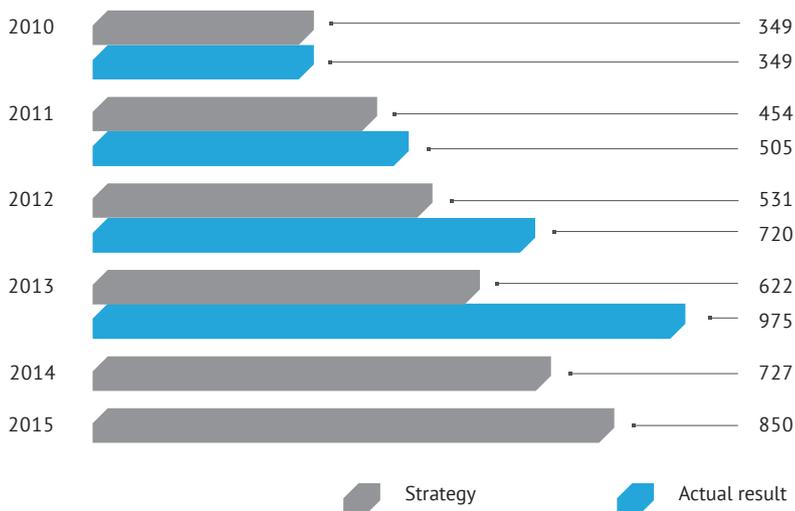


**1. Vnesheconombank's  
2011-2015 Development  
Strategy: Progress in 2013**

# RUB 975 bn

As at 01.01.2014, the Bank's loan portfolio stood at RUB 975 bn, having exceeded the target set in its Development Strategy for 2011-2015 (hereinafter - the Strategy) by 56.7%.

Development Bank's Loan Portfolio, RUB bn

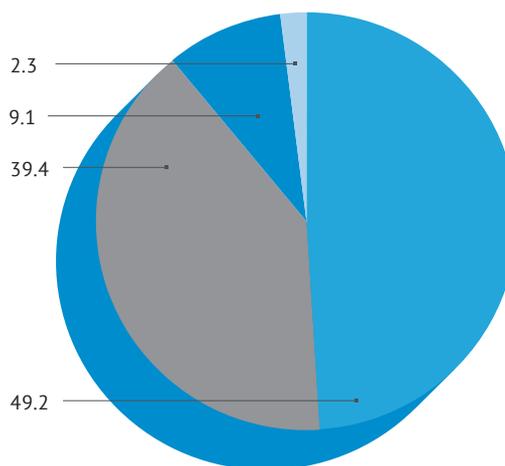


In general, the sectoral structure of the Bank's loan portfolio corresponds to that envisaged by the Strategy for the year-end 2015.

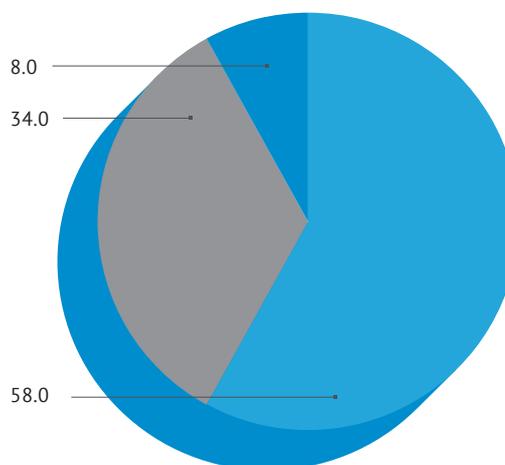
The year 2013 witnessed some increase in loans for infrastructure projects (from 36.4% as at 01.01.2013 up to 39.4% as at 01.01.2014). At the same time, there was a slight decrease in loans to industries and agricultural complex.

Development Bank's Loan Portfolio: Sectoral Structure, %

Actual result as at 01.01.2014



Strategy target for 2015

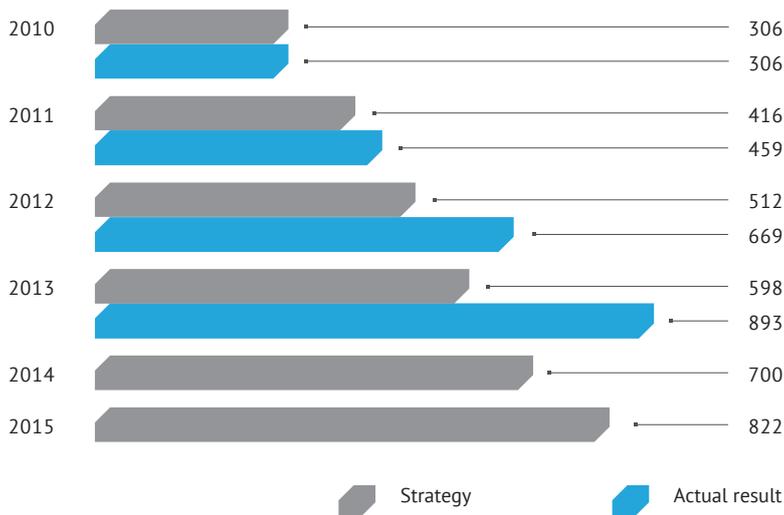


- Industries
- Agricultural complex
- Infrastructure sectors
- Other sectors

**RUB 893 bn**

Loans extended for investment projects accounted for RUB 893 bn, which is by 49.3% more than the Strategy target for the year-end 2013.

Loans Extended for Investment Projects, RUB bn



**RUB 182 bn**

As at 01.01.2014, the loans extended to finance projects in priority areas of economic modernization specified in the Strategy reached RUB 182 bn (as at 01.01.2013 – RUB 160 bn).

More than 80% of such loans account for the loans granted to finance projects aiming to increase energy efficiency.

Promotion of innovations is viewed by Vnesheconombank as one of the key strategic priorities.

**33.8%**

Innovative projects account for 33.8% of the Bank's loan portfolio, with the minimum Strategy target for the year-end 2015 running at 20%.

**RUB 7.5 bn**

Projects submitted to Vnesheconombank in 2013 by the Agency for Strategic Initiatives (ASI) for consideration of fundraising totaled RUB 7.5 bn.

In compliance with the Strategy, Vnesheconombank actively uses private equity fund mechanisms to raise foreign capital to develop the Russian economy. In the reporting period, the Russian Direct Investment Fund (RDIF) established by Vnesheconombank was increased to reach RUB 124.6 bn. The Fund's resources made it possible to attract into the Russian economy some USD 8.5 bn as part of long-term strategic partnerships with foreign investors. More than 10 leading international investors were engaged as co-investors in major Russian companies operating, primarily, in non-raw material sectors.

In line with the regional priorities identified in the Strategy for investment activities, Vnesheconombank increased the authorized capital of its development subsidiaries The Far East and Baikal Region Development Fund (the Fund) and The North Caucasus Development Corporation (NCDC). Thus, the Fund's authorized capital was increased by RUB 15 bn owing to a state subsidy, and that of NCDC - by RUB 4 bn. The resources are earmarked for financing of investment projects to be delivered in the respective regions.

Furthermore, Vnesheconombank stepped up efforts to support national exporting producers and foreign importers of Russian high-tech products.

**RUB 22.3 bn**

*The Bank's loan portfolio to support exports reached RUB 22.3 bn having exceeded the Strategy target for the year-end 2013 (RUB 19 bn).*

**RUB 99.6 bn**

*The Bank issued RUB 99.6 bn worth of guarantees to support exports, which is 4 times larger than the Strategy target for the year-end 2013 (RUB 24 bn).*

**USD 0.9 bn**

*EXIAR's liabilities under insurance policies effective as at 01.01.2014 amounted to RUB 0.9 bn.*

**USD 10 bn**

*In compliance with the agreement on guarantees to be issued by Vnesheconombank for EXIAR's liabilities, the total liability limit reached USD 10 bn.*

Among other Vnesheconombank's priority objectives, the Strategy formulates the task of support for SMEs engaged in innovative projects, and projects aimed at production modernization and increased energy efficiency. The support is provided through the SME Bank. As at 01.01.2014, the amount of loans extended to SMEs engaged in the above-mentioned activities reached RUB 57.6 bn (as at 01.01.2013 – RUB 51.3 bn).

Furthermore, Vnesheconombank has been successfully increasing its medium- and long-term resource base. Thus, the amount of funds raised in 2013 in the capital markets for a term exceeding 1 year is equivalent to RUB 273.5 bn.

## Vnesheconombank's 2011-2015 Strategy Action Plan: Progress in 2013

In 2013, the 2011-2015 Strategy Action Plan (the Action Plan) was updated.

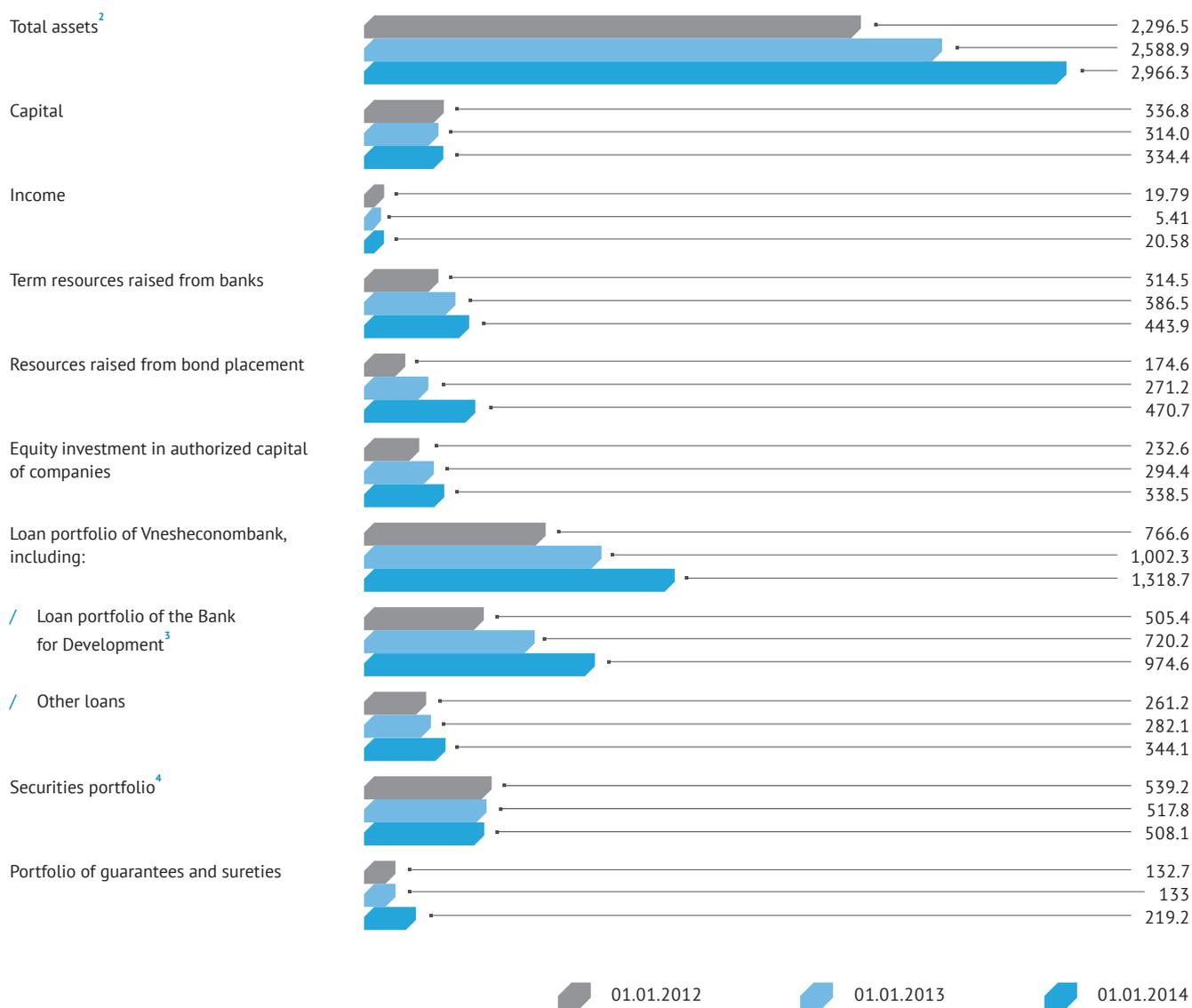
The updated Action Plan provides for 103 projects and measures designed to accomplish, prior to the year-end 2015, the Strategy objectives and tasks facing the Bank.

Such projects and measures relate to various areas of Vnesheconombank's activities. In particular, they include investment project finance, industrial export support, promotion of SMEs and PPPs, integrated development of territories, support for single industry towns, functions of the Agent for the Russian Government, and CSR efforts.

In compliance with the updated Action Plan, 63 projects and events are to be completed by the year-end 2013, in particular, 3 events on the yearly basis. As at 01.01.2014, 58 items of the Action Plan were cleared including 4 projects (events) of the future reporting periods. Implementation of 9 projects and events has been postponed.

More details about Vnesheconombank's activities by priority lines in compliance with the Strategy are to be found in the respective sections of the Report.

## Development Dynamics: Major Financial Highlights<sup>1</sup>, RUB bn



<sup>1</sup> In the given report, all the values of the financial indicators are calculated based on the accounting data (formats 0409101 and 0409102).

<sup>2</sup> Taking full account of net income, as well as positive and negative revaluation of securities available for sale ("analytical" total assets).

<sup>3</sup> Portfolio of loans extended by VEB to non-credit institutions, public executive bodies and municipalities (including the respective bodies of foreign states) excluding loans extended using the funds of the CBR and NWF.

<sup>4</sup> Debt and equity securities (excluding equity investment), but including equity participation in investment funds.

As at 01.01.2014, among 10 top Russian banks (in terms of total assets) Vnesheconombank ranked

1. Indicator	2. Ranking
Total assets	4
Income before income tax	7
Capital	4
Loans to non-financial organizations	4
Loans to credit organizations	3
Loans, deposits and other funds from credit organizations	3
Deposits and other funds from non-credit organizations	4

Vnesheconombank's Ratings as at 1 January 2014

1. Indicator	2. Moody's	3. Standard & Poor's	4. Fitch Ratings
<b>Long-Term</b>			
in RUB	Baa1	BBB+	BBB
in foreign currency	Baa1	BBB	BBB
<b>Outlook</b>	Stable	Stable	Stable
<b>Short-Term</b>			
in RUB	P-2	A-2	
in foreign currency	P-2	A-2	F-3