

## Sberbank Belarus (SBB)

Sberbank Belarus showed somewhat slower growth rates versus other CIS subsidiaries. Its assets expanded 6.0% and net loans increased 20.3%. SBB already has a strong position on the Belarusian market, though it is only the third largest bank by assets and corporate loans. As the interest rate environment in Belarus gradually normalized in 2012 after the country's currency devaluation and sharp increase in interest rates in 2011. This led to decrease of loss on non-monetary position to 1.3 bln RUB. At the same time SBB's lending margins declined, as well as forex trading incomes and the bank's operating costs increased on the back of salary inflation. These factors combined resulted in a 57% drop in SBB's net income on the standalone basis for 2012, but allowed to earn profit of 0.8 bln RUB.