

### **Belinvestbank Group`s IFRS results for three months ended 31 March 2013**

The operating income of the Group for three months ended 31 March 2013 reached BYR 294,503 million and increased by 1.16% in comparison with three months ended 31 March 2012.

The operating expenses of the Group for three months ended 31 March 2013 reached BYR -215,841 million and increased by 3.00% vis-a-vis three months ended 31 March 2012.

Net profit before loss on net monetary position reached BYR 69,550 million and increased by 2.11% (three months ended 31 March 2012: BYR 68,110 million).

The net profit before loss on net monetary position increase was driven by the growth of net interest income before provision for impairment losses, increase both in share in net profit of associate and in net fee and commission income and also by the decline in the loss on net monetary position by 16.23%. The growth of operating expenses and of initial recognition adjustment on interest bearing assets and liabilities and increase in provision for impairment losses on loans to customers led to decrease in the net profit before loss on net monetary position.

With the effect from 1 January 2011, the Belarusian economy is considered to be hyperinflationary in accordance with the criteria in IAS 29 “Financial Reporting in Hyperinflationary Economies”. The application of IAS 29 resulted in an adjustment for the loss of purchasing power of the Belarusian Rouble. In a period of inflation the Group holding an excess of monetary assets over monetary liabilities loses purchasing power, which results in a loss on the net monetary position (BYR -40,780 and -48,683 million on 31.03.2013 and 31.03.2012 respectively). This loss is derived from the restatement of non-monetary assets and liabilities, equity and items in the consolidated statement of comprehensive income.

Net profit after loss on net monetary position reached BYR 28,770 million (2012: 19,427 million). The total comprehensive income reported in consolidated statement of comprehensive income totaled BYR 29,269 million versus net comprehensive income totaled 29,446 million for three months ended 31 March 2012.

### Highlights for three months ended 31 March 2013

	Three Months ended 31 March 2013 BYR million (%)	Three Months ended 31 March 2012/ Year ended 31 December 2012 BYR million (%)	Change
<b>Operating income</b>	294,503	291,118	1.16%
<b>Net interest income before provision for impairment losses on interest bearing assets</b>	135,805	97,157	39.78%
<b>Net non-interest income</b>	204,840	228,131	-10.21%
<b>Operating expenses</b>	-215,841	-209,563	3.00%
<b>Net profit before loss on net monetary position</b>	69,550	68,110	2.11%
<b>Loss on net monetary position</b>	-40,780	-48,683	-16.23%
<b>Loans, gross</b>	12,372,176	11,904,863	3.93%
<b>Allowances for impairment losses on loans to customers</b>	-427,340	-424,874	0.58%
<b>Total comprehensive income</b>	29,269	29,446	-0.60%
<b>Total assets</b>	18,671,296	19,311,810	-3.32%
<b>Risk weighted assets</b>	14,541,557	14,062,529	3.41%
<b>Net loans</b>	11,944,836	11,479,989	4.05%
<b>Due to customers</b>	12,785,659	13,717,069	-6.79%
<b>Total equity</b>	2,257,981	2,240,549	0.78%
<b>Capital adequacy ratio, Basel 1</b>	15.5%	15.9%	-0.4 p.p.
<b>ROE (%)</b>	1.30%	1.34%	-0.04 p.p.
<b>ROA (%)</b>	0.15%	0.15%	0 p.p.
<b>Cost to income ratio</b>	0.73	0.72	0.01
<b>NPL/Loans gross, (%)</b>	1.07%	0.75%	0.32 p.p.
<b>Loan Impairment Charge/Gross Loans</b>	3.45%	3.57%	-0.11 p.p.
<b>Assets / Equity</b>	8.27	8.62	-0.35
<b>Allowance for impairment on loans to customers/NPL</b>	3.23	4.76	-1.53