



**Herman Gref**  
*CEO and Chairman  
 of the Management Board*

>> *Dear Shareholders,  
 Clients and Partners,*

Throughout 2011, in the face of great uncertainty in the financial markets, Sberbank continued to successfully implement its development strategy. This sent a clear signal to the Bank's shareholders, clients, employees and partners that we are very serious in our intention of becoming one of the world's leading financial institutions.

Last year we focused heavily on boosting the quality of customer service, improving internal processes and introducing new technologies. The Bank took a number of important decisions regarding the Group's development and expanding the geography and structure of our operations. We also continued with ongoing initiatives to develop our employee motivation and training system.

2011 was a very special year for Sberbank as we celebrated our 170th anniversary. It provided an occasion for us to once again recognise the importance of continuity from generation to generation as a crucial factor in our successful development and continued ability to compete. It was symbolic that the Bank closed 2011 with record financial results. I would like to highlight what I see as Sberbank's most important achievements in the last year.

#### PROFIT/FINANCIAL RESULTS

- Record profit
- Increased dividends for 2010

#### ENTERING NEW MARKETS

- Tapping the global capital markets (GDR programme)
- Creating a strong Russian corporate and investment bank following the acquisition of Troika Dialog
- Entering the Central and Eastern European markets (agreeing on the main conditions for the acquisition of Volksbank International with its shareholders)

#### PRODUCTS AND SERVICES

- Launching a comprehensive offering for young people
- Rolling out a client loyalty programme
- Issuing our 60-millionth card and taking our place as the leader in the Russian credit card market
- Further developing and refining our risk management system

#### INVESTING IN HUMAN CAPITAL

- Opening our corporate university
- Rolling out our corporate pension scheme
- Hosting an international financial conference in honour of Sberbank's 170th anniversary

#### DEVELOPING INFRASTRUCTURE

- Launching a large-scale programme to reformat our network of service outlets
- Opening the largest data processing centre in Europe
- Creating a unique archive and logistics centre in Tomilino in the Moscow Region.

These new facilities will allow the Bank to make considerable savings and transfer its operations to a radically different technological platform. The launch of the Tomilino centre alone will save RUB 1.7 billion over the next three and a half years.

Sberbank adopted a corporate social responsibility policy in 2011 that defined the Bank's principles, aims and objectives in this field. Separately I would also like to highlight improvements made in the Bank's relations with minority shareholders and in the work of the Minority Shareholders' Committee.



As part of a conference held in celebration of Sberbank's 170<sup>th</sup> anniversary, we tried crowdsourcing for the first time in a discussion of the Bank's growth prospects. The aim of crowdsourcing is to involve "the collective brains" of our employees, clients and anyone with an interest in the Bank's activities to accomplish challenging and complex tasks.

This first attempt was a success. It also proved that crowdsourcing really does allow us to combine the intellectual capacity and energy of a huge number of people to resolve pressing development issues. The Bank believes this technique has enormous potential and I am certain that the future lies in crowdsourcing.

Sberbank's key objectives in 2012 include developing new ways for the Bank to interact with clients that go beyond the traditional idea of banking services (such as through the Internet, social networks and mobile banking) and promoting services for small- and medium-sized businesses. We will also continue to develop through ongoing improvements to the Bank's long-standing competitive advantages, driven by our philosophy of continuous development and drawing on the Bank's ability to invest significant resources in advanced technologies and processes.



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