

## Sberbank Announces Agreement to Acquire 99.85% of DenizBank

8 June 2012, Istanbul – Sberbank of Russia (“**Sberbank**”) and the shareholders of DenizBank AS (“**DenizBank**”) – Dexia NV/SA and Dexia Participation Belgium SA (together, “**Dexia**”) – have signed a definitive agreement for the acquisition of 99.85% of DenizBank by Sberbank for a consideration in Turkish Lira of TRY 6,469 million (at the current exchange rates approximately EUR 2,821 million or US\$3,504 million). This implies a valuation of Turkish Lira 6,479 million for 100% of DenizBank’s share capital. The transaction includes DenizBank and its subsidiary companies in Turkey, Austria and Russia. The agreed purchase price is equivalent to 1.33x DenizBank’s shareholders’ equity as of 31 March 2012<sup>1</sup> and is subject to adjustments at closing.

This landmark transaction, which is expected to be earnings accretive for Sberbank from year one, represents the largest acquisition in the bank’s 170-year history and is the latest step, following the recent acquisitions of Troika Dialog and Volksbank International, in Sberbank’s transformation from a domestic champion into a leading international financial institution. The acquisition of DenizBank is consistent with Sberbank’s stated strategy of increasing the share of net profit generated from its international operations and will allow Sberbank to establish a leading presence in the fast-growing Turkish economy.

### *Highly attractive Turkish economy and banking sector*

Turkey is the eighteenth largest economy in the world, having grown on average by 5.4% annually over the last decade, with further dynamic growth expected over the medium term. Turkey’s population is large and the fastest growing in the region, with 51% of the population below the age of 30. The country’s banking sector exhibited loan growth in excess of 25% over the last five years yet still has a loan penetration of only 52.7% to GDP, which is less than one quarter of that of the Eurozone, and hence enjoys considerable demographic and convergence driven growth potential.

### *DenizBank – a leading full service Turkish bank*

DenizBank ranked 8<sup>th</sup> among Turkish banks by total consolidated assets, deposits and by loans as of 31 March, 2012. The bank has been one of the biggest success stories in Turkish financial services. Launched as a start-up by its current management in 1997, DenizBank today is the 5<sup>th</sup> largest private bank by total consolidated assets in Turkey with a long-term track record of high growth and attractive profitability. The bank enjoys nationwide coverage with 592 branches in Turkey, as well as 15 branches of subsidiary banks abroad.

DenizBank is a leader in retail and commercial banking with particular focus and unique competitive advantages in attractive niche segments such as consumer, SME and agricultural lending through strong brand perception, innovative products and advanced technologies. The bank ranks #7 in car loans (5.2% market share), #9 in consumer loans (4.2% market share), #9 in credit card receivables (2.8% market share), #9 in SME (4% market share) and #1<sup>2</sup> in agricultural loans (20% market share) as of 31 March, 2012<sup>3</sup>. DenizBank, which boasts a strong funding position, robust asset quality and a solid capital position, posted a net profit of TRY 0.7 billion in 2011, up 21% over the previous year and achieved an ROAE of 17.4%<sup>4</sup>.

### *A major milestone in the implementation of Sberbank’s development strategy*

DenizBank will help Sberbank achieve diversification, as it will constitute Sberbank’s largest foreign operation to-date. The transaction is giving a presence in countries representing in excess of 80% of total banking assets in the CIS and CEE. The transaction will also enable Sberbank to realize synergies from the exchange of expertise in banking operations, as well as from the rapidly expanding trade and investment flows between Russia and Turkey: in 2011 Russia was Turkey’s largest source of exports, while Turkey was Russia’s 6<sup>th</sup> largest export market.

The acquisition of DenizBank, which is expected to close in 2012, is subject to limited conditions precedent, including customary regulatory consents and approvals. The final consideration will be

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<sup>1</sup> According to BRSA standards

<sup>2</sup> Excluding Ziraat (state-owned), which is the only bank allowed to provide subsidised loans

<sup>3</sup> Source: DenizBank

<sup>4</sup> Before realized gains from the sale of life insurance and pensions subsidiary.

adjusted on a Lira-for-Lira basis to account for the evolution of DenizBank's net asset value until closing, subject to certain caps. Upon closing Sberbank intends to launch a mandatory tender offer on the share capital of DenizBank in accordance with the capital market regulations of Turkey.

"Sberbank's acquisition of DenizBank is another step in delivering Sberbank's 2014 strategy" said Herman Gref, CEO and Chairman of the Executive Board of Sberbank, today in Istanbul. "With this acquisition, Sberbank will enter a highly attractive market, which has demonstrated exceptional growth and profitability levels in the recent years. DenizBank is a high quality universal bank led by an exceptionally professional team with a nation-wide branch network and strong expertise in the lucrative SME and agricultural segments in Turkey. We believe that we can use DenizBank with its state of the art CRM and IT capabilities as an innovation hub for our CEE business. Under Sberbank's ownership, I believe DenizBank will be able to further strengthen its position in the Turkish market and capture synergies from Russia/Turkey trade, tourist and investment flows".

Pierre Mariani, Chief Executive Officer of the Dexia Group and Chairman of the Board of Directors of DenizBank declared "Since 2006 Dexia has shouldered and encouraged the profitable development of DenizBank which has become an important player, which has found its place within the Turkish banking industry. At the close of a competitive selection process, Dexia chose an industrial partner able to carry further this development and enhance its growth potential. For Dexia, this agreement represents a significant inroad into the implementation of the decisions notified by the States to the European Commission for an orderly resolution of the Dexia group.

DenizBank CEO Hakan Ateş said – "If I had to summarize in two words the six-year relationship between Dexia and DenizBank which started in May 2006, I would use the words "success story". Our new main shareholder Sberbank is the largest bank in Russia. In fact in Russia, banks are mentioned as "Sberbank and the others"... Representing nearly one third of the Russian financial market itself, Sberbank is rapidly proceeding to become a global financial player with its new investments in Central and Eastern Europe. For Turkey and Russia, Sberbank-DenizBank partnership has a meaning beyond a bank acquisition. The fact that Sberbank is acquiring DenizBank shares will contribute a lot to the target of improving commercial relations between the two countries. I hope this share transfer agreement will be beneficial for all parties."

Deutsche Bank, Rothschild and Troika Dialog acted as financial advisors to Sberbank. Linklaters LLP and Taboglu were Sberbank's legal advisors, while KPMG conducted financial and tax due diligence on behalf of Sberbank.

Barclays and J.P. Morgan provided fairness opinions to the Executive Board of Sberbank.

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**Sberbank** is the largest bank of Russia that holds about 27% of the Russian banking assets and employs nearly 240,000 people. The Central Bank of Russian Federation is the founder and major shareholder of Sberbank, owning 57.6% of its issued outstanding shares. Other shares are held by more than 245,000 individual and institutional investors. The Bank has one of the largest networks in Russia: 17 territorial banks, about 19,000 branches as well as subsidiaries in Kazakhstan, Ukraine and Belarus, a branch in India, representative offices in Germany and China. With the acquisition of Volksbank International in 2012 Sberbank gained presence in nine Central and Eastern European countries.

The bank holds the general banking license No.1481 issued by the Bank of Russia.

The official website is [www.sberbank.ru](http://www.sberbank.ru)