

DENİZBANK AG  
ANNUAL REPORT  
2013

## CONTENTS

00	Agenda of the Annual General Meeting
01	Supervisory Board's Report
02	Management Board's Report
14	Directors and Officers of the Bank
16	Balance Sheet as of December 31, 2013
18	Profit and Loss Account for the Financial Year 2013
19	Development of Fixed Assets
20	Notes to the Annual Financial Statement
21	Notes to the Balance Sheet and the Profit and Loss Account
26	Auditor's Report
29	Company Directory

## AGENDA OF THE ANNUAL GENERAL MEETING

18<sup>th</sup> Annual General Meeting of DenizBank Ag was held on 2<sup>nd</sup> April 2014

1. Presentation of the Annual Report 2013, including financial statements and the Supervisory Board's report
2. Resolution on the distribution of profits
3. Resolution on the discharge of the Management Board for the 2013 financial year
4. Resolution on the discharge of the Supervisory Board for the 2013 financial year
5. Election / Appointment of the Supervisory Board
6. Appointment of the Auditor for the financial Year 2015

## SUPERVISORY BOARD'S REPORT

We are confident that DenizBank AG will continue to demonstrate a successful performance in the coming years.

Despite the continued challenges posed to the global financial industry, DenizBank AG again delivered an outstanding result. Bolstered by strong capitalization and a dynamic funding base, DenizBank AG took advantage of the opportunities offered in the market while applying a strict risk management policy.

The Management Board has reported to the Supervisory Board about the expansion of the business in Austria, Germany and Russia, as well as significant lending commitments, investments and other important matters.

During the 2013 financial year, the Supervisory Board met four times; March 15<sup>th</sup>, June 13<sup>th</sup>, September 16<sup>th</sup> and December 9<sup>th</sup>. The duties of this Board were instituted in accordance with the Law and the Articles of Association. The Board is responsible for continuously supervising the activities of the Bank's Management Board. Information about the Bank's intended business strategies, position, development and key transactions is communicated both in writing and verbally by the Management Board in a regular, comprehensive and timely manner. The Management Board submits regular reports on the extent to which group risk exposure limits have been utilized. The Supervisory Board also conducts other in-depth examinations of key risk control aspects and has established Audit, Risk, Credit Approval, Nomination and Remuneration Committees to supervise the Bank's business in line with its regulatory mandates.

The 2013 DenizBank AG financial statements and Management Report were prepared in accordance with the UGB (Austrian Enterprise Code) and audited by Deloitte Wirtschaftsprüfungs GmbH, Vienna. The Supervisory Board and its Audit Committee duly noted and approved the results of the audit; the final examination revealed no deficiencies. Internal Audit, Controlling, Legal, Compliance & Anti Money Laundering, Risk Management and Credit Risk Management Departments provided the Audit Committee of the Supervisory Board with reports on a regular basis.

With recommendation of the Audit Committee, the Supervisory Board approved the Management Report and proposal for use of net profit and approved the Balance Sheet in accordance with § 96 (4) of the Corporation Law.



Mr. Alexander Vedyakhin was appointed by the General Assembly on 15<sup>th</sup> March 2013 as a Member of the Supervisory Board. Mr. Sergey Gorkov was appointed by the General Assembly on 16<sup>th</sup> Aug 2013 as a Member of the Supervisory Board and subsequently elected as Chairman of the Supervisory Board in its meeting on the 16<sup>th</sup> Sept 2013, while Mr. Hakan Ateş and Mr Derya Kumru were elected in the same meeting as First Deputy Chairman and Second Deputy Chairman of the Supervisory Board respectively.

The Supervisory Board has every reason to be proud of the Bank's accomplishments since its acquisition in September 2002.

We are confident that DenizBank AG will continue to demonstrate a successful performance in the coming years. The strength and expertise of the DenizBank Financial Services Group, the Supervisory Board and the shareholders all support the Management Board in their drive toward becoming one of the most influential and admired banks in the region.

Vienna, March 2014

The Supervisory Board

A stylized, handwritten signature in black ink, appearing to read 'S. Gorkov'.

**SERGEY GORKOV**  
CHAIRMAN OF THE SUPERVISORY BOARD

## MANAGEMENT REPORT

Through 2013 we expanded our business lines and market share in all of our home markets.

### Overall Economic Conditions

Although the macroeconomic view for Europe is now much better than a year ago, recovery is heterogeneous in the euro area. After stagnating in the first half of the year, the Austrian economy recovered slightly in the 2<sup>nd</sup> half, against the backdrop of a marked but still weak upturn in the euro area. Among the largest EU economies, in Germany, in the UK, and in Poland GDP growth is still low but above zero, whereas in France and Italy the economies are still not growing. In terms of unemployment, Greece and Spain are recording worrisome rates above 25%, while Austria is keeping its lead in the EU. With respect to inflation, most of euro area members faced declining inflation rates towards the end of last year, Greece, Bulgaria and Cyprus even had negative inflation rates.

Moreover, 2013 was characterized by central bank actions as the ECB has reacted to the economic dynamics by lowering the main refinancing rate twice in the past year (May 2, November 7). Unlike the ECB's easing, the Fed has started monetary tightening towards the end of the year by tapering its monthly bond purchases and has announced scaling them back on a monthly basis. With the BoE, BoJ and ECB easing and the Fed tightening we will have a different overall picture this year. Going forward, countries with large external imbalances will see more turbulence as FDIs will fade away.

With Basel III approaching and the 'Asset Quality Review' looming, banks in Europe have continued their deleveraging cycles during the past year by mostly cutting loans mainly affecting SMEs.

Thanks to our vision and stable business model we continued to enhance our market share as well as reputation in the market. Through 2013 we expanded our business lines and market share in all of our home markets: Austria, Germany, Russia and Turkey. Our geographic differentiation allowed us to address regional imbalances in a timely manner and to improve our overall profit.

### Business Performance

The year 2013 was marked by further business growth. We increased the number of customers again significantly with a service- and demand oriented client support provided by branches as well as online banking ([www.denizbank.at](http://www.denizbank.at) for Austria, [www.denizbank.de](http://www.denizbank.de) for Germany). We have opened additional 11 branches in Austria and Germany. Three of them were opened in Vienna (Schottenring, Landstraßer Hauptstraße and Meidlinger Hauptstraße), one in Lower Austria (St. Pölten), one in Upper Austria (Wels) as well as 6 new branches in Germany (Dortmund, Berlin, Mannheim, Munich, Hamburg and Stuttgart). In 2013 we were present with 18 branches in Austria, our foreign branch in Frankfurt am Main and 6 sub-branches of Frankfurt. With long opening hours, including Saturdays, phone contact center and the online banking portal we are close to our customers and at all times reachable.

Furthermore we offer our private and corporate customers our foreign payment service which is being used also by clients who are not in a constant business relationship with the Bank.

The cooperation with MoneyGram, which allows quick payment transactions worldwide, will be continued, providing our customers access to about 300,000 payment offices around the world.

Specializing in foreign trade financing, business contracts and start-ups in Turkey, our Bank is an important partner in dynamically growing bilateral trade- and investment relationships for both private and corporate customers. The dense branch network of our parent company in Turkey facilitates our broad offerings for foreign trade and business contract services, especially to medium sized companies. Our customers thereby profit from group-wide synergies with DenizBank Financial Services and Sberbank Group.

The rapidly expanding DenizBank Financial Services Group owns almost 100% of Deniz Bank AG. Our parent company DenizBank A.Ş., Turkey is amongst the fifth largest private banks in Turkey, with about 700 branches in Turkey, a powerful corporate banking & corporate finance franchise and a workforce of over 14.000. As part of this Turkish group we have a strong focus on mutual customers.

In September 2012, the Russian Sberbank acquired Deniz Financial Services Group. Sberbank is the largest bank in Russia and accounts for 28.9% of all Russian banking sector assets and employs nearly 298 thousand people. The Central Bank of the Russian Federation (Central Bank of Russia - CBR) is the founder and major shareholder of Sberbank, owning 50% of the total share capital plus one voting share. Other shares are held by more than 226 thousand individual and institutional investors. The Bank has the largest distribution network in Russia with over 18,500 branches as well as subsidiaries in Kazakhstan, Ukraine, Belarus and Switzerland, a branch in India, and representative offices in Germany and China. With the acquisition of Volksbank International in 2012 Sberbank gained presence in Austria and eight Central and Eastern European countries. Sberbank also provides investment banking services in Kazakhstan, Ukraine and Belorussia, as well as in Great Britain and the USA, through the recently acquired Troika Dialog group of companies.

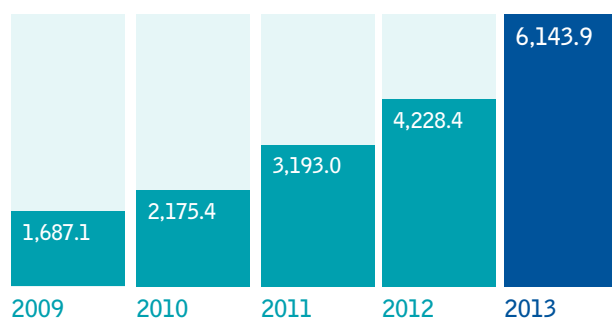
DenizBank AG operates seven foreign branches in Germany with a lead branch in Frankfurt under the name DenizBank (Wien) AG, Zweigniederlassung Frankfurt/Main. Other than the opening of our additional branches no other significant changes were reported during the reporting year. With local personal advice, a comprehensive, multilingual online banking platform and the modern contact center, the branch attends optimally to its clients and is registering a constant increase in customer numbers.

DenizBank AG owns 51% of the share capital of CJSC DenizBank Moscow. The remaining 49% is held by DenizBank A.S., Turkey. The Subsidiary is contributing essentially to the realization of business opportunities for clients of both shareholders.

### Review of Balance Sheet Items

The total balance sheet per year end 2013 amounts to EUR 6,143.9mn, being EUR 1,915.5mn above the previous year's figure of EUR 4,228.4mn.

### Development of Balance Sheet Total in €mn



Supported by the strong market presence, loans to customers increased from EUR 2,991.3mn to EUR 4,697.7mn.

During 2013, DenizBank AG at all times had sufficient liquidity and was able to provide selected bank counterparties with excess liquidity. At the end of the year, amounts lent to banks were recorded at EUR 755.6mn.

The fixed-income securities portfolio was reduced from EUR 430.5mn to EUR 425.0mn as of 31 December 2012.

Despite the global financial crisis we could significantly strengthen our deposit base in our home markets in Austria, Germany, Russia and Turkey as well as our liquidity position. This reflects the vital trust of our customers in DenizBank AG. Amounts owed to customers, including savings deposits, increased by 48.3% to EUR 4,989.0mn (2012 EUR 3,364.0mn). The funding is complemented by amounts owed to banks of EUR 478,11mn (2012 EUR 448.81mn).

The traditional savings book remains in high demand. We could meet the increased customer demand for security and proximity with an optimized product portfolio. Our savings deposits increased above average from EUR 1,247.5mn at year-end 2012 by EUR 367.3mn to EUR 1,614.9 at year-end 2013; the proportion of savings deposits with agreed maturities accounted for 91.8% of this total.

As an Austrian bank, DenizBank AG Austria is subject without restriction to the Austrian provisions governing the protection of deposits and investor compensation (Section 93 ff Austrian Banking Act). DenizBank AG is member of the statutory guarantee facility of the Banks and Bankers, the Einlagensicherung der Banken und Bankiers Gesellschaft m.b.H.

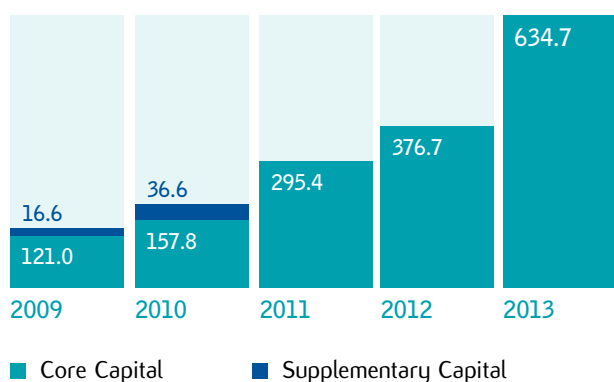
Changes of significant balance sheet positions 2013	in €mn
Balance Sheet	+ 1,915
Loans to Customers	+ 1,706
Loans to Credit Institutions	+ 159
Amounts owed to Credit Institutions	+ 29
Amounts owed to Customers	+ 1,625
Thereof savings deposits	+ 367
Shareholder's Equity	+ 258

No subordinated debt was recorded at year-end 2013 (2012: EUR 0.00mn).

At one ordinary and one extraordinary general meetings in year 2013, an increase of the subscribed capital was concluded. The registered shares increased from 131,865 by 88,066 to 219,931 shares, which are registered in the name of the shareholders. The face value of the subscribed capital increased from EUR 95,830,251.45 by EUR 64,000,204.18 to EUR 159,830,455.63. The capital increase was issued at 250% and was paid immediately by cash by DenizBank A.Ş. The capital increase was registered at the commercial register on June 25, 2013 and November 27, 2013.

After allocation of retained earnings and the reserve per section 57/5 of the Austrian Banking Act amounting to EUR 98.02mn, our total capital amounts to EUR 436.67mn at the end of 2013 (2012: EUR 367.65mn). Our capital adequacy ratio of 10.82% of the risk-weighted assessment basis exceeds the legally required ratio of 8.00% by more than 35%.

#### Development of shareholder's capital in €mn



#### Ratios

	2013	2012	2011	2010	2009
Equity Ratio (%)	12.65	11.02	11.73	10.07	9.89
Return on Equity (%)	19.41	13.61	9.97	10.77	10.14
Earnings before taxes (TEUR)	107,033	55,536	31,281	16,713	10,645
Earnings before income taxes/employee (TEUR)	391.2	256.4	167.3	93.2	62.9
Loan Deposit Ratio (%)	94.16	88.92	87.94	82.19	74.83
Net interest margin (%)	2.40	1.93	1.68	1.52	1.65
Cost Income Ratio (%)	20.87	25.99	35.39	48.79	48.34
Cash flow from operating activities (TEUR)	(134,183)	(28,704)	(2,322)	(39,140)	5,326
Cash flow from investment activities (TEUR)	(2,944)	(1,080)	(824)	(674)	(1,022)
Cash flow from financing activities (TEUR)	160,001	34,999	78,366	40,000	0

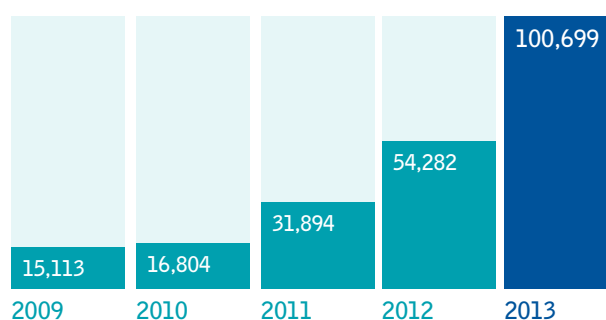
#### Review of Income Statement Items

Net interest income of EUR 124.6mn and net commission income of EUR 0.4mn reflect our excellent earning position. We can report an operating income of EUR 125.3mn, which is EUR 52.4 or 71.92% above the level of the previous year.

As our investments in personnel and IT continued in the year 2013 and we had a business growth of 45%, our operational expenses increased slightly to EUR 24.6mn (2012: EUR 18.6mn).

Our operating result 2013, supported by a tight cost management, was reported at EUR 100.7mn (2012: EUR 54.3mn).

#### Development of operating result in TEUR



Our result of ordinary activities accounts to EUR 107.0mn (2012: EUR 55.5mn)

Consequently, net income after taxes totaled EUR 98.0mn (2012: EUR 45.7mn).

Due to the very positive earning situation and after the allocation to the reserve under section 57/5 ABA with an amount of EUR 15.4mn, the Management Board proposes to transfer a sum of EUR 82.6mn to the retained earnings.

## BUSINESS & SUPPORT LINES

### CORPORATE AND COMMERCIAL BANKING

DenizBank AG serves as a portal for DenizBank Financial Services Group in Austria with a full array of banking products through a specialized Corporate and Commercial Banking team. DenizBank AG provides all kinds of products and services ranging from but not limited to Cash Loans, Letters of Guarantee, Trade Finance, Cash and Account Management.

Utilizing a customer-oriented approach, DenizBank AG Corporate Banking is well-known for its excellent management of customer relations, innovative and flexible perspectives, highly qualified human resources, financial advisory services, ability to produce tailor-made services and an extensive product-line including products on demand. The Bank is able to provide all major financial services under one roof, to serve as the customers' sole banking partner.

### RETAIL BANKING

Since its foundation in 1996, DenizBank AG has pursued a transparent and considerate business policy, fully aware that its clients' trust is the main asset of a bank. The recent economic and financial developments have proven this policy again to be accurate and timeless: a portfolio of over one hundred thousand customers and a sustainable growth reaffirms DenizBank AG's successful course in creating a solid brand in banking. Today, DenizBank AG is a bank that stands for competence and trust. This success story is mainly attributed to the principles of prudent banking, proximity to our clients and a transparent product portfolio.

DenizBank AG operates with a network of 18 branches in Austria and seven branches in Germany-. We combine the individual advisory services in our branches with the convenience of online banking and the services of our Contact Center. This integrated service approach is highly appreciated by our customers. DenizBank AG also stands for efficiency. Equipped with a lean organizational structure and a state-of-the-art banking system, we pass on the advantages of our efficiency to our customers.

With a clear and transparent product portfolio backed with excellent service levels, Deniz- Bank AG offers its clients customized solutions. Furthermore, due to the consistent focus on classical and conservative banking, DenizBank AG has built a foundation of trust that fulfills its customers' growing needs for security and transparency.

## TREASURY

DenizBank AG continued to expand and intensify its correspondent relationships especially with Austrian banks and foreign financial institutions within 2013 in line with Group standards, focusing also on customers' demands.

DenizBank AG's qualified staff possesses international experience, flexibility and competence with regard to treasury dealings. This has made the Bank a successful participant in international money and capital markets.

The synergy, in terms of shared experience and market access within DenizBank Financial Services Group in this regard, has given the Bank a significant competitive advantage. The services offered by DenizBank AG are centered on the funding of trade flows, especially in the form of (structured) trade finance and documentary business.

## IT & OPERATIONS

IT and Operations had again its focus on increasing efficiency in 2013. The Departments continued to simplify and automate the internal workflows, aiming to reduce efforts and risks. Investment decisions are taken with regard of consolidation effects, but an eye is kept on scalability, considering the on-going expansion of the bank. Running contracts are regularly reviewed and renegotiated in order to reduce cost and improve service quality. Consequently the cost development in IT and Operations delivered a valuable contribution to the positive performance of the Bank's excellent Cost/Income Ratio.

Today, DenizBank AG is a bank that stands for competence and trust. This success story is mainly attributed to the principles of prudent banking, proximity to our clients and a transparent product portfolio.



IT/Organization is continuously targeting to fully automate standardized processes and reduce the risk of failures. Opportunities for improvements are identified by evaluating processes in regards to efficiency, effectiveness and operational risk. With the innovative and award-winning core banking application “Internext” DenizBank could implement a high number of those potential improvements.

Prior to efficiency compliance is a key target for DenizBank AG. Major projects in 2013 related to regulatory changes were SEPA, Basel III and EMIR. In all three items DenizBank AG has continued and partly completed its preparations in order to be compliant on time. IT & Operations has fulfilled its role as supporter of business strategy and Customer service quality. In this course, the technical implementation of the new and attractive save-up product “Deniz Sparplan” has been completed. In late 2013 the redesigned multilingual webpage has been launched, providing information to our customers neatly arranged and in a modern design. Our state-of-the art Internet Banking Platform has been enhanced to multilingual, and additional functionality has been added.

As part of the Bank’s growth, the Infrastructure team extends and improves the hardware landscape, where any upgrades are done in line with the corporate group standards. Investing in adequate but scalable capacities lay the foundation for an efficient growth in the upcoming years. All changes are accompanied by the IT-Security Officer, who is also responsible for monitoring the compliance of the bank to those IT-processes and standards. In parallel the risk of having server outages is continuously analysed and reduced.

#### ANTI-MONEY LAUNDERING

The main function of the AML Department is to control and monitor the business activities and to support the related units with the risk approach knowledge in accordance with national and supranational regulations and legislations. The AML Department acts as an independent unit and informs the Management Board about important issues and recommends if necessary. The internal procedures and risk analyses are been updated regularly year according the latest changes in the Banking Law or National/International Regulators. The AML Unit is also been supported by other Units like IT, which plays a very important role for system checks and scenario analyses, or like Compliance and Internal Audit which also act as independent units and have close relationship with each other and AML.

Staff Training is a very important issue, therefore every employee was trained two times in the recent year and all branches have been audited by the AML Department. The purpose of these branch visits is to check and ensure the correct use of these informations in the field and to avoid AML related regulatory risks. All AML staff had their annual external trainings to stay up to date with regulatory developments.

The AML Unit uses a very effective IT System for the daily and scenario based checks which includes the defined risk approach due the Business line of DenizBank AG. The growth trend makes an automated process for monitoring, risk scoring and controlling the daily business necessary and efficient. The IT infrastructure is being developed on a continuous basis according to legal changes.

#### COMPLIANCE

Our internal compliance guidelines, based on the Standard Compliance Code of the Austrian Banks are compulsory for all our employees in the daily work. The adherence to these codes and regulations is audited regularly by independent compliance officer, who reports directly to the Management Board.

The Management Board is aware of the importance of the effectiveness of Compliance rules and supports the compliance officer in the implementation of the compliance standards. Assessing and minimizing legal and reputational risks is one of the basic measures to ensure the functioning of the banking operation and thus, for professional client service as well as a good relationship of confidence with the financial authorities. On this background, the Compliance Officer is in close contact with the whole Management Board of DenizBank AG and gives strategic recommendations as an independent unit regarding the compliance issues. All compliance relevant guidelines and manuals are being overworked continuously and the legislation changes are being considered immediately.

Staff trainings take place on an ongoing basis. The goal of the trainings is to inform the employees about the compliance-relevant regulations and instruct them how to apply the rules in their day-to-day job responsibilities.



## FINANCIAL CONTROL AND ACCOUNTING

Accounting and Financial Control operate as two separate departments under one division. Accounting Department is responsible for maintaining and managing all financial records of DenizBank AG. Additional tasks of the Department are the preparation of external and internal MIS reports, including IFRS statements for consolidation purposes, internal budgeting, budget realization and statutory reporting.

Financial Control Department aims to give reasonable, timely, independent and objective assurance that all transactions comply with the principles of sound financial management, transparency, efficiency and effectiveness.

Furthermore, Financial Control Department seeks to ensure the compliance of the transactions with relevant legislation and internal policies based on the applied controls by using a systematic and disciplined approach to evaluate risk and improve the effectiveness of control and governance processes. The extensive controls in place allow for reliable financial reporting throughout the organization, which leads to a more solid financial management of DenizBank AG.

Financial Control Department is an important part of the internal control system (ICS) of the DenizBank AG, which cooperates closely with Risk Management, Audit, Legal departments, as well as Compliance and AML Officer.

Our core banking system with its enhanced reporting possibilities enables DenizBank AG to conduct minimum manual interference over transactions within the context of financial control.

## HUMAN RESOURCES

DenizBank AG Human Resources Department acts as a central department executing the company policy with the mission to spread out the company culture to every single employee in each business unit.

Staying loyal to the primary principle of recruiting the right person for the right job, DenizBank AG hired 117 new candidates during 2013. DenizBank AG is proud to be able to offer promising career paths for both young people, and senior staff paying special attention to talents within the organization. Those various opportunities in career planning have signaled not only a lower employee turnover rate of about 5% compared to previous years and sector average, but also an increase in long run commitments.

Continuous training programs are provided by both e-learning and class trainings staff members. While assuring the completion of the legally compulsory trainings concerning Security, Data Protection, Compliance and Anti-Money-Laundering, staff were given the opportunity to attend various business and soft skill courses. This increased not only the level of technical knowledge, but also the level of personal quality among employees. The enlargement of training and development opportunities and professional human resources management has shown that DenizBank AG continues to set high standards in organizational development and employee job satisfaction.

DenizBank AG, as a provider of fair organizational opportunities, has also proven to be one of the most favorable workplaces.

DenizBank AG Employee Profile	2012	2013	% Change
<b>Employee Information</b>			
Staff at the head office	138	161	+16.7
Staff at the branches	90	145	+61.1
Total staff	228	306	+34.2
<b>Demographic Profile</b>			
Male	114	162	+42.1
Female	114	144	+26.3
Average age	30.4	30.2	
<b>Educational Profile</b>			
University degree	67	106	+58.2
Postgraduate degree	161	200	+24.2
Number of staff fluent in one foreign language	228	304	+33.3
Number of nationalities	12	15	+25.0

### Remuneration & Compensation Report:

In accordance with the EU's revised Capital Requirements Directive and changes in the Austrian Banking Act, DenizBank AG implemented a remuneration policy and established a remuneration committee.

The remuneration policy has the purpose to maintain a solid and efficient remuneration system and to ensure sound and effective risk management in DenizBank AG. Employees whose professional activities have a material impact on DenizBank AG's risk profile and may subject the Bank to material financial risks, fall into the scope of the remuneration policy. The policies defined aim to avoid the staff to undertake risks which are not in line with the risk absorption possibilities. The remuneration policy contributes to safeguarding a sound capital base and incorporates measures to avoid conflicts of interest.

The remuneration committee contributes to the prevention of excessive risk-taking and the consistency of the remuneration policy with effective risk management. The committee is constituted in order to enable to exercise competent and independent judgment on remuneration policies and practices and the incentives created for managing risk, capital and liquidity. The chairman and the two other members of the remuneration committee are members of the Supervisory Board of DenizBank AG, who do not perform any executive functions in the Bank. The remuneration committee agrees with the Management Board quantitative and qualitative goals in line with the long term strategy avoiding conflicts of interest.

Remuneration in DenizBank AG is performance related and it is awarded in such a way which promotes sound risk management and does not induce excessive risk-taking. Total amount of remuneration is based on a combination of individual and business unit performance and the overall results of the Bank. The Management Board implements the long term strategy by agreeing on individual, departmental and company goals with the senior staff. When assessing individual performance, financial, as well as non-financial criteria, are taken into account. The variable compensation is covered by a payment in cash, and non-cash component, whereby 50% of the gross bonus payment is being deferred over a period of 5 years, indexed to the share price of the underlying stock. At the end of each respective year, the amount is measured against the indexed share price (max. variability 10%) and the predefined percentage of the amount is granted to the beneficiary. The total sum of obligations of variable remunerations may not significantly worsen the equity position of the Bank.

### RISK REPORT

Risk Management is an integral component of the strategic management of DenizBank AG and involves all areas of the Bank.

Selective risk-taking in line with our business strategy and the active management of such risks are core banking functions of DenizBank AG. Through our risk policy, we aim for early systematic identification of risks in order to manage and ring-fence such risks in line with the business strategy in compliance with internal and regulatory guidelines.

To secure adequate capitalization across all relevant risks and, subsequently, the ongoing operations of the Bank, appropriate procedures and systems are in place at DenizBank AG. All banking and operational risks are managed, controlled and limited through appropriate methods.

#### Risk Strategy:

DenizBank AG follows certain general risk policy principles, including the regular involvement of the Management Board in daily business, securing the risk bearing capacity of the Bank and the avoidance of conflicts of interest. In addition to these principles, we have defined an adequate overall bank risk strategy. This risk strategy is characterized by a conservative approach to specific banking risks and the acceptance of risk only in such areas of business where we have respective systems and knowledge in place to assess the relevant risks appropriately. The risk appetite (i.e. willingness to take financial risks) is a further element of our basic strategic considerations and defined along two scenarios: going concern (normal scenario) and gone concern (liquidation case).

#### Structure and Organization of Risk Management:

The Management Board of DenizBank AG has the ultimate responsibility for risk management. The Management Board decides the risk strategy and defines the general principles for risk management, including limits for relevant risks and procedures to control of such risks. An independent Risk Management Department and a Risk Committee assist the Board in the execution of its respective duties. The main responsibilities of these entities are the identification, assessment, management and control of risks.

The Supervisory Board controls the risk strategy and the organizational structure on a regular basis and ensures that Management Board takes the necessary steps for identification, measurement, controlling, mitigation and limitation of risks as well as the efficiency of internal controls.

The Credit Risk Management Department is responsible for portfolio management, credit risk steering and the monitoring of the loan book as well as the rating assessment of the Bank's credit customers. One of the key elements of the credit approval process is a detailed risk assessment of each credit customer, where the credit worthiness of the counterparty is evaluated according to an internal rating model, which assigns each rating result by the probability of default determined for that particular customer class.

Credit risk steering for the overall credit portfolio is performed in particular for specific industry groups, currencies and rating classes.

Within the framework of the overall bank risk management governance, we also execute the control and supervision of all business relevant risks in the Controlling, Internal Audit and Compliance departments.

#### Overall Bank Risk Management:

DenizBank AG follows the principle of proportionality for applying adequate methods of risk management concerning relevant risks for the Bank. Besides meeting the minimum capital requirements and an intensified consideration and specification of adequate overall bank risk management and provision of risk capital on the basis of bank-specific risk profiles the Basel framework also requires an increased disclosure.

With regard to the calculation of the regulatory minimum capital requirements, DenizBank AG applies the regulatory standard methods for market risk, the standardized approach for credit risk and the basic indicator approach for operational risk. With the Disclosure Report per 31.12.2013 DenizBank AG is in compliance with the regulations of Articles 431-455 of the EU Directive 575/2013 (Capital Requirements Regulation - CRR). The Disclosure Report is available on the website of the Bank (<http://www.denizbank.at>). This report offers the recipients a comprehensive overview of the risk structure and the risk management of the Bank on overall and single risk levels and contains information about the organizational structure of risk management, capital structure, minimum capital requirements and risk capital situation, risk management systems as well as remuneration policy and practices.

The requirements with regard to overall bank risk management at DenizBank AG are implemented through the application of a bank-individual ICAAP (Internal Capital Adequacy Assessment Process) on an overall level.

DenizBank AG commands an adequate system for the steering, controlling and supervision of all risks, proportional to the conducted business. The well-established internal control system of DenizBank AG ensures that all essential risks are identified and assessed on a regular basis to allow for prompt responses.

A comprehensive, objective and transparent disclosure of risks to the DenizBank AG Management and Supervisory boards is part of the regular risk monitoring process.

Standardized risk reporting is performed at regular intervals and provides an adequate information level on essential positions of the Bank to all relevant parties and decision-making bodies, enabling a prompt evaluation of all respective risks.

In line with its conservative risk strategy DenizBank AG prefers to develop its business with companies that are known within the Group (DenizBank Financial Services Group and Sberbank) as transactions with these customers, with who the Bank has a sound and longstanding business relationship, offer the most security. As a result of the execution of mutual business with the parent company and its strong engagement with Turkey, DenizBank AG is strongly dependent on economic developments in Turkey. DenizBank AG is managing the relevant risks based on its professional knowledge and competence, its adequate risk management system and strong support of parent company DenizBank A.Ş., which is the 5<sup>th</sup> largest private bank in Turkey.

**A comprehensive, objective and transparent disclosure of risks to the DenizBank AG Management and Supervisory boards is part of the regular risk monitoring process.**

The definition of limits for all relevant risks and related procedures to control such risks warrant the compliance with the risk-bearing capacity and risk strategy of the Bank as defined by the Board.

Workshops, as well as internal and external training beyond the basics of risk management increase the risk awareness of bank employees.

Risk-bearing capacity analysis represents the basis for the risk strategy of DenizBank AG, as the risks associated to businesses can only be covered up to a certain amount of the available risk coverage capital. The type and size of risk bearing activities of the Bank are limited by the available risk coverage capital.

Quantification of the risk-bearing capacity covers unexpected losses from the following material risk categories:

Credit Risk	<ul style="list-style-type: none"> <li>Default risk in the classic loan business</li> <li>Issuer risk in the trading and bank book</li> <li>Migration risk</li> <li>Credit spread risk</li> <li>Concentration risk</li> <li>Risk arising from FX-loans</li> <li>Residual risk from credit risk mitigation techniques</li> <li>Counterparty credit risk</li> </ul>
Market Risk	<ul style="list-style-type: none"> <li>Loss of value caused by changed market conditions for interest rates, currencies, share and option prices</li> </ul>
Operational Risk	<ul style="list-style-type: none"> <li>Inadequacy or failure of internal processes, employees, system, or external events incl. legal risk</li> </ul>
Other Risks	<ul style="list-style-type: none"> <li>Liquidity risk (merely refinancing risk)</li> <li>Business risk</li> <li>Regulatory and compliance risk</li> <li>Reputation risk</li> <li>Risks arising from the macroeconomic environment</li> </ul>

Specific systems are applied for the calculation of potential market risk, reflecting various risk categories. The quantification of the interest rate risk on the overall bank level is conducted through a sensitivity analysis, based on a parallel shift in the yield curve. The FX risk on the overall bank level is determined through a Value at Risk (VaR) calculation based on the RiskMetrics model. The VaR calculation incorporates all positions of the banking and trading book including existing derivatives.

To hedge market risks related to loans denominated in a foreign currency, foreign currency derivatives are used. Those are supplemented, to a lesser extent, with interest rate swaps and options. Besides, Bund Futures are used to hedge the credit spread risk of securities.

### Financial Derivative Instruments in €mn

FX Swaps	2,824.1
Interest Rate Swaps	316.6
Cross Currency Swaps	104.5
FX Options	10.6
Bund Futures	150.8
<b>Total</b>	<b>3,406.6</b>

The quantitative assessment and consideration of credit risk concerning the risk-bearing capacity analyses is determined through the method of a modified IRB foundation approach.

When calculating the unexpected loss for credit risk, the internal rating and the collateral are taken into consideration, where the probability of default (PD) of a debtor is internally calculated or estimated.

For the quantification of the operational risk, regulatory basic indicator approach is utilized.

Business risk is considered while determining the available risk coverage capital by considering not the budgeted but already realized gross income as risk coverage in the liquidation scenario.

The quantification of other risks (liquidity, reputation, regulatory & compliance risks and risks arising from the macroeconomic environment) is determined through a percentage premium of 5% on the risk potential of the above mentioned, quantifiable risks.

The risk-bearing capacity analysis shall ensure appropriate limitation of the overall risk potential through risk coverage capital thus protecting the continued existence of the Bank. In the respective models, risks resulting from defined risk categories are added to an overall potential loss value to assess the sustainability of those risks; consequently, such potential loss is compared to the available risk coverage capital in both going-concern and liquidation scenarios.

Risk coverage capital is defined as the sum of all financial means of a bank which are available as risk cover.

At DenizBank AG, we have defined three risk cover categories and risk coverage capital, ranked according to their respective public awareness and availability; individual risk cover positions can be either allocated to one or more risk cover categories.

Consequently, risk coverage capital consists mainly of available capital and the reserves include unrealized gains and available interim profits.

The Risk Committee regularly controls the risk-bearing capacity of the Bank at all times. For both scenarios, the utilization of the risk bearing capacity during was well within the risk coverage capital.

To simulate an extraordinary increase of overall risk potential and in order to quantify a related impact on earnings and the risk bearing capacity, DenizBank AG runs several stress tests. Such tests create scenarios where certain extraordinary external events can cause an increase in risk. These tests have resulted in a positive assessment of the available risk coverage capital for such scenarios.

#### Liquidity Risk Management:

Within the overall Bank Risk Management Process, DenizBank AG strives to implement adequate methods for efficient liquidity risk management in terms of proportionality. The Bank also has robust internal strategies and procedures for the measurement, steering and control of liquidity risks and adequate liquidity buffers according to Article 412 of CRR.

The purpose of liquidity risk management is to ensure the unrestricted ability of the Bank to meet its financial obligations at all times, not only under normal conditions, but also in stress situations. Such unrestricted ability is ensured when, at all times, cash outflows are covered by cash inflows and other liquidity measures, such as liquidity buffers.

Relevant for DenizBank AG are the liquidity sub-risks, insolvency, refinancing and market liquidity.

To determine insolvency risk, various instruments are applied, such as liquidity and GAP analysis, stress testing and liquidity coverage ratio. The risk potential for refinancing risk is considered as a percentage premium of 5% to the quantifiable risks within the risk-bearing capacity analysis. Market liquidity risk is considered through haircuts taken on the collateral value of eligible securities.

The liquidity GAP analyses represents an overall view of liquidity positions over an appropriate period, comparing expected inflows and outflows within a specific maturity bracket and identifying a gap (net positive or negative cash flow balance) for each such bracket, enabling active management of liquidity positions.

In addition, appropriate scenarios are considered for the liquidity report, differentiated between a general market scenario (syncratic stress scenario) and an institution-specific scenario (idiosyncratic stress scenario) as well as the regulatory stress scenario according to the CRR.

Liquidity Coverage Ratio is the primary control value of the liquidity position of DenizBank AG and calculates the amount of highly liquid assets (liquidity buffer) for coverage of net liquidity outflows within one month.

Within the overall Bank Risk Management Process, DenizBank AG strives to implement adequate methods for efficient liquidity risk management in terms of proportionality.

## 2013 was an efficient year where Business Development department realized the opening of 11 new branches.

Liquidity buffers are freely available and unrestricted liquid assets (surplus liquidity or additional realizable liquidity), which are available for the coverage of short-term liquidity needs under stress conditions. The maintenance of a liquidity buffer and its active control are integral parts of the liquidity risk management of DenizBank AG.

For the calculation of the liquidity coverage ratio, the short-term net liquidity requirement is mapped against the current value of the liquidity buffer.

Intraday liquidity management and planning derives from the liquidity position of DenizBank AG, which is defined through the value of the Liquidity Coverage Ratio. Daily liquidity management ensures adequate liquidity beyond the minimum threshold of 30 days, which is sufficient to maintain long term business operations. A shorter period of five days is also considered to ensure the solvency of the Bank even in extreme short term stress scenarios.

DenizBank AG, through its effective and efficient risk-management, regards itself well-positioned for its current business activities as well as future challenges.

### Research & Development

In line with the strategic targets of the bank, Business Development department contributed to the expansion and further growth of the bank.

In this respect, 2013 was an efficient year where Business Development department realized the opening of 11 new branches (5 branches in Austria and 6 branches in Germany) and also completed the research and planning of additional branches in Austria and Germany which will be opened during 2014. In addition to the new branch openings, the department also contributed to the overall business growth by launching a new savings product for retail customers in Austria and Germany. Business Development also was responsible the training and support of the branch employees for this product.

Furthermore, two additional retail products for both Austria and Germany have been developed which will be launched in 2014. Additionally, a co-operation with an online portal has been agreed that contributes to the acquisition of new SME customers in Germany.

### Significant Developments after Reporting Date

No significant events occurred after the balance sheet date.

### Preview and latest developments

DenizBank AG is keen to fulfill its mission to enhance the lasting value that we create for our customers, business partners, shareholders and employees. The vision is to sustain the conduit role between Europe, Turkey and Russia, and to attain a top position amongst foreign owned banks in Austria by commanding a loyal clientele. The strategy is to deliver high level services with tailor-made solutions and customized full-fledged banking products through state of the art, multi-channelled, IT powered infrastructure under prudent corporate governance and banking principles.

In order to sustain the profitable growth and consequently to realize the strategic targets, DenizBank AG will keep focusing on three important pillars of the business strategy.

### *Continued Investment to the Customer Centric Retail Banking Strategy*

The business performance and bottom line results confirmed both the effectiveness and efficiency of the implemented retail banking strategy. Thus, the continued investment to the customer centric retail banking strategy is expected to sustain and accelerate the profitable growth of the Bank.

One of the most important pillars of the customer centric strategy will continue to be the delivery of high level services with tailor-made solutions and customized products. In order to increase the proximity to the prospect customers and consequently increase the market coverage, DenizBank AG will keep expanding the distribution network in Austria and Germany. The Bank will keep investing in the DenizBank AG brand in both Austria and Germany in order to strengthen the customer based brand equity in the market.

### *Further Development of State-of-Art Banking Platform and New Technologies*

The business targets, including an increasing customer base, transaction volume, as well as the introduction of new products and services, all together lead to the need of further development of our banking platform which shall support the growth of the business in terms of scalability and continuity. The Bank will invest further to the development of IT powered infrastructure under prudent corporate governance and banking principles.

### *Strengthened Capital Base*

Thanks to our shareholders and successful bottom line results, the Bank will continue to strengthen its capital base in order to sustain the growth as well as to be ready for upcoming regulatory requirements.

### *What's next in 2014?*

Current economic conditions in Europe are expected to improve during the year with growth picking up in Austria at some point in 2014. However pre-crisis levels of real GDP growth will not be reached until 2015. The growth in Emerging Economies will continue to outpace the growth in Developed Countries. As DenizBank is well diversified in both regions our future prospects are very positive.

In order to better serve the significantly increasing number of clients, DenizBank AG has implemented further growth prospects and will be opening several new branches in Austria and Germany.

Another focus at DenizBank AG will be on active risk management of interest and exchange rate developments, as Central Banks around the globe are expected to embark on competing monetary policies. These actions might reduce the competitiveness of other currencies, consequently paving the way for further actions. In Europe, a hike of the main refinancing rate seems unlikely in the short term, given its low growth and inflation rates.

Concerns about a credit crunch due to higher capital requirements, strained funding or deteriorating asset quality persist but the probability of materialization has diminished. Therefore DenizBank AG will continue with its active stance in terms of managing assets and liabilities.

We would like to express our sincere thanks to all employees, who played a vital role in achieving such a remarkable performance through their excellent team spirit. Our thanks also go to our main shareholder, DenizBank Financial Services Group, our business partners and in particular our clients, who entrusted us with their financial business.

Vienna, March 26<sup>th</sup>, 2014

### *The Management Board*



**AHMET MESUT ERSOY**  
*Chairman*



**DR. THOMAS ROZNOVSKY**  
*Member*



**MEHMET ULVİ TANER**  
*Member*



**TUNCAY AKDEVELİOĞLU**  
*Member*



## DIRECTORS AND OFFICERS OF THE BANK

### DENİZBANK AG MANAGEMENT BOARD



**AHMET MESUT ERSOY**  
*General Manager, CEO*



**DR. THOMAS ROZNOVSKY**  
*Management Board Member,  
CFO*



**MEHMET ULVİ TANER**  
*Management Board Member*



**TUNCAY AKDEVELİOĞLU**  
*Management Board Member,  
CRO*

### HOLDER OF PROCURATION



**CHRISTIAN MAYR**  
*Division Head  
Treasury*



**ASLI KURT-KUDUG**  
*Division Head  
Controlling & Accounting*



**DANIEL MAYR, MSC.**  
*Division Head  
IT & Organization*



**MELEK AY**  
*Division Head  
Risk Management*



**ÖZGÜR KAYA**  
*Division Head  
Credit Risk Management*

### DEPARTMENT HEADS



**MAG. ROLAND GLEISBERG**  
*Internal Audit*



**MAG. REYHAN STARK, MA**  
*Human Resources*



**DR. ROBERT KREPP**  
*Legal Department*



**MAG. YANKI EYÜBOĞLU**  
*Retail Marketing*



**MUZAFFER LALE**  
*Accounting Department*



**MAG. MİHTER UĞUR**  
*Credit & Trade Operations*



**FARUK ALKIS**  
*IT Infrastructure*



**MAG. MAXIMILIAN WANG**  
*Business Development*



**İBRAHİM GÖKHAN YILMAZ**  
*AML*



**MAG. SANDRA KRAJECR**  
*Compliance*

## SUPERVISORY BOARD



**SERGEY GORKOV**  
Chairman Moscow, Deputy  
Chairman of the Board  
Sberbank Russia, Member  
of the Board of Directors  
DenizBank A.Ş.



**HAKAN ATES**  
First Deputy Chairman  
Istanbul, President &  
CEO of DenizBank A.Ş.



**DERYA KUMRU**  
Second Deputy Chairman  
Istanbul, Executive Vice  
President of DenizBank A.Ş.



**WOUTER VAN ROSTE**  
Member Istanbul, Member  
of the Board of Directors,  
DenizBank A.Ş.



**ALEXANDER VEDYAKHIN**  
Member (as of 15.03.2013)  
Istanbul, Member of the  
Board of Directors & CRO,  
DenizBank A.Ş.



**DR. KURT HEINDL**  
Member Vienna, Former Member  
of the Parliament, Consultant

REPRESENTATIVES OF THE AUSTRIAN FEDERAL  
MINISTRY OF FINANCE BANKING SUPERVISION  
DIVISION

MR, RR Andreas Staritz, BA  
Director  
International Financial  
Institutions

Mag. Lisa Mandl, MR  
Director  
Deputy International  
Financial Institutions

## BRANCHES AUSTRIA



**MAG. OSMAN SAĞLAM**  
Backoffice



**LEVENT KORKMAZ**  
Contact Center



**YAŞAR YEŞİLYURT**  
Division Head Branches  
Austria



**BERİN KUTLUTAN**  
Spokeswoman of the Branch,  
Branch Manager Market  
Frankfurt



**OZAN ZEYTİNOĞLU**  
Core Banking Applications

## BALANCE SHEET AS OF DECEMBER 31, 2013

[illegible]

Liabilities and Shareholders' Equity		12/31/13	prior year
	EUR	EUR	TEUR
1. Amounts owed to credit institutions			
a) repayable on demand	52,960,611.42		36,362
b) with agreed maturity dates or periods of notice	425,145,457.18		412,446
		478,106,068.60	448,808
2. Amounts owed to customers			
a) Savings deposits			
thereof:			
aa) repayable on demand	132,789,323.71		98,623
bb) with agreed maturity dates or periods of notice	1,482,068,007.08		1,148,907
		1,614,857,330.79	1,247,530
b) Other liabilities			
thereof:			
aa) repayable on demand	935,478,362.68		713,854
bb) with agreed maturity dates or periods of notice	2,438,669,219.74		1,402,579
		3,374,147,582.42	2,116,433
		4,989,004,913.21	3,363,963
3. Other liabilities		39,681,061.64	29,354
4. Deferred income		0.00	0
5. Provisions			
a) Provisions for severance payments	399,918.00		328
b) Provisions for taxes	151,403.32		7,309
c) Other provisions	1,834,126.21		1,970
		2,385,447.53	9,608
5A. Funds for general bank risks		600,000.00	600
6. Supplementary capital		0.00	0
7. Subscribed capital		159,830,455.63	95,830
8. Capital reserves			
a) share premium		232,624,636.46	136,624
9. Retained earnings			
a) other retained earnings		192,670,964.11	110,090
10. Reserve according to section 23/6 ABA		48,946,780.00	33,504
		6,143,850,327.18	4,228,381
Off-balance sheet items			
1. Contingent liabilities		168,620,045.70	227,143
thereof: Guarantees and assets pledged			
as collateral assets		168,620,045.70	227,143
2. Commitments		3,070,424.68	103
3. Total qualifying capital according to section 23/14 ABA		633,754,513.06	375,780
4. Legal minimum capital requirement according to section 22/1 ABA		400,889,803.30	272,710
thereof: legal minimum capital requirements pursuant to section 22/1/1 & 4 ABA		400,833,293.62	272,602
5. Foreign liabilities		2,155,427,930.07	1,150,441

## PROFIT AND LOSS ACCOUNT FOR THE FINANCIAL YEAR 2013

Income Statement for the financial year 2013			
	2013		prior year
	EUR	EUR	TEUR
1. Interest and similar income	250,811,213.24		203,090
thereof from fixed-income securities			
EUR 13,108,453.12 (p.y.: TEUR 10,930)			
2. Interest and similar expenses	-126,172,982.71		-131,359
<b>I. NET INTEREST INCOME</b>	<b>124,638,230.53</b>		<b>71,730</b>
3. Fee and commission income	6,955,469.52		5,241
4. Fee and commission income	-6,522,378.64		-4,500
5. Fee and commission expenses	16,916.01		284
6. Income from financial transactions	185,939.67		113
<b>II. OPERATING INCOME</b>	<b>125,274,177.09</b>		<b>72,869</b>
7. General administrative expenses			
a) Personnel expenses			
thereof:			
aa) Salaries	-9,914,028.54		-7,583
bb) Social security contributions and other			
compulsory contributions	-2,499,773.27		-1,886
cc) Other employee benefits	-250,692.38		-182
dd) Expenses for pension benefits	-138,311.38		-108
ee) Expenses for severance payments and contributions			
to external pension funds	-271,926		-189
	-13,074,731.79		-9,948
b) Other administrative expenses	-9,974,176.59		-7,344
	-23,048,908.38		-17,292
8. Depreciation and amortization in respect of intangible			
and tangible fixed assets	-1,256,059.34		-1,202
9. Other operating expenses	-269,891.25		-92
<b>III. OPERATING EXPENSES</b>	<b>-24,574,858.97</b>		<b>-18,587</b>
<b>IV. OPERATING RESULT</b>	<b>100,699,318.12</b>		<b>54,282</b>
10. Expenses from valuation of loans and allocation to provisions			
for contingent liabilities and loan risks	-6,559,501.29		-393
11. Income from valuation of loans and allocation to provisions			
for contingent liabilities and loan risks	12,892,883.04		1,647
12. Income from valuation of securities valued as financial fixed assets	192.68		0
	107,032,892.55		55,536
<b>V. RESULT OF ORDINARY ACTIVITIES</b>			
13. extraordinary expenses	0.00		-600
<b>VI. EXTRAORDINARY RESULT</b>	<b>0.00</b>		<b>-600</b>
<b>VII. PRE-TAX PROFIT FOR THE YEAR</b>	<b>107,032,892.55</b>		<b>31,281</b>
14. Taxes on income	-7,220,570.82		-8,823
15. Taxes, other than taxes on income	-1,788,307.21		-418
<b>VIII. PROFIT FOR THE YEAR</b>	<b>98,024,014.52</b>		<b>45,695</b>
16. Changes in reserves			
thereof: Allocation to the reserve according			
to section 23/6 ABA EUR 15,443,165.00 (p.y.: TEUR 8,721)	-98,024,014.52		-45,695
<b>IX. NET PROFIT</b>	<b>0.00</b>		<b>0</b>

## DEVELOPMENT OF FIXED ASSETS

Development of fixed assets as of December 31, 2013										
	Acquisition costs		Additions		Disposals		Adjustments		Acquisition costs	
	1/1/2013		EUR	EUR	EUR	EUR	EUR	EUR	12/31/2013	
	EUR		EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
<b>I. Intangible fixed assets</b>										
1. Software and rights	4,701,096.29	472,014.90	942,180.71	0.00	4,230,930.48	3,312,607.34	918,323.14	867,373.81	421,065.57	
2. Payments on account	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3. low value assets - Software	0.00	629.65	629.65	0.00	0.00	0.00	0.00	0.00	629.65	
	4,701,096.29	472,644.55	942,810.36	0.00	4,230,930.48	3,312,607.34	918,323.14	867,373.81	421,695.22	
<b>II. Tangible fixed assets</b>										
1. Installations in third parties' buildings	3,327,681.59	1,609,836.51	27,315.19	0.00	4,910,202.91	2,052,429.53	2,857,773.38	1,660,201.06	409,508.19	
2. Fixture, furniture and office equipment	3,515,550.62	839,456.52	432,500.94	0.00	3,922,506.20	2,588,163.75	1,334,342.45	894,532.45	371,088.40	
3. low value assets	0.00	53,767.53	53,767.53	0.00	0.00	0.00	0.00	0.00	53,767.53	
	6,843,232.21	2,503,060.56	513,583.66	0.00	8,832,709.11	4,640,593.28	4,192,115.83	2,554,733.51	834,364.12	
<b>III. Financial assets</b>										
1. Treasury bills and similar bills	19,830,500.00	0.00	0.00	0.00	19,830,500.00	0.00	19,830,500.00	19,830,500.00	0.00	
2. Bonds and other fixed income securities issued by public borrower	11,982,000.00	0.00	0.00	0.00	11,982,000.00	0.00	11,982,000.00	11,982,000.00	0.00	
issued by other borrowers	4,984,000.00	0.00	0.00	0.00	4,984,000.00	0.00	4,984,000.00	4,984,000.00	0.00	
3. Investments in subsidiaries	16,453,424.78	10,000.00	0.00	0.00	16,463,424.78	0.00	16,463,424.78	16,453,424.78	0.00	
4. Shares and other non-fixed income securities	5,069.07	0.00	0.00	0.00	5,069.07	0.00	5,069.07	5,069.07	0.00	
	53,254,993.85	10,000.00	0.00	0.00	53,264,993.85	0.00	53,264,993.85	53,254,993.85	0.00	
	64,799,322.35	2,985,705.11	1,456,394.02	0.00	66,328,633.44	7,953,200.62	58,375,432.82	56,677,101.17	1,256,059.34	

## NOTES TO THE FINANCIAL STATEMENTS 2013

### I. General Information

The annual financial statements of DenizBank AG as of December 31, 2013 were prepared according to generally accepted accounting principles and provide a true and fair view of the Company's financial and earnings position.

The valuation and the presentation of all the items in the financial statements are in line with the provisions of the Austrian Commercial Code (ACC) and the special rules of the Austrian Banking Act (ABA).

### Accounting policies

The structure of the balance sheet and the profit and loss account for the year 2013 complies with the requirements of Appendix 2 to section 43 ABA. Items without any value in the financial year and the previous year were omitted. The principle of completeness has been applied and the valuation of the assets, provisions and liabilities follows the general rules of individual assessment and valuation under the going concern assumption.

Pursuant to the general regulations and taking into consideration the special risks of the banking business, gains are not recognised if unrealised at the balance sheet date. Appropriate specific reserves and provisions cover all identifiable risks of loss.

All items denominated in foreign currencies are accounted for using the spot middle exchange rate of the balance sheet date pursuant to section 58/1 ABA. Foreign exchange is reported at the foreign exchange rate as of the balance sheet date.

### Assets

Available for sale securities are measured at lower of historical cost or market price at the balance sheet date. Securities held for trading are valued at the market price at the balance sheet date. Securities intended to be held as long-term investments are valued at historical cost pursuant to section 56/2 ABA. All bonds refer to fixed interest bearing, admitted to stock exchange trading and domestic or foreign securities which were issued by states, credit institutions or companies. Fixed interest bearing, non-admitted to stock exchange trading bonds are shown among other receivables.

A trading book pursuant to section 22n/1 ABA is kept since January 1, 2005, which amounts to 366,031.62 EUR (12/31/2012: 0.55 million EUR).

Cash at banks, loans to credit institutions and non-bank customers, securities available for sale, bills of exchange and other accounts receivable are measured at the lower of historical cost or market price pursuant to section 207 ACC.

A write-up pursuant to section 208 ACC was not carried out because of reasons of the determination of taxable income.

The forbearance to write-up because of tax purposes amounted to 724,895.00 EUR (2012: 0.55 million EUR).

Intangible and tangible fixed assets are recorded at the net book value and are depreciated under the terms of the straight-line method over the estimated economic useful life. Management estimated the economic useful life for investments in leased buildings at 10 years and software, furniture and office equipment at 2 to 10 years.

Low value assets with acquisition costs up to EUR 400.00 are fully depreciated in the year of acquisition pursuant to section 13 of Austrian Income Tax Act. They are shown in the enclosed table "Development of Fixed Assets" under the columns "additions", "disposals" and "depreciation of the year". Commitments arising from the use of tangible assets not disclosed in the balance sheet are 1,700,000.00 EUR (12/31/2012: 1.03 million EUR) for the following fiscal year and 10,569,420 EUR (12/31/2012: 5.16 million EUR) for the following five years.

### Liabilities

The provisions for severance payments were calculated by an actuarial method using an interest rate of 2.5%, with an assumed retirement age of 60 years for women and 65 years for men. The provision for severance payments pursuant to section 14 Austrian Income Tax Act is valued at EUR 397,452.00 (12/31/2012: 348,603.00 EUR).

Other provisions take into account all risks and pending losses which emerged in the current or past financial year until the effective date of the preparation of the balance sheet and are measured considering the principle of prudence. Other provisions refer mainly to unused vacation days and bonuses payable to personnel. Liabilities are accounted for at their face value or at the amount repayable.



## NOTES TO THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

### 1. Assets

#### Cash and balances with Central Banks

Cash and balances with Central Banks increased by 22.87 million EUR to 124.33 million EUR (12/31/2012: 101.46 million EUR).

#### Treasury Bills

This item amounts to 314.45 million EUR as of the balance sheet date (12/31/2012: 399.77 million EUR).

#### Loans and Advances to Credit Institutions

Loans and advances to credit institutions increased by 159.35 million EUR to 755.56 million EUR. Loans to affiliated companies amount to 166,638,703.29 EUR (12/31/2012: 231.93 million EUR) as of the balance sheet date, thereof 5,475,110.58 EUR (12/31/2012: 5.50 million EUR) subordinated. The position comprises fiduciary transactions with an amount of EUR 18,024,098.07 but no Bills of Exchange (12/31/2012: 93.68 million EUR).

#### Loans and Advances to Customers

Loans and advances to customers increased by 1,706.38 million EUR from 2,991.29 million EUR as of December 31, 2012 to 4,697.67 million EUR as of the balance sheet date. This position includes loans to affiliated companies of 20.00 million EUR (12/31/2012: 46.00 million EUR).

Loans and advances to credit institutions and non-bank customers with agreed maturity dates have the following remaining maturities:

Amounts of EUR due from	Credit Institutions		Customers	
	12/13/2013	12/13/2012	12/13/2013	12/13/2012
Up to 3 months	562,324,098.07	414,683	96,640,118.35	119,523
3 months up to 1 year	93,502,211.59	128,065	197,744,282.26	369,911
1 year up to 5 years	59,527,322.17	19,300	1,965,057,414.65	1,483,330
More than 5 years	4,750,302.21	5,508	2,434,559,021.08	1,018,270

\* 12/31/2012 figures in EUR(k)

Regional classification of loans and advances to credit institutions and non-banking institutions:

Loans and advances of EUR to	Credit Institutions		Customers	
	12/13/2013	12/13/2012	12/13/2013	12/13/2012
Turkey	196,144,502.74	122,443	4,304,387,648.85	2,831,028
Austria	349,126,168.97	187,149	2,975,727.61	4,139
Other countries	210,287,640.05	286,613	390,304,279.23	156,126

\* 12/31/2012 figures in EUR(k)

#### Bonds and Other Fixed-Income Securities

Bonds and other fixed-income securities increased from 30.28 million EUR to 110.52 million EUR as of the balance sheet date.

As of the balance sheet date the Company held listed securities with a book value of 4,984,000.00 EUR and non-listed securities with a book value of 11,982,000.00 EUR which are valued as fixed assets pursuant to section 56/1 ABA. Listed available for sale securities amount to 93,273,814.33 EUR and securities held for trading amount to 276,333.93 EUR as of December 31, 2013.

Fixed interest-bearing securities with a remaining maturity of less than one year amount 39,990,771.57 EUR. Securities with a nominal value of 265,000,000.00 EUR have been pledged to banks. Repurchase Agreements pursuant to section 50/4 ABA do not exist.

#### Financial Instruments pursuant to section 237a/1/1 ACC

Non-current financial assets measured above their fair value are presented as follows:

of EUR	Book value 12/31/2013	Hidden burdens	Book value 12/31/2012	Hidden burdens
Treasury bills	19,830,500	161,500	19,831	235
Bonds and other fixed income securities	16,966,000	0	16,966	32

\* 12/31/2012 figures in EUR(k)

The hidden burdens of the bonds arose from fluctuations of the market value. A lasting decrease of the solvency of the issuers could not be ascertained. Due to the above mentioned reasons no impairment has been recorded.

### Shares and Other Non-Fixed-Income Securities

As of December 31, 2013 shares in non-listed companies are valued at 0.00 million EUR (12/31/12: 0.01 million EUR) and equity funds and shares of companies amount to 0.09 million EUR (12/31/12: 0.23 million EUR). The shares in the equity fund with a value of 0.09 million EUR are accounted for as held for trading.

### Investments in Subsidiaries

In December 2003, a 51% share in CJSC Deniz Bank, Moscow has been acquired. DenizBank AG, Vienna received a Letter of Comfort, dated March 20, 2009, from the main shareholder DenizBank A.S. that any losses to be recorded in the books of DenizBank AG arising whatsoever from the investment in Dexia Bank, Moscow will be irrevocably covered by DenizBank A.S.. Taking into consideration the net profit of 9,395,443.84 EUR for the year 2013; the shareholders' equity of CJSC Dexia Bank Moscow amounts to 60,688,021.19 EUR as of December 31, 2013 (12/31/2012: 49.35 million EUR).

### Intangible Fixed Assets

Intangible fixed assets amount to 0.92 million EUR (12/31/2012: 0.87 million EUR) and mainly consist of purchased software.

### Tangible Fixed Assets

Investments in fixed assets totalling 2.50 million EUR are reduced by depreciation amounting to 0.83 million EUR. The tangible assets increased from 2.55 million EUR by 1.64 million EUR to 4.19 million EUR. The development of the fixed assets is shown in detail at the enclosed table "Development of Fixed Assets" pursuant to section 226 ACC.

### Other Assets

This position mainly contains clearing positions of 32,807,413.56 million EUR (12/31/12: 22.65 million EUR) and the FX internal adjustments of 31,280,166.39 EUR, which comprises foreign exchange adjustments between on-balance cash transactions and off-balance forward transactions. These transactions mainly concern EUR/USD foreign exchange swaps.

Other assets contain deferred interest income of 86,858,544.72 EUR (12/31/2012: 55.18 million EUR) which will be payable after the balance sheet date.

### Total Assets

Total Assets of DenizBank AG amount to 6,143.85 million EUR (12/31/2012: 4,228.38 million EUR) as of December 31, 2013 and exceed the prior year's amount by 1,915.47 million EUR. The total of assets not denominated in EUR is reported at 3,342,439,672.71 million EUR (12/31/2012: 2,115.30 million EUR). Total liabilities denominated in currencies other than EUR amount to 1,007,033,992.97 million EUR (12/31/2012: 553.59 million EUR).

### Off Balance Sheet Items

Foreign assets total is 5,444.77 million EUR as per year end (12/31/2012: 3,392.13 million EUR).

## 2. Liabilities and Shareholders' Equity

### Amounts owed to Credit Institutions

Deposits by banks increased from 448.81 million EUR by 29.30 million EUR to 478.11 million EUR. Deposits by affiliated companies amount to 136,378,670.48 EUR as of the balance sheet date (12/31/2012: 144.61 million EUR).

### Amounts owed to Customers

Customers' deposits increased from 3,363.96 million EUR to 4,989.00 million EUR as of December 31, 2013. Savings deposits increased by 367.33 million EUR to 1,614.86 million EUR as of December 31, 2013. The percentage of deposits with agreed maturity or period of notice is 91.78%. The deposits do not contain quilt-edged securities. Deposits by affiliated companies amount to 942,212.92 million EUR (12/31/2012: 1.24 million EUR). The position contains fiduciary transactions amounting 18,024,098.07 EUR (12/31/2012: 93.68 EUR).

Liabilities with agreed maturity dates have the following remaining maturity:

Amounts of EUR due from	Credit Institutions		Customers	
	12/13/2013	12/13/2012	12/13/2013	12/13/2012
Up to 3 months	134,145,457.18	121,446	662,162,617.66	510,830
3 months up to 1 year	3,000,000.00	3,000	1,263,058,479.39	694,217
1 year up to 5 years	288,000,000.00	288,000	1,952,515,747.07	1,309,940
More than 5 years	-	-	43,000,382.70	36,499

\* 12/31/2012 figures in EUR(k)

### Other Liabilities

The other liabilities totalled 39.68 million EUR (12/31/2012: 29.35 million EUR) as of the balance sheet date and increased by 10.33 million EUR in comparison to the previous year. This item includes accrued interest expenses of 36,439,177.44 EUR (12/31/2012: 26.76 million EUR) which will be payable after the balance sheet date.

### Deferred Income

On the balance sheet date no deferred income has been recorded.

### Provisions

The total of provisions amounts to 2.39 million EUR (12/31/2012: 9.61 million EUR) and decreased by 7.22 million EUR in comparison to previous year. This position comprises provisions for severance payments 0.40 million EUR (12/31/2012: 0.33 million EUR), provisions for tax payments 0.15 million EUR (12/31/2012: 7.31 million EUR), and other provisions 1.83 million EUR (12/31/2012: 1.97 million EUR), which mainly refer to personnel expenses.

### Supplementary Capital

In the reporting period there was no supplementary capital.

### Subscribed Capital

In the ordinary meeting on March 15, 2013 the shareholders approved an authorized capital in the amount of EUR 47,914,762.36 and the necessary amendments to the articles of association were adopted. Based on the authorised capital, management board has increased the subscribed capital to EUR 32,000,102.09 with the issuance of 44,033 new shares and an issuing price of 250 %. In the extraordinary meeting held on November 7, 2013 the further increase of subscribed capital from EUR 32,000,102.09 to EUR 159,830,455.63 resulting from the issuing of 44,033 new shares in the name of DenizBank A.S. with an issuing price of 250 %, was decided.

The capital increase was registered at the commercial register on June 25, 2013 and November 27, 2013. The subscribed capital amounts to 159,830,455.63 EUR as of December 31, 2013 and is divided into 219,931 shares which are registered in the name of DenizBank A.S. 99,999 % and Zeytinoglu Murtaza Yavuz 0,001%.

### Capital Reserves

The capital reserves increased from 136,62 million EUR by 96.00 million EUR to 232.62 million EUR in 2013 because of the issue of the new shares with a premium of 250%.

### Retained Earnings

After increasing the reserves under section 57/5 ABA the management decided to allocate the profit for the year with 82,58 million EUR (12/31/2012: 36.97 million EUR) to the retained earnings.

### Reserves Pursuant to Section 57/5 ABA

This obligatory reserve was increased to the amount of 15.44 million EUR (12/31/2012: 8.72 million EUR) as of December 31, 2013. The mandatory reserve totals 48.95 million EUR (12/31/2012: 33.50 million EUR) as of the balance sheet date.

### Off Balance Sheet Items

Contingent liabilities include guarantees amounting to 168.62 million EUR (12/31/2012: 223.66 million EUR) and letter of credits amounting 0.00 million EUR (12/31/2012: 3.48 million EUR). Foreign liabilities amount to 2,155.43 million EUR (12/31/2012: 1,150.44 million EUR).

### Total qualifying capital pursuant to section 23/14 ABA

of EUR(k)	12/13/2013	12/13/2012
Subscribed capital	159.830	95.830
Capital reserves	232.625	136.624
Retained earnings	192.671	110.090
Reserve pursuant to section 23/6 ABA	48.947	33.504
Untaxed reserves	-	-
Profit for the year	-	-
Funds for general bank risks	600	600
Capital to be deducted pursuant to section 23 /13/4 ABA		
Less book value of intangible fixed assets	-918	-867
Core Capital	633.755	375.781
Supplementary capital	-	-
Total qualifying capital	633.755	375.781
as a % of the assesment basis	13,05%	11,35%
purs. to section 22 ABA		
core capital ratio	12,65%	11,02%

### Additional Information

Statement of derivative financial instruments which are not settled:

Purchase and sell market value			
of EUR(k)	Nominal value	"Positive market value"	"Negative market value"
FX transactions	2,824,108	35,031	5,114
Interest Rate Swap	316,629	2,260	2,260
Cross Currency Swaps	104,480	3,136	3,136
FX Optionen	10,585	130	130
Bund Futures(*)	150,800	0	0
Total	3,406,602	40,557	10,639

(\*) By calculating the margin on a daily basis, positive and negative market values are being balanced.

Positive market value of foreign exchange forward transactions amounting to 31,280,166.39 EUR has been recorded in other liabilities. Other than that there was no need to set provision for contingent losses regarding negative market value of derivatives.

The exposure values of derivative financial instruments pursuant to Annex 2 to section 22 ABA have been calculated based on the Mark-to-Market Method. Interest rate and currency swaps are valued by discounted future cash flows based on the market interest rates, which are effective on the balance sheet date, for the remaining duration of contracts. To determine the fair value of forward transaction the contracted forward rate and the forward rate, which is effective on the balance sheet date, for the remaining duration are compared. The resulting value is discounted under consideration of market interest rate of respective currency which is effective on the balance sheet date.

### 3. Profit and Loss Account

#### Net Interest Income

The net interest result including interest from fixed-income securities, interest expenses and similar expenses increased by 52.91 million EUR to 124.64 million EUR.

Split according to geographical markets

Net Interest Income		
in EUR	2013	2012
Austria	140,118,931.28	83,614
Germany	(15,480,700.75)	(11,884)
Total	124,638,230.53	71,730

\* 12/13/2012 figures in EUR(k).

#### Operating Income

The operating income including net interest income, net fee and commission income, the net trading result and other operating revenues increased by 52.41 million EUR or 71.92% to 125.27 million EUR.

#### Operating Expenses

Operating expenses increased from 18.59 million EUR by 5.98 million EUR to 24.57 million EUR. Personnel expenses increased by 3.12 million EUR to 13.07 million EUR (2012: 9.95 million EUR). The other administrative expenses increased from 7.34 million EUR to 9.97 million EUR including rent and leasing expenses totalling 1,406,271.40 million EUR.

#### Operating Result

Our operating result increased by 46.62 million EUR to 100.70 million EUR.

#### Pre-Tax Profit for the year

The pre-tax profit for the year is reported with 107.03 million EUR and is by 51.49 million EUR or 92.71% higher than the result of the year 2012 (55.54 million EUR).

#### Extra Ordinary Result

Extra ordinary result amounts to 0.0 million EUR (2012: 0.60 million EUR) due to the set provision for the funds for general bank risks pursuant to Article 3 and 4 section 57 ABA.

#### Taxes on Income

Due to the double tax treaty between Turkey and Austria a fictitious withholding of 19,061,942.52 EUR tax from interest income for the year 2013 (2012: 4.95 million EUR) could be offset in the full amount of the taxes.

#### Profit for the year

The profit for the year increased from 45.70 million EUR to 98.02 million EUR by 114.49% or 52.33 million EUR after consideration of the taxes.

#### Changes in Reserves

The changes of reserves total 98.02 million EUR (2012: 45.69 million EUR) and comprise the allocation to the reserve under section 57/5 ABA 15.44 million EUR (2012: 8.72 million EUR) and the allocation to the retained earnings of 82.58 million EUR (2012: 36.97 million EUR).

#### Retained and Distributed Earnings

The net profit of the financial year 2013 was allocated to the profit reserves and this position amounts to 0.00 million EUR.

## Other Information

DenizBank AG is included in the consolidated financial statements of DenizBank A.S., Istanbul (subgroup) and until September 2012 of the former parent company, Dexia S.A., Brussels. After the acquisition of the parent company Denizbank AS by Sberbank of Russia, registered in Moscow, DenizBank AG is included in the consolidated financial statements of Sberbank of Russia. DenizBank AG prepares consolidated financial statements in Vienna. The consolidated financial statements are deposited at the respective locations.

On a monthly basis average, the Company employed 269 employees (2012: 215 employees).

The remuneration for members of the Management Board amounts to 998,679.30 (2012: 829,654.39 EUR). Commitments accounting 9,000.00 EUR (2012: 9,000.00 EUR) were assumed for the Management Board. The expenses for severance payments and retirement pay of the members of the Management Board and executives pursuant to section 80/1 Austrian Stock Corporation Act amounts to 74,875.62 EUR (2011: 60,337.25 EUR). Expenses for severance payments and retirement pay for non-executive employees totalled 332,396.50 EUR (2012: 235,516.78 EUR) including expenses for severance payments of 43,205.52 EUR (2012: 49,861.00 EUR) and expenses for the employee welfare fund of 166,833.37 EUR (2012: 92,827.89 EUR).

In 2013 the expenses for audits amount to 202,909.71 EUR (2012: 376,810.95 EUR), the expenses for tax consultancy amount to 25,043.11 EUR (2012: 33,471.70 EUR) and the expenses for consultancy amount to 3,215.83 EUR (2012: 1,483.12 EUR).

The emoluments of the Supervisory Board amount to 102,000.00 EUR (2012: 97,024.71 EUR).

The members of the Supervisory Board are as follows:

Sergey Gorkov, Chairman (since September 26, 2013)  
Hakan Ates, Deputy-Chairman (until September 26, 2013)  
Derya Kumru, Deputy-Chairman  
Dr. Kurt Heindl, Member  
Wouter van Roste, Member  
Alexander Vedyakhin, Member (since April 12, 2013)

Following State Commissioners were appointed:

Amtsdirktor Andreas Staritz  
MR Mag. Lisa Mandl, Deputy

Following members of the Management Board for the financial year 2013 respectively until the preparation of financial statement were appointed:

Ahmet Mesut Ersoy, Chairman  
Dr. Thomas Roznovsky, Member  
Mehmet Ulvi Taner, Member  
Tuncay Akdevelioğlu, Member (since March 5, 2013)  
Dr. Edin Güclü Sözer, Member (until April 24, 2013)

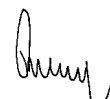
The company is registered at the commercial register at the commercial court in Vienna under the number FN 142199t.

Vienna, March 26<sup>th</sup>, 2014

## Der Vorstand



AHMET MESUT ERSOY  
Chairman



DR. THOMAS ROZNOVSKY  
Member



MEHMET ULVİ TANER  
Member



TUNCAY AKDEVELİOĞLU  
Member

## AUDITOR'S REPORT

### 6. Auditor's Report

#### Tz 26 Report on the Financial Statements

We have audited the accompanying financial statements, including the accounting system, of **DenizBank AG, Vienna**, for the fiscal year from January 1, 2013 to December 31, 2013. These financial statements comprise the balance sheet as of December 31, 2013, the income statement for the fiscal year ended December 31, 2013, and the notes.

#### *Management's Responsibility for the Financial Statements and for the Accounting Records*

The Company's management is responsible for the accounting records and for the preparation and fair presentation of these financial statements in accordance with Austrian Generally Accepted Accounting Principles and the regulations of the Austrian Banking Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's Responsibility and Description of Type and Scope of the Statutory Audit*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria, Austrian Standards on Auditing and Austrian Standards on Auditing of Banks. Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### *Opinion*

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the financial statements comply with legal requirements and give a true and fair view of the financial position of **DenizBank AG** as of December 31, 2013 and of its financial performance for the fiscal year from January 1, 2013 to December 31, 2013 in accordance with Austrian Generally Accepted Accounting Principles.

### **Comments on the Management Report**

Pursuant to statutory provisions, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report is consistent with the financial statements.

In our opinion, the management report is consistent with the financial statements.

Vienna, March 26, 2014

**Deloitte Audit Wirtschaftsprüfungs GmbH**

Dr. Peter Bitzyk m.p.  
Certified Public Accountant

ppa. Mag. Wolfgang Wurm m.p.  
Certified Public Accountant

This English translation of the audit report was prepared for the client's convenience only. It is no legally relevant translation of the German audit report.

**Deloitte.** This English translation of the Auditor's Report is for convenience purposes. Only the original German version is legally binding. We have used the same wording as DenizBank AG in its translation of the financial statement to the extent possible.

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