

“Asian-Pacific Bank”
(Open joint stock company)


**Consolidated Interim Condensed
Financial Statements
for the 3 months ended 31 March 2015**

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	Notes	31 March 2015 RUB'000	31 March 2014 RUB'000
Interest income	4	4 489 655	4 575 010
Interest expense	4	(2 730 302)	(1 663 815)
Net interest income		1 759 353	2 911 195
Deposit insurance expenses		(57 969)	(48 466)
Net interest income after deposit insurance expenses		1 701 384	2 862 729
Fee and commission income	5	471 537	661 531
Fee and commission expense		(81 069)	(54 921)
Net fee and commission income		390 468	606 610
Net gain (loss) on financial instruments at fair value through profit or loss and realised gain on available-for-sale financial assets		11 123	(418 108)
Net foreign exchange gain		358 161	134 441
Net gain on operations with precious metals		5 264	4 203
Other operating income	6	297 772	191 738
Operating income		2 764 172	3 381 613
Impairment losses	7	(3 008 128)	(2 139 675)
Personnel expenses	8	(811 929)	(910 738)
Other general administrative expenses	9	(457 144)	(320 130)
(Loss) profit before income tax		(1 513 029)	11 070
Income tax benefit (expense)	10	260 832	(8 013)
(Loss) profit for the period		(1 252 197)	3 057
Other comprehensive income (loss), 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		244 777	(88 912)
<i>Total items that are or may be reclassified subsequently to profit or loss</i>		244 777	(88 912)
Other comprehensive income (loss) for the period, net of income tax		244 777	(88 912)
Total comprehensive loss for the period		(1 007 420)	(85 855)

The consolidated interim condensed financial statements were approved by the Management Board on 29 May 2015.


 Mr. A.V. Vdovin
 Chairman of the Management Board




 Ms. O.L. Krimus
 Deputy Chief Accountant

OJSC "Asian-Pacific Bank"
Consolidated Interim Condensed Statement of Financial Position as at 31 March 2015

	Notes	31 March 2015 RUB'000	31 December 2014 RUB'000
ASSETS			
Cash and cash equivalents	11	10 755 991	13 973 022
Obligatory reserves with the Central Bank of the Russian Federation		932 172	896 191
Financial instruments at fair value through profit or loss	12	2 291 284	44 348
Available-for-sale financial assets	13	14 656 370	13 309 230
Due from banks	14	372 661	999 369
Amounts receivable under reverse repurchase agreements	15	3 748 326	1 560 811
Loans to customers	16	82 012 395	85 591 339
Net investments in finance leases	17	1 934 796	2 082 190
Held-to-maturity investments	18	7 079 826	5 544 648
Current tax asset		36 944	196 821
Deferred tax asset	10	72 639	76 691
Property, equipment, intangible assets and investment property	19	5 132 144	5 196 020
Other assets	20	2 493 176	996 163
Total assets		131 518 724	130 466 843
LIABILITIES			
Derivative financial instruments	12	992	6 492
Deposits and balances from banks	21	9 339 684	10 721 632
Amounts payable under repurchase agreements	22	13 325 251	8 838 184
Current accounts and deposits from customers	23	82 025 296	84 497 714
Debt securities issued	24	6 256 221	6 506 591
Subordinated borrowings	25	4 293 457	4 021 246
Current tax liability		24 042	2 073
Deferred tax liability	10	67 913	313 697
Other liabilities	26	837 702	703 628
Total liabilities		116 170 558	115 611 257
EQUITY			
Share capital		585 414	585 414
Treasury shares		(10 307)	(10 307)
Share premium		1 778 739	1 778 739
Additional capital		1 500 000	-
Revaluation reserve for available-for-sale financial assets		(178 981)	(423 758)
Revaluation surplus for buildings		1 618 411	1 618 659
Retained earnings		10 054 890	11 306 839
Total equity		15 348 166	14 855 586
Total liabilities and equity		131 518 724	130 466 843


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

OJSC “Asian-Pacific Bank”
Consolidated Interim Condensed Statement of Cash Flows for the 3 months ended 31 March 2015

	Notes	31 March 2015 RUB'000	31 March 2014 RUB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest receipts		3 939 526	3 984 178
Interest payments		(2 246 582)	(1 866 102)
Fee and commission receipts		493 511	374 093
Fee and commission payments		(81 069)	(54 921)
Net receipts (payments) from financial instruments at fair value through profit or loss and available-for-sale financial instruments		11 123	(67 977)
Net receipts from foreign exchange		154 592	150 652
Other income receipts		297 772	191 738
Net receipts from operations with precious metals		2 480	332
General administrative expenses payments		(1 129 668)	(1 158 492)
(Increase) decrease in operating assets			
Obligatory reserves with the CBR		(35 981)	224 492
Financial instruments at fair value through profit or loss		(2 189 303)	4 346 779
Available-for-sale financial assets		(1 085 805)	445 949
Due from banks		518 340	4 657
Amounts receivable under reverse repurchase agreements		(2 198 988)	(1 334 169)
Loans to customers		1 294 871	(2 466 287)
Net investments in finance leases		130 903	(163 020)
Other assets		(1 481 957)	98 389
Increase (decrease) in operating liabilities			
Deposits and balances from banks		(1 172 920)	1 269 035
Amounts payable under repurchase agreements		4 472 594	(5 942 887)
Current accounts and deposits from customers		(3 028 436)	(549 625)
Promissory notes		(564 219)	1 011 144
Other liabilities		(15 929)	(88 025)
Cash flows from operating activities before income tax paid		(3 915 145)	(1 590 067)
Income tax received (paid)		139 816	(388 918)
Cash flows used in operations		(3 775 329)	(1 978 985)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of held-to-maturity investments		(1 391 461)	-
Net purchases of property and equipment and intangible assets		(18 836)	(30 567)
Cash flows used in investing activities		(1 410 297)	(30 567)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net issue of bonds		276 155	2 462 302
Cash distribution from shareholders		1 500 000	-
Cash flows from financing activities		1 776 155	2 462 302

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

OJSC "Asian-Pacific Bank"
Consolidated Interim Condensed Statement of Cash Flows for the 3 months ended 31 March 2015

Net increase in cash and cash equivalents	(3 409 471)	452 750
Effect of changes in exchange rates on cash and cash equivalents	192 440	293 172
Cash and cash equivalents as at the beginning of the year	13 973 022	10 085 780
Cash and cash equivalents as at the end of the period	11 10 755 991	10 831 702



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

RUB'000	Share capital	Treasury shares	Share premium	Additional capital	Revaluation reserve for available-for- sale financial assets	Revaluation surplus for buildings	Retained earnings	Total equity
Balance as at 1 January 2014	562 312	(10 307)	1 192 723	-	(29 827)	1 620 178	11 255 339	14 590 418
Total comprehensive income for the year								
Profit for the period	-	-	-	-	-	-	3 057	3 057
Other comprehensive loss, 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 22 228 thousand	-	-	-	-	(88 912)	-	-	(88 912)
<i>Total items that are or may be reclassified subsequently to profit or loss</i>	-	-	-	-	(88 912)	-	-	(88 912)
Total comprehensive loss for the period, net of income tax	-	-	-	-	(88 912)	-	3 057	(85 855)
Balance as at 31 March 2014	562 312	(10 307)	1 192 723	-	(118 739)	1 620 178	11 258 396	14 504 563
Balance as at 1 January 2015	585 414	(10 307)	1 778 739	-	(423 758)	1 618 659	11 306 839	14 855 586
Total comprehensive loss for the period								
Loss for the period	-	-	-	-	-	-	(1 252 197)	(1 252 197)
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 61 194 thousand	-	-	-	-	244 777	-	-	244 777
<i>Total items that are or may be reclassified subsequently to profit or loss</i>	-	-	-	-	244 777	-	-	244 777
<i>Items that will not be reclassified to profit or loss</i>								
Transfer of revaluation surplus on disposal of buildings previously revalued, net of deferred tax of RUB 62 thousand	-	-	-	-	-	(248)	248	-

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

RUB'000	Share capital	Treasury shares	Share premium	Additional capital	Revaluation reserve for available-for-sale financial assets	Revaluation surplus for buildings	Retained earnings	Total equity
<i>Total items that will not be reclassified to profit or loss</i>	-	-	-	-	-	(248)	248	-
Total comprehensive loss for the period, net of income tax	-	-	-	-	244 777	(248)	(1 251 949)	(1 007 420)
Transactions with owners, recorded directly in equity								
Cash contribution from shareholders	-	-	-	1 500 000	-	-	-	1 500 000
Total transactions with owners	-	-	-	1 500 000	-	-	-	1 500 000
Balance as at 31 March 2015	585 414	(10 307)	1 778 739	1 500 000	(178 981)	1 618 411	10 054 890	15 348 166


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 Chairman of the Management Board




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 Deputy Chief Accountant

1 Background

Organisation and operations

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

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

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

The Bank has 241 (31 December 2014: 250) offices from which it conducts business throughout the Russian Federation including a head office, 4 regional branches, 41 additional offices, 193 operational offices and 2 operational cash boxes. The registered address of the head office is 225, Amurskaya Street, Blagoveschensk, 675000. The majority of the assets and liabilities are located in the Russian Federation.

As at 31 March 2015, the following shareholders held the issued shares of Open Joint Stock Company “Asian-Pacific Bank”:

Shareholder	31 March 2015	31 December 2014
	%	%
LLC “PPFIN Region” (Russian Federation)	59.17	59.17
East Capital Explorer Financial Institutions Fund AB (Sweden)	17.91	17.91
TECHSUN ENTERPRISES LIMITED (Cyprus)	8.41	8.41
International Financial Corporation	6.71	6.71
Aksenov E.V.	3.08	3.08
LLC “Expo-Leasing” (a 100% owned subsidiary of the Bank)	1.76*	1.76*
Others	2.96	2.96
Total:	100.00	100.00

* Treasury shares

Details of the subsidiaries are as follows:

Name	Country of incorporation	Principal activities	Ownership %	
			31 March 2015	31 December 2014
LLC “Expo-Leasing”	Russian Federation	Leasing	100%	100%
CJSC “Mortgage agent APB”	Russian Federation	Mortgage agent	see below	see below
CJSC “Mortgage agent APB 2”	Russian Federation	Mortgage agent	see below	-

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

LLC “Expo-Leasing” was registered in 2002 in Russia. Its head office is in Moscow and it has 10 branches (31 December 2014: 10) comprising a head office, 1 regional branch and 8 separate offices.

CJSC “Mortgage agent APB” and CJSC “Mortgage agent APB 2” (MA APB and MA APB 2) are structured entities established to facilitate the Bank’s issue of mortgage backed securities (refer to note 24). These entities are not owned by the Group. Control arises through the predetermination of the entities’ activities, having rights to obtain the majority of benefits of the structured entities, and retaining the majority of the residual risks related to the entities.

The average number of the Group’s employees for the 3 months ended 31 March 2015 was 4 232 (31 December 2014: 4 489).

Russian business environment

The Group’s operations are primarily located in the Russian Federation. Consequently, the Group is exposed to the economic and financial markets of the Russian Federation, which display emerging-market characteristics. Legal, tax and regulatory frameworks continue to be developed, but are subject to varying interpretations and frequent changes that, together with other legal and fiscal impediments, contribute to the challenges faced by entities operating in the Russian Federation.

The recent conflict in Ukraine and related events has increased the perceived risks of doing business in the Russian Federation. The imposition of economic sanctions on Russian individuals and legal entities by the European Union, the United States of America, Japan, Canada, Australia and others, as well as retaliatory sanctions imposed by the Russian government, has resulted in increased economic uncertainty including more volatile equity markets, a depreciation of the Russian Rouble, a reduction in both local and foreign direct investment inflows and a significant tightening in the availability of credit. In particular, some Russian entities, including banks, may be experiencing difficulties in accessing international equity and debt markets and may become increasingly dependent on Russian state banks to finance their operations. The longer term effects of recently implemented sanctions, as well as the threat of additional future sanctions, are difficult to determine. Management of the Group believes that it takes all the necessary efforts to support the economic stability of the Group in the current environment.

2 Basis of preparation

Statement of compliance

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

These consolidated interim condensed financial statements are prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting. As a result, they do not

include all of the information required by IFRS for a complete set of financial statements. Operating results for the 3 months period ended 31 March 2015 are not necessarily indicative of the results that may be expected for the year ending 31 December 2015.

These consolidated interim condensed financial statements should be read in conjunction with the complete consolidated financial statements as at 31 December 2014.

Basis of measurement

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

Functional and presentation currency

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

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

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

Use of estimates and judgments

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

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

Changes in accounting policies and presentation

With effect from 1 January 2015, the Group has changed accounting policy in identifying related parties relationships providing more relevant information about effects of other related parties transactions. This amendment has an impact on other related parties disclosures in the Group’s consolidated interim condensed financial statements, including changing comparative information as explained in note 3.

3 Significant accounting policies

In general the accounting policies applied by the Group in these consolidated interim condensed financial statements are consistent with those applied by the Group in the year ended 31 December 2014 except as explained in note 2, which addresses changes in accounting policies.

Comparative information

With effect from 1 January 2015, the Group presents interest income on all categories of securities in interest income. The Group previously presented interest income on financial instruments at fair value through profit or loss (except promissory notes) and available-for-sale financials assets

within net gain (loss) on financial instruments at fair value through profit or loss and realised gain on available-for-sale financial assets in the consolidated interim condensed statement of profit or loss and other comprehensive income for the 3 months ended 31 March 2014. As a result, the amount of RUB 268 462 thousand has been reclassified from net gain (loss) on financial instruments at fair value through profit or loss and realised gain on available-for-sale financial assets to interest income in the comparative consolidated interim condensed statement of profit or loss and other comprehensive income, to conform to the 2015 presentation.

With effect from 1 January 2015, the Group has changed accounting policy in identifying related parties relationships providing more relevant information about effects of other related parties transactions. The 31 March 2015 presentation of the outstanding balances and average effective interest rates as at 31 December 2014 for transactions with other related parties are presented below:

	31 December 2014 disclosure		31 March 2015 disclosure	
	31 December 2014 RUB'000	Average effective interest rate, %	31 December 2014 RUB'000	Average effective interest rate, %
Consolidated interim condensed statement of financial position				
ASSETS				
Cash and cash equivalents	1 754	-	1 754	-
Loans to customers	1 198 149	9.59%	29 004	15.08%
Other assets	2 446	-	2 354	-
LIABILITIES				
Deposits and balances from banks	24 663	3.70%	24 663	3.70%
Current accounts and deposits from customers	2 941 155	7.88%	811 335	-
Other liabilities	1 317	-	284	-
Commitments				
Undrawn loan commitments and overdraft	226 484	-	1 450	-

4 Interest income and expense

	31 March 2015 RUB'000	31 March 2014 RUB'000
Interest income		
Loans to customers	3 842 074	4 098 346
Securities	486 885	305 148
Net investments in finance leases	105 998	128 329
Due from banks and cash equivalents	54 698	43 187
	4 489 655	4 575 010
Interest expense		
Current accounts and deposits from customers	1 962 317	1 211 091
Deposits and balances from banks	493 608	242 655
Debt securities issued	153 743	180 874
Subordinated borrowings	120 634	29 195
	2 730 302	1 663 815

5 Fee and commission income

	31 March 2015 RUB'000	31 March 2014 RUB'000
Settlement operations	279 820	298 980
Accounts opening and maintenance	38 511	39 025
Guarantee issuance	35 348	16 614
Insurance agent commission	16 431	272 544
Other	101 427	34 368
	471 537	661 531

6 Other operating income

	31 March 2015 RUB'000	31 March 2014 RUB'000
Penalties on loans issued	145 877	134 625
Repayment of written off loans	30 119	7 329
Penalties on other operations	63 953	8 005
Rental income	5 666	6 106
Other income	52 157	35 673
	297 772	191 738

7 Impairment losses

	31 March 2015 RUB'000	31 March 2014 RUB'000
Loans to customers	2 969 426	2 133 669
Net investments in finance leases	17 065	5 324
Other assets	21 637	682
	3 008 128	2 139 675

8 Personnel expenses

	31 March 2015 RUB'000	31 March 2014 RUB'000
Employee compensation	634 703	708 067
Payroll related taxes	177 226	202 671
	811 929	910 738

9 Other general administrative expenses

	31 March 2015 RUB'000	31 March 2014 RUB'000
Depreciation and amortisation	82 213	68 603
Write-off of materials and loss on disposals of assets	55 733	52 722
Taxes other than income tax	47 583	30 938
Repairs and maintenance	41 396	40 145
Rent	40 621	38 554
Communications and information services	32 473	14 060
IT expenses	27 569	2 913
Advertising and marketing	15 153	14 574
Loss on termination lease agreements	10 324	913
Security	10 320	7 450
Agent fees for attraction of clients	8 855	1 606
Travel expenses	6 914	6 330
Professional services	5 461	4 105
Insurance	5 049	2 629
Other	67 480	34 588
	457 144	320 130

10 Income tax (benefit) expense

	31 March 2015 RUB'000	31 March 2014 RUB'000
Current year tax expense	42 032	25 740
Origination and reversal of temporary differences	(302 864)	(17 727)
Total income tax (benefit) expense	(260 832)	8 013

During 3 months ended 31 March 2015, the applicable tax rate for current and deferred tax is 20% (31 March 2014: 20%).

Reconciliation of effective tax rate for the 3 months ended 31 March:

	31 March 2015 RUB'000	%	31 March 2014 RUB'000	%
(Loss) profit before tax	(1 513 029)		11 070	
Income tax at the applicable tax rate	(302 606)	(20.0)	2 214	20.0
Other differences	43 438	2.9	10 010	90.4
Income taxed at lower tax rates	(1 664)	(0.1)	(4 211)	(38.0)
	(260 832)	(17.2)	8 013	72.4

Deferred tax asset and liability

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes give rise to deferred tax assets and liabilities as at 31 March 2015 and 31 December 2014. Net deferred tax assets and liabilities have been recognised in these consolidated interim condensed financial statements.

The deductible temporary differences do not expire under current tax legislation. Tax loss carry-forward expires in 2024 and 2025.

Movements in temporary differences during 3 months ended 31 March 2015 and 2014 are presented as follows:

RUB'000	Balance 1 January 2015	Recognised in profit or loss	Recognised in other comprehensive income and directly in equity	Balance 31 March 2015
Due from banks	(414)	349	-	(65)
Financial instruments at fair value through profit or loss	-	(1 515)	-	(1 515)
Available-for-sale financial assets	69 030	5 680	(61 194)	13 516
Held-to-maturity investments	23 186	(5 648)	-	17 538
Derivative financial instruments	(7 571)	(12 627)	-	(20 198)
Loans to customers	(360 488)	141 025	-	(219 463)
Net investments in finance leases	73 241	(602)	-	72 639
Property, equipment and intangible assets	(376 094)	(1 041)	62	(377 073)
Other assets	33 583	(48 084)	-	(14 501)
Debt securities issued	897	2 525	-	3 422
Subordinated borrowings	(6 637)	(441)	-	(7 078)
Other liabilities	620	(2 901)	-	(2 281)
Tax loss carry-forward	313 641	226 144	-	539 785
	(237 006)	302 864	(61 132)	4 726
Comprising of:				
Deferred tax asset	76 691			72 639
Deferred tax liability	(313 697)			(67 913)

RUB'000	Balance 1 January 2014	Recognised in profit or loss	Recognised in other comprehensive income and directly in equity	Balance 31 March 2014
Financial instruments at fair value through profit or loss	(19 797)	36 819	-	17 022
Available-for-sale financial assets	7 457	(371)	22 228	29 314
Derivative financial instruments	1 973	(27 350)	-	(25 377)
Loans to customers	(166 016)	24 728	-	(141 288)
Net investments in finance leases	51 462	(9 791)	-	41 671
Property, equipment and intangible assets	(379 271)	13 467	-	(365 804)
Other assets	-	526	-	526
Current accounts and deposits from customers	10 901	(10 901)	-	-
Debt securities issued	(2 504)	(1 089)	-	(3 593)
Other liabilities	103 180	(8 311)	-	94 869
	(392 615)	17 727	22 228	(352 660)
Comprising of:				
Deferred tax asset	51 462			41 671
Deferred tax liability	(444 077)			(394 331)

11 Cash and cash equivalents

	31 March 2015 RUB'000	31 December 2014 RUB'000
Cash on hand	3 659 476	5 148 414
Nostro accounts with the CBR	3 208 307	3 778 620
Nostro accounts with other banks		
- Largest 30 Russian banks	1 231 869	2 043 488
- OECD banks	724 444	987 138
- Other Russian banks	138 381	365 829
- Other foreign banks	126 012	103 972
Total nostro accounts with other banks	2 220 706	3 500 427
Term deposits with the CBR	-	1 500 000
Term deposits with other banks		
- Other foreign banks	612 349	45 408
- Other Russian banks	555 000	-
- Largest 30 Russian banks	500 153	153
Total term deposits with other banks	1 667 502	45 561
Total cash and cash equivalents	10 755 991	13 973 022

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

12 Financial instruments at fair value through profit or loss

	31 March 2015 RUB'000	31 December 2014 RUB'000
ASSETS		
Held by the Group		
Debt and other fixed-income instruments		
- Promissory notes		
rated from BB- to BBB+	1 607 738	-
rated below B+	581 565	-
Total promissory notes	2 189 303	-
Derivative financial instruments		
Foreign currency and securities contracts	101 981	44 348
	101 981	44 348
Total financial instruments at fair value through profit or loss held by the Group	2 291 284	44 348
Total financial instruments at fair value through profit or loss	2 291 284	44 348
LIABILITIES		
Derivative financial instruments		
Foreign currency and securities contracts	992	6 492
	992	6 492

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

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

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

The table below analyses financial instruments at fair value through profit or loss at 31 March 2015, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the consolidated interim condensed statement of financial position:

RUB '000	Level 1	Level 2	Total
Financial instruments at fair value through profit or loss			
- Debt and other fixed income instruments	-	2 189 303	2 189 303
- Derivative assets	101 981	-	101 981
- Derivative liabilities	(992)	-	(992)

The table below analyses financial instruments measured at fair value through profit or loss at 31 December 2014, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the consolidated interim condensed statement of financial position:

RUB '000	Level 1	Level 2	Total
Financial instruments at fair value through profit or loss			
- Derivative assets	-	44 348	44 348
- Derivative liabilities	-	(6 492)	(6 492)

Foreign currency and securities contracts

The table below summarises, by major currencies, the contractual amounts of forward exchange and securities contracts outstanding at 31 March 2015 and at 31 December 2014 with details of the contractual exchange rates and remaining periods to maturity. Foreign currency amounts presented below are translated at rates ruling at the reporting date. The resultant unrealised gains and losses on these unmaturing contracts are recognised in profit or loss and in financial instruments at fair value through profit or loss, as appropriate.

	Notional amount		Weighted average contractual rates	
	31 March 2015 RUB'000	31 December 2014 RUB'000	31 March 2015 RUB'000	31 December 2014 RUB'000
Buy USD sell RUB				
Less than 3 months	324 477	84 388	57.88	57.37
Buy EUR sell RUB				
Less than 3 months	8 872	-	62.49	-
Buy EUR sell USD				
Less than 3 months	1 457 499	1 435 197	1.07	1.22
Buy CNY sell RUB				
Less than 3 months	18 836	22 677	93.75	93.62
Sell EUR buy RUB				
Less than 3 months	-	27 337	-	70.25
Sell USD buy RUB				
Less than 3 months	1 459 417	2 126 568	61.50	57.41
Buy shares of Aeroflot sell RUB				
Less than 3 months	8 498	-	33.50	-
Buy shares of PolyusZoloto sell RUB				
Less than 3 months	4 363	-	1039.55	-
Sell shares of Sberbank buy RUB				
Less than 3 months	5 002	-	62.88	-

13 Available-for-sale financial assets

	31 March 2015 RUB'000	31 December 2014 RUB'000
Held by the Group		
Debt and other fixed-income instruments		
- Government and municipal bonds		
Russian Government Federal bonds (OFZ)	228	328 213
Russian Government Eurobonds	250	291 457
Regional authorities bonds	165 040	-
Total government and municipal bonds	165 518	619 670
- Corporate bonds		
rated from BB- to BBB+	4 037 680	5 554 421
not rated	86 952	47 124
Total corporate bonds	4 124 632	5 601 545
Equity instruments		
- Corporate shares		
rated from BB- to BBB+	53 996	-
Total corporate shares	53 996	-
Total available-for-sale financial instruments held by Group	4 344 146	6 221 215
Pledged under sale and repurchase agreements		
- Government and municipal bonds		
Russian Government Federal bonds (OFZ)	349 736	-
Total government and municipal bonds	349 736	-
- Corporate bonds		
rated from BB- to BBB+	9 962 488	7 088 015
Total corporate bonds	9 962 488	7 088 015
Total available-for-sale financial instruments pledged under sale and repurchase agreements	10 312 224	7 088 015
Total available-for-sale financial instruments	14 656 370	13 309 230

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

None of available-for-sale financial assets are past due.

The table below analyses available-for-sale financial assets at 31 March 2015, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the consolidated interim condensed statement of financial position:

RUB '000	Level 1	Total
Available-for-sale financial assets		
- Debt and other fixed income instruments	14 602 374	14 602 374
- Equity instruments	53 996	53 996

The table below analyses financial instruments measured at fair value at 31 December 2014, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the consolidated interim condensed statement of financial position:

RUB '000	<u>Level 1</u>	<u>Total</u>
Available-for-sale financial assets		
- Debt and other fixed income instruments	13 309 230	13 309 230

14 Due from banks

	<u>31 March 2015</u> <u>RUB'000</u>	<u>31 December 2014</u> <u>RUB'000</u>
Term deposits		
- Other foreign banks	209 179	827 600
- OECD banks	153 184	165 206
- Largest 30 Russian banks	10 298	6 563
Total term deposits	<u>372 661</u>	<u>999 369</u>

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

15 Amounts receivable under reverse repurchase agreements

The table below sets out receivables under reverse repurchase agreements showing individual types of securities received as collateral under reverse repurchase agreements outstanding as at 31 March 2015:

	<u>Government and</u> <u>municipal bonds</u> <u>RUB'000</u>	<u>Corporate</u> <u>bonds</u> <u>RUB'000</u>	<u>Corporate</u> <u>shares</u> <u>RUB'000</u>	<u>Total</u> <u>RUB'000</u>
Amounts receivable under reverse repurchase agreements				
- Other Russian companies	821 978	688 595	1 838 150	3 348 723
- Other Russian banks	-	299 603	-	299 603
- Largest 30 Russian banks	-	-	100 000	100 000
	<u>821 978</u>	<u>988 198</u>	<u>1 938 150</u>	<u>3 748 326</u>

The table below sets out receivables under reverse repurchase agreements showing individual types of securities received as collateral under reverse repurchase agreements outstanding as at 31 December 2014:

	<u>Corporate</u> <u>bonds</u> <u>RUB'000</u>	<u>Total</u> <u>RUB'000</u>
Amounts receivable under reverse repurchase agreements		
- Other Russian companies	946 566	946 566
- Other Russian banks	614 245	614 245
	<u>1 560 811</u>	<u>1 560 811</u>

At 31 March 2015, the fair value of corporate bonds collateralising reverse repurchase agreements that the Group is permitted to sell or repledge in the absence of default is RUB 4 137 733 thousand (31 December 2014: RUB 1 879 496 thousand) out of which the Group repledged securities with fair value of RUB 892 486 thousand (31 December 2014: RUB 765 915 thousand) under repurchase agreements.

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

16 Loans to customers

	31 March 2015 RUB'000	31 December 2014 RUB'000
Loans to corporate customers	35 326 610	34 158 648
Loans to retail customers		
Consumer loans	52 460 316	54 436 681
Mortgage loans	9 808 106	10 123 948
Total loans to retail customers	62 268 422	64 560 629
Gross loans to customers	97 595 032	98 719 277
Impairment allowance	(15 582 637)	(13 127 938)
Net loans to customers	82 012 395	85 591 339

Movements in the loan impairment allowance by classes of loans to customers for the 3 months ended 31 March 2015 are as follows:

	Loans to corporate customers RUB'000	Loans to retail customers RUB'000	Total RUB'000
Balance at the beginning of the year	1 361 740	11 766 198	13 127 938
Net charge	368 638	2 600 788	2 969 426
Write-offs	(14 465)	(500 262)	(514 727)
Balance at the end of the period	1 715 913	13 866 724	15 582 637

Movements in the loan impairment allowance by classes of loans to customers for the 3 months ended 31 March 2014 are as follows:

	Loans to corporate customers RUB'000	Loans to retail customers RUB'000	Total RUB'000
Balance at the beginning of the year	670 578	5 140 698	5 811 276
Net charge	101 069	2 032 600	2 133 669
Balance at the end of the period	771 647	7 173 298	7 944 945

Credit quality of loans to customers

The following table provides information on the credit quality of loans to corporate customers as at 31 March 2015 and 31 December 2014:

	31 March 2015	31 December 2014
	RUB'000	RUB'000
Loans to corporate customers		
Loans without individual signs of impairment	33 341 666	32 463 471
Impaired loans:		
- not overdue	-	-
- overdue less than 90 days	432 876	369 540
- overdue more than 90 days and less than 1 year	893 212	772 110
- overdue more than 1 year	658 856	553 527
Total impaired loans	1 984 944	1 695 177
Total gross loans to corporate customers	35 326 610	34 158 648
Impairment allowance	(1 715 913)	(1 361 740)
Net loans to corporate customers	33 610 697	32 796 908

The following table provides information on the credit quality of loans to retail customers as at 31 March 2015:

	Consumer loans	Mortgage loans	Total loans to
	RUB'000	RUB'000	retail customers
			RUB'000
Loans to retail customers			
- not overdue	32 507 816	9 424 556	41 932 372
- overdue less than 30 days	2 143 025	66 126	2 209 151
- overdue 30-89 days	2 450 753	95 940	2 546 693
- overdue 90-179 days	3 112 092	66 976	3 179 068
- overdue more than 180 days	12 246 630	154 508	12 401 138
Total gross loans to retail customers	52 460 316	9 808 106	62 268 422
Impairment allowance	(13 756 652)	(110 072)	(13 866 724)
Net loans to retail customers	38 703 664	9 698 034	48 401 698

The following table provides information on the credit quality of loans to retail customers as at 31 December 2014:

	Consumer loans	Mortgage loans	Total loans to
	RUB'000	RUB'000	retail customers
			RUB'000
Loans to retail customers			
- not overdue	36 963 000	9 850 665	46 813 665
- overdue less than 30 days	1 859 284	50 719	1 910 003
- overdue 30-89 days	2 216 731	73 778	2 290 509
- overdue 90-179 days	2 859 085	64 610	2 923 695
- overdue more than 180 days	10 538 581	84 176	10 622 757
Total gross loans to retail customers	54 436 681	10 123 948	64 560 629
Impairment allowance	(11 699 080)	(67 118)	(11 766 198)
Net loans to retail customers	42 737 601	10 056 830	52 794 431

Asset securitisation

As at 31 March 2015, the Group transferred mortgage loans of RUB 3 799 124 thousand (31 December 2014: RUB 3 941 004 thousand) to MA APB and MA APB 2, entities that are, in substance, controlled by the Group. Accordingly, MA APB and MA APB 2 are consolidated into these consolidated interim condensed financial statements and the loans are included in the consolidated interim condensed statement of financial position. These loans serve as collateral for secured mortgage backed securities issued by the Group. As at 31 March 2015, the carrying amount of liabilities on these securities is RUB 2 847 469 thousand (31 December 2014: RUB 3 056 990 thousand).

17 Net investments in finance leases

Net investments in finance leases comprise:

	31 March 2015	31 December 2014
	RUB'000	RUB'000
Gross investments in finance leases	2 490 632	2 694 581
Less unearned finance lease income	(389 966)	(463 140)
	2 100 666	2 231 441
Less allowance for impairment	(165 870)	(149 251)
Net investments in finance leases	1 934 796	2 082 190

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

Future minimum lease payments to be received are disclosed below:

	31 March 2015	31 December 2014
	RUB'000	RUB'000
Within 1 year	1 728 286	1 768 833
From 1 to 5 years	762 346	925 748
Minimum lease payments receivable	2 490 632	2 694 581

Gross investment in leases is receivable in the following currencies:

	31 March 2015	31 December 2014
	RUB'000	RUB'000
RUB	2 173 295	2 376 670
USD	317 337	317 911
Gross investments in finance leases	2 490 632	2 694 581

Movements in the impairment allowance are as follows:

	31 March 2015	31 March 2014
	RUB'000	RUB'000
Balance at the beginning of the year	149 251	61 809
Net charge	17 065	5 324
Write-offs	(446)	-
Balance at the end of the period	165 870	67 133

18 Held-to-maturity investments

	31 March 2015 RUB'000	31 December 2014 RUB'000
Held by the Group		
Government and municipal bonds		
Russian Government Federal bonds (OFZ)	81 365	311 377
Regional authorities bonds	541 451	512 643
Total government and municipal bonds	622 816	824 020
Corporate bonds		
rated from BB- to BBB+	2 732 240	2 211 789
rated below B+	641 722	1 097
Total corporate bonds	3 373 962	2 212 886
Total held-to-maturity investments held by Group	3 996 778	3 036 906
Pledged under sale and repurchase agreements		
Government and municipal bonds		
Russian Government Federal bonds (OFZ)	225 518	-
Regional authorities bonds	229 598	360 338
Total government and municipal bonds	455 116	360 338
Corporate bonds		
rated from BB- to BBB+	2 135 891	1 690 159
rated below B+	492 041	457 245
Total corporate bonds	2 627 932	2 147 404
Total held-to-maturity investments pledged under sale and repurchase agreements	3 083 048	2 507 742
Total held-to-maturity investments	7 079 826	5 544 648

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

None of held-to-maturity investments are past due or impaired.

19 Property, equipment, intangible assets and investment property

RUB'000	Land and buildings	Computers and equipment	Fixtures and fittings	Vehicles	Intangible assets	Construction in progress	Total
Cost/revalued amount							
Balance at 1 January 2015	4 543 635	858 878	19 329	60 497	505 518	45 358	6 033 215
Additions and transfers	19 402	8 240	443	-	14 953	24 899	67 937
Disposals and transfers	(4 000)	(2 179)	(34)	-	(3 115)	(45 358)	(54 686)
Transfers from investment property	4 677	-	-	-	-	-	4 677
At 31 March 2015	4 563 714	864 939	19 738	60 497	517 356	24 899	6 051 143
Depreciation, amortisation and impairment losses							
Balance at 1 January 2015	138 630	506 720	12 658	34 862	188 448	-	881 318
Depreciation and amortisation for the period	31 464	29 121	500	2 410	18 719	-	82 214
Disposals	(101)	(2 061)	(34)	-	(3 115)	-	(5 311)
Balance at 31 March 2015	169 993	533 780	13 124	37 272	204 052	-	958 221
Carrying amounts							
At 31 March 2015	4 393 721	331 159	6 614	23 225	313 304	24 899	5 092 922
At 31 December 2014	4 405 005	352 158	6 671	25 635	317 070	45 358	5 151 897

There are no capitalised borrowing costs related to the acquisition or construction of property, equipment and intangible assets during 3 months ended 31 March 2015 (31 March 2014: nil).

RUB'000	Land and buildings	Computers and equipment	Fixtures and fittings	Vehicles	Intangible assets	Construction in progress	Total
Cost/revalued amount							
Balance at 1 January 2014	4 387 149	642 687	44 382	55 606	255 014	190 822	5 575 660
Additions and transfers	2 432	68 587	207	5 163	10 412	141 174	227 975
Disposals and transfers	-	(34)	(375)	(1 889)	(11 997)	(190 822)	(205 117)
At 31 March 2014	4 389 581	711 240	44 214	58 880	253 429	141 174	5 598 518
Depreciation, amortisation and impairment losses							
Balance at 1 January 2014	6 229	419 191	37 834	30 341	125 637	-	619 232
Depreciation and amortisation for the period	33 816	20 730	442	2 122	11 493	-	68 603
Disposals	-	(34)	(375)	(2 032)	(5 520)	-	(7 961)
Balance at 31 March 2014	40 045	439 887	37 901	30 431	131 610	-	679 874
Carrying amounts							
At 31 March 2014	4 349 536	271 353	6 313	28 449	121 819	141 174	4 918 644
At 31 December 2013	4 380 920	223 496	6 548	25 265	129 377	190 822	4 956 428

Investment property

	31 March 2015 RUB'000	31 March 2014 RUB'000
Balance at 1 January	44 123	49 213
Transfer to property, equipment and intangible assets	(4 677)	-
Fair value revaluation	(224)	(256)
Balance at 31 March	39 222	48 957

Fair value measurement of investment property is categorised as Level 3 in the fair value hierarchy.

20 Other assets

	31 March 2015 RUB'000	31 December 2014 RUB'000
Settlements on purchase of shares	1 500 000	-
Other receivables	260 255	273 439
Total other financial assets	1 760 255	273 439
Prepayments	345 743	289 552
Inventory	72 799	133 350
Materials and supplies	46 062	40 925
Advances on precious metals delivery	38 527	63 245
Prepayments for assets to be leased under finance lease	37 891	87 842
Other	286 860	183 370
Total other non-financial assets	827 882	798 284
Gross other assets	2 588 137	1 071 723
Less allowance for impairment of other non-financial assets	(94 961)	(75 560)
Net other assets	2 493 176	996 163

Movements in the impairment allowance are as follows:

	31 March 2015 RUB'000	31 March 2014 RUB'000
Balance at the beginning of the year	75 560	28 871
Net charge	21 637	682
Write-offs	(2 236)	-
Balance at the end of the period	94 961	29 553

21 Deposits and balances from banks

	31 March 2015 RUB'000	31 December 2014 RUB'000
Vostro accounts	540 667	146 920
Term deposits from banks	7 799 017	8 618 727
Term deposit from the CBR	1 000 000	1 955 985
	9 339 684	10 721 632

22 Amounts payable under repurchase agreements

The table below sets out payables under direct repo agreements showing individual types of securities transferred as collateral under repo agreements outstanding as at 31 March 2015:

RUB'000	Government and municipal bonds	Corporate bonds	Total
Amounts payable under direct repo agreements			
- The CBR	1 042 692	11 714 950	12 757 642
- Largest 30 Russian banks	526 181	41 428	567 609
	1 568 873	11 756 378	13 325 251

The table below sets out payables under direct repo agreements showing individual types of securities transferred as collateral under repo agreements outstanding as at 31 December 2014:

RUB'000	Government and municipal bonds	Corporate bonds	Total
Amounts payable under direct repo agreements			
- The CBR	317 890	8 520 294	8 838 184
	317 890	8 520 294	8 838 184

Fair value of securities transferred under repo agreements as at 31 March 2015 comprised RUB 14 259 583 thousand (31 December 2014: RUB 9 404 640 thousand).

23 Current accounts and deposits from customers

	31 March 2015 RUB'000	31 December 2014 RUB'000
Current accounts and demand deposits		
- Retail	4 127 492	4 374 344
- Corporate	12 239 454	13 594 354
Term deposits		
- Retail	55 930 565	54 258 564
- Corporate	9 727 785	12 270 452
	82 025 296	84 497 714

24 Debt securities issued

	31 March 2015 RUB'000	31 December 2014 RUB'000
Bonds	5 951 695	5 668 351
Promissory notes	304 526	838 240
	6 256 221	6 506 591

Bonds are presented by four issues: two of the Bank and the others of MA APB and MA APB 2.

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

In December 2012, the Group issued RUB 1 521 863 thousand of mortgage backed securities with a coupon rate of 8.75%. These securities mature not later than 26 April 2045 (see note 16 for more details) with partially repayments each quarter.

In February 2013, the Group issued RUB 3 000 000 thousand of bonds with a coupon rate as at 31 March 2015 of 12.00%. These bonds mature on 19 February 2016. The part of the issue amounted to RUB 2 645 020 thousand has been repaid by the Group at the put-option date on 22 August 2014.

In February 2014, the Group issued RUB 2 553 000 thousand of mortgage backed securities with a coupon rate of 9%. These securities mature not later than 1 October 2046 (see note 16 for more details) with partially repayments each quarter.

25 Subordinated borrowings

	31 March 2015 RUB'000	31 December 2014 RUB'000
Subordinated loan	4 293 457	4 021 246
	4 293 457	4 021 246

On 21 November 2012 the Bank attracted a subordinated loan in the amount USD 30 million from one of the Bank’s shareholders - IFC. The loan with interest rate 10.92% as at 31 March 2015 mature by tranches until 16 December 2019.

According to the terms of the agreement the Group is subject to a debt covenant stating that at the end of each quarter the Group should comply with a number of financial and non-financial covenants. As at 31 March 2015 and 31 December 2014 the Group breached one of the financial covenants. The Group and IFC is in process of negotiating the change of this covenant. Subordinated debt are not payable on demand as at 31 March 2015 and 31 December 2014.

On 10 July 2014, the Group issued subordinated Loan Participation Notes in the amount of USD 42 million for 5.5 years with interest rate of 11.00% through SCI Finance B.V., partially consolidated structured entity incorporated in the Netherlands. This entity was partially consolidated because portion of the entity is a deemed separate entity which is in substance “ring-fenced” from the rest of the entity, and the Group has control over deemed separate entity. The Group consolidated only those assets and returns related to the issue of Loan Participation Notes.

26 Other liabilities

	31 March 2015 RUB'000	31 December 2014 RUB'000
Payables to employees	311 694	182 575
Other taxes payable	151 633	150 783
Deferred commission on guarantees	99 292	77 123
Advances from lessees received	78 159	145 759
Payables to creditors	46 561	44 527
Other liabilities	150 363	102 861
	837 702	703 628

27 Analysis by segment

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

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

Segment breakdown of assets and liabilities is set out below:

	31 March 2015 RUB'000	31 December 2014 RUB'000
ASSETS		
Far East region	50 838 644	55 172 615
West region	48 712 147	40 828 079
Siberia region	26 725 801	28 858 843
Total assets	126 276 592	124 859 537
LIABILITIES		
Far East region	67 474 437	70 014 400
West region	27 886 089	25 057 952
Siberia region	17 232 323	17 411 503
Total liabilities	112 592 849	112 483 855

Segment information for the main reportable segments for the 3 months ended 31 March 2015 is set below:

RUB'000	Far East region	Siberia region	West region	Total
External interest income	1 984 076	1 206 079	657 983	3 848 138
Fee and commission income	297 414	126 746	94 826	518 986
Net (loss) gain on operations with securities (including interest income)	(434)	-	514 293	513 859
Net foreign exchange gain	212 738	82 756	3 288	298 782
Other operating income	1 612 967	49 688	5 802	1 668 457
Revenue	4 106 761	1 465 269	1 276 192	6 848 222
Impairment losses	745 176	1 393 849	129 081	2 268 106
Interest expense	1 664 274	470 598	538 200	2 673 072
Fee and commission expense	17 408	7 361	5 023	29 792
General administrative expenses	1 093 860	123 557	12 648	1 230 065
Segment result	586 043	(530 096)	591 240	647 187
Income tax expense				3 330
Profit for the period				643 857

Segment information for the main reportable segments for the 3 months ended 31 March 2014 is set below:

RUB'000	Far East region	Siberia region	West region	Total
External interest income	2 139 124	1 406 596	310 690	3 856 410
Fee and commission income	428 696	312 976	33 174	774 846
Net loss on operations with securities (including interest income)	(219)	-	(125 093)	(125 312)
Net foreign exchange (loss) income	(4 460 390)	44 249	4 542 890	126 749
Other operating income	105 555	55 166	1 142	161 863
Revenue	(1 787 234)	1 818 987	4 762 803	4 794 556
Impairment losses (recovery)	758 111	805 561	(104 723)	1 458 949
Interest expense	1 065 851	284 022	363 253	1 713 126
Fee and commission expense	16 129	7 912	2 876	26 917
General administrative expenses	804 813	316 113	49 444	1 170 370
Segment result	(4 432 138)	405 379	4 451 953	425 194
Income tax expense				190 186
Profit for the period				235 008

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

	31 March 2015 RUB'000	31 March 2014 RUB'000
Revenues		
Total revenues for reportable segments	6 848 222	4 794 557
IFRS accounting policy adjustments:		
- interest income on loans to customers and net investments in finance lease	172 414	266 498
- financial instruments at fair value	55 979	(25 444)
- reclassification of cash distribution from shareholders to capital	(1 500 000)	-
- other adjustments	56 897	113 204
Consolidated revenues	5 633 512	5 148 815
Profit or loss		
Total profit for reportable segments	643 857	235 009
IFRS accounting policy adjustments:		
- interest income on loans to customers and net investments in finance lease	172 414	266 498
- allowance for impairment of loans to customers, net investments in finance leases and other assets	(740 021)	(680 727)
- depreciation and amortisation of property and equipment and intangible assets	10 781	(8 869)
- financial instruments at fair value	55 979	(25 444)
- reclassification of cash distribution from shareholders to capital	(1 500 000)	-
- other adjustments	104 794	216 590
Consolidated (loss) profit for the period	(1 252 196)	3 057

	31 March 2015	31 December 2014
	RUB'000	RUB'000
Assets		
Total assets for reportable segments	126 276 592	124 859 537
IFRS accounting policy adjustments:		
- interest income on loans to customers	69 402	60 264
- allowance for impairment of loans to customers and net investments in finance leases	1 107 925	1 900 500
- allowance for impairment of other assets	284 780	268 487
- depreciation and amortisation of property and equipment and intangible assets and other adjustments to property cost	214 792	198 993
- financial instruments at fair value	(229 739)	(283 964)
- double repo adjustment	-	(764 820)
- deferred tax asset	72 639	76 691
- revaluation of property and equipment	364 143	364 391
- other assets of subsidiaries (net of intragroup transactions)	3 617 622	3 855 272
- other adjustments	(259 432)	(68 508)
Consolidated assets	131 518 724	130 466 843
Liabilities		
Total liabilities for reportable segments	112 592 849	112 483 855
IFRS accounting policy adjustments:		
- accounting for deferred tax liability	67 913	313 697
- liabilities of subsidiaries (net of intragroup transactions)	3 381 735	3 672 069
- double repo adjustment	-	(764 820)
- other adjustments	128 061	(93 544)
Consolidated liabilities	116 170 558	115 611 257

Information about major customers and geographical areas

For the 3 months ended 31 March 2015 and 2014, there were no corporate customers whose revenues individually exceed 10% of total revenue.

The majority of revenues from external customers relate to residents of the Russian Federation. The majority of non-current assets are located in the Russian Federation.

28 Capital management

The CBR sets and monitors capital requirements for the Group. The Group calculates amount of capital in accordance with Provision of the CBR dated 28 December 2012 No 395-P *On Methodology of Calculation of Own Funds (Capital) of the Credit Organisations (Basel III)*.

As at 31 December 2014, minimum levels of basic capital ratio (ratio N20.1), main capital ratio (ratio N20.2), own funds (capital) ratio (ratio N20.0) are 5.0%, 5.5% and 10.0%, accordingly. Since 1 January 2015 minimum level of ratio N20.2 is 6.0%. The Group is in compliance with the statutory capital ratios as at 31 March 2015 and 31 December 2014.

The calculation of capital adequacy for the Group based on requirements set by the CBR ratios as at 31 March 2015 and 31 December 2014 is as follows:

	31 March 2015 RUB'000	31 December 2014 RUB'000
Base capital	11 309 098	10 583 112
Additional capital	-	-
Main capital	11 309 098	10 583 112
Supplementary capital	4 833 942	4 706 475
Own funds (capital)	16 143 040	15 289 587
Risk-weighted assets	130 154 805	130 176 800
Ratio N20.1 (%)	8.80	8.23
Ratio N20.2 (%)	8.80	8.23
Ratio N20.0 (%)	12.40	11.75

The Group is subject to minimum capital adequacy requirements calculated in accordance with the methodology of International Finance Corporation (IFC) established by covenants under liabilities incurred by the Group. The Group has complied with all externally imposed capital requirements as at 31 March 2015 and 31 December 2014.

29 Commitments

	31 March 2015 RUB'000	31 December 2014 RUB'000
Contracted amount		
Guarantees and letters of credit	5 613 385	7 835 975
Undrawn overdraft facilities	4 540 480	4 025 655
Loan and credit line commitments	1 906 638	1 434 392
	12 060 503	13 296 022

As at 31 March 2015, the Group has a commitment to purchase 5 698 kg of gold and 102 kg of silver (31 December 2014: 3 573 kg of gold and 147 kg of silver) under contracts to be settled at the market price at the date of maturity.

30 Related party transactions

(a) Control relationships

The Group's parent company is LLC “PPFIN Region” (Russian Federation). As at 31 March 2015 and 31 December 2014, the ultimate beneficial owners of the Group were Mr. Andrey Vdovin (the owner of 22.528%), Mr. Alexey Maslovsky (the owner of 22.528%), Mr. Peter Hambro (the owner of 22.528%), East Capital Explorer Financial Institution Fund (Sweden) (the owner of 17.91%), International Finance Corporation (6.71%).

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

Total remuneration included in personnel expenses for the 3 months ended 31 March 2015 and 2014 is as follows:

	31 March 2015 RUB'000	31 March 2014 RUB'000
Short term employee benefits	25 587	19 060
	25 587	19 060

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

The outstanding balances and average effective interest rates as at 31 March 2015 and 2014 for transactions with the members of the Board of Directors and the Management Board are as follows:

	31 March 2015 RUB'000	Average effective interest rate, %	31 December 2014 RUB'000	Average effective interest rate, %
Consolidated interim condensed statement of financial position				
ASSETS				
Loans to customers	94 665	9.61%	298	21.67%
Other assets	1 545	-	1 498	-
LIABILITIES				
Current accounts and deposits from customers	119 824	9.29%	198 257	11.54%
Other liabilities	9 430	-	4 349	-
Commitments				
Undrawn loan commitments and overdraft	1 313	-	1 200	-

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

	31 March 2015 RUB'000	31 March 2014 RUB'000
Consolidated interim condensed statement of of profit or loss and other comprehensive income		
Interest income	308	-
Interest expense	(1 282)	(6 899)
Impairment losses	(520)	-
Other expenses (payments to the Board of Directors)	(2 543)	(529)

(c) Transactions with shareholders

The outstanding balances and average effective interest rates as at 31 March 2015 and 2014 for transactions with shareholders owning more than 10% share capital are as follows:

	31 March 2015 RUB'000	Average effective interest rate, %	31 December 2014 RUB'000	Average effective interest rate, %
Consolidated interim condensed statement of financial position				
ASSETS				
Loans to customers	4 973 335	11.38%	4 643 669	9.88%
LIABILITIES				
Current accounts and deposits	5	-	6	-
Commitments				
Undrawn loan commitments and overdraft	12 500	-	-	-

Amounts included in the consolidated statement of profit or loss and other comprehensive income in relation to transactions with shareholders for the 3 months ended 31 March 2015 and 2014 are as follows:

	31 March 2015 RUB'000	31 March 2014 RUB'000
Consolidated statement of profit or loss and other comprehensive income		
Interest income	131 447	-
Impairment losses	(6 599)	-

(d) Transactions with other related parties

Other related parties are represented by companies controlled by management, shareholders and the ultimate beneficial owners of the Group.

The outstanding balances and average effective interest rates as at 31 March 2015 and 2014 for transactions with other related parties are as follows:

	31 March 2015 RUB'000	Average effective interest rate, %	31 December 2014 RUB'000	Average effective interest rate, %
Consolidated interim condensed statement of financial position				
ASSETS				
Cash and cash equivalents	177	-	1 754	-
Loans to customers	31 441	21.56%	29 004	15.08%
Other assets	13	-	2 354	-
LIABILITIES				
Deposits and balances from banks	76 837	3.70%	24 663	3.70%
Current accounts and deposits from customers	909 572	-	811 335	-
Other liabilities	33	-	284	-
Commitments				
Undrawn loan commitments and overdraft	250	-	1 450	-

Amounts included in the consolidated statement of profit or loss and other comprehensive income in relation to transactions with other related parties for the 3 months ended 31 March 2015 and 2014 are as follows:

	31 March 2015 RUB'000	31 March 2014 RUB'000
Consolidated interim condensed statement of profit or loss and other comprehensive income		
Interest income	1 215	7 085
Interest expense	(115)	(5 798)
Commission income	-	1 819
Other income	-	2 411
Impairment (charge) recovery	(181)	65