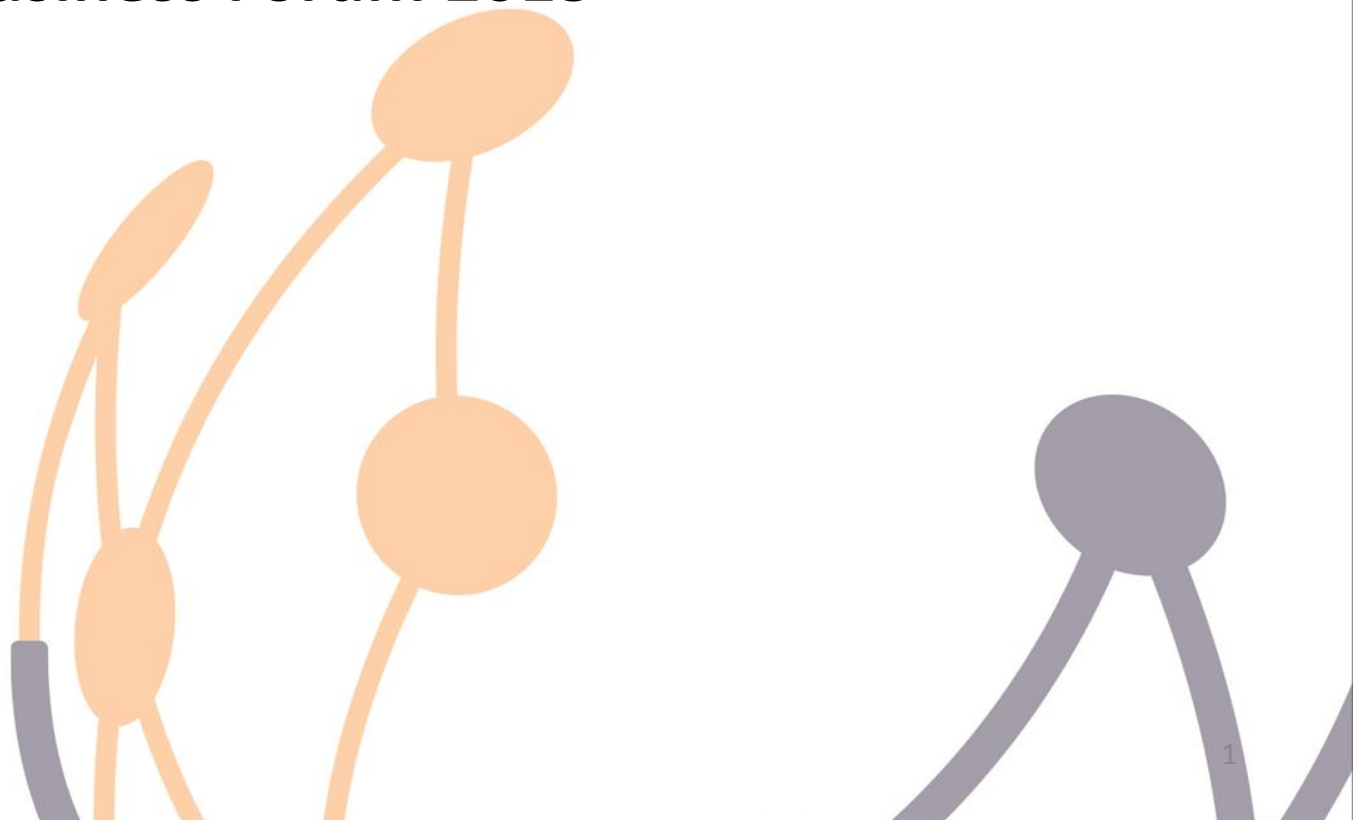




**Euroasian
Leasing
Company**

Euroasian Leasing Company

Dushanbe Business Forum 2013



Country Overview

● Tatarstan ● Volga Federal District



Socio-Economic Indicators, 2012

Indicator	Russia	Tatarstan
Population (million)	142.5	3.8
Total area (sq. Km)	17,098,242	67,836
Nominal GDP	USD 2.05 Trillion	USD 37.58 Billion
GDP growth rate	3.4%	4.2%
GDP per capita (USD 000's)	17.7	9.8
Inflation	5.1%	NA

Tatarstan Profile (international rating B a1/BBB-)

- One of the most economically developed regions of the Russian Federation, with vast crude oil reserves (Tatarstan produces 32.5 million tones of crude oil per year and has estimated oil reserves of more than 1 billion tons).
- Leading industries include: oil refinery and production, chemicals and petrochemicals, machinery construction, agriculture.
- The Republic of Tatarstan is among the Top-10 leading subjects of Russia by macroeconomic indicators (on per capita basis): commission of housing, retail trade turnover, manufacturing agriculture produce, amount of capital investments, volume of industrial output.
- Gross regional product (GRP) growth rate of 5.5% in 2012 (total GRP of \$46.7 bn), industrial production of 7% vs. 2.6% in Russia as a whole.
- Tatarstan is #1 in the Top-30 list of best regions for doing business in Russia

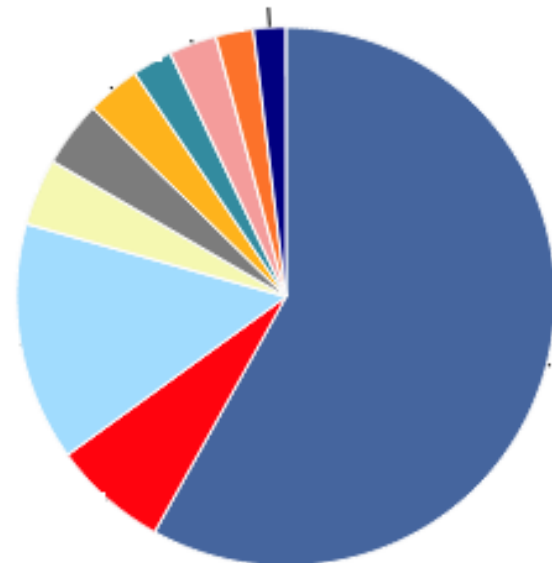
Leasing Market in Russia

Indicators of Russian leasing market development is presented as under:

Indicators*	2009	2010	2011	2012
Volume of new business (asset cost), bln rubbles	315.00	725.00	1,300.00	1,320.0
Growth rates,%	(56.20)	130.20	79.30	1.50
Volume of leased amounts, bln rubbles	154.00	450.00	737.00	640.0
Growth rates,%	(65.00)	192.20	63.80	(13.20)
Volume of lease repayments, bln rubbles	320.0	350.0	540.0	560.0
Growth rates,%	(20.6)	9.4	54.3	3.7
Total portfolio of leasing companies, bln rubbles	960.00	1,180.00	1,860.00	2,530.00
Growth rates,%	(31.00)	22.90	57.60	36.02
Nominal GDP of Russia, bln rubbles	38,807.2	46,321.8	55,798.7	62,356.9
Share of leasing business in GDP,%	0.81	1.63	2.3	2.1
Concentration on new transactions of top-10 companies, %	50.0	62.4	66.5	63.0

*Source: Expert RA rating agency, Russia

Top-10 market segments by a share in a Lease Portfolio



- Railway machinery 50,12%
- Aircrafts (airborne vehicles, helicopters) 12,38%
- Commercial vehicle 5,96%
- Passenger vehicle 3,45%
- Construction equipment, including wheel machinery 3,39%
- Energy equipment 2,79%
- Road-building equipment 2,08%
- Oil production equipment 2,47%
- Agricultural equipment 1,94%
- Machinery building and metal-working equipment 1,67%

Leasing Market in Russia

- In 2012, the volume of new business in a leasing market increased by 1.5% to 1.32 trillion rubles. Such dynamics is explained by reduced activity in the segment of railway machinery (-14%) which was the driving force for many years and by an increase in the lending rates. **According to the forecast of “Expert RA”, the leasing market in 2013 is expected to grow by 8%.**
- Market reformatting in 2012 influenced on transactions structure (in terms of size of lessees). The reduction of transactions in the railway machinery segment strengthened leasing positions in small and medium-sized businesses. Its share considerably increased by 6.3% in 2012, for the first time for the last four years. ***The leading type of assets in transactions with small and medium-sized businesses was commercial vehicles (28.4% vs. 11.2% for the whole market) and Passenger Vehicles (20.4% vs. 8.5% for the whole market).***
- Three market leaders namely, VEB-leasing JSC, VTB-leasing JSC and Sberbank Leasing, together made 37% of the volume of new business in 2012 (43% in 2011, and 41.1% in 2010).
- **In 2013, considerable growth is expected in vehicle and construction machinery segments.** Leasing companies prioritises leasing vehicles (both commercial and passenger) on account of its high liquidity and major construction projects (for upcoming events, namely Winter Olympic Games and Mondial World Cup) should support construction and road-construction machineries.

Significant scope for providing Islamic leasing solutions since Russia has 10 – 15% Muslim population



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About ELC

- ❖ **Euroasian Leasing Company (ELC)** was established by Tatarstan International Investment Company (TIIC) in May, 2012 with the Paid-up Capital of USD 1 mio. ELC started its activity in October, 2012. The Charter Capital of ELC is in the process of increasing up to the 10 mio USD.

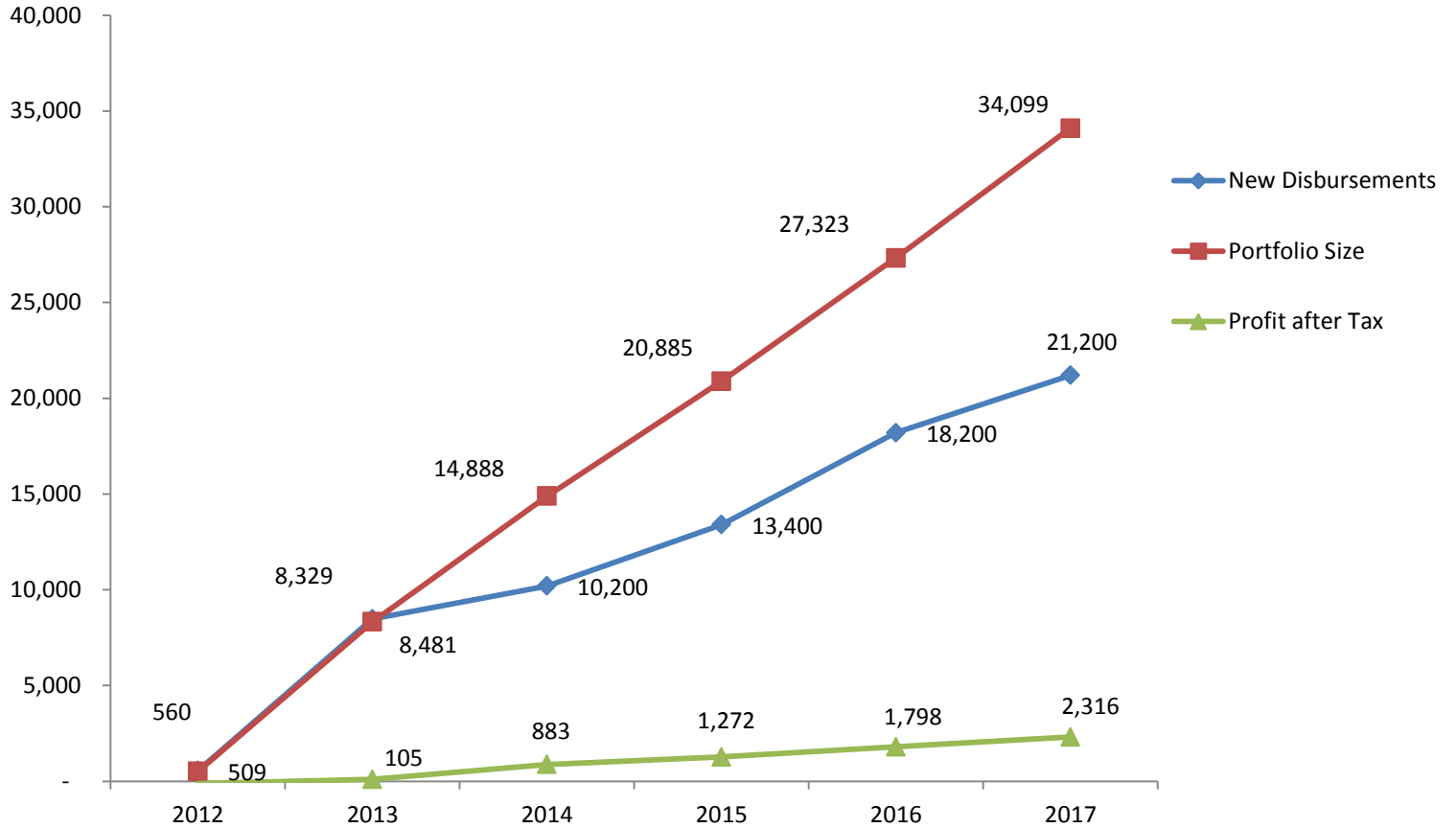
- ❖ The Shareholders of Euroasian Leasing Company are:
 - TIIC (Russia)
 - Kolon Group (South Korea)
 - Aktif Bank (Turkey)
 - RT-Invest Company (Russian Technologies Group)
 - AkBars Bank (Russia)

- ❖ Euroasian Leasing Company is the first in Russia to provide leasing solutions to the SME sector in accordance with the Islamic principles.

- ❖ Since starting its activities in October 2012, Euroasian Leasing Company has signed 18 leases totaling USD 900k.



Financial Projections (USD x 000s)



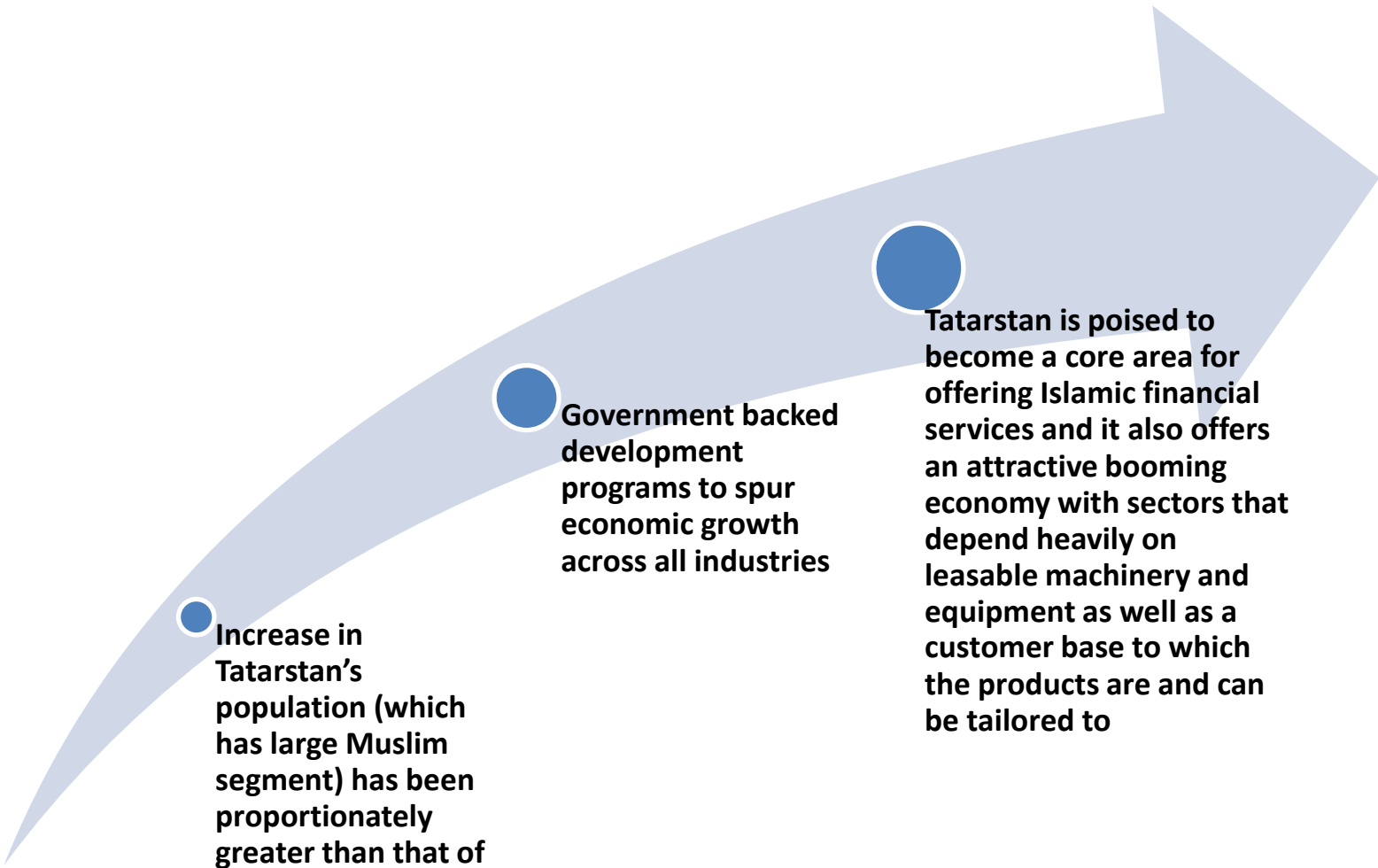


Challenges





Opportunities



Increase in Tatarstan's population (which has large Muslim segment) has been proportionately greater than that of Russia

Government backed development programs to spur economic growth across all industries

Tatarstan is poised to become a core area for offering Islamic financial services and it also offers an attractive booming economy with sectors that depend heavily on leasable machinery and equipment as well as a customer base to which the products are and can be tailored to



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