaches and methods of credit risk management system, based on an assessment of the size of the "economic capital" (capital at risk) required to cover the credit risk of the Bank;
- further develop the pricing system for transactions with credit risk - the determination of the risk premium taking into account the magnitude of the economic and / or regulatory capital allocated for the transaction (credit facility);
- develop and implement techniques of risk assessment of concentration of credit investments;
- improve techniques of the management of the industry, regional and country risks.

Liquidity risk, foreign exchange and interest rate risks

Liquidity risk - a potential possibility for a situation when the Bank may be unable to fully and timely comply with its obligations to customers and counterparties. Liquidity risk arises in case of an imbalance in maturities of assets and liabilities or early withdrawal of customer deposits, and it can lead to a significant increase in interest costs of the Bank (for the need to acquire additional liabilities at rates above market or sell the liabilities at below market prices), and potentially further to the loss of solvency in case of impossibility of timely and full implementation of its obligations.

The Bank seeks to maintain sufficient liquidity to meet their obligations and funding of active operations at reasonable market rates, both in the short and long term.

Continuous monitoring of assets and liabilities, forecasting their future trends, controlling the volume gaps between assets and liabilities in terms of demand timing is carried out for liquidity risk management. It is recognized that accurate timing or controlled mismatching of the maturities and interest rates of assets and liabilities is a key to the management of liquidity risk. Due to the wide range and the sheer amount of transactions and uncertainty associated with them, some incomplete matching of the maturities of assets and liabilities within certain limits is permissible, thus increasing profitability, but also increasing the risk of losses.

The Bank manages the risk of current and forecasted liquidity.

Management of the current (instantaneous and short-term) liquidity provides for short-term forecasting and managing cash flows in terms of currencies and timings, rates and terms for the payments on behalf of clients, for ensuring that the obligations of the Bank are met and for funding of active operations.

Current liquidity is managed by the Treasury by rapid and continuous monitoring of the balance status of the Bank in all currencies and the forecasted future status based on the payments calendar data (for payments with known parameters, certain existing contracts), as well as other potential incoming and outgoing payments in line with information from customers and counterparties, and accounting for different scenarios.

Money market tools which include short-term interbank loans and deposits, repurchase agreements (including direct repurchase operations with the Bank of Russia) are used to regulate the current liquidity and not to fund long-term assets. In addition a significant share (over 85%) of the Bank's securities portfolio is highly liquid (composed of government and corporate bonds included in the Lombard List of the Bank of Russia) and can be used quickly (within working hours of a day) to meet the needs of the Bank's liquidity by Lombard loans from the Bank of Russia, repurchase transactions both with counterparties in the financial market, as well as with the Bank of Russia at reasonable and predictable interest rates.

Forecasted (medium and long-term) liquidity is managed by the Committee on Assets and Liability Management in conjunction with the Treasury, and is to develop and implement a set of measures for asset and liability management aimed at maintaining the solvency of the Bank and the planned growth of asset portfolio by optimizing the ratio of liquid assets and profitability.

Medium-term and long-term forecasts of liquidity are developed to solve this problem on the basis of which the Committee on Asset and Liability sets internal liquidity standards and regulations for the portfolio of liquid reserves.

Forecasting and analysis of medium- and long-term liquidity is done by the Treasury Department, which compiles prospective payment calendars by individual currencies, analytical models of payments (both static and dynamic), which include:

- calculations of receipts and payments in accordance with the contractual terms of operations;
- scheduled transactions;
- probable prolongation of borrowed funds and loans placed;
- possible outflow of unstable "on demand" funds (current accounts for corporate and private clients, Loro correspondent accounts)

At the same time the stable portion of "on demand" customer liabilities is based on a statistical analysis of the trends of the total quantities and of the data on liabilities by currency.

Results of the analysis of target liquidity are regularly made available to the Assets and Liabilities Committee.

Treasury also conducted stress tests taking into account the risk factors and possible scenarios of negative or crisis developments affecting the forecasted liquidity of the Bank and evaluating opportunities for disposal of liquid assets and the additional fund acquisition for a lack of liquidity.

Analysis of the amounts (in terms of expected maturities), as reflected in the Consolidated Statement of financial position as of 31 December 2013:

Thousand roubles	On demand and less than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	No maturity term	Total
Total assets	29 243 303	7 798 583	25 630 648	42 239 119	7 456 044	6 188 565	118 556 262
Total liabilities	34 222 046	12 820 204	32 623 559	23 358 767	490 190	444 077	103 965 844
Net position	(4 978 743)	(5 021 622)	(6 992 911)	18 880 352	6 965 854	5 744 488	14 590 418

Currency risk

Currency risk - the risk that the fair value or future cash flows of a financial tool will fluctuate because of changes in exchange rates.

Currency risk management system includes procedures for the calculation of the limit value of an open currency position limits for banks and foreign exchange operations, as well as exchange rate

policy.

Currency risk is managed on the basis of the decisions of the Committee on Asset and Liability Management.

The Treasury Department performs

daily monitoring of the open foreign currency position of the Bank with a view to meet the requirements of the Bank of Russia and the internal constraints.

The structure of assets and liabilities by currency as of December 31, 2013:

	Roubles in Thousand Roubles	USD in Thousand Roubles	Euro in Thousand Roubles	Gold in Thousand Roubles	Other Currencies in Thousand Roubles	Total in Thousand Roubles
ASSETS						
Funds	2 227 190	299 326	177 202	-	48 984	2 752 702
Assets in Central Bank of RF	6 021 534	-	-	-	-	6 021 534
Financial Assets Changed in Fair Value resulting in the P&L for the period	10 676 182	-	-	-	-	10 676 182
Financial Assets Available for Sale	5 548 516	675 356	-	-	-	6 223 872
Assets in Banks	1 101 413	1 562 175	403 138	7 106	26 724	3 100 556
Reversed Repurchase Receivables	335 720	-	-	-	-	335 720
Loans to Clients	77 640 340	2 435 282	347 322	-	1 829	80 424 773
Net Investment in Financial Leasing	2 242 910	168 431	654	-	168 431	2 411 995
Receivables on Current Tax	27 549	-	-	-	-	27 549
Receivables on Deferred Tax	51 462	-	-	-	-	51 462
Fixed Assets, Intangible Assets and Investment Property	5 005 641	-	-	-	-	5 005 641
Other Assets	1 385 770	118 014	20 492	-	-	1 524 276
Total Assets	112 264 227	5 258 584	948 808	7 106	77 537	118 556 262

	Roubles in Thousand Roubles	USD in Thousand Roubles	Euro in Thousand Roubles	Gold in Thousand Roubles	Other Currencies in Thousand Roubles	Total in Thousand Roubles
LIABILITIES						
Derivatives	-	12 118	-	3 870	442	16 430
Accounts and Deposits of Banks	6 177 074	635 599	177 196	-	4 798	6 994 667
Repurchase Agreements Liabilities	6 809 841	-	-	-	-	6 809 841
Current Accounts and Deposits of Clients	74 433 454	5 443 106	761 635	501 015	230 914	81 370 124
Issued Securities	6 036 022	68 039	-	-	-	6 104 061
Subordinated Loans	-	986 344	-	-	-	986 344
Liabilities on Current Tax	184 630	-	-	-	-	184 630
Liabilities on Deferred Tax	444 077	-	-	-	-	444 077
Other Liabilities	1 050 006	1 361	4 297	-	6	1 055 670
Total Liabilities	95 135 104	7 146 567	943 128	504 885	236 160	103 965 844
Net Position	17 129 123	(1 887 983)	5 680	(497 779)	(158 623)	14 590 418
Impact of Derivatives Kept for Risk Control	(2 681 668)	2 030 087	-	642 264	9 317	-
Net Position with Impact of Derivatives Kept for Risk Control	14 447 455	142 104	5 680	144 485	(149 306)	14 590 418

Interest rate risk

Interest rate risk – is the risk that the fair value or future cash flows of a financial tool will fluctuate because of changes in the market interest rates.

The Bank's strategy for managing interest rate risk is determined by setting the optimal ratio between the assets and the liabilities sensitive to interest rate changes.

Interest rate risk evaluation is carried out using GAP-analysis of the impact of a given trend of interest rates on the net interest income. For the purposes of the assets and liabilities are reallocated by contract maturity terms for fixed interest rates and by terms to renegotiate interest rates

with floating interest rates. Gaps are calculated separately in roubles and foreign currency.

Control over the level of the interest rate margin on basic banking products is done by the Assets and Liabilities Committee on a regular basis. A funding matrix is used to control the level of interest margin. In the case of a negative impact of interest rates on the net interest income of the Bank steps are taken to adjust the Bank's own interest rates for their compliance with the changing market conditions.

Market Risk

Market risk – is the risk of the Bank's losses due to changes in the value (revaluation) of securities. To effectively manage the price risk the Asian-Pacific Bank has created a separate unit with a function to identify, assess and control the risks taken – the Market Risk Unit, MRU. It is independent of the units performing operations with securities, which eliminates a conflict of interest.

The basic tools of market risk management are as follows:
1. A system of limits to contain the price risk. Limits are set at both the aggregate structure of the portfolio, as well as on individual issuers.

2. A system to monitor the limits, providing fulfillment of the constraints.
3. Regular reviews of the limits in line with the market situation and financial needs of the Bank. Structural limits are approved by the Committee on Assets and Liabilities and reviewed monthly. The purpose of the structural limits is to limit the losses in order to prevent a decline in the capital adequacy ratio below a certain level as set by the Bank. Structural limits are set for the amount of risk in the portfolio, for the aggregate portfolio volume and for selected groups of issuers. Limits on the DV01 and stop-loss are also provided for.

Quantitative assessment of the level of risk is made using the VAR (Value-at-risk) historical method with a retrospective of 2 years, a 99% confidence interval and time horizon of 10 days. Two components are used when calculating the level of risk on debt tools: the data on the oscillations of the curve of interest rates and changes in spreads between risk-free curve and the rate of return on a particular issuer. Data on fluctuations in the securities of particular issuers are used when calculating the level of risk on equity tools, taking into account the cross-correlation between the tools included in the portfolio.

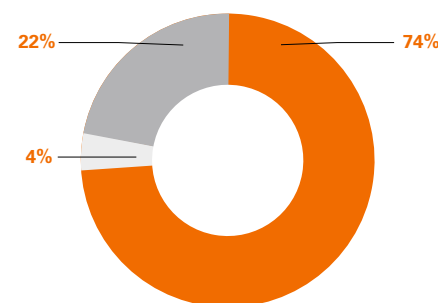
The limits on individual issuers are approved by the Credit Committee on Financial Markets and are designed to limit the concentration of risk in any one issuer in terms of credit risk and liquidity.

The monitoring system for the limits is largely automated and operates online, thus avoiding violation of limits, improving the interaction of the various desks and maximizing the efficient use of the available limits. Every violation is detected promptly and examined individually.

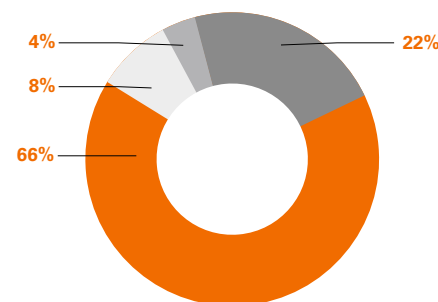
Revision of the established limits is made with varying frequency depending on the type of limit, as well as the occurrence of specified trigger events that are critical for a particular limit.

In 2013, the methodology for calculating the level of risk was refined, and information systems were also upgraded to handle the derivative financial tools.

The structure of the Bank's securities portfolio, December 31, 2013:



■ Bonds
■ Eurobonds
■ Promissory Notes



■ State Bonds
■ Corporate >=BBB-
■ Subfederal
■ Corporate <=BBB-

Источник – данные Банка, управленческая отчетность

The Bank reassesses all the tools at their current fair value. As for those traded on the Moscow stock exchange - the market price is as disclosed by the exchange. As for the OTC tools (Eurobonds) – the price is based on the data aggregated and

disclosed by Bloomberg, on the basis of indicative prices of the leading bidders. Prices to be used as a basis for a revaluation are entered into the Bank's ABS automatically, regardless of the unit of trading. Analysis of the sensitivity of profit and equity to

changes in fair value of financial tools measured at fair value and changes therein are recognized in profit or loss for the period, as well as financial assets available for sale, due to changes in interest rates may be represented as follows:

	Profit or Loss, thousand roubles	2013	2012	
		Own Funds, thousand roubles	Profit or Loss, thousand roubles	Own Funds, thousand roubles
Parallel Shift of 100 b.p. to lower rates	75 905	75 905	133 628	133 628
Parallel Shift of 100 b.p. to higher rates	(75 905)	(75 905)	(133 628)	(133 628)

Legal Risk

Banking institutions are subject to various legal risks in the implementation of their activities in financial services. First of all, these are the risks associated with the imperfection of the current legislation of the Russian Federation, especially civil, banking, administrative law, as well as the conflict of law and the interpretation of ambiguous legislation. Many problems are also associated with changes in legal (judicial) practice.

The Bank's legal department and business units are constantly

monitoring the changes in the legislative and regulatory framework in order to minimize legal risk using modern electronic information and legal system with updating databases (Consultant +).

Employees of all departments of the Bank regularly learn of the regulations and legislative changes that they need to know in their trades. In addition, the Internal Audit Service works effectively in the Bank to monitor the implementation of the legal requirements and local regulations.

Operational Risk

Operational risk is the risk of losses due to imperfections in the internal processes or their incompliance with the law; failures of information systems and technology, deliberate actions of personnel and third parties, as well as natural disasters.

The Bank is exposed to several types of risk, mainly operational clerical errors; unauthorized transactions conducted by the Bank's employees, and those resulting from errors or malfunctions of computer or communications systems.

The main objective of the operational risk management is to develop a set of measures to help minimize operational risk, reduce operational losses, increase manageability and ensure the effective development of the Bank.

Methods and approaches to operational risk management applied by the Bank are determined on the basis of regulatory requirements and recommendations of the Bank of Russia, the recommendations of the Basel Committee on Banking Supervision, provided the necessary conditions and prerequisites for their implementation are in place.

Operational risk management includes the process of identifying the risks faced by the Bank, the evaluation of these risks to ensure a program of planning and monitoring the capital, ongoing monitoring of risks and related capital requirements, the adoption of measures to control and reduce the risks, as well as reporting on the risks and the status of the capital of the Bank to the Management Board of the Bank.

Minimization of operational risk involves a series of measures aimed at reducing the probability of occurrence of events or circumstances that lead to operating losses and limiting the amount of potential operational losses.

The main method to minimize operational risk as controlled at the level of the Bank is to develop the organizational structure and internal rules and procedures for conducting banking operations and other transactions in such a way as to eliminate the possibility of operational risk. Particular attention is paid to the principles of separation of powers, approval procedures, coordination and accountability on ongoing banking operations and other transactions.

Reputational risk

The Asian-Pacific Bank has a provision for the organization of the control over reputational risk.

Reputation loss risk (reputational risk) – is a risk of losses occurring as a result of a decline in the number of customers (counterparties) due to the formation of negative public opinion on the financial stability of the banking institution, its services or the nature of the activity as a whole.

Managing reputational risk is necessary in order to reduce potential losses, preserve and maintain the reputation of the Bank to customers and counterparties, shareholders, financial market participants, public authorities and local government, banking unions (associations), self-regulating organizations in which the Bank is a member.

Managing reputational risk in the Asia-Pacific Bank consists of the following steps:

- identification
- evaluation
- monitoring
- control and minimization

To assess the level of reputational risk, the Bank uses the following parameters:

- change in the financial conditions of the Bank, namely, changes in the structure of own funds (capital);
- change in the number of complaints and claims against the Bank, including the quality of service for customers and counterparties, respect for the customs of trade;
- negative and positive reviews and reports of the Bank, its affiliates, subsidiaries and affiliated organizations in the media / Internet against other banks for a certain period of time;
- trends in the share of assets moved as a result of transactions with affiliated persons as part of the total assets of the Bank;
- reduction, or a possibility of occurrence of a reduction in the liquidity of the Bank;
- timeliness of payments on instructions of customers and counterparties;
- identification by the internal control system of non-compliance with the requirements of the Federal Law "On countering legalization (laundering) of proceeds from crime and financing of terrorism" and acts of the Bank of Russia developed in accordance with it, as well as signs of a possible involvement of the Bank or its employees, affiliated persons, subsidiaries and affiliates in the legalization (laundering) of proceeds from crime and financing of terrorism;
- change in reputation of affiliates, subsidiaries and dependents, loyal customers and counterparties;
- identification of theft, cheating, bank fraud, the use by employees of confidential information received from customers and counterparties for personal gain;
- discontinuation by loyal or significant clients and contractors of cooperation with the Bank.

There is a system of limiting values (set limits) determined for each set of indicators used by the Bank to assess the level of reputational risk; exceeding those means an increase in the impact of reputational risk for the Bank as a whole and the critical approach of this status and the size for the current conditions.

The reputational risk control system provides several levels; each of them with its functions, ultimately reducible to one - to prevent the deterioration of one and / or several parameters in one or more risks;

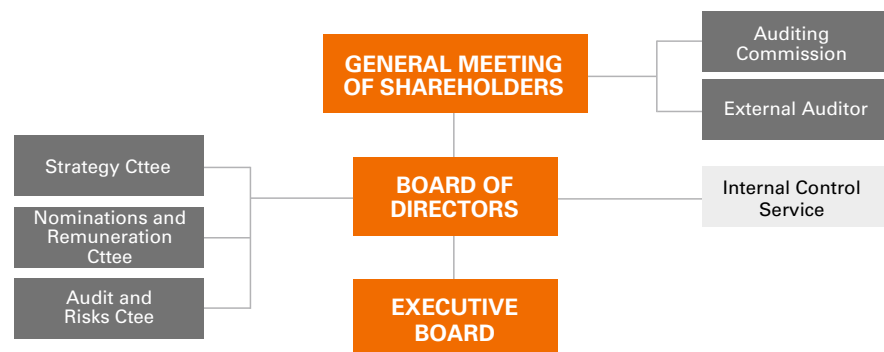
The Bank uses the following main ways to minimize reputational risk:

- constant control over compliance with the legislation of the Russian Federation, including bank secrecy laws and internal controls in order to prevent legalization (laundering) of proceeds from crime and financing of terrorism;
- analyzing the impact of reputational risk factors (both in aggregate and in breakdown) on the performance of the Bank as a whole;
- providing timeliness of payments on instructions of customers and counterparties, for the disbursement of deposits, interest on accounts (deposits), as well as the settlement of other transactions;
- control over the reliability of financial statements and other published information provided to shareholders, clients and counterparties, regulators and supervisors, and other interested parties, including those for advertising purposes;
- monitoring of the content and the setup of the Bank's WEB-site, monitoring the relevance and completeness of the published information in order to improve the transparency of the Bank;
- ongoing monitoring of the applications (complaints / claims) of current and potential customers of the Bank;
- continuous training of employees of the Bank;
- constantly accessing the latest information on the legislation and internal documents of the Bank for the maximum number of the Bank's employees;
- stimulating the Bank's employees depending on the impact of their activities on the level of reputational risk.



Corporate Governance

Corporate Governance System Review



One of the major challenges facing the management of the Asian-Pacific Bank the solution of which has been given the most attention throughout the years is the improvement of corporate governance as a system of communication between the shareholders and the management of the Bank.

Unconditional adherence to the decisions of the General Meeting of Shareholders, the observance of the Charter and the Code of Corporate Governance provide effective management of the Bank, subject to transparency and openness.

The General Meeting of Shareholders is the supreme governing body of the Bank, which defines the objectives and the guidelines for the Bank. The Board of Directors of the Bank, which is formed by the General Meeting of Shareholders and is accountable to it, is responsible for the general management of the Bank, determines its strategy and appoints the

executive bodies - the Chairman of the Board and the Management Board. It is their authority to manage current business of the Bank, including the implementation of the tasks set by the General shareholders' Meeting and the Board of Directors of the Bank.

There are committees established under the Board of Directors with a view to optimizing the work of the Board of Directors through studying and submitting recommendations on the decisions taken in the areas of: Audit and Risk; personnel management and remuneration; development of strategic goals and the directions of development and performance of the Bank.

The system of corporate governance in order to ensure the fullest interests of the shareholders and investors of the Bank, as well as to improve the efficiency of management bodies operates control bodies which carry out their activities with the strict

observance of the current legislation of the Russian Federation and in accordance with modern international practices, such as: external auditor independent of the Bank's management engaged in validation of correctness of financial reporting; Audit Committee, elected by the General Meeting of Shareholders and accountable to it, for exercising control over financial and economic activities of the Bank; Internal Control department which

controls the Bank's compliance with the legislation of the Russian Federation and the timely identification of risks in banking.

The current system of control over the activities of the Bank ensures the confidence of shareholders in the correctness of the policy management, investor confidence in the Bank and its management bodies, as well as an effective assessment of banking risks.

Changes in the system of corporate governance in the reported period

During the reported period the Bank has been working to improve the system of corporate governance with the best domestic and international practices on a regular basis. The International Institute for Development and a big foreign foundation are among the shareholders; they, in turn, give priority attention to the level of corporate governance standards and their compliance with the best international practices, recognized principles of corporate governance, which further contributed to the development of corporate governance system in the reported year.

The appointment of a new Chairman of the Executive Board Sergey Tyrtsev having more than 15 years of

experience in the banking industry, who also joined the Board of Directors of the Bank, is notable among the major events that occurred during the reported period in the system of corporate governance, as well as the entry of Mark van der Plas, President of PPFIN Holding LLC into the Board of Directors, whose experience in the field of financial markets is over 22 years.

Information on compliance of the Bank during the 2013 with the Code of Corporate Conduct recommended for use by the Federal Securities Commission of Russian CB of 04.04.2002 № 421 /p, is in Annex 3 to this report.

Data on transactions requiring approval are in Annex 5 to this report.

General Meeting of Shareholders

General Shareholders' Meeting is the supreme governing body of the Bank; it decides on the most important issues of the Bank's activities and is

the main way of shareholders participation in the management of the Bank. The General Meeting of Shareholders is guided by the laws of

the Russian Federation, the Bank's Charter and the Regulations of the General Meeting of Shareholders in its activities.

The decision to convene the General Meeting of Shareholders is taken by the Board of Directors. The Bank holds annual general meetings of shareholders not earlier than two months and no later than six months after the end of the fiscal year.

There were 2 meeting of shareholders in 2013 - the Annual General Meeting of Shareholders in June, which examined the mandatory issues - the approval of the annual report and financial statements of the Bank, approval of the auditor, the payment of remuneration and election of

members of the Board of Directors and the Audit Committee and approval of the transactions entered into by the Bank; and an extraordinary general meeting of shareholders in December 2013, which addressed the issues of early termination of powers of the Board of Directors and the election of a new Board of Directors.

In 2013 the Bank's main shareholder LLC PPFIN REGION reduced its share in the authorized capital from 66.22% to 58.22%, the reduction is partly due to the transfer of ownership to TECHSUN ENTERPRISES LIMITED (ownership of 7.76% of the shares of the Bank on 01.01.2014) Moreover, the share of Evgeny Aksenov, former Chairman of the Board decreased by 2% in 2013 .

Board of Directors

The activities of the Board of Directors of the Asian-Pacific Bank are regulated by the legislation of the Russian Federation, the Bank's Charter and the Regulations of the Board of Directors of the Bank. The Board of Directors determines the priorities of the Bank, budgets, business plans, investment programs and development strategies of the Bank, as well as control over their execution.

There were 24 meetings of the Board of Directors held in 2013, which reviewed 119 issues, including ones regarding related party transactions, approving reports by the Bank's

services, issues of additional shares issue and others.

The Board of Directors was comprised in the reported period of the following persons:

Up to 06.12.2013: K.V. Jakubovsky, E.V. Aksenov, S. Dertnig, A.V. Vdovin, A.V. Murychev, S.A. Plastinin, S.V. Stepanov, Kestutis Sasnauskas.

As of 06.12.2013 to the present: K.V. Jakubovsky, E.V. Aksenov, A.V. Vdovin, S. Dertnig, A.V. Murychev, S.A. Tyrtsev, Kestutis Sasnauskas, Mark Van der Plas.

Committees of the Board of Directors

The following committees were set up and operate within the Board of Directors:

- Strategy Committee
- Nomination and Remuneration Committee
- Audit and Risk Management Committee

Committees were set up and operate for a more complete and detailed study of the issues on which the Board of Directors will further make

decisions, and the main task of the committees is to make recommendations on the most significant issues. Committees take advisory decisions.

The Strategy Committee was set up for detailed work on strategies and the development of solutions for the recommendation to the Board of Directors on strategic planning in the Bank.

As of December 31, 2013 members of the Strategy Committee were:

A.V. Vdovin	a member of the Board of Directors, Chairman of the Committee
K.V. Jakubovsky	Chairman of the Board of Directors, a member of the Committee
K. Sasnauskas	a member of the Board of Directors, a member of the Committee
S. Dertnig	a member of the Board of Directors, a member of the Committee
E.V. Aksenov	a member of the Board of Directors, a member of the Committee

Nomination and Remuneration Committee was created to form a personnel policy for the selection of highly qualified professionals to the Board of Directors, the Management Board, to the post of Chairman of the Board, for the development of principles and criteria for setting the

amount of remuneration and compensation for the above experts and the development of a transparent system of motivation of these experts.

As of December 31, 2013 members of the Committee on Appointments and Remuneration Committee were:

K.V. Jakubovsky	Chairman of the Board of Directors, Chairman of the Committee
K. Sasnauskas	a member of the Board of Directors, a member of the Committee
S. Dertnig	a member of the Board of Directors, a member of the Committee
Marc Van der Plas	a member of the Board of Directors, a member of the Committee
S.A. Tyrtsev	a member of the Board of Directors, a member of the Committee

The Audit Committee and Risk Management Committee makes recommendations to the Board of Directors in the exercise of control over financial and economic activities, the reliability of financial reporting

and the functioning of the systems of internal control and risk management.

As of December 31, 2013 members of the Audit and Risk Management Committee were:

A.V. Murychev	a member of the Board of Directors, Chairman of the Committee
S. Dertnig	a member of the Board of Directors, a member of the Committee
K. Sasnauskas	a member of the Board of Directors, a member of the Committee
E.S. Terentyeva	a member of the Committee
I.V. Abazov	a member of the Committee

Information about members of the Board of Directors



Kirill V. Jakubovsky

Member of the Board of Directors since 29.06.2010 - Chairman of the Board since 28.06. 2011 -
Was exercising the powers for the entire reported period.
Born on 28.03.1969
Has more than 20 years of experience in the financial business.
Currently - Advisor to the Chairman of M2M Private Bank OJSC. Member of the Board of Directors of Helios Reserve CK LLC, OJSC M2M Private Bank OJSC, City Supermarket LLC and some other companies.

Owns no shares of the Bank.



Evgeny V. Aksenov

Member of the Board of Directors since 17.12.2004 and was exercising the powers for the entire reported period.
Born on 07.10.1975
Has more than 16 years of experience in the banking industry.
Currently - Advisor to the Chairman of the Board of the Asian-Pacific Bank (JSC), a member of the Association of Regional Banks of Russia (the "Russia" Association). He is also an advisor to the Governor of the Amur region on economic issues. He was appointed advisor to the President of the Association of Regional Banks of Russia in December 2013.

As of December 31, 2013 holds shares in the amount of 158 639 039 053 069 ordinary registered uncertified shares, representing 3.2055% of the share capital.

Committed transactions during the reported period: sold ordinary shares in the quantity of 49 490 198 206 895 in July 2013, sold of ordinary shares in the quantity of 49 490 198 206 895 pieces in December 2013.



Andrey V. Vdovin

Member of the Board of Directors since 14.04.2007 and was exercising the powers for the entire reported period

Born on 12.01.1971

Has more than 21 years of experience in the financial sector

Currently the Chairman of the Board of Directors and Advisor to the Chairman of the Board of M2M Private Bank, a member of the Board of Directors of Helios Reserve LLC, City Supermarket LLC and some other companies.



Dertnig Stefan

Member of the Board of Directors since 06.12.2012 and was exercising the powers for the entire reported period

Born on 09.12.1961

Has more than 20 years of experience in the financial sector.

In 2002-2011 - the head of the Moscow office of Boston Consulting Group, to December 2012 - Director of Project Office of the Skolkovo Business School, a lecturer for FT MBA, Executive MBA and Startup Academy programs.

Owns no shares of the Bank.



Alexander V. Murychev

Member of the Board of Directors since 28.06.2008 and was exercising the powers for the entire reported period
Born on 15.09.1955
Experience in the financial sector - more than 30 years
Currently the Chairman of the Board of the Association of Regional Banks of Russia, Executive Vice President of the Russian Union of Industrialists and Entrepreneurs, Chairman of the Board of Directors of the Bank of Khanty-Mansiysk OJSC.



Van der Plas Mark Arjen

Member of the Board of Directors since 06.12.2013
Born on 23.12.1964
Currently – the President of PPFIN Holding, a member of the Board of Directors of M2M Private Bank OJSC.

Owns no shares of the Bank.



Sasnauskas Kestutis

Member of the Board of Directors since 16.02.2012 and was exercising the powers for the entire reported period
 Born on 06.07.1973
 Experience in the financial sector - 18 years
 At the moment - Executive director of East Capital Private Equity AB, Member of the Board of Directors Rytu Invest AB, East Capital Holding AB and some other companies.

Owns no shares of the Bank.



Sergey A. Tyrtsev

Тырцев Сергей Александрович

Member of the Board of Directors since 06.12.2013
 Born on 02.11.1975
 Experience in the financial sector - more than 16 years.
 Currently the Chairman of the Executive Board of the Asian-Pacific Bank OJSC

He owns 25 166 049 940 703 ordinary registered uncertified shares as of 31 December 2013, representing 0.5085% of the share capital.
 Committed transactions during the reported period: acquired 9 156 109 995 640 ordinary registered uncertified shares in July 2013, made a sale of 15 701 971 054 343 ordinary registered uncertified shares in December 2013.



Sergey V. Stepanov

Member of the Board of Directors since 28.06.2011 and was exercising the powers till 06.12.2013

Born on 18.07.1983

Experience in the financial sector - 10 years.

At the time of completion of his authority – the Head of Strategic Planning Department of the M2M Private Bank, a member of the Board of Directors of ABE Medical Insurance Company JSC, the Director of SHELNER HOLDING LTD.

Owns no shares of the Bank.



Sergei A. Plastinin

Board member since 28.06.2011 and was exercising the powers till 06.12.2013

Born on 25.11.1968

Until 08.04.2011 - Chairman of the Board of Directors of Wimm-Bill-Dann Foods OJSC

At the time of termination of powers - a member of the Board of Directors of Novoderevensky complex of bakeries JSC, Agropromgruppa Dairy product LLC, AgroZemInvest OJSC

Owns no shares of the Bank.

The Executive Board

The Management Board is a collective executive body carrying out the general management of the current activities of the Bank. The Board of Directors is headed by the Chairman of the Board - the sole executive body of the Bank. The Management Board and the Chairman of the Board are guided by the laws of the Russian Federation, the Bank's Charter, the Regulations on the executive bodies of the Asia-Pacific Bank, as well as other regulations of the Bank.

There were 71 meeting of the Board of the Bank in 2013. Issues with the approval of transactions in accordance with the Bank's Charter, approval of services, management of internal divisions and others were discussed.

As of December 31, 2013 Board of the Bank operates in the following composition: S.A. Tyrtsev, I.V. Abazov, I.M. Zilberblyum, A.V. Nepomnyashchy, M.G. Pavlov.

Information about the members of the Executive Board



Sergey A. Tyrtsev

Chairman of the Bank as of 01.07.2013.

Born in 1975. A graduate of the Khabarovsk State Academy of Economics and Law (Finance and Banking). Graduated from the EMBA course at the Moscow SKOLKOVO Business School in 2013. Has more than 16 years of experience in the banking institutions, including senior positions in Rosbank in 2005 (Director of the Far East Branch). He was appointed Chairman of the board of Amurpromstroybank in June 2005. Since March 2006 he worked as the First Deputy Chairman of the Board of the APB. He was appointed Chairman of the Board in 2013. Member of the Supervisory Board of EXPO-leasing LLC since November 2010.

He owned 25 166 049 940 703 ordinary registered uncertified shares as of 31 December 2013, representing 0.5085% of the share capital.
Committed transactions during the reporting period: acquired 9 156 109 995 640 ordinary registered uncertified shares in July 2013, made a sale of 15 701 971 054 343 ordinary registered uncertified shares in December 2013.



Igor V. Abazov

First Deputy Chairman of the Board

Born in 1966. A graduate of the Kuban State University (Law, 1991 and Finance and Banking, 1998). An MBA from the Academy of National Economy under the Government of the Russian Federation. Over 20 years experience in banking institutions. He was deputy chief of the Main Directorate of the Central Bank in the Amur region in 2003-2007. Since 2007 he holds the position of first deputy chairman of the Bank and is responsible for the areas of risk management, credit underwriting, IT, banking technology, legal services and operations of the Bank. He became a member of the Expert Council for IT of the State Duma Committee on Information Policy, Information Technology and Communications in 2013.

He owned 16 583 016 414 025 ordinary registered uncertified shares as of 31 December 2013, representing 0.3351% of the share capital.
Committed transactions during the reporting period: acquired 9 156 109 995 640 pieces of ordinary registered uncertified shares in July 2013, made a sale of 10 346 718 867 040 ordinary registered uncertified shares in December 2013.



Igor M. Zilberblyum

Deputy Chairman of the Board

Born in 1967. A graduate of the Khabarovsk Polytechnic Institute (currently - National Pacific University), and the Khabarovsk State Academy of Economics and Law (majoring in Finance and Banking). More than 20 years of experience with banking institutions. He is with the Bank since 1992; he was the head of the credit department in 2007-2011. He was appointed Deputy Chairman of the Asian-Pacific Bank in January 2012. Oversees Lending and the operations of the leasing subsidiary (he is the chairman of the supervisory board of EXPO-Leasing LLC).

He owned 5 528 726 481 426 ordinary registered uncertified shares and 81 preferred shares as of December 31, 2013, for a total of 0.1117% of the share capital of the Bank.

Committed transactions during the reporting period: he purchased 3 052 618 781 686 pieces in July 2013, sold 3 449 564 100 627 ordinary registered uncertified shares in December 2013.



Alexander V. Nepomnyashchy

Deputy Chairman of the Board

Born in 1980. A graduate of the Amur State University, in Law, Finance and Banking. He got a degree of Candidate of economic sciences in 2008. Has over 11 years of experience in credit institutions. He is with the APB since 2004. Prior to his appointment to the post of Deputy Chairman of the Board Mr. Nepomnyashchy led the Khabarovsk branch of the Asia-Pacific. He is responsible for the retail business, marketing, advertising and maintenance of VIP-clients.

As of December 31, 2013 owned 5 528 726 433 743 ordinary registered uncertified shares, representing 0.1117% of the share capital.
Committed transactions during the reporting period: purchased a 3 052 618 781 686 pieces in July 2013, made a sale of shares of the Bank in the amount of 3 449 564 100 627 pieces in late 2013.



Mikhail G. Pavlov

Deputy Chairman of the Board

Born in 1968. A graduate of the Finance Academy under the Government of the Russian Federation (with honors). An MBA from the University of Durham. Has more than 20 years of experience with credit institutions. He served as Deputy Chairman of the Board of LokoBank in 2004-2010, then Deputy Chairman of the Board of Investtradebank in 2010-2011. He has been with the Asian-Pacific Bank since 2011 in the position of Deputy Chairman of the Board and is responsible for the Bank's operations in the financial and capital markets, trade finance, investor relations, financial planning and analysis, and financial reporting.

Owns no shares of the Bank.

Data on Remuneration, Benefits and Expense Compensations for Each Management Body

Remuneration of the members of the Board of Directors

In 2013:
Bonuses - 4 128 000.00 roubles
There were no salaries paid to the members of the Board of Directors.
There were no commission payments, as well as any benefits and / or compensation and other allowances expenditure for the last fiscal year.

The remuneration of the Management Board members

In 2013:
Salaries - 75,094 645.17 roubles
Bonuses - 151 690 903.96 roubles
Compensation for unused leave time upon separation - 6,865,647 roubles
There were no other commission payments, as well as any benefits and / or compensation and other allowances expenditure for the last completed fiscal year and during the reported period.

Internal control and audit

Internal control and audit is an important part of the corporate governance system and one of the most important factors in the effective work of the Bank. A high quality functioning system of internal control and audit provides stability of the Bank and guarantees the protection of the interests of its shareholders and investors.

The internal control system of the Asian-Pacific Bank is based on the following principles:

- responsibility of managers;
- minimization of the risk;
- adequacy of information, information systems and telecommunications;
- proportionality and timeliness of internal control procedures.

The Bank attaches great importance to the counteraction to legalization of proceeds from crime and terrorist financing. Regulations and internal policies applied by the Bank in this area allowed the Bank to increase the effectiveness of risk management in 2013.

Internal control in the Bank is effected by the following:

- General Meeting of Shareholders;
- Board of Directors of the Bank;
- Executive Board;
- Chairman of the Board and his deputies;
- Chief Accountant and his deputies;
- Audit Committee of the Bank;

- Audit and Risk Management Committee of the Board of Directors of the Bank;

- Units and employees of the Bank in charge of internal control.

The Audit and Risk Committee

The Audit and Risk Committee of the Board of Directors operates on the basis of the Regulations on the Audit and Risk Committee of the Board of Directors of the Asian-Pacific Bank (JSC) (approved by Minutes SD № 17 of 15.08.2012)

The goals of the committee are: making recommendations to the Board of Directors in the exercise of

control over financial and economic activities, the reliability of financial reporting, the functioning of the systems of internal control and risk management. The Committee was established for preliminary consideration of issues related to the authority of the Board of Directors. The Committee's decisions are of advisory nature.

Challenges faced by the Audit Committee and Risk Management:

1. Assessment of the reliability of financial reporting and other financial information provided to shareholders and investors. For this purpose, the Committee exercises a preliminary review of the annual report, annual, quarterly, monthly financial and managerial reporting and analysis of financial and economic activity for the execution of the budget and the targets.
2. Organization of the Bank's interaction with an external auditor. The Committee shall prepare proposals for recommendation of an auditor to the general meeting of shareholders, preliminary examine the conditions of the contract concluded with the auditor, including the terms of payment for the services, discuss with the auditor the plan and scope of work, consider the findings of the auditor, including the problems encountered in the inspection, evaluation of the observations and recommendations of the auditor, review the discrepancies between managers and auditors, supervise the management in the implementation of the comments and suggestions of the auditor.
3. Oversight of the operation of the Internal Control Service. The Committee approves nominations for the position of the head of the ICS, assesses the effectiveness of the risk management system, and considers the reports and management proposals for the development and improvement of risk management systems.
4. The Committee also prepares proposals for appraising the monetary value of property in cases provided for by law (on behalf of the Board of Directors), selects an independent appraiser and considers the appraisal results, and also considering the results of audits by public bodies.

The composition of the Audit and Risk Committee as of December 31, 2013:

A.V. Murychev	a member of the Board of Directors, Chairman of the Committee
S. Dertnig	a member of the Board of Directors, a member of the Committee
K. Sasnauskas	a member of the Board of Directors, a member of the Committee
E.S. Terentyeva	a member of the Committee in an advisory capacity
I.V. Abazov	a member of the Committee in an advisory capacity

For verification and validation of the annual financial statements the Bank uses an independent professional auditing organization - an external auditor.

In 2013 the "ZAO KPMG" Joint-Stock Company, a Russian subsidiary of one of the world's leading accounting firms, was approved as the Bank's

external auditor. CJSC "KPMG" was the auditor of the Bank since 2010. The Company has no other property interests in the Asian-Pacific Bank, except for payments for audit services, has no affiliation relationship with the Bank, members of its management bodies and subsidiaries of the Asian-Pacific Bank.

The Audit Commission

The authority of the Audit Committee includes:

- Validation of data contained in the annual report, balance sheet, profit and loss statement;

Verification of compliance with

- Bank rules and procedures for accounting and financial reporting;

Verification of the financial records of the Bank, the committee on the

- inventory of the property, a comparison of these documents with the primary accounting;

- Verification of the legality of the transactions done on behalf of the Bank;

- Checking the validity of decisions affecting the operations of the Bank, the general meeting of shareholders, the Board of Directors and the Management Board, compliance with the applicable legislation of the Russian Federation and the Charter of the Bank.

The composition of the Audit Commission in 2013 was the following:

M.V. Stotsky	Director of Financial Analysis Department of the Bank, a member of the Audit Commission
E.V. Oleynikov	General Director of Expo Realty LLC, Tori LLC, a member of the Audit Commission
G.N. Zorin	Leading expert of Internal Control Service of the Bank, a member of the Audit Commission
Yu. Sosnowska	senior analyst at East Capital Private Equity AB, member of the Audit Committee
S.A. Shunaylova	senior account manager for clients of M2M Private Bank, a member of the Audit Commission

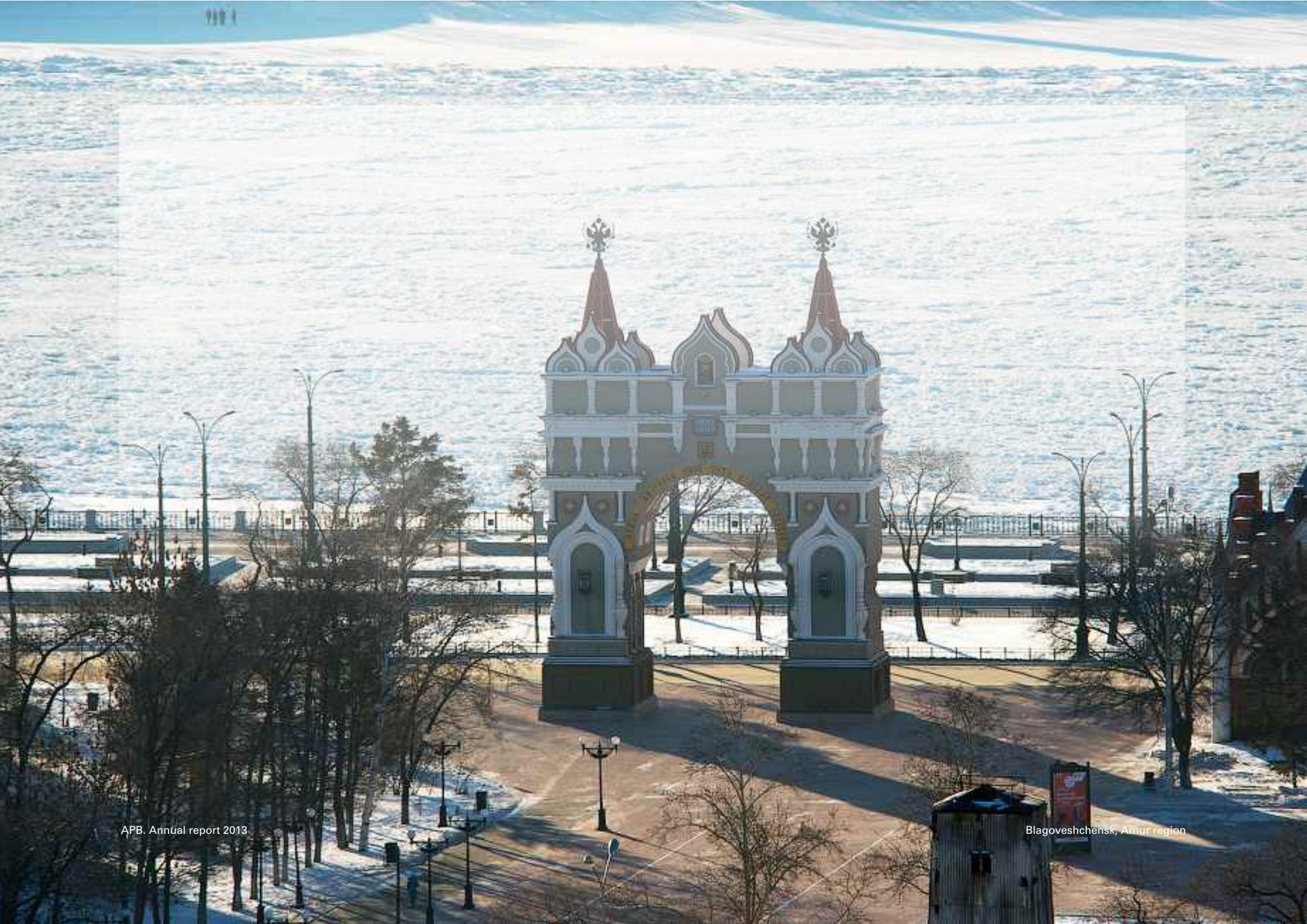
The Internal Control Service

The Internal Control Service of the Bank was established to implement internal control and assist control bodies in ensuring sustainable development and efficient operation of the Bank.

The objectives of the ICS are to ensure the Bank is in compliance with laws and regulations of the Bank of Russia, the internal regulations of the Bank; safeguarding of assets (property) of the Bank; an independent evaluation of the effectiveness of internal control systems, risk management, accounting and reporting, business processes; to develop recommendations for improved and effective functioning of the systems, processes and procedures in the activities of the Bank; to ensure effective decision-making aimed at preventing violations and shortcomings in operations; effective organization of interaction with external regulators and external auditors. One of the major tasks of

the Internal Control Service is to ensure that adequate internal control of the professional player in the securities market.

ICS inspects the Bank risk management, business continuity, reliability of the IT-systems, reliability and completeness of reporting, as well as evaluating the expediency and effectiveness of transactions and operations, processes and internal control procedures in the implementation of banking activities. Considerable attention is paid to inspecting the following: lending to legal entities and individuals, organization of internal controls for AML / CFT, ensuring capital adequacy, compliance with information security, operations on the financial markets. ICS checks are carried out in accordance with a plan approved by the Board of Directors. The audit reports are the source for inspection acts, containing recommendations to improve operations and reduce the risks taken.



SUSTAINABILITY REPORT

Human resources

The APB is a regional bank which effects the building of its structure. The territories covered by the divisions of the Bank constitute more than half of the territory of Russia. However the principles of unity, incorporated in the HR-strategy of the Bank, the high level of corporate culture, clear interaction, both in official and informal communications, allow us to describe the APB as a cohesive team, following the Bank's mission and realizing the degree of importance of targets.

The Asian-Pacific Bank pays special attention to creating a comfortable environment in the team, as the challenges can be successfully addressed only by the maximum unfolding of the potential of each of the employees with a motivation clear for all – both tangible and intangible. The APB-News corporate newspaper performs informational and educational function in the Bank. It is published monthly and has become a communication bridge between all units and employees of the Bank. This corporate paper enjoys a wide and well-deserved popularity both within the Bank and with our partners.

With regard to the staff of the Bank applies the following practices:

- transparent procedures for recruitment, promotion and remuneration have been developed and implemented;
- rules of occupational health and safety in the workplace are complied with;

- training and staff development programs are in place;

- additional social benefits and guarantees are provided.

The APB strongly opposes all forms of discrimination and stands for equal opportunities for all employees regardless of sex, religion, nationality, social origin, age, or political views.

The APB contributes to creating new jobs and improving education levels in the regions of presence by regularly opening new branches in the Russian cities.

The Asian-Pacific Bank seeks to create good social working conditions and also attaches great importance to preserving the health of employees and maintaining a healthy lifestyle as it directly affects the psychological environment in the teams of each division of the Bank.

The Bank seeks to form a team of professionals and continuously cares about improving the skills of their employees, so the APB has an effective system of staff assessment and recruitment. It is used for selecting the external and internal nominations. The method of selection of personnel by checking through the activities was successfully applied. An electronic database of CVs was set up in May 2013. A project on inter-regional coaching is in place that allowed building a system of internal training for office chiefs despite the great distances between the divisions.

Efficiency and motivation are two of the most prioritized areas of personnel work in 2013. The successful launch of the incentive system for operations and cashier staff was a major achievement in the area.

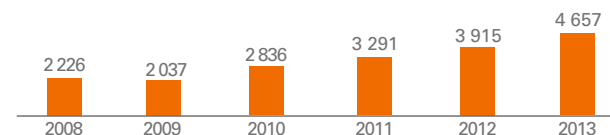
Some facts on the development of human resources management systems in 2013:

- The APB team increased by 19% in 2013, the number of employees is more than 4,600 people.
- 68% of employees have worked in the APB Bank for more than a year. The number of skilled staff increased by 7% since 2013.
- A strategy of training employees to ensure systematic knowledge and

skills of the personnel necessary to achieve effective results and performance indicators was successfully implemented. Seminars, training, refresher courses, internships were organized both in-house and with specialized training centers and organizations. 460 people took part in the training during the year, about 130 newcomers were trained in the head office and the branches. 73 staffers received higher education.

- An important personnel document of 2013 - compensation for traveling to resorts and back to the staffers of the Far North and the equivalent areas.

Growth of average number of employees



Many of the existing units changed their internal structure to correspond to the priorities and objectives of the business.

The Asian-Pacific Bank intends to

attract highly qualified banking professionals in the new areas of business development and employ high-level professionals in the future in line with the HR Strategy.

Corporate Social Responsibility

The Asian-Pacific Bank adheres to the principles of responsible finance, providing for consideration in decision-making of not only economic viability, but also social factors. We are aware that we must strive to make our business the most civilized, improve our reputation in the public domain and in the international markets, reduce the level of non-financial risks. We believe that one of the main obligations of the business - is to contribute to sustainable economic development of Russia. By implementing this commitment the Bank aims to achieve a high commercial success in

a civilized manner. The Bank offers products and services in demand by the population and improves the quality of life of the people of our country. In regions of the APB presence new jobs are created, investments in human development are made. The Bank has complied with all the requirements of the legislation: tax, labor, civil society and others. We also consider it necessary to increase financial literacy of the population and the development of civil society through partnerships and development projects at the regional level.

Bank's responsibility to society

Since the main activities of the Asian-Pacific Bank are based out in the regions, we are operate on the principles of promoting the development of local economies and building operations with business partners and customers on mutual benefit, respect for people and offering only high-quality services for consumers. We are constantly improving our products for both individuals and legal entities in line with their needs and pursuit of prosperity. We guarantee high quality service on the standards of the bank regardless of whether our client lives in a major regional center or a small village. Flat rates and fares are valid throughout the Bank's regions of presence; they are competitive and meet all regulatory requirements.

The Bank entered the sub-federal level in the reported year, but its main activities are still concentrated in the

Far East and Siberia. It is in DFO and SFO Federal Districts that the Bank opens new branches in the most remote villages and offers modern high-tech products. The Social Card of the Regional Citizen project spreads further in the territories giving benefits for low-income residents. The project was implemented in all regions of the Bank's presence.

For the second year in a row (2012, 2013) the Asian-Pacific Bank was recognized by the Federal Tax Service as the biggest taxpayer in the Amur region. In the 18 regions of presence a total of 2,199,000,000 roubles of all kinds of taxes and fees were paid to the budgets of the regions.

In the corporate segment the Bank focuses on serving small and medium-sized businesses and, above all, issuing loans. The APB develops

special programs to support entrepreneurship and sets up funding for SMEs in the regions. Loan agreements were signed for this purpose with the EBRD in the amount of 1.05 billion rubles as well as funding from the SMP Bank - 1.5 billion rubles - in the reported year. Thus small and medium-sized enterprises in various sectors of the economy have received substantial support from the APB to grow your business.

Retail business is also a direct priority area for the APB where we also solve community and social problems. Convenient Bank mortgage programs help citizens to purchase housing; a variety of deposit and loan products allows anyone to find the best option for their financial service needs. The Bank's sales channels are configured in such a way that customers are provided with services that meet their needs. However, these high-tech

services meet the modern requirements of information security and the protection of customer funds from fraud.

The Bank has been working for several years on a program to improve the financial literacy of the population. At the beginning of the school year the Bank staff conducts lessons in schools where they talk about banking products and teach children to use them. Together with the bodies of social protection they also set up a meeting with pensioners in the Day of the Elderly in which they explained to older people how to use cards, which ways of savings are the most convenient for them. We understand that the financial literacy of clients not only helps them to successfully solve their financial problems, but is also more preferable for the bank as they are able to manage their funds and enjoy the many products offered to them.

Charity and Sponsorship

Charity and Sponsorship is an important aspect of the social activities of the Asian-Pacific Bank. The APB focuses on important social events, charity events effectively ever since its inception. Providing targeted support to those who most need it is the main area of activity. The Bank has patronized vulnerable population in the regions where it operates for many years. The number of charity and sponsorship initiatives is increasing every year.

One important aspect of this activity is to support sporting and assist veterans. Involvement in the charity event dedicated to the Day of the Blood Donor on June 14 has become

traditional for the Bank throughout the Bank's territories.

We support people with disabilities. We assist one of the orphanages in the Irkutsk branch on a regular basis, while we actively develop cooperation with the social support authorities in the Amur region.

The APB sponsored and paid for 1 month of treatment and stay in the Moscow "Overcoming" rehabilitation center for the disabled with severely limited mobility for Alexey Klevtsov, a citizen of Vladivostok, by transferring the necessary funds to the Independence Charity supporting people with disabilities. The Asian-

Pacific Bank together with the Creation charity fund held the Let's All Donate a Coin event during the year, and became a partner of the Moscow branch of the Absolut-help charity foundation.

In anticipation of the celebrations the APB carries out activities and events for veterans; the Bank supports the events of the Union of Veterans throughout the territory of presence. The II Summer Olympics for Sports Veterans was held in Sayanogorsk on July 26-28, where the APB was the official sponsor the team of veterans; a large-scale sporting event for the Union of Retirees was set up in Barnaul on July 2.

The APB supported various sporting events in 2013. The Sakhalin branch of APB made a gift to the visitors of a ski resort - two racks for skis and snowboards for 40 places.

Elements Control

In 2013 the Asian-Pacific Bank was faced with a natural disaster. Severe floods engulfed the regions of the Far East, which were covered by the Asian-Pacific Bank: the Magadan Oblast, the Jewish Autonomous Region, the Khabarovsk Territory and the Amur region. Damage from the floods was estimated at billions of rubles. Some 74,000 houses, 1200 roads, more than half the acreage were damaged in the Amur region, thousands of residents were evacuated. A number of preventive measures were taken - a Commission on Emergency Situations, in was established in the Bank and conducted daily monitoring of the situation and forecasting the

The Asian-Pacific Bank became a partner in the organization of Grandma Online computer literacy courses, and sponsored Motor Rally in Irkutsk.

The Kyokushinkai Karate Open Championship was held in Belogorsk on March 9, 2013 and the Bank became the sponsor of the sports event.

On June 29, 2013 the APB took part in the Children for Life without Drugs charity. The event was organized for orphanages and was dedicated to the International Day against Drug Abuse.

The Magadan branch presented a gift of modern computers to the Bishop of Magadan and Sinigorsk John, as well as became a silver sponsor of the Minex mining club seminar.

consequences. It was decided to grant the victim borrowers complete deferral of loan payments for up to three months. The restructuring process has been very simplified and optimized for maturity; the decision on the loan taken in one day on the documents confirming the emergency situation. Penalties for late payment were not applied.

The Asian-Pacific Bank introduced an option of remittance without commissions for flood victims at all APB terminals. In addition, the Bank's Management Board decided to allocate funds to four staffers and eight families affected by the floods, in the amount of 50 thousand roubles each. The head office organized a

collection of donations – so more than three tons of humanitarian aid was sent to the victims. Many

employees of the Bank worked as volunteers in these difficult days.

Responsibility for the Environment

Regulations on Management of Social and Environmental Risks for the Asian-Pacific Bank (JSC) were developed which define the basic principles of management of social and environmental risks, taking into account national and international laws aimed at preventing and minimizing damage of possible adverse social and environmental impacts.

The social and environmental risks control system (SUSER) contains a set of techniques that allow providing a positive financial result, to predict the risk events and to take measures to eliminate or reduce its adverse effects. SUSER allows to classify potential investments depending on the type and extent of the risks associated with them; establish social and environmental criteria, which can be used in the analysis of investment and management; identify social and environmental risks and understand how they affect the loan portfolio.

In its activities the Bank complies with the Requirements for the implementation of the projects of EBRD (TP1-TP10) and the IFC Performance Standards on Social and Environmental Sustainability. The projects related to the economic activities that are part of the list of sectors that are excluded from the system of financing by EBRD and IFC, are not eligible for funding, and

applications associated with this area of work are not be accepted.

The Bank analyzes the social and environmental risks for all projects submitted for consideration, by assigning each project a certain risk category. For example, the Bank had financed 35 projects with a high level of social and environmental risk in 2013 (Category A), 417 projects with an average level of social and environmental risk (category B), 910 projects with a low level of social and environmental risk (category C).

There is social and ecological monitoring for all current projects carried out at specified intervals:

- Quarterly - for Category A projects;
- Annually - for projects of Categories B and C.

The APB sends reports on the implementation of social and environmental procedures in the international financial institutions (IFC, EBRD) on an annual basis.

The Bank's customers have found no major environmental problems (such as accidents, lawsuits, claims, fines, penalties, failure to comply with environmental requirements by the borrowers) in 2013, which removes the risk that the borrowers may have debt-servicing problems due to financial problems, caused by failure

to comply with the legislation in the field of environmental protection, public health and safety.

The Bank's policies on social and environmental risks are implemented by the involved departments of the Bank. In each region of presence of the Bank there is appointed staff, who

oversee the conduct of socio-ecological analysis of loans; credit experts assist in the analytical evaluation of potential borrowers. The head of the department of corporate lending has the function of coordination and control of the system of management of social and environmental risks.

Responsible Resources Management

Resources used in the reported year of 2013 in monetary terms:

- Thermal energy - 19,593,747 roubles
- Electric energy - 26,489,452 roubles
- Motor gasoline - 7,190,592 roubles
- Diesel fuel - 1,110,343 roubles

Resources used in the reported year of 2013 in kind:

- Motor gasoline - 253,377 liters
- Diesel fuel - 34,853 liters



ANNEXES

Excerpts from the audited financial statements under IFRS



ZAO KPMG
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Auditors' Report

To the Shareholders and the Board of Directors of "Asian-Pacific Bank" (Open joint stock company)

We have audited the accompanying consolidated financial statements of "Asian-Pacific Bank" (Open joint stock company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2013, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for 2013, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the fair presentation of these consolidated financial statements based on our audit. We conducted our audit in accordance with Russian Federal Auditing Standards and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

Audited entity: "Asian-Pacific Bank" Open joint stock company.

Registered by the Central Bank of the Russian Federation on 14 February 1992, Registration No. 1810.

Entered in the Unified State Register of Legal Entities on 22 August 2002 by Amur Regional Tax Inspectorate of the Ministry of Taxes and Duties of the Russian Federation, Registration No. 102280000079, Certificate series 28 No. 000749008.

Address of the audited entity: 225 Amurskaya St., Blagoveshchensk, Amur region, Russian Federation, 675000.

Independent auditor: ZAO KPMG, a company incorporated under the Laws of the Russian Federation, a part of the KPMG Europe LLP group, and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Registered by the Moscow Registration Chamber on 25 May 1992, Registration No. 011585.

Entered in the Unified State Register of Legal Entities on 13 August 2002 by Moscow Inter-Regional Tax Inspectorate No. 39 of the Ministry of Taxes and Duties of the Russian Federation, Registration No. 1027700125628, Certificate series 77 No. 005721432.

Member of the Non-commercial Partnership "Chamber of Auditors of Russia". The Principal Registration Number of the Entry in the State Register of Auditors and Audit Organisations: No.10301000804.



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We believe that the audit evidence we have obtained is sufficient and appropriate to express an opinion on the fair presentation of these consolidated financial statements.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2013, and its financial performance and its cash flows for 2013 in accordance with International Financial Reporting Standards.

Kolosov A.E.

Director

power of attorney dated 3 October 2011 No. 37/11

ZAO KPMG

Moscow, Russian Federation

28 April 2014



Audited entity: "Asian-Pacific Bank" Open joint stock company.

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Member of the Non-commercial Partnership "Chamber of Auditors of Russia". The Principal Registration Number of the Entry in the State Register of Auditors and Audit Organisations: No.10301000804.

OJSC "Asian-Pacific Bank"
Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2013

	Notes	2013 RUB'000	2012 RUB'000
Interest income	4	15 940 125	11 079 208
Interest expense	4	(7 011 734)	(4 566 566)
Net interest income		8 928 391	6 512 642
Fee and commission income	5	3 530 947	2 209 602
Fee and commission expense		(258 249)	(214 811)
Net fee and commission income		3 272 698	1 994 791
Net gain on financial instruments at fair value through profit or loss and realised gain on available-for-sale financial assets		1 108 035	768 517
Net foreign exchange gain	6	363 019	289 356
Net (loss) gain on operations with precious metals	7	(5 790)	26 428
Other operating income	8	540 975	513 930
Operating income		14 207 328	10 105 664
Impairment losses	9	(4 478 297)	(1 732 257)
Personnel expenses	10	(3 897 460)	(2 997 249)
Other general administrative expenses	11	(1 965 403)	(1 393 478)
Profit before income tax		3 866 168	3 982 680
Income tax expense	12	(753 208)	(721 440)
Profit for the year		3 112 960	3 261 240
Other comprehensive income, net of income tax			
<i>Items that are or may be reclassified subsequently to profit or loss</i>			
Revaluation reserve for available-for-sale financial assets			
- Net change in fair value		(137 600)	9 718
- Net change in fair value transferred to profit or loss		98 055	-
<i>Total items that are or may be reclassified subsequently to profit or loss</i>		<i>(39 545)</i>	<i>9 718</i>
<i>Items that will not be reclassified to profit or loss</i>			
- Revaluation of buildings		342 262	-
<i>Total items that will not be reclassified to profit or loss</i>		<i>342 262</i>	<i>-</i>
Other comprehensive income for the year, net of income tax		302 717	9 718
Total comprehensive income for the year		3 415 677	3 270 958

The consolidated financial statements were approved by the Management Board on 28 April 2014.

Mr. S.A. Tyrtsev
Chairman of the Management Board



Mr. O.V. Marichenko
Chief Accountant

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements.

OJSC "Asian-Pacific Bank"
Consolidated Statement of Financial Position as at 31 December 2013

	Notes	2013 RUB'000	2012 RUB'000
ASSETS			
Cash		2 752 702	2 635 977
Placements with the Central Bank of the Russian Federation	13	6 021 534	3 102 000
Financial instruments at fair value through profit or loss	14	10 676 182	12 400 814
Available-for-sale financial assets	15	6 223 872	3 412 061
Due from banks	16	3 100 556	3 627 677
Amounts receivable under reverse repurchase agreements	17	335 720	150 107
Loans to customers	18	80 424 773	58 468 269
Net investments in finance leases	19	2 411 995	2 071 329
Current tax asset		27 549	9 563
Deferred tax asset	12	51 462	25 432
Property, equipment, intangible assets and investment property	21	5 005 641	4 592 030
Other assets	22	1 524 276	1 680 550
Total assets		118 556 262	92 175 809
LIABILITIES			
Derivative financial instruments	14	16 430	160 740
Deposits and balances from banks	23	6 994 667	7 130 691
Amounts payable under repurchase agreements	24	6 809 841	2 113 126
Current accounts and deposits from customers	25	81 370 124	65 143 328
Debt securities issued	26	6 104 061	4 184 231
Subordinated borrowings	27	986 344	915 050
Current tax liability		184 630	87 204
Deferred tax liability	12	444 077	288 773
Other liabilities	28	1 055 670	623 732
Total liabilities		103 965 844	80 646 875
EQUITY			
Share capital	29	562 312	562 312
Treasury shares		(10 307)	-
Share premium		1 192 723	1 192 723
Revaluation reserve for available-for-sale financial assets		(29 827)	9 718
Revaluation surplus for buildings		1 620 178	1 280 014
Retained earnings		11 255 339	8 484 167
Total equity		14 590 418	11 528 934
Total liabilities and equity		118 556 262	92 175 809

Mr. S.A. Tyrtsev
Chairman of the Management Board



Mr. O.V. Marichenko
Chief Accountant

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

OJSC "Asian-Pacific Bank"
Consolidated Statement of Cash Flows for the year ended 31 December 2013

	Notes	2013 RUB'000	2012 RUB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest receipts	15 463 527	10 574 475	
Interest payments	(6 830 807)	(3 839 369)	
Fee and commission receipts	1 752 948	1 650 024	
Fee and commission payments	(258 249)	(228 380)	
Net receipts from financial instruments at fair value through profit or loss and available-for-sale financial instruments	1 052 135	785 468	
Net receipts from foreign exchange	249 385	339 943	
Other income receipts	539 560	513 930	
Net (payments) receipts from operations with precious metals	(68 225)	26 428	
General administrative expenses payments	(5 511 252)	(3 982 060)	
(Increase) decrease in operating assets			
Obligatory reserves with the CBR	(332 338)	(261 674)	
Financial instruments at fair value through profit or loss	1 788 975	(2 592 275)	
Available-for-sale financial assets	(2 754 792)	(3 400 037)	
Due from banks (excluding Nostro accounts and term deposits with other banks, which are included in Cash and cash equivalents)	(275 079)	51 016	
Amounts receivable under reverse repurchase agreements	(185 498)	(150 000)	
Loans to customers	(24 049 936)	(21 376 437)	
Net investments in finance leases	(361 186)	(326 703)	
Other assets	138 702	(225 649)	
Increase (decrease) in operating liabilities			
Deposits and balances from banks	(213 477)	3 195 363	
Amounts payable under repurchase agreements	4 693 021	2 112 317	
Current accounts and deposits from customers	16 022 172	18 129 499	
Promissory notes	(871 139)	633 014	
Other liabilities	301 730	(73 860)	
Cash flows from operating activities before income tax paid	290 177	1 555 033	
Income tax paid	(620 174)	(829 979)	
Cash flows (used in) from operations	(329 997)	725 054	
CASH FLOWS FROM INVESTING ACTIVITIES			
Net purchases of property and equipment and intangible assets	(233 505)	(633 357)	
Cash flows used in investing activities	(233 505)	(633 357)	
CASH FLOWS FROM FINANCING ACTIVITIES			
Purchase of treasury shares	(316 963)	-	
Issue of bonds	2 663 665	2 989 608	
Attraction of subordinated borrowing	-	942 789	
Distributions to shareholders	(37 230)	(466 200)	
Cash flows from financing activities	2 309 472	3 466 197	

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

7

OJSC "Asian-Pacific Bank"
Consolidated Statement of Cash Flows for the year ended 31 December 2013

	Notes	2013 RUB'000	2012 RUB'000
Net increase in cash and cash equivalents		1 745 970	3 557 894
Effect of changes in exchange rates on cash and cash equivalents		159 200	104 097
Cash and cash equivalents as at the beginning of the year		8 180 610	4 518 619
Cash and cash equivalents as at the end of the year	36	10 085 780	8 180 610

Mr. S.A. Tyrtsev
Chairman of the Management Board



Mr. O.V. Marichenko
Chief Accountant

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

8

OJSC "Asian-Pacific Bank"
Consolidated Statement of Changes in Equity for the year ended 31 December 2013

RUB'000	Share capital	Treasury shares	Share premium	Revaluation reserve for available-for-sale financial assets	Revaluation surplus for buildings	Retained earnings	Total equity
Balance as at 1 January 2012	562 312	-	1 192 723	-	1 353 464	5 615 677	8 724 176
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	3 261 240	3 261 240
Other comprehensive income, net of income tax							
<i>Items that are or may be reclassified subsequently to profit or loss</i>							
Net change in fair value of available-for-sale financial assets, net of deferred tax of RUB 2 429 thousand	-	-	-	9 718	-	-	9 718
<i>Total items that are or may be reclassified subsequently to profit or loss</i>	-	-	-	9 718	-	-	9 718
<i>Items that will not be reclassified to profit or loss</i>							
Reclassification of buildings from property and equipment to investment property	-	-	-	-	(73 450)	73 450	-
<i>Total items that will not be reclassified to profit or loss</i>	-	-	-	-	(73 450)	73 450	-
Total comprehensive income for the year	-	-	-	9 718	(73 450)	3 334 690	3 270 958
Transactions with owners, recorded directly in equity							
Distributions to shareholders (note 37)	-	-	-	-	-	(466 200)	(466 200)
Total transactions with owners	-	-	-	-	-	(466 200)	(466 200)
Balance as at 31 December 2012	562 312	-	1 192 723	9 718	1 280 014	8 484 167	11 528 934
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	3 112 960	3 112 960
Other comprehensive income, net of income tax							
<i>Items that are or may be reclassified subsequently to profit or loss</i>							
Net change in fair value of available-for-sale financial assets, net of deferred tax of RUB 34 400 thousand	-	-	-	(137 600)	-	-	(137 600)
Net change in fair value of available-for-sale financial assets transferred to profit or loss, net of deferred tax of 24 514 thousand	-	-	-	98 055	-	-	98 055
<i>Total items that are or may be reclassified subsequently to profit or loss</i>	-	-	-	(39 545)	-	-	(39 545)

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

OJSC "Asian-Pacific Bank"
Consolidated Statement of Changes in Equity for the year ended 31 December 2013

RUB'000	Share capital	Treasury shares	Share premium	Revaluation reserve for available-for-sale financial assets	Revaluation surplus for buildings	Retained earnings	Total equity
<i>Items that will not be reclassified to profit or loss</i>							
Revaluation of buildings, net of deferred tax of RUB 85 566 thousand	-	-	-	-	342 262	-	342 262
Transfer of revaluation surplus on disposal of buildings previously revalued	-	-	-	-	(2 098)	2 098	-
<i>Total items that will not be reclassified to profit or loss</i>	-	-	-	-	340 164	2 098	342 262
Total comprehensive income for the year, net of income tax	-	-	-	(39 545)	340 164	3 115 058	3 415 677
Transactions with owners, recorded directly in equity							
Acquisition of treasury shares	-	(10 307)	-	-	-	(306 656)	(316 963)
Distributions to shareholders (note 37)	-	-	-	-	-	(37 230)	(37 230)
Total transactions with owners	-	(10 307)	-	-	-	(343 886)	(354 193)
Balance as at 31 December 2013	562 312	(10 307)	1 192 723	(29 827)	1 620 178	11 255 339	14 590 418

Mr. S.A. Tyrtsev
Chairman of the Management Board



Mr. O.V. Marichenko
Chief Accountant

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

Excerpts from the audited financial statements under RAS

Territory Code by OKATO	Credit organization code			
	by OKTO	Main State Registration Number	Registration Number/Serial number	BIK
10	09272303	102280000079	1810	041012765

REPORT ON CAPITAL ADEQUACY, PROVISIONS FOR DOUBTFUL LOANS AND OTHER ASSETS (for publication)

As of January 1, 2014

Credit organization **The Asian-Pacific Bank (OJSC)**
(The full registered and abbreviated company name)
Mailing address 675000, Russia, the Amur Region, Blagoveshchensk, 225 Amurskaya St.

Form Code by OKYD 0409808
Annual in thousand roubles

Line №	Index	Data on 01.01.13	Increase (+) / Decrease (-) for the period	Data on the reported date
1	2	3	4	5
1	Own funds (capital), (th. Rub.), Total, including:	10 646 762	2 076 868	12 723 648
1.1	The authorized capital of the credit organization, including:	554 290	-	554 290
1.1.1	The nominal value of registered ordinary shares (shares)	554 290	-	554 290
1.1.2	The nominal value for the preference shares	-	-	-
1.2	Treasury stock (shares) purchased from the shareholders (participants)	-	-	-
1.3	Share premium	1 192 723	-	1 192 723
1.4	Reserve fund of the credit institution	27 715	-	27 715
1.5	Financial result, received in settlement of own funds (capital):	7 140 318	1 685 441	8 825 759
1.5.1	Previous years	4 157 205	3 222 133	7 379 338
1.5.2	Reporting year	2 983 113	-1 536 692	1 446 421
1.6	Intangible assets	25	-5	20
1.7	Subordinated debt (loan, deposit, bond issue)	902 069	- 8 562	893 507
1.8	Sources (part of equity), formed by investors using improper assets	-	-	-
2	Standard value of own funds (capital), (percent)	10.0	X	10.0
3	Actual value of own funds (capital), (percent)	13.0	X	11.8
4	Actual provisions for possible losses (thousand. Rub.), Total, including:	4 101 340	4 222 699	8 324 039
4.1	on loans and similar debts	3 638 741	4 108 962	7 947 703
4.2	on other assets for which there is a risk of loss and other losses	120 848	25 427	146 275
4.3	on credit related commitments, the Securities, the right to which shall be certified by the Depository, balance accounts, and forward transactions	141 651	83 310	229 961
4.4	for operations with offshore residents	-	-	-

For Reference:

1. Provisioning (additional charge) for possible losses on loans and similar debts in the reported period (thousand roubles.)
total 21 473 770 , including those resulting from:
1.1. accruing loans 1 585 331 ;
1.2. changes in the quality of loans 19 254 458 ;
1.3. changes in official foreign exchange rate against the roubles, as set by the Bank of Russia 631 983 ;
1.4. other reasons 0 ;
2. Recovery (decrease) in allowance for losses on loans and similar debts in the reporting period (thousand. Roubles.)
total 17 362 808 , including those resulting from:
2.1. write-off of bad debts 655 580 ;
2.2. repayment of loans 8 263 499 ;
2.3. changes in the quality of loans 8 628 312 ;
2.4. changes in the official foreign exchange rate against the roubles, as set by the Bank of Russia 465 507 ;
2.5. other reasons 0 ;

Chairman of the Board

Chief Accountant

SEAL

16 April 2014

Tyrtsev S.A.

Marinchenko O.V.

Territory Code by OKATO	Credit organization code			
	by OKTO	Main State Registration Number	Registration Number/Serial number	BIK
10	09272303	102280000079	1810	041012765

INFORMATION ON MANDATORY VOLUMES (for publication)

As of January 1, 2014

Credit organization **The Asian-Pacific Bank (OJSC)**
(the full registered and abbreviated company name)
Mailing address 675000, Russia, the Amur Region, Blagoveshchensk, 225 Amurskaya St.

Form Code by OKYD 0409813
Annual in percent

Line №	Index	Mandatory Set Value	Actual Value	
			For the reported date	For previous reported date
1	2	3	4	5
1	Capital adequacy ratio (capital) (H1)	≥ 10%	11.8%	13.0%
2	Capital adequacy ratio (capital) of non-bank credit organizations entitled to make money transfers without opening bank accounts and other related banking transactions (N1.1)	-	-	-
3	Instant liquidity ratio (N2)	≥ 15%	48.7%	56.5%
4	Current liquidity ratio (N3)	≥ 50%	63.3%	100.2%
5	Long-term liquidity ratio (N4)	≤ 120%	87.0%	110.2%
6	The ratio of maximum risk per borrower or group of related borrowers (N6)	≤ 25%	max 14.2% min 2.7%	max 11.6% min 1.4%
7	Maximum amount of large credit risks (N7)	≤ 800%	96.8%	99.6%
8	Maximum amount of loans, bank guarantees and sureties granted by the bank to its shareholders (participants) (N8.1)	≤ 50%	-	-
9	The ratio of total amount of risk for the bank's insiders (N10.1)	≤ 3%	1.8%	1.9%
10	The ratio of equity funds (capital) for the acquisition of shares (stakes) of other legal entities (H12)	-	-	-
11	Norm of the ratio of liquid assets with maturity up to 30 days to liabilities NSCA (H15)	-	-	-
12	Capital adequacy ratio (capital) of non-bank credit organizations entitled to make money transfers without opening bank accounts and other related banking transactions (N15.1)	-	-	-
13	The ratio of maximum aggregate amount of loans to customers - settlement participants to complete the calculations (H16)	-	-	-
14	The ratio of providing NSCA on its own behalf and for its account of loans to borrowers other than customers - settlement participants (N16.1)	-	-	-
15	Minimum ratio of loans to mortgage-backed securities and equity (capital) (H17)	-	-	-
16	Minimum ratio of mortgage collateral and emissions mortgage-backed bonds (H18)	-	-	-
17	Maximum ratio of total liabilities of the issuer to the creditors, who in accordance with federal laws have priority in satisfaction of their claims to the holders of mortgage-backed bonds, and equity (capital) (H19)	-	-	-

Chairman of the Board

Chief Accountant

SEAL

April 16, 2014

Tyrtsev S.A.

Marinchenko O.V.

Bank Statements

Territory Code by OKATO	Credit organization code			
	by OKPO	Main State Registration Number	Registration Number/ Serial number	BIK
10	09272303	102280000079	1810	041012765

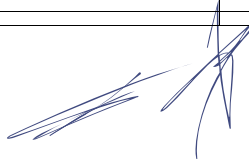
ACCOUNTING BALANCE SHEET
(for publication)
As of January 1, 2014

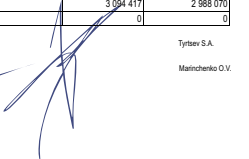
Credit organization: The Asian-Pacific Bank (OJSC)
(the full registered and abbreviated company name)

Mailing address: 675000, Russia, the Amur Region, Blagoveshchensk, 225 Amurskaya St.

Form Code by OKVD 0409806
Annual in thousand roubles

Line No	Description	Data for the reported date	Data for the same reported date last year
1	2	3	4
	I. ASSETS		
1.	Cash	2 890 864	2 838 913
2.	Balances with the Central Bank of the Russian Federation	4 021 534	2 908 895
2.1.	Required reserves	1 078 793	746 455
3.	Due from credit institutions	1 691 634	1 647 733
4.	Financial assets at fair value through profit or loss	6 454 669	11 027 636
5.	Net loans to customers	85 597 164	60 293 968
6.	Net investments in securities and other financial assets, available-for-sale	7 273 488	4 229 959
6.1.	Investments in subsidiaries and associates	314 620	314 542
7.	Net investments in securities held to maturity	0	0
8.	Fixed assets, intangible assets and inventories	4 203 897	3 997 495
9.	Other assets	1 789 781	1 343 365
10.	Total assets	113 923 021	88 167 964
	II. LIABILITIES		
11.	Loans, deposits and other assets of the Central Bank of the Russian Federation	6 823 181	2 522 419
12.	Due to credit institutions	5 865 487	4 724 330
13.	Due to customers, other than credit institutions	81 275 405	65 750 527
13.1.	Deposits from individuals	49 304 141	42 216 004
14.	Financial liabilities at fair value through profit or loss	345 318	167 256
15.	Debt securities in issue	4 629 457	2 374 387
16.	Other liabilities	2 256 302	1 913 092
17.	Provisions for losses on credit related commitments, other possible losses and transactions with offshore residents	229 961	141 651
18.	Total liabilities	101 424 111	77 593 662
	III. EQUITY		
19.	Equity shareholders (participants)	554 290	554 290
20.	Treasury stock (shares) purchased from the shareholders (participants)	0	0
21.	Share premium	1 192 723	1 192 723
22.	Reserve Fund	27 715	27 715
23.	Fair value of securities available-for-sale	-47 963	-20
24.	Revaluation of fixed assets	1 629 125	1 442 040
25.	Retained earnings (accumulated losses) of previous years	7 379 503	4 157 369
26.	Retained earnings (loss) for the period	1 763 537	3 220 185
27.	Total equity	12 498 910	10 594 302
	IV. OFF BALANCE SHEET COMMITMENTS		
28.	Irrevocable commitments	12 183 814	11 887 253
29.	Guarantees issued by the credit institution	3 094 477	2 988 070
30.	Contingent liabilities of non-lending nature	0	0

Chairman of the Board:  Tyrtsev S.A.

Chief Accountant:  Marichenko O.V.

SEAL

April 16, 2014

Bank Statements

Territory Code by OKATO	Credit organization code			
	by OKPO	Main State Registration Number	Registration Number/ Serial number	BIK
10	09272303	102280000079	1810	041012765

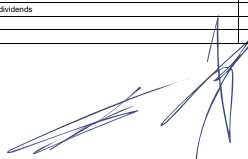
FINANCIAL RESULTS REPORT
(for publication)
For the year 2013

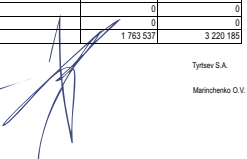
Credit organization: The Asian-Pacific Bank (OJSC)
(the full registered and abbreviated company name)

Mailing address: 675000, Russia, the Amur Region, Blagoveshchensk, 225 Amurskaya St.

Form Code by OKVD 0409807
Annual in thousand roubles

Line No	Description	Data for the reported period	Data for the same reported period last year
1	2	3	4
1	Total interest income, including:	15 691 968	10 790 284
1.1	Placements with credit institutions	547 669	178 061
1.2	Loans to customers other than credit institutions	13 831 690	9 669 901
1.3	From the provision of services for financial lease (leasing)	0	0
1.4	From investments in securities	1 312 609	942 322
2	Total interest expense, including:	6 695 287	4 421 073
2.1	Attracted funds of credit institutions	738 082	441 837
2.2	Interest on customer accounts that are not loans of	5 417 826	3 819 734
2.3	Debt securities issued	539 379	159 502
3	Net interest income (negative interest margin)	8 996 681	6 369 211
4	Change in allowance for losses on loans and similar receivables, funds on correspondent accounts, as well as interest income, total, including:	-5 045 614	-1 720 303
4.1	Net interest income (negative interest margin) after provision for possible losses	-234 495	-73 177
5	Net income from financial assets at fair value through profit or loss	3 951 067	4 648 906
6	Net income from operations with securities, available-for-sale	12 026	-175 814
7	Net income from operations with securities held to maturity	-231 069	20 146
8	Чистые доходы от операций с ценными бумагами, удерживаемыми до погашения	0	0
9	Net income from foreign exchange transactions	63 324	335 714
10	Net income from foreign currency revaluation	198 338	68 018
11	Income from investments in other legal entities	0	15 200
12	Fee and commission income	3 551 498	2 721 173
13	Fee and commission expense	254 506	204 770
14	Change in provision for possible losses on securities available-for-sale	0	-5 106
15	Change in provision for possible losses on securities held to maturity	0	0
16	Change in provision for other losses	-132 665	-45 215
17	Other operating income	10 710 010	4 149 658
18	Net income (loss)	17 868 023	11 527 914
19	Operating expenses	15 217 222	7 363 051
20	Profit (loss) before tax	2 650 801	4 164 863
21	Accrued (paid)	887 284	944 676
22	Profit (loss) after tax	1 763 537	3 220 185
23	Payments from profit after tax total, including:	0	0
23.1	Distribution to shareholders (members) in the form of dividends	0	0
23.2	Provisions for reserve fund	0	0
24	Retained earnings (loss) for the period	1 763 537	3 220 185

Chairman of the Board:  Tyrtsev S.A.

Chief Accountant:  Marichenko O.V.

SEAL

April 16, 2014

Bank Statements				
Territory Code by OKTO	Credit organization code			
	by OKTO	Main State Registration Number	Registration Number/ Serial number	BIK
10	09272303	102280000079	1810	041012765

CASH FLOW REPORT
(for publication)
For the year 2013

Credit organization **The Asian-Pacific Bank (OJSC)**
(the full registered and authorized company name)

Mailing address **675000, Russia, the Amur Region, Blagoveshchensk, 22/5 Amurskaya St.**

Form Code by OKTO 040981
Annual in thousand rubles

Line №	Description	Cash flow for the reported period	Cash flow for the same reported period last year
1	2	3	4
1	Net cash provided by (used in) operating activities		
1.1	Net cash provided by (used in) operating activities before changes in operating assets and liabilities, including:	4 948 859	5 082 364
1.1.1	Interest received	15 096 295	10 612 223
1.1.2	Interest paid	-6 006 478	-3 687 733
1.1.3	Fees and commissions received	3 551 498	2 721 173
1.1.4	Fees and commissions paid	-254 508	-204 770
1.1.5	Gains less losses from financial assets at fair value through profit or loss, available for sale	-1 894	-179 964
1.1.6	Gains less losses from securities held to maturity	0	0
1.1.7	Gains less losses from dealing in foreign currencies	83 324	336 714
1.1.8	Other operating income	489 487	364 463
1.1.9	Operating expenses	-6 630 355	-3 957 306
1.1.10	(Reimbursement) for Taxes	-760 444	-967 468
1.2	Increase (decrease) in net cash from operating assets and liabilities, including:	-891 798	2 540 325
1.2.1	Net increase (decrease) in mandatory cash balances with the Bank of Russia	-352 338	-261 674
1.2.2	Net increase (decrease) in investment securities at fair value through profit or loss	4 593 507	15 103 524
1.2.3	Net increase (decrease) in loans	-28 419 370	-17 992 204
1.2.4	Net increase (decrease) in other assets	-24 286	637
1.2.5	Net increase (decrease) in loans, deposits and other funds of the Bank of Russia	4 300 762	2 522 419
1.2.6	Net increase (decrease) in due from other credit institutions	1 248 531	2 363 970
1.2.7	Net increase (decrease) in amounts due to customers other than credit institutions	15 389 378	20 056 146
1.2.8	Net increase (decrease) in financial liabilities at fair value through profit or loss	0	0
1.2.9	Net increase (decrease) in debt	2 296 671	1 810 335
1.2.10	Net increase (decrease) in other liabilities	75 447	143 721
1.3	Total for Section 1 (et. 1.1 + et. 1.2)	4 057 061	7 622 689
2	Net cash provided by (used in) investing activities		
2.1	Purchase of securities and other financial assets classified as "available for sale"	-136 656 448	-8 984 882
2.2	Proceeds from sale and redemption of securities and other financial assets classified as "available for sale"	133 476 530	4 714 196
2.3	Purchase of securities classified as "held to maturity"	0	0
2.4	Proceeds from redemption of securities classified as "held to maturity"	0	0
2.5	Acquisition of fixed assets, intangible assets and inventories	-358 976	-465 096
2.6	Proceeds from sale of fixed assets, intangible assets and inventories	30 680	14 841
2.7	Dividends received	0	15 200
2.8	Total for section 2 (sum of items 2.1 to 2.7)	-3 936 211	-4 495 751
3	Net cash provided by (used in) financing activities		
3.1	Contributions of shareholders (members) in the authorized capital	0	0
3.2	Purchase of treasury shares (shares) repurchased from shareholders (participants)	0	0
3.3	Sale of treasury shares (shares) repurchased from shareholders (participants)	0	0
3.4	Dividends paid	0	-449 897
3.5	Total for section 3 (sum of items 3.1 to 3.4)	0	-449 897
4	Effect of changes in the official exchange rates of foreign currencies against the ruble, the Bank of Russia, on cash and cash equivalents	327 302	-52 650
5	Increase (Use) of cash and cash equivalents	876 152	2 624 381
5.1	Cash and cash equivalents at the beginning of year	6 649 086	4 024 695
5.2	Cash and cash equivalents at the end of year	7 525 238	6 649 086

Chairman of the Board

Chief Accountant

SEAL

Tyrtsev S.A.

Mainchenko O.V.

April 16, 2014

Information on compliance with the Corporate Governance Code in 2013

№	Clause of the Corporate Governance Code	Compliance	Notes
1	2	3	4
General Shareholders Meeting			
1	Notification of shareholders of a general meeting of shareholders at least 30 days before the date of the meeting, regardless of the issues included in the agenda, unless the law provides for a longer period	observed	Paragraph 14.9 of the Charter of the Bank
2	Shareholders have access to the list of persons entitled to attend the general meeting of shareholders, starting from the date of the General Meeting of Shareholders and until the closing of the general meeting of shareholders, and in the case of absentee general meeting of shareholders - before the deadline for receipt of ballots	observed	The relevant provision under Art. 51 of the Federal Law "On Joint Stock Companies"
3	Shareholders have the opportunity to familiarize themselves with the information (materials) to be provided in preparation for the general meeting of shareholders by electronic means, including via the Internet	observed	Information is posted on the Bank's Internet
4	A shareholder has the opportunity to put the issue on the agenda of the general meeting of shareholders or to request the convocation of the general meeting of shareholders without providing an extract from the register of shareholders, if his rights to shares in the register of shareholders, and if his rights to shares are recorded in the account depot - a statement from the securities account for the implementation of the above rights	observed	Bank independently requests a list of shareholders of the Bank
5	The Charter or internal documents of the Company requiring the presence at the AGM CEO, board members, board members, members of the audit committee and the company's auditor	partially observed	Mandatory presence of these persons Bank's internal documents are not provided, but the Bank seeks to ensure their presence as necessary
6	Compulsory attendance of candidates at the general shareholders meeting of electing members of the Board of Directors, the CEO, board members, audit committee members, as well as the issue of the appointment of the auditor of the company	partially observed	Mandatory presence of these persons Bank's internal documents are not provided, but the Bank seeks to ensure their presence as necessary
7	The internal documents of the company registration procedure of the General Meeting of Shareholders	observed	Under the Charter of the Bank, as well as the Regulations of the General Meeting of Shareholders

1	2	3	4
The Board of Directors			
8	The articles of association of the company board of directors the authority to approve annual financial plan of the company	observed	Under the Charter of the Bank (paragraphs 15.3.2. And 15.3.3.)
9	Approved by the Board of Directors of the risk management procedures of the Joint Stock Company	observed	The Bank has a number of internal documents on risk management, which have been approved at the meetings of the Board of Directors
10	The articles of association of the company law board to suspend the powers of the General Director, appointed by the general meeting of shareholders	not applicable	Authority for the formation of the executive bodies of the Bank transferred to the Board of Directors of the Bank
11	The articles of association of the company law board of directors to establish the requirements for the qualification and remuneration of the CEO, board members, heads of major divisions of the company	observed	According to the Charter of the Bank's internal documents relating to the remuneration of the executive bodies, as well as employees of the Bank shall be approved at a meeting of the board of directors. In accordance with these documents bonus issues are considered at meetings of the Board of Directors
12	The articles of association of the company law board of directors to approve the contracts with the CEO and board members	observed	Paragraph and paragraph 15.3.27 15.3.28 Charter Bank
13	The Charter or internal documents of the requirement that the approving agreements with the CEO (managing organization, manager) and members of the Management Board of Directors, is the CEO and board members, when not taken into consideration	observed	According to the Bank's Charter and the Regulation on the Board of Directors of the Bank during the voting, the votes of independent and uninterested in solving
14	Presence on the board of directors of at least 3 independent directors who meet the requirements of the Code of Corporate Conduct	observed	
15	Absence in the membership of the Board of Directors of the Company who have been found guilty of economic crimes or crimes against the state, the interests of public service and service in local government, or to whom administrative penalties for offenses in the field of business or finance, taxes and levies, securities market	observed	Such persons are not available. According to Art. 11.1 of the Law "On Banks and Banking Activity" candidates for the positions of the Council shall meet the qualification requirements set by federal laws and in accordance with them, Bank of Russia regulations

1	2	3	3	4
16	Absence in the membership of the Board of Directors of the Company who are participants, (manager), a member of the governing body or an employee of a legal entity competing with the Company	observed		
17	The articles of association of a requirement for the election of the board of directors by cumulative voting	observed		Paragraph 15.6. The Bank's Charter provides that the election of the members of the Board of Directors of the Bank osuschestvlya yutsya only cumulative voting
18	The internal documents of the joint responsibilities of board members to refrain from any action that will or may result in a conflict between their interests and the interests of society, and in the case of such a conflict - the duty to disclose information to the board about the conflict	observed		These duties of the members of the Board of Directors of the Bank provides the Corporate Governance Code of the Bank, as well as the internal regulations of the Bank, regulating the activities of members of the Bank's governing bodies
19	The internal documents of the joint responsibilities of the members of the Board of Directors in writing to notify the Board of Directors of their intention to deal in securities of the company, members of the Board of Directors of which they are, or its subsidiaries (affiliates), and to disclose information on transactions with such securities securities	observed		The internal documents of the Bank has this requirement (paragraph. 5.1.6. Regulations on the Board of Directors of the Bank), in accordance with the Federal Law of 27.07.2010 № 224-FZ "On Combating illegal use of insider information and market manipulation, and to amend the certain Legislative acts of the Russian Federation ", the members of the Board of Directors shall notify the Bank of operations with financial instruments and / or foreign currency, which concerns insider information, within 10 (ten) days from the date of the transaction
20	The internal documents of the requirement to hold meetings of the Board of Directors at least once every six weeks	observed		According to para. 7.10. Position on the Board of Directors of the Bank Board of Directors shall meet as necessary, but not less than 6 times a year. In fact, in view of the need to address issues annually held 25-30 meetings
21	Meetings of the Board of Directors of the company during the year for which the annual report of the joint, with a frequency of at least once every six weeks	observed		During the reporting period was held 24 meetings of the Board of Directors.

1	2	3	4
22	The internal documents of the procedure of the meetings of the Board of Directors	observed	The meetings of the Board of the Bank's Articles of association of the Bank, the Regulation on the Board of Directors of the Bank and the Regulations of the meetings of the Board of Directors of the Bank
23	The bylaws of the company include a provision requiring the approval by the Board of Directors of the company's transactions worth more than 10 per cent of the cost of the company's assets, except for the transactions made in the ordinary course of	observed	Charter of the Bank provided the transaction, which must be approved at the meetings of the Board of Directors, the Board and the General Meeting of Shareholders (paragraphs 14.16.5, 14.16.6., 03/15/32., 15/03/33, 15/03/34., 16.5.7., 16.5.8., 05/16/12., 16/05/13., 05/16/14. Charter of the Bank)
24	Internal documents of the joint-stock company law board members to receive from executive bodies and heads of structural divisions of the company the information needed to perform their functions, as well as the provision of such information	observed	Provided for in item 5.2. Position on the Board of Directors of the Bank
25	The board of directors for strategic planning or delegate its functions to another committee (other than the Audit Committee and the Nomination and Remuneration Committee)	observed	The Bank has the Strategy Committee under the Board of Directors
26	The board of Directors (Audit Committee), which recommends to the Board of Directors of the Company's auditor and interacts with it and Company's audit committee	observed	The Bank has an Audit Committee and Risk Management the Board of Directors
27	The presence of the Audit Committee includes only independent and non-executive directors	observed	
28	Management of the Audit Committee Independent Director	observed	
29	The internal documents of the joint right of all members of the Audit Committee to any documents and information of the Company, subject to non-disclosure of confidential information	observed	Makes provision for the Bank's Audit and Risk
30	Establishment of the Board of Directors (the Committee for Personnel and Remuneration Committee), whose function is to define the criteria for selection of candidates to the Board of Directors and the development of the company's remuneration	observed	The Bank has established a committee of the Human Resources and Remuneration
31	Management of the Committee on the Human Resources and Remuneration Committee Independent Director	observed	
32	The committee of the Human Resources and Remuneration company officers	not observed	For a comprehensive review of the issues included in the composition of the sole executive body
33	Establishment of the Board of Directors of the risks or delegate its functions to another committee (other than the Audit Committee and the Nomination and Remuneration Committee)	not observed	

1	2	3	4
34	The board of directors of a corporate conflict or delegate its functions to another committee (other than the Audit Committee and the Nomination and Remuneration Committee)	not observed	
35	The committee for the settlement of corporate conflicts company officers	not observed	This committee is not formed
36	Management of the Committee on corporate conflict resolution independent director	not observed	This committee is not formed
37	Approved by the Board of Directors of the internal documents of the Company, providing the order of formation and operation of committees of the Board of Directors	observed	The Bank has developed and approved the provisions of all formed committees of the Board of Directors
38	The articles of association of the procedure of determining a quorum of the Board of Directors that would ensure obligatory participation of independent directors in the board meetings	observed	Chapter 15 of the Charter of the Bank
Executive Bodies			
39	The presence of the collegial executive body (Management Board)	observed	Chapter 16 of the Charter of the Bank
40	The Charter or internal documents of the joint provision requiring the approval of the board of real estate transactions, the joint stock company loans, if such transactions are not major transactions and do not apply to the ordinary course of business	observed	Chapter 16 of the Charter of the Bank
41	The internal documents of the joint procedure for approval of transactions that go beyond the financial and business plan of the company	observed	Chapters 14, 15, 16 of the Charter of the Bank
42	The executive bodies of the persons who are members, (manager), a member of the governing body or an employee of a legal entity competing with the Company	observed	This issue is controlled by the Bank of Russia as part of the matching candidates in the management bodies of the Bank in accordance with the Regulations of the Bank of Russia № 408-P
43	The executive bodies of the company who have been found guilty of economic crimes or crimes against the state, the interests of public service and service in local government, or subjected to administrative penalties for offenses in the field of business or finance , taxes and levies, securities market. If the functions of the sole executive body are performed by the managing organization or a manager - the CEO and board members of the managing organization or manager requirements for CEO and board members of the company	observed	This issue is controlled by the Bank of Russia as part of the matching candidates in the management bodies of the Bank in accordance with the Regulations of the Bank of Russia № 408-P
44	The Charter or internal documents of the Company prohibit the managing organization (manager) to perform similar functions in a competing company, and to be in any other property relations with the company, in addition to providing services to the managing organization (manager)	not applicable	Functions of the sole executive body of the Bank's management organization could not be transferred

1	2	3	4
45	The internal documents of the joint stock company of the executive bodies to refrain from actions that will or may result in a conflict between their interests and the interests of society, and in the event of such conflict - the duty to inform the Board of Directors	partially observed	Corporate Governance Code, the Bank provides a procedure for settlement of corporate conflicts. The Bank plans to development and adoption of the bylaw regulating the procedure for the settlement of the conflict of interest.
46	The Charter or internal documents of the criteria for selection of the managing organization (manager)	not applicable	
47	Executive bodies provide monthly reports on its work to the Board of Directors	not applicable	
48	The contracts entered into by the company with the CEO (managing organization, manager) and members of the board, responsible for the violation of the provisions on the use of confidential and proprietary information	observed	
Secretary of the Company			
49	The joint-stock company of a special officer (secretary), whose task is to ensure that authorities and officials of the joint procedural requirements guaranteeing the legitimate rights and interests of the Company	observed	The society was appointed Corporate Secretary
50	The Charter or internal documents of the procedure for appointment (election) of the company secretary and the responsibilities of the company secretary	observed	Under the Charter of the Bank, as well as the Regulation on the Corporate Secretary
51	The articles of association of the company requirements for secretary candidates	Partially observed	The requirements include provisions for the Corporate Secretary of the Bank
Major Corporate Actions			
52	The Charter or internal documents of the joint approval of a major transaction prior to its execution	observed	Chapter 3.15.31. Charter Bank.
53	Must engage an independent appraiser to determine the market value of the property that is the subject of a major transaction	Partially observed	In accordance with Art. 77 of the Federal Law "On the sharehold-Stock Companies" independent appraiser involved in the cases provided by law

1	2	3	4
54	The articles of association of the company prohibits the adoption of the acquisition of large stakes in the company (takeover), any action aimed at protecting the interests of executive bodies (members of these bodies) and members of the Board of Directors of the company, as well as worsening the position of shareholders as compared with the existing (in particular, the ban on adoption by the Board of Directors before the end of the estimated life of the acquisition of shares to issue additional shares, to issue securities convertible into shares or securities granting the right to acquire shares in the company, even if such right is granted by the Charter)	Not observed	These requirements do not set the internal documents of the Bank
55	The articles of association of a requirement for mandatory involvement of an independent appraiser to determine the current market value of shares and possible changes in their market value as a result of absorption	Not observed	These requirements are internal documents of the Bank have not been established. In accordance with Art. 77 Federalno-go Law "On Joint Stock Companies" independent appraiser involved in the cases provided by law
56	Lack of company's charter release of the purchaser from the obligation to shareholders to sell their common shares (equity securities that are convertible into ordinary shares) in the absorption	Observed	
57	The Charter or internal documents of the requirement for mandatory engagement of an independent appraiser to determine the conversion of shares in the reorganization	Not observed	These requirements are internal documents are not installed
Information Disclosure			
58	he Board shall approve an internal document defining rules and describing the company's disclosure (Regulation on Information Policy)	Observed	The Bank has the Regulation on Information Policy and Rules of disclosure
59	The internal documents of the Company shall require the disclosure of information on the purpose of the shares of the persons who are going to buy these shares, including a large stake, as well as about whether the top officials of the company to participate in the acquisition of the shares of the Company	Observed	The Bank has the Regulation on Information Policy and Rules of disclosure
60	The internal documents of the joint list of information, documents and materials to be provided to shareholders to address the issues submitted to the General Meeting of Shareholders	Observed	According to the Regulations on the General Meeting of Shareholders (n. 6.3.)
61	The company has a web site on the Internet and regular disclosure of information about the company on this website	Observed	www.atb.su
62	The internal documents of the Company shall require the disclosure of information about company transactions with persons that are in accordance with the charter to the top officials of the company, as well as company transactions with companies in which top officials of the company directly or indirectly owns 20 percent or more of the share capital or to which such persons may otherwise have a material effect	Observed	Disclosure is made in full compliance with the Russian legislation.

1	2	3	4
63	The internal documents of the requirement to disclose information about all transactions that may affect the market value of the company's shares	Observed	Disclosure is made in full compliance with the Russian legislation.
64	The Board shall approve an internal document on the use of material information about the Company, shares and other securities and transactions with them, which is not public and the disclosure of which could have a material effect on the market value of shares and other securities of the company	Observed	The Bank has Regulations on insiders and insider information
Control over financial and economic activity			
65	Approved by the Board of Directors of internal control over financial and economic activities of the company	Observed	Has a position on the internal control of the Bank.
66	Special division of the company, ensuring compliance with internal control procedures (control and audit service)	Observed	The Bank has the Audit Commission and the Internal Control
67	The internal documents of the requirement to define the structure and composition of the audit service of the company Board of Directors	Observed	Provided by the Bank's Charter, Chapter 19
68	Absence in the audit service persons who were found guilty of economic crimes or crimes against the state, the interests of public service and service in local government, or subjected to administrative penalties for offenses in the field of business or finance , taxes and levies, securities market	Observed	
69	Absence in the supervision and auditing service, members of the executive bodies of the company, as well as members, (manager), members of the management bodies or employees of a legal entity competing with the Company	Observed	
70	The internal documents of the joint deadline for submission to control and audit service of documents and materials for the assessment of the financial and business operations, as well as the liability of officers and employees of the company for failure to comply with a term	not provided	Not provided internal documents.
71	The internal documents of the joint responsibilities of supervision and auditing service to inform about any violations to the Audit Committee, and in his absence - the board of directors of the company	partially observed	Functions are performed by the Audit Commission
72	The articles of association of the requirement on the preliminary assessment of control and auditing service practicality of transactions not covered by the financial and economic plan of the joint-stock company (non-standard operations)	not provided	

1	2	3	4
73	The internal documents of the joint-agreement of any unusual transactions with the Board of Directors	observed	The provisions contained in the Statute of the Bank.
74	The Board shall approve an internal document defining the procedure of audits of financial and economic activity of the joint Audit Commission	partially observed	According to Art. 85 of the Federal Law "On Joint Stock Companies", the authority to approve documents regulating the activities of the Audit Committee, referred to the General Meeting of Shareholders. Regulations on the Audit Committee of the Bank approved by the General Meeting of Shareholders
75	The audit committee assessment of the auditor's report before its submission to shareholders at a general meeting of shareholders	observed	
Dividends			
76	The Board shall approve the internal document, which the Board of Directors with recommendations on the amount of dividends (dividend policy)	partially observed	Provided by the Bank's Charter, Chapter 10
77	The Regulation on the dividend policy of the procedure for determining the minimum share of the net profit of the company for the payment of dividends, and the conditions under which non-payment or incomplete payment of dividends on preferred shares, the amount of dividends is determined in the company's charter	Not provided for	
78	Publication of information on the dividend policy of the Company and any amendments thereto in a periodical stock company to publish notices of general meetings of shareholders, as well as the publication of this information on the website of the company on the Internet	Not provided for	

Report on the payment of dividends

Dividends on shares of the Bank were not paid in 2013.

Information on related party transactions and major transactions

Issues for the approval of major transactions were not considered during the fiscal year.

List of transactions approved by the Board of Directors as transactions of interest

№	Minutes№	Minutes date	Amount of transaction	Transaction description
1	2	3	4	5
1	2	«06» February 2013	1 000 000 roubles	Approval of the transaction of interest with a member of the board of directors of the Asian-Pacific Bank (OAO) – A.V. Vdovin - Provision of the credit limit in the amount of one million roubles.
2	4	«28» February 2013	1 000 000 roubles	Approval of the transaction of interest - establishment of a credit line to member of the Board of Directors of the Bank Sergei A. Plastinin
3	5	«04» March 2013	31 200 000 roubles	Approval of the transaction of interest, - the conclusion of the credit agreement to a member of the Board Igor Abazov (First Deputy Chairman of the Board)
4	7	«27» March 2013	16 200 000 roubles	Approval of the transaction between PPFIN REGION and the Asian-Pacific Bank (Open Joint Stock Company).
5	8	«30» April 2013	3 000 000 roubles	Approval of the transaction - the establishment of a credit line for a affiliated person of the Bank Igor Abazov - First Deputy Chairman of the Bank
6	9	«22» May 2013	50 000 USD	Approval of the transaction of interest - providing a banking Counter - guarantee to Golf Pro Ltd. of 50,000 (fifty thousand) USD.
7	11	«18» June 2013	37,6 mln USD	Approval of series of related transactions of interest of the members of the Board of Directors.
8	13	«28» June 2013	21 030 000 roubles	Approval of the transaction between PPFIN REGION and the Asian-Pacific Bank (Open Joint Stock Company).
9	14	«03» July 2013	300 000 000,00 roubles	Approval of the transaction of interest - add. Agreement to Guarantee № 0388 of 16.09.2011 to CJSC Agricultural Holding Regional Development with the Asian-Pacific Bank (JSC) to secure the obligations of LLC Agro-Industrial Group "Dairy Products" (Debtor) to the Asian-Pacific Bank (JSC) (Lender) arising under the Agreement on the credit line № 0388 of 16.09.2011, concluded between the debtor and creditor
10	15	«14» August 2013	21 030 000 roubles	Approval of the transaction of interest to the shareholder of the Bank, holding more than 20 percent of the voting shares of the Bank -PPFIN Region LLC, to provide non-repayable financial support
11	15	«14» August 2013	80 000 USD	Approval of the transaction of interest to members of the board of directors - providing a limit on a bank Counter-Guarantee to KP Style LLC in the Moscow branch of the Asian-Pacific Bank (JSC) in the amount of \$ 80 000 (eighty thousand) USD.

1	2	3	4	5
12	15	«14 August 2013	32 500 000 roubles	Approval of the transaction of interest to members of the board of directors - providing a limit on a bank Counter-Guarantee to KP Style LLC in the Moscow branch of the Asian-Pacific Bank (JSC) in the amount 32 500 000 (thirty-two million five hundred thousand) roubles.
13	15	«14» August 2013	300 000 000 roubles	<p>1.1. Approval of the transaction with interest - add. Agreement to the credit line № 0388 of 16.09.2011 JSC "Agro-Industrial Group" Dairy Products "(Debtor) with the Asian-Pacific Bank (JSC) (Lender).</p> <p>1.2. Approval of the transaction of interest, - add. Agreement to Guarantee № 0388 of 16.09.2011 JSC "Agricultural holding" Regional Development with the Asian-Pacific Bank (JSC) to secure the obligations of "Agro-Industrial Group" Dairy Products" LLC (Debtor) to the Asian-Pacific Bank (JSC) (Lender) arising under Agreement on the credit line Agreement № 0388 of 16.09.2011, concluded between the Debtor and the Lender.</p> <p>1.3. Approval of the transaction with interest - add. Agreement to pledge real estate property (mortgage) № 0388.2 of 16.09.2011 by Zemledelets LLC with the Asian-Pacific Bank (JSC) to secure the obligations of "Agro-Industrial Group" Dairy Products" LLC (Debtor) to the Asian Pacific Bank (JSC) (Lender) under the Agreement on the credit line № 0388 of 16.09.2011 concluded between the Debtor and the Lender.</p>
14	16	«11» September 2013	12 000 000 USD	Approval of the transaction involving the assignment of rights (claims) under the loan agreements № 177-1 / KLF-2011 015-1 / KLF 2011 addressed Komonovoy Lyubov Kirillovna in favor of M2M Private Bank.
15	19	«16» October 2013	21 030 000 roubles	Approval of the transaction in which an interested shareholder of the Bank, which holds more than 20 percent of the voting shares of the Bank - Limited Liability Company "PPFIN Region", to provide non-repayable financial assistance.
16	20	«23» October 2013	12 000 000 USD	Approval of the transaction of assignment, in which there is an interest of the members of the Board of Directors of the Bank.
17	20	«23» October 2013	60 000 000,00 roubles	Approval of the transaction of interest - provision to KP Style LLC of a credit line in the amount of 60 000 000,00 roubles / 60 000 000,00 roubles in the dollar equivalent on the date of issue in the Moscow branch of the Asian-Pacific Bank (OJSC)

Licenses

General license for banking operations № 1810 10.05.2012 issued by the Central Bank of the Russian Federation has the right to conduct banking operations in rubles and foreign currency.

License to conduct banking operations № 1810 05.05.2006 issued by the Central Bank of the Russian Federation has the right to conduct banking operations with precious metals.

License of a professional securities market participant lot number 01 006 783, № 028-11708-000100 license issued 28.10.2008 by the Federal Service for Financial Markets, provides the right for depository activities.

License of a professional securities market participant lot number 01 006 933, № 028-11701-001000 license issued by the Federal Service on Financial Markets on 28.10.2008, provides for the right to operate the management of securities.

License of a professional securities market participant lot number 01 006 943, № 280-11696-010000 license issued 28.10.2008 by the Federal Service for Financial Markets, provides the right for dealer activities.

License of a professional securities market participant lot number 01 006 960, № 028-11691-100000 license issued 28.10.2008 by the Federal Service for Financial Markets, provides for the right to conduct brokerage activities.

A license № 092RU13002000089, 26.03.2013 issued by the Ministry of Industry and Trade of the Russian Federation, to allow the export of gold.

License B 355741, issued 15.12.2008 by the Federal Security Service of the Russian Federation on the Amur region, registration number 257 P, allows distribution of encryption (cryptographic) means.

License B 355742, issued 15.12.2008 by the Federal Security Service of the Russian Federation on the Amur region, registration number 258 X, allows maintenance of encryption (cryptographic) means.

License B 355743, issued 15.12.2008 by the Federal Security Service of the Russian Federation on the Amur region, registration number 259 Y, allows the provision of services in the field of data encryption.

Participation in Associations

- Association of Regional Banks of Russia ("Russia" Association)
- National Securities Market Association self-regulatory organization (NSMA)
- Russian National Association of SWIFT (SWIFT)
- Bloomberg information and trading system
- Thomson Reuters (Markets) SA information and trading system
- VISA international payment system
- Master Card International Incorporated international Payment System
- MasterCard International payment system
- Western Union International Money Transfer
- Unistream International system of remittances
- Golden Crown Russian regional payment system
- CONTACT International money transfers and payments
- Moscow Interbank Currency Exchange JSC
- St. Petersburg Currency Exchange JSC
- MICEX Stock Exchange CJSC
- Moscow International Currency Association (MICA)
- DELTA electronic system of interbank financial instruments
- Chicago Mercantile Exchange (CME)



General information about the Bank

Full title: The Asian-Pacific Bank (Open Joint Stock Company)
The abbreviated name: The Asian-Pacific Bank (OJSC)
Address: 675000, Russia, Amur Region, Blagoveshchensk city, 225 Amurskaya St.

Region of Registration: the Amur Region

Bank Identification Code (BIC): 041,012,765
Taxpayer Identification Number (TIN): 2801023444
Phone: +7 800 100 1321
Fax: +7 4162 220-400
E-mail address: atb@atb.su
The Internet: www.atb.su

State registration

State registration number: 1022800000079

Date of entry into the Unified State Register of Legal Entities: 14.02.1992

Registration authority: Interdistrict Inspectorate of the Federal Tax Service of Russia №1 in the Amur Region

Contacts

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Feedback

The Asian-Pacific Bank has a policy of transparency.
We are always prepared to provide advice to support our customers and partners.
The new projects, products and services of the APB, its activities in the market and development programs can be found on the www.atb.su website.