



Deutsche Bank in Russia

Global presence

Deutsche Bank is a leading global investment bank with a strong and profitable private clients' franchise. Deutsche Bank was established in 1870 in Berlin. With more than 100,000 employees in 70 countries, Deutsche Bank offers unparalleled financial services throughout the world. The bank competes to be the leading global provider of financial solutions for demanding clients creating exceptional value for its shareholders and people.

Deutsche Bank ranks among the global leaders in corporate banking and securities, transaction banking, asset management, and private wealth management, and has a significant private & business banking franchise in Germany and other selected countries in Continental Europe.

Deutsche Bank in Russia

Deutsche Bank began its operations in Russia in 1881 by underwriting a capital increase of the Russian Foreign Trade Bank based in Saint-Petersburg and placing the new shares in Germany. In mid-1880-es Deutsche Bank was the first to arrange railroad loans in Russia. In 1926 the Bank became the organizer of the first German USSR export finance consortium. In the 1970s Deutsche Bank supervised fund-raising to finance pipe supplies for the construction of a pipeline from Russia to Europe.

In 1972 Deutsche Bank received the license No. 2 to open a foreign bank representative office in Moscow.

During a long time cooperation with Russia Deutsche Bank AG rendered a financial and consulting support to its trade partners and the Government. Deutsche Bank AG has played an important role in the settlement of the USSR's foreign debt to Western banks, members of "London Club".

To improve and expand Deutsche Bank's operations, it was decided in April 1998 to establish Deutsche Bank Ltd. (Deutsche Bank Russia), a wholly-owned subsidiary of Deutsche Bank AG. Since then, Deutsche Bank Moscow has become one of the largest foreign banks in Russia.

Few months after Deutsche Bank Moscow was established, Russia was hit by a financial crisis. Despite all the difficulties the young office met this time, Deutsche Bank Moscow didn't scale down its activities in Russia. To the contrary, following the 1998 financial crisis, Deutsche Bank AG participated in the resolution of disputes between Russia and its international creditors and the restoration of constructive relations between Russia and international capital market players.

In 2008 Deutsche Bank Russia announced the opening of a representative office in St. Petersburg.

In 2011 Deutsche Bank, through its Asset Management division, fully acquired Deutsche UFG Capital Management – company that was formed in 2008 when Deutsche Bank acquired a 40 percent stake in UFG Invest, the Russian investment management company of UFG AM.

Products and services

Deutsche Bank Moscow is a universal bank providing local and international, corporate and private clients with a broad range of financial services, comprising corporate finance and advisory, sales, trading, transaction banking as well as private wealth management and asset management services. The bank includes the largest Russian and multinational companies among its client base.



The Bank focuses its efforts on providing services to the customers capable of making the most efficient use of the Deutsche Bank Group's experience and potential.

The Bank's Corporate Finance Division participated in the implementation of a series of projects including IPO of VTB and restructuring of the RAO Norilsk Nickel group of companies. The Bank's

Debt Capital Markets Division helped to arrange Eurobond issuance by Gazprombank, Magnitogorsk Integrated Iron and Steel Works and AFK Sistema. Deutsche Bank Russia services the ADR and GDR programs for a number of Russian companies, including Aeroflot, Wimm-Bill-Dann, AFK Sistema, Mechel, SeverStal, PIK Group.

Deutsche Bank Russia is a primary dealer on the St. Petersburg stock exchange, one of the largest local foreign exchange dealers and also one of the largest custodians in Russia.

In 2003 the Bank started to offer Private Wealth Management Services in Russia. Today, Deutsche Bank is one of the leading banks in the Russian private banking market.

In 2005 the Bank entered Russian Asset Management market. In 2008 Deutsche Bank acquired a 40% stake in UFG Invest, one of the leading Russian investment management companies.

In 2006 Deutsche Bank finalized 100% acquisition of United Financial Group (UFG), one of the leading investment companies in the Russian market. The deal has resulted in further strengthening Deutsche Bank's positions in local equity sales and trading, equity research and corporate finance. This investment into the Russian economy has once again demonstrated the Bank's strong commitment to making business in Russia.

In 2011

Up to date Deutsche Bank has the strongest platform in Russia among all international banks. The Bank is also the largest local player with more than 1000 professionals working in Russia. While other investment banks are just beginning to operate in Russia Deutsche Bank is a well-established organization with the largest range of products offered locally.

Recent deals

- 2012** Coordinated mandated lead arranger, bookrunner and agent in Stream Coal Pre-Export Finance Facility for SUEK in the amount of USD600mn
- 2012** Sole lender, arranger and facility agent for Vnesheconombank's ECA Covered Financing and Commercial Financing for RUB815mn & EUR70mn
- 2012** Advising Sberbank on acquisition Denizbank for EUR3bn
- 2012** Joint Bookrunner for Severstal convertible bonds for USD475ml
- 2012** Sole Bookrunner for USD146ml block trade for M.Video
- 2012** Joint financial advisor to VimpelCom on its USD23bn acquisition of WIND, a transformational deal that creates a top 5 global mobile operator and was the largest EMEA M&A transaction in the telecoms sector since 2006.
- 2011** Advised UCL Holding on its USD 4.1bn strategic acquisition of a 75% stake in Freight One JSC in the largest M&A transaction in the Russian transportation industry transforming UCL into a national champion.
- 2011** Advised Severstal on a landmark spin-off of NordGold, USD 2,8bn



- 2011** USD1.4bn IPO of Yandex, which priced 14% higher than the top of its indicative range and was the largest US technology IPO since Google in 2004.
- 2011** Polymetal's USD750m premium London listing was another landmark deal and the first premium listing out of Russia.
- 2011** First post-crisis Russian bank IPO for NOMOS Bank, USD782m
- 2011** A first port sector IPO for Global Ports, USD 588m

- 2011** US\$1.4 billion IPO of **Yandex**, the leading Russian search portal.
- 2011** Russian Federation RUB50 billion Re-opening of Bonds.
- 2011** US\$3.3 billion **VTB** follow-on offering finished up well oversubscribed and priced at a very tight discount to both GDR's and ordinary share's last day close.
- 2011** Deutsche Bank acted as financial adviser for **Sberbank** on acquisition of **Troyka Dialog** for US\$1 billion.

- 2010** US\$388 million IPO of **Mostotrest**, a major company in the bridge construction and design segment
- 2010** **Lukoil** US\$1,5 billion convertible bonds offering
- 2010** Deutsche Bank advised **TNK-BP** of its acquisition of Vicoil (Ukratnafta) for USD 250 million.

- 2009** Deutsche Bank advised **Sberbank** on acquisition of BPS Bank for USD 281 million. For **Globaltrans** Deutsche Bank acted as joint bookrunner and global coordinator in a follow-on equity offering for USD 175 million and advised the company in its acquisition of an effective 50% economic interest in BaltTransServis for USD 250 million.
- 2009** Deutsche Bank was a leader on the Russian M&A market. Deutsche Bank advised **AIG** in selling its subsidiary AIG Bank Russia to Banque PSA Finance SA (USD 100 million). The Bank acted as a Sole financial adviser to **ENI SpA** on the sale of 20% stake in Gazprom Neft to Gazprom (USD 4.2 billion); advised **Sibir Energy PLC** on its acquisition of 50% stake in Korimos and 100% stake in Avtocard (USD 160 million); advised **Sberbank Capital** on an asset swap with Urals Energy (USD 600 million). According to Dealogic, Deutsche Bank is ranked third based on its performance in 2009 and first based on 2005–2009 performance.
- 2009** Deutsche Bank has become a major player in arranging a syndicated credit line for preexport financing of Russian oil company **TNK-BP**. In London Deutsche Bank signed a USD 1.2 billion agreement on pre-export financing of crude oil deliveries for **Lukoil** (Deutsche Bank Moscow is an exclusive passport bank).
- 2009** Deutsche Bank was a lead arranger and bookrunner on the securities market. The Bank performed the largest transaction in recent years: a joint offer of ordinary shares and convertible bonds of Mining and Metallurgical Holding **Evrax** totaling USD 965 million.

- 2008** Deutsche Bank advised **Lebedyansky** in sale of 75% stake to PepsiCo Group for USD 1.4 billion. Also the Bank acted as Financial Advisor for **MOEK** in consolidation of heat generating and distribution assets for USD 3.8 billion and as Sole Financial Advisor for **ONGC Videsh** in acquisition of Russian oil company Imperial Energy for USD 2.5 billion.
- 2008** Deutsche Bank acted as Joint Bookrunner and Global Coordinator for **Globaltrans** IPO with listing on LSE for USD 449 million and for **Magnit** follow-on offering for USD 490 million.



- 2007** According to Dealogic and Thomson, Deutsche Bank held No.1 position in equity capital markets (ECM) in Russia by overall volume of deals. In 2007 the Bank executed 10 deals in Russia for the amount of more than USD 16 billion, including IPO of **VTB Bank** (USD 8 billion), IPO of **PIK Group** (USD 1.9 billion), as well as SPO of **Norilsk Nickel** (USD 2.1 billion). The IPO of VTB became the largest transaction in the Russian financial sector to date and the largest world IPO in 2007. IPO of PIK Group represents Europe's largest ever Real Estate placement. In 2007, the Bank also bookran IPOs of **AFI Development**, **Polymetal**, **Dixy Group**, etc.
- 2007** In M&A Advisory Deutsche Bank has demonstrated its strong position as one of the leading financial advisors in the Russian market according to Bloomberg. The Bank completed 19 deals with a value of more than USD 22 billion. The Bank acted as financial advisor to **Eni Neftegaz** for acquisition of assets of Yukos (USD 5.8 billion), advised **Enel SpA** on acquisition OGK-5 (total value of c. USD 5 billion) and **Basic Element** on acquisition of 30% stake in a European construction corporation Strabag SE (EURO 1.3 billion).

Deutsche Bank awards and rankings

2012

- Best Transaction Banking provider in Russia and Best Cash Manager Russia by Euromoney
- Best Investment Bank in Russia and CIS in 2011 by EMEA Finance magazine
- Best Equity House in Russia 2012 by Euromoney (to be announced on July 5)
- Best Foreign Investment Bank in Institutional Investor's All-Russia Research, Sales and Trading Survey for the fourth time in a row
- No.1 position on Institutional Investor 2012 Emerging Markets Equity & Fixed Income Research Team
- Best Depositary Receipt Program in EMEA: Deutsche Bank's Global Depositary Receipt Program for Nomos Bank by EMEA Finance magazine

2011

- Institutional Investor ranks Deutsche Bank Research Team No.1 on the 2011 Emerging Markets Equity & Fixed Income and No.3 spot in All-Russia Institutional Investor ranking.
- Russian Research Team is rated No.3 among the leading investment banks in Russia in the Thomson Reuters Extel Russia Survey 2011.
- Risk Magazine named Deutsche Bank as its Derivatives House of the Year 2010

2010

- Euromoney magazine at their annual Awards for Excellence awarded Deutsche Bank **Best at Risk Management in Central and Eastern Europe** and **Best at FX in Central and Eastern Europe**.
- Deutsche Bank Research team secured the #3 spot in **Institutional Investor** All-Russia Survey 2010, thus emulating the success of 2009 of being the number one international broker for Russia.

2009

- Deutsche Bank won 7 awards of Trade Finance Deals of the Year 2009 Awards from industry journals: **Trade Finance magazine**, **Global Trade Review** and **Trade & Forfaiting Review**.



- Deutsche Bank was recognized as the **Best International Trade Finance Bank in Russia** and the **Best Bank in Eurobond Research** by Global Finance magazine awards of Russia's Best Banks and Companies
- In **M&A Advisory** Deutsche Bank has again demonstrated its strong position as one of the leading financial advisors in the Russian market. According to Dealogic the Bank is **ranked 3rd** with 9 completed deals and a total value of almost USD 7 billion. According to Mergers.ru the Bank is **ranked 1st** both in number and in the amount of executed deals.
- The Bank **topped the list of foreign subsidiary banks in terms of asset size** as rated by Forbes magazine
- Deutsche Bank was recognized as a leader in Foreign Exchange and nominated the **Best for Russian Ruble** based on research "FX Poll 2009" conducted by Euromoney magazine
- Deutsche Bank's research team has consistently received top rankings from Extel Survey and Institutional Investor for its in-depth analysis of the major sectors of the Russian market and economy. In 2009 Deutsche Bank analysts were voted for 8 different places (within top 3) in a range of sectors categories by Extel Survey Focus Russia.

2008

- Deutsche Bank was named the **Best Debt House in Russia** by Euromoney
- **Best International Trade Bank in Russia** and the **Best Trade Bank in Central & Eastern Europe** by the Global Poll of Trade Finance magazine
- **Best Investment Bank** by Finance magazine
- Deutsche Bank Russia was recognized as one of the leaders in the M&A sphere, being **ranked 2nd in M&A transactions** by the Mergers & Acquisitions magazine, 2008. The M&A Advisory team of Deutsche Bank Russia completed 24 deals with a value of more than USD 15 billion.

2007

- Deutsche Bank was nominated as the **Best Derivatives and International Trade Finance Bank in Russia** by Global Finance
- **Best Investment Bank in Russia 2007** by Itogi magazine
- The bank's leading position in the M&A market was recognized by the **Best M&A House in 2007** award by Euromoney and No.1 M&A adviser to Russian M&As ranking in 2007 by Mergermarket
- The Bank was awarded "Company of the year 2007" National Prize in the **Best IPO organizer** category

2006

- Deutsche Bank was named the **Best International Eurobond Arranger in Russia** and the **Best International Trade Finance Bank** by Global Finance magazine
- **Best Trade Bank in Central & Eastern Europe** (Trade Finance magazine, 2006)
- **Best Trade Bank in Russia and CIS** (Trade & Forfaiting Review, 2006 and 2005)
- Deutsche Bank Ltd. was **top rated as an agent bank in Russia in both Cross-Border and Domestic** categories (Emerging Markets Agent Bank Review 2006 carried out by Global Custodian magazine)

Dedication to culture

A special page in Deutsche Bank's history in Russia covers cultural initiatives. Our mission is to support the most interesting and significant projects that are focused on the development of Russian-German historical and cultural relationship. In 1983-2005, Deutsche Bank participated in more than twenty international projects that included art exhibitions and concerts featuring world-class masters.



Our bank works with Russian museums. We develop our cultural projects with The Kremlin Museums, The State Tretyakov Gallery, The Pushkin Museum of Fine Arts, and The State Hermitage.

In 2009 the Moscow Kremlin arranged an exhibition “Free Imperial City of Augsburg: Centuries of Majesty” with support of Deutsche Bank. In 2008 and 2007 Deutsche Bank held the Kandinsky Prize – the first Russian prize for contemporary art. In 2006 Deutsche Bank supported the exhibition of Antonello da Messina’s painting “St. Sebastian” (Museum of Dresden), that took place at The Pushkin Museum of Fine Arts. Within the framework of the The Sixth International Photography Month in Moscow: Photobiennale 2006 Deutsche Bank supported two German projects: Loretta Lux’s photoexhibition that became a remarkable event in cultural Moscow life, and photography exhibition “Images of Germany”. Year 2004 has been declared the Year of German Culture in Russia. In November Deutsche Bank opened an exhibition in the State Museum of Fine Art “From a German perspective. Masterpieces from the Deutsche Bank collection”. Vladimir Putin visited the exhibition.

Deutsche Bank Moscow is an active organizer and participant of numerous significant cultural events, connected to Russian and German history.

In 2011 Deutsche Bank become a corporate patron of Garage Center for Contemporary Culture - a major non-profit international arts space based in Moscow, dedicated to exploring and developing contemporary culture. Garage presents a program of exhibitions by international and Russian artists and serves as a catalyst and meeting point for Moscow’s emerging arts scene.

In 2012 with support of Deutsche Bank opens exhibition «Russians and German: 1000 Years of History, Art and Culture» within Year of Russia and Germany.

Memberships

Deutsche Bank is a member of Foreign Investment Advisory Council under the Government of the Russian Federation (FIAC), where the Bank chairs Financial Institutions & Capital Markets Working Group. Deutsche Bank is in membership of Association of Russian Banks (ARB), German-Russian Chamber of Commerce, Association of European Business in RF (AEB), the Expert Committee of Banking Audit under the patronage of the Central Bank of Russia, Association of Investors Rights

Protection, American Chamber of Commerce in RF (AmCham), Moscow Interbank Currency Exchange (MICEX), National Depository Centre (NDC), St. Petersburg Interbank Currency Stock Exchange (SPICEX), Russian Trade System (RTS), Russian Union of Industrialists and Entrepreneurs (RSPP).

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