

Audit report
on the annual financial statements
of Sberbank of Russia
for the year ended 31 December 2014

March 2015

Translation of the original Russian version

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Independent auditor's report

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To the shareholders of Sberbank of Russia

Report on the annual financial statements

We have audited the accompanying annual financial statements of Sberbank of Russia (the "Bank"), which consist of the balance sheet (published form) as of 1 January 2015, statement of financial performance (published form) for the year ended 31 December 2014, appendices thereto comprising the statement of capital adequacy to cover risks, allowance for doubtful loans and other assets (published form) as of 1 January 2015; statement of obligatory ratios (published form) as of 1 January 2015; statement of cash flows (published form) for the year ended 31 December 2014; and explanatory information

Audited entity's responsibility for the annual financial statements

The management of the Bank is responsible for the preparation and fair presentation of these annual financial statements in accordance with rules on the preparation of annual financial statements established in the Russian Federation as well as for the internal control system relevant to the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the fair presentation of these annual financial statements based on our audit.

We conducted our audit in accordance with the federal standards on auditing effective in the Russian Federation and International Standards on Auditing. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the annual financial statements are free from material misstatements.

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An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The audit procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the annual 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the annual financial statements.

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

Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Sberbank as of January 1, 2015, its financial performance and cash flows for the year 2014 in accordance with rules on the preparation of annual financial statements established in the Russian Federation.

Other matters

The accompanying annual financial statements are not intended to present the financial position and results of operations in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than the Russian Federation. Accordingly, the accompanying annual financial statements are not designed for those who are not informed about accounting principles, procedures and practices in the Russian Federation.

Report on the results of the work in accordance with the requirements of Article 42 of Federal Law No. 395-1 "Concerning Banks and Banking Activity" of 2 December 1990

The management of the Bank is responsible for the Bank's compliance with the obligatory ratios established by the Bank of Russia and for the conformity of the Bank's internal control and organization of the risk management systems with the requirements set forth by the Bank of Russia in respect of such systems.

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In accordance with the requirements of Article 42 of Federal Law No. 395-1 "Concerning Banks and Banking Activity" of 2 December 1990 (hereinafter, the "Federal Law"), during the audit of the Bank's annual financial statements for the year ended 31 December 2014, we determined:

- 1) Whether the Bank complies as at 1 January 2015 with the obligatory ratios established by the Bank of Russia;
- 2) Whether the Bank's internal control and organization of the risk management systems conform to the requirements set forth by the Bank of Russia for such systems in respect of the following:
 - subordination of risk management departments;
 - existence of methodologies, approved by the Bank's respective authorized bodies, for detecting and managing risks that are significant to the Bank and for performing stress-testing; existence of a reporting system at the Bank pertaining to its significant risks and capital;
 - consistency in applying and assessing the effectiveness of methodologies for managing risks that are significant to the Bank;
 - Oversight performed by the Board of Directors and executive management of the Bank in respect of the Bank's compliance with risk limits and capital adequacy requirements set forth in the Bank's internal documents, and effectiveness and consistency of the application of the Bank's risk management procedures.

This work included the procedures selected on the basis of our judgment, such as inquiries, analysis, review of documents, comparison of the requirements, procedures and methodologies approved by the Bank with the requirements set forth by the Bank of Russia, and recalculation, comparison and reconciliation of numerical values and other information.

The results of our work are provided below.

Compliance by the Bank with the obligatory ratios established by the Bank of Russia

We found that the values of obligatory ratios of the Bank as of 1 January 2015 were within the limits established by the Bank of Russia.

We have not performed any procedures in respect of the Bank's accounting data, except for the procedures we considered necessary for expressing our opinion on the fair presentation of the Bank's annual financial statements.

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Conformity of the Bank's internal control and organization of the risk management systems with the requirements set forth by the Bank of Russia in respect of such systems

- We found that, in accordance with the legal acts and recommendations issued by the Bank of Russia, as at 1 January 2015, the Bank's internal audit division was subordinated to the Supervisory Board, and the Bank's risk management departments were not subordinated or accountable to the departments that take the relevant risks.
- We found that the Bank's internal documents effective as at 1 January 2015 that establish the methodologies for detecting and managing of credit, market, operational and liquidity risks significant to the Bank and stress-testing have been approved by the Bank's authorized bodies in accordance with the legal acts and recommendations issued by the Bank of Russia. We also found that as at 1 January 2015, the Bank has a reporting system pertaining to credit, market, operational and liquidity risks that are significant to the Bank and pertaining to its capital.
- We found that the periodicity and consistency of reports prepared by the Bank's risk management departments and internal audit division during the year ended 1 January 2015 with regard to the management of the Bank's credit, market, operational and liquidity risks complied with the Bank's internal documents and that those reports included observations made by the Bank's risk management departments and internal audit division in respect of the effectiveness of the Bank's relevant risk management methodologies.
- We found that, as at 1 January 2015, the authority of the Supervisory Board and executive management bodies of the Bank included control over the Bank's compliance with internally established risk limits and capital adequacy requirements. For the purposes of control over the effectiveness and consistency of the risk management procedures applied by the Bank during the year ended 1 January 2015, the Supervisory Board and executive management bodies of the Bank regularly reviewed the reports prepared by the Bank's risk management departments and internal audit division.

The procedures pertaining to the internal control and organization of the risk management systems were conducted by us solely for the purposes of determining the conformity of certain elements of the Bank's internal control and organization of risk management systems, as listed in the Federal Law and described above, with the requirements set forth by the Bank of Russia.

S. M. Taskaev
Partner
Ernst & Young Vneshaudit

March 18, 2015

Audited entity

Name: Sberbank of Russia
State registration with the Central Bank of the Russian Federation: No. 1481 dated June 20, 1991
A record is entered into the Uniform State Register of Legal Entities on August 16, 2002, with state registration number 1027700132195 assigned.
Address: 19 Vavilova St., Moscow, 117997 Russia.

Auditor

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Name: Ernst & Young Vneshaudit

A record is entered into the Uniform State Register of Legal Entities on September 16, 2002, with state registration number 1027739199333 assigned.

Address: 77 Sadovnicheskaya Naberezhnaya, bldg. 1, Moscow, 115035 Russia.

Ernst & Young Vneshaudit is a member of the Self-Regulatory Organization of Auditors of the Non-Profit Partnership Audit Chamber of Russia. Ernst & Young Vneshaudit is included in the check copy of the register of auditors and audit companies under registration number 10301017410.