

Our mission 11

Our values 11

Credit ratings 13

*Sberbank's
Position in
the Financial
Market 13*



Full name: *Sberbank of Russia.*

Abbreviated name: *Sberbank.*

The principal shareholder: *Central Bank of the Russian Federation
(Bank of Russia).*

Head office: *19 Vavilova St., 117997, Moscow, Russia.*



Our mission

- We instill confidence and sense of reliability, we make people's lives better, helping them to fulfill their dreams and aspirations.
- We are building one of the best financial services companies in the world, and our success will be based on the professionalism as well as the feeling of harmony and happiness of our staff.

Our values

- Openness and goodwill.
 - A drive for perfection.
 - Respect for traditions.
 - Integrity.
 - Prudence and professionalism.
 - Trust and responsibility.
 - Initiative and creativity.
 - Teamwork and effectiveness.
 - A healthy lifestyle (mind, body and soul)
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Herman Gref Named Businessman of the Year

20 June 2011, Moscow—Herman Gref, CEO and Chairman of the Management Board at Sberbank, was named Businessman of the Year in the Kommersant-Renaissance nomination. The Head of Sberbank was presented with the award for effective crisis management and restoring asset quality.

Sberbank Ranked as Europe's Third Largest Bank by Market Capitalisation

15 November 2011, Moscow—On 14 November 2011, Sberbank became the third largest bank in Europe by market capitalisation. With a market cap of almost USD 60 billion, Sberbank outranks such global leaders as France's BNP Paribas, Switzerland's UBS, German's Deutsche Bank and Britain's Barclays and Royal Bank of Scotland.

Sberbank Recognised as Best Russian Company in India

3 October 2011, Moscow—At the 3rd Russia-India Business Dialogue Forum, Sberbank received an award as the Best Russian Company in India.

Sberbank Employees Honoured with State Awards

15 November 2011, Moscow—In accordance with Order No. 1388 of the President of the Russian Federation, dated 19 October 2011, a number of Sberbank employees were honoured with Russian Federation state awards. Bella Zlatkis and Stanislav Kuznetsov, both Deputy Chairmen of the Management Board, were awarded the Order of Merit for the Motherland of the IV degree for their outstanding contribution to the development of the national banking system and many years of committed service.

Fitch Ratings Revises Individual Rating of Sberbank from C/D to C

11 April 2011, Moscow—On 8 April 2011, the rating agency Fitch Ratings revised Individual Rating of Sberbank (RTS: SBER; MICEX: SBERO3) from C/D to C. According to the agency, the upgrade of the Individual Rating reflects the stabilisation of Russia's operating environment and of the Bank's own asset quality and performance.

Sberbank Recognised as Most Valuable Russian Brand

24 March 2011, Moscow—Brand Finance, a consulting company, published its annual rating of the 500 Most Valuable Brands. With a brand value of over USD 12 billion, Sberbank was recognised as the most valuable Russian Brand. Sberbank, 65th in the global rating, was the only Russian company in the top 100. Brand Finance rated Sberbank as the world's 19th most valuable banking brand.

Sberbank Ranked as One of the Largest Global Corporations in 2010

28 July 2011, Moscow—Sberbank was the only Russian bank included in the 2010 list of the largest global corporations published by the US magazine Fortune. The Bank ranked 298th in the overall Fortune Global 500 rating.

Sberbank Leads the Way as the Most Recognisable and Popular Russian Banking Brand

25 April 2011, Moscow—Research published by the Russian National Agency for Financial Studies found that Sberbank is the most recognisable and popular Russian banking brand.



CREDIT RATINGS

SBERBANK'S LONG-TERM RATINGS

Year	Fitch	Moody's
2003	BB+	Ba1
2004	BBB-	Ba1
2005	BBB	Baa2
2006	BBB+	Baa2
2007	BBB+	Baa2
2008	BBB+	Baa1
2009	BBB	Baa1
2010	BBB	Baa1
2011	BBB	Baa1

RATINGS ASSIGNED FOR SBERBANK'S INTERNATIONAL BORROWINGS, 2011

Obligations of Sberbank of Russia	Fitch	Moody's
Borrowings under MTN Programme	BBB	A3
Russian Federation Eurobonds	BBB	Baa1

SBERBANK'S POSITION IN THE FINANCIAL MARKET

Russia's *economy* grew in 2011 against a backdrop of slow or negative growth in developed markets characterised by a high level of external and domestic debt. Amid ongoing escalation of the European sovereign debt crisis, the economic recovery in the United States was sluggish. While volatility in the domestic stock and money markets markedly increased, in 2011 the Russian economy continued its steady growth, with GDP rising 4.3%. This growth was driven by strong consumer and investment demand on the domestic market.

Retail sales rose 7.2%, fuelled by deferred demand and lower savings levels. These factors had certain implications for Russian banks' retail businesses:

Customer deposits slowed from 31% in 2010 to 21% in 2011. With Sberbank's customer deposit growth rate being below the market average (18%), its share in this segment reduced from 47.9% to 46.6%.

Banks *actively increased retail lending*. Retail loans grew almost one third over the year (36%). Sberbank maintained a market share of 32% in this segment thanks to a growth rate comparable to the market average.

Russian banks worked keenly with *domestic companies and enterprises* whose deposits and loans grew 26% and 27% respectively. Sberbank also continued to work closely with its corporate customers, especially in the corporate lending segment where its market share increased from 31.3% to 32.9%.

One of the hallmarks of the development of the Russian banking sector in 2011 was that lending grew at a faster pace than customer deposits, putting more pressure on the liquidity of the domestic banking sector in the second half of the year. 2011 saw a steady improvement in the *quality of loan portfolios* in the domestic banking sector. Non-performing loans to corporate customers and individuals dropped markedly over the year. Sberbank also placed a special focus on the quality of its loan portfolio and continued its effort to collect non-performing loans. At the same time, Sberbank actively expanded its term loan portfolio. Together these efforts helped to reduce the share of non-performing loans from 7.3% to 4.9%.



In 2011, Sberbank recovered provisions for certain loan as part of ongoing measures to deal with non-performing assets. While the Bank continued to make provisions on new loans, overall provision charges reduced substantially over the year. This reduction had a positive effect on the level of income, which reached a record high and accounted for 46.5% of total income earned by the national banking sector*.

SBERBANK'S SHARE IN VARIOUS SEGMENTS OF THE FINANCIAL SERVICES MARKET

%	2011	2010
Assets	26.8	27.3
Equity	29.1	26.4
Corporate lending	32.9	31.3
Retail lending	32.0	31.9
Corporate accounts	14.5	15.9**
Retail deposits	46.6	47.9
Income before tax	46.5	39.2

* Quoted before tax and without taking into account events after the balance sheet date. Source: Overview of the Russian Banking Sector (Internet version), No. 113, March 2012

** The 2010 data was restated to reflect a change made in 2011: balances in precious metals were excluded.