

## Net interest income

Net interest income earned in 2012 totaled 704.8 bln RUB, increasing 25.6% for the year (or 20.4% excluding 2012 acquisitions).

The net interest margin declined by 0.3 pp y-o-y to 6.1%. The margin was negatively affected by

1. the rising share of relatively expensive corporate term deposits, which increased the absolute figure for interest expenses as well as the ratio of interest-bearing liabilities to interest-earning assets;
2. increased debt from other banks that is dominated by relatively expensive repo loans from CBR; and
3. decreased yields on loans. On the other hand, increased share of loans in interest-earning assets structure supported NIM.

### THE FOLLOWING FACTORS AFFECTED NIM IN 2012

2011 NIM	6.4%
Return on corporate loans	—
Return on retail loans	-0.1%
Return on amounts due from other banks	—
Return on securities	0.1%
Structure of interest-earning assets	0.3%
Costs of amounts due to corporate customers	-0.3%
Costs of amounts due to individuals	-0.1%
Costs of amounts due to other banks	-0.1%
Costs of issued securities and subordinated debt	—
Structure of interest-bearing liabilities	—
Ratio of interest-earning assets to interest-bearing liabilities	-0.1%
2012 NIM	6.1%



### QUARTERLY INTEREST MAGRIN

