



Russia's prominence on the global issuance map

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Head of Russia and CEE Debt Capital Markets

2010 was a vintage year for Russian borrowers

International issuance from Russian borrowers totalled \$30.9bn

The return of the Russian Federation in the US\$ bond markets

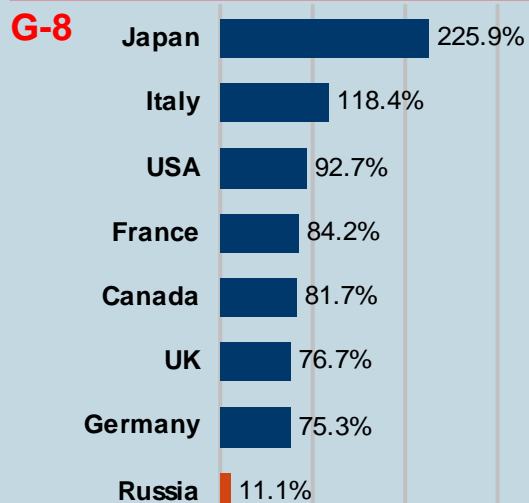
Revival of the EuroRuble market

Access for lower rated credits

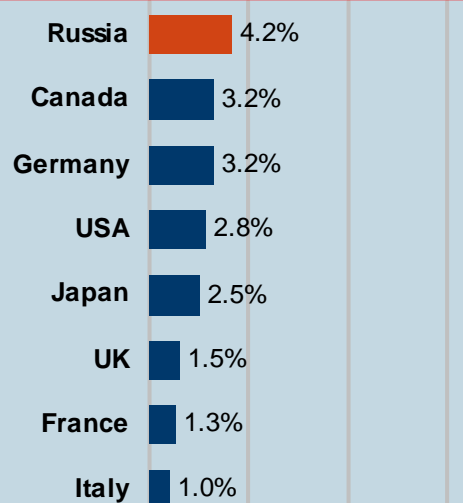
Barclays Capital becomes the leading international bookrunner for Russian borrowers

Russia. A compelling G8 economy

General Government Gross Debt / GDP (%) 2010(f)



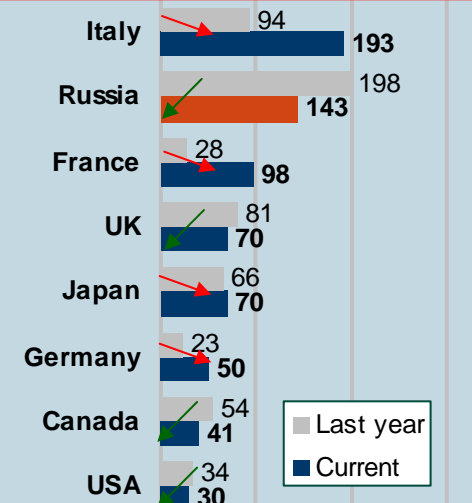
Real GDP growth (% y/y change) 2010(f)



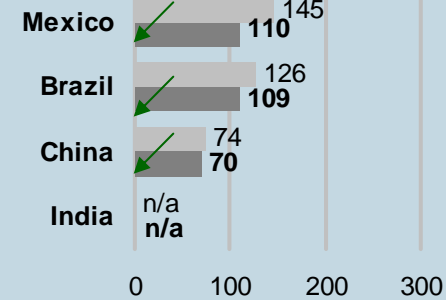
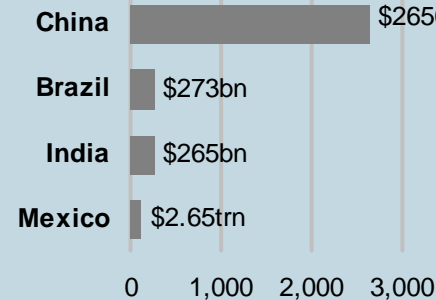
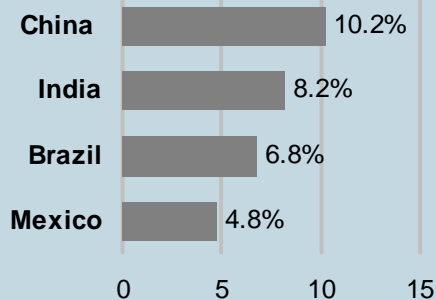
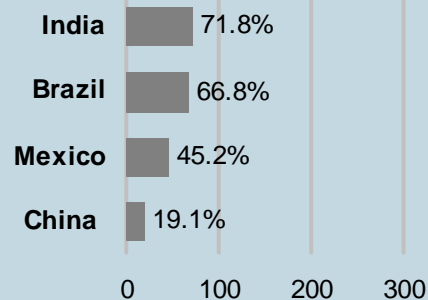
Foreign Currency Reserves (US\$ bn), Q3 2010



5-year CDS (as of 9 Dec 2010, bp)



EM



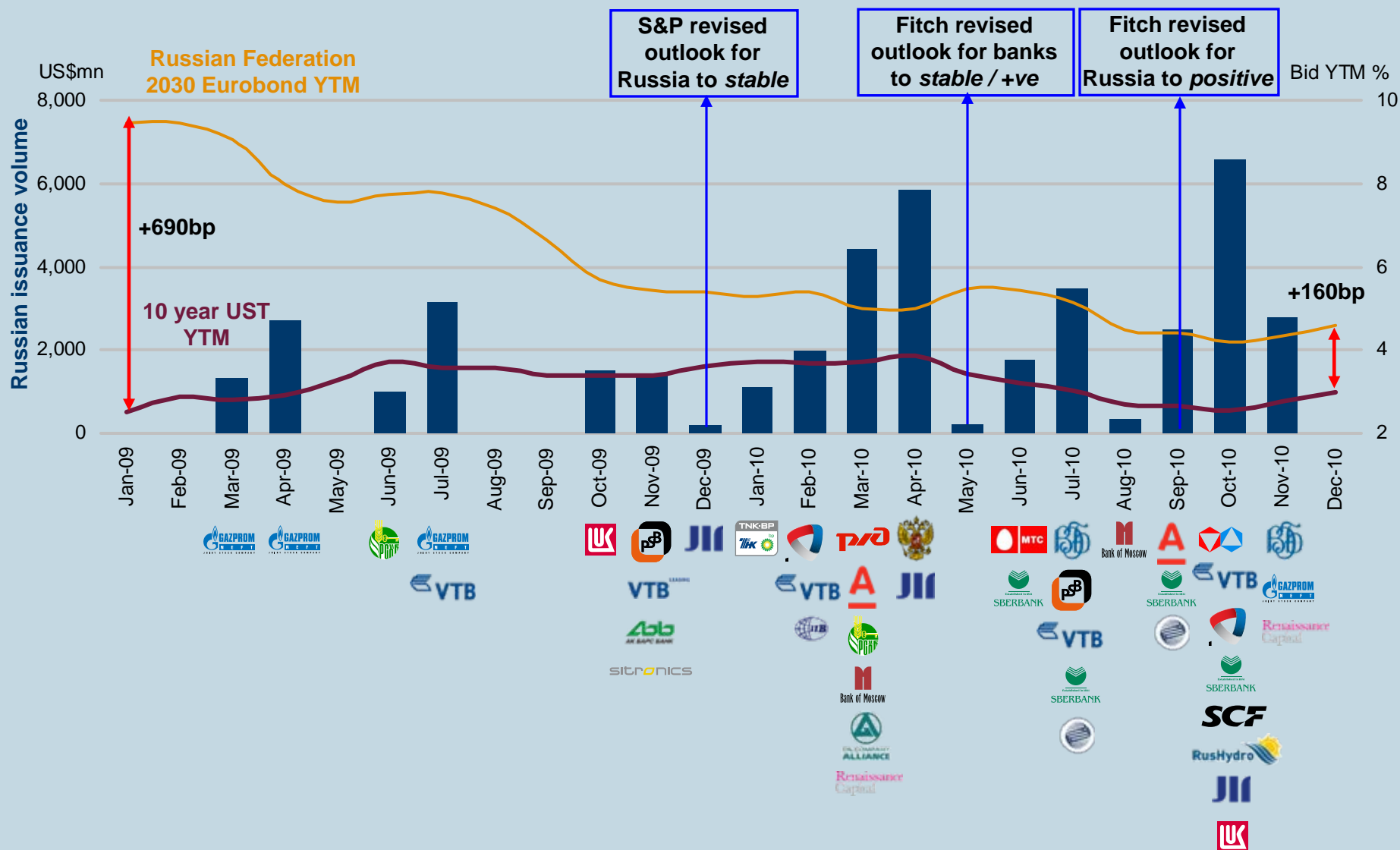
Source: IMF Country reports
Data as of 28 October

Source: Global Insight; World overview tables
representing 2010 forecast y/y GDP change

Source: IMF: International reserves and foreign
currency liquidity. Data as of 28 October 2010

Source: Bloomberg 5-year CDS at mid
as of 9 Dec 2010 and as of 9 Dec 2009

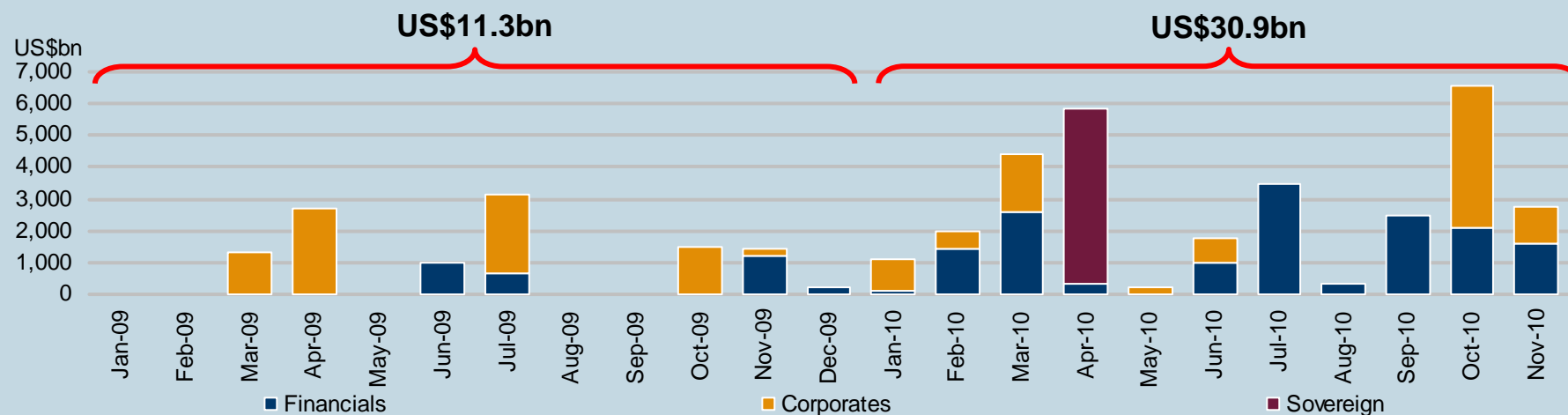
Spread compression enticed issuance in 2010...



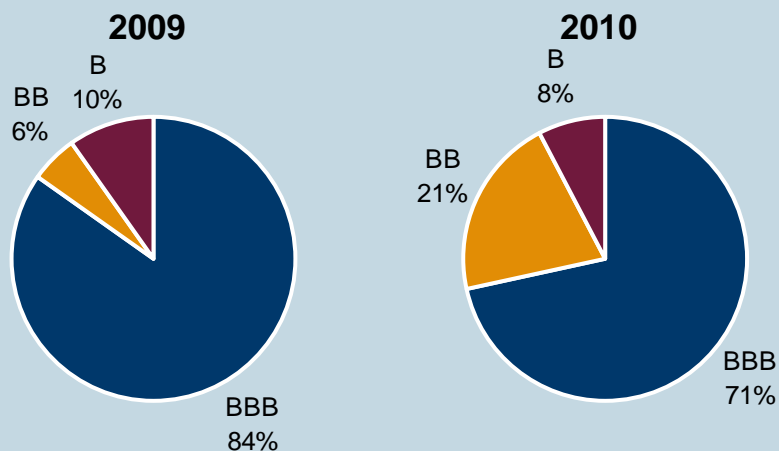
Source: Bloomberg, Dealogic Bondware, Credit RV December 2010

...with volumes almost trebling during the year

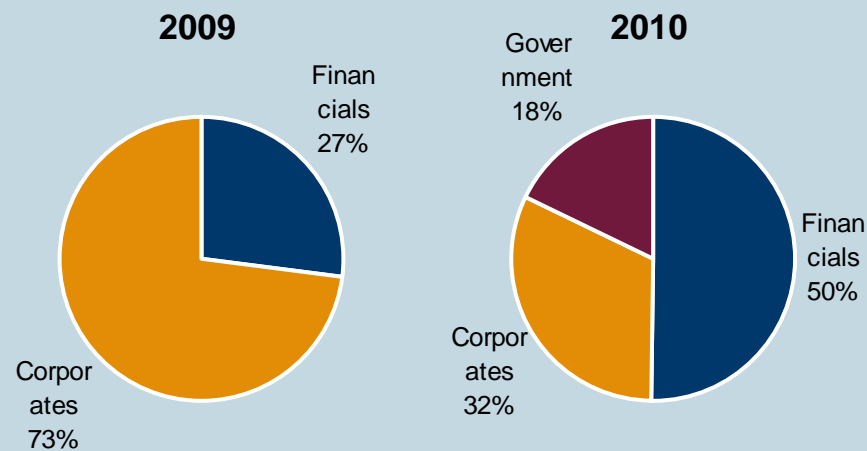
Monthly primary market supply out of Russia



Split by issuer rating



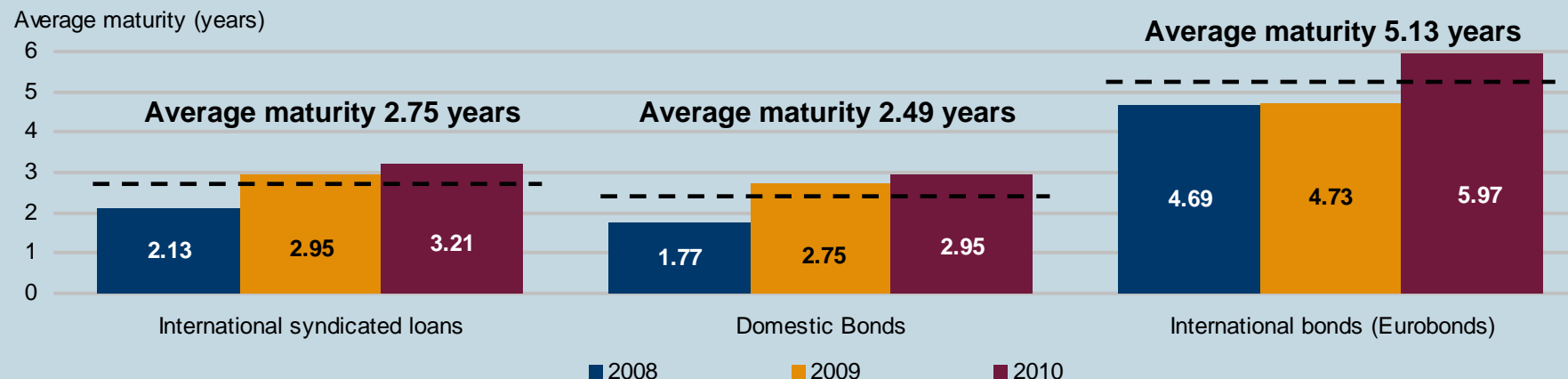
Split by issuer type



Source: Barclays Capital Dealogic Bondware, December 2010

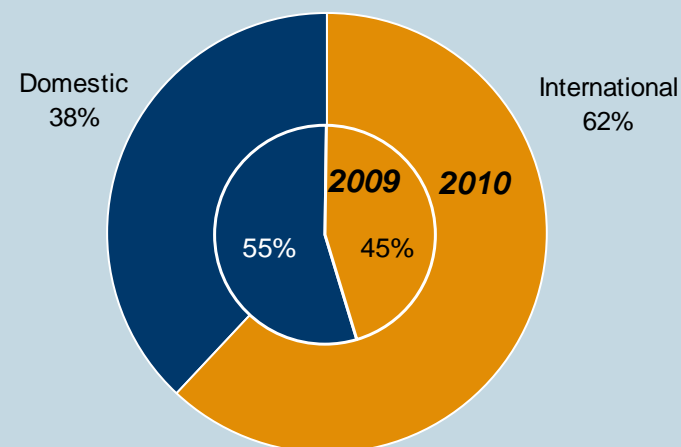
International markets used for maturity extension...

Average tenor for Russian Eurobonds has been increasing *



Eurobond market is a key source of liquidity *

- 2010 marked the revival of long dated issuance in the Eurobond market
- This was made possible by reopening of the international markets
- International investor appetite has been fuelled by rates at all time lows and the consequent search for yield opportunities

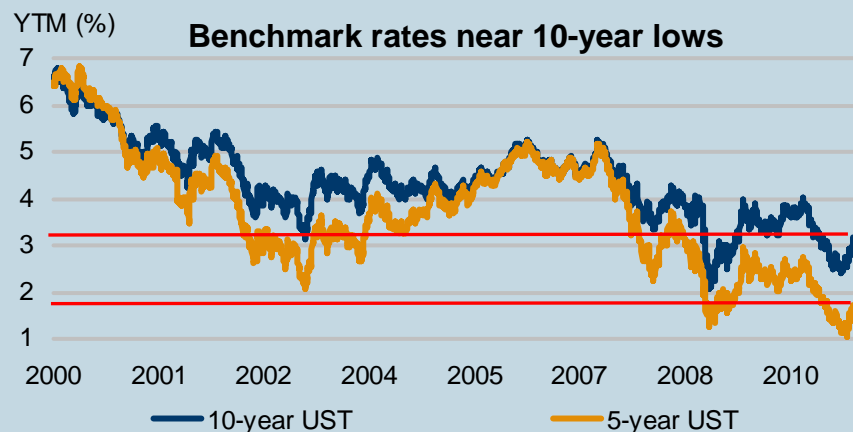


* NOTE: excludes sovereign issuance

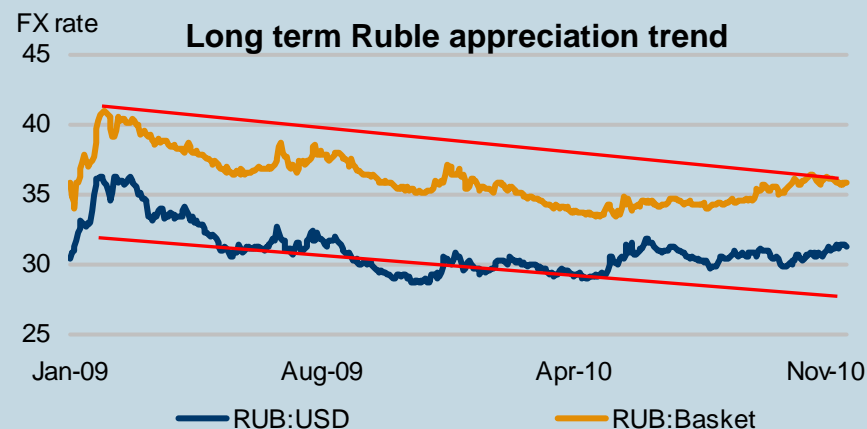
Source: Barclays Capital Research, Dealogic Bondware, December 2010

...with investor appetite for Rubles expected to evolve

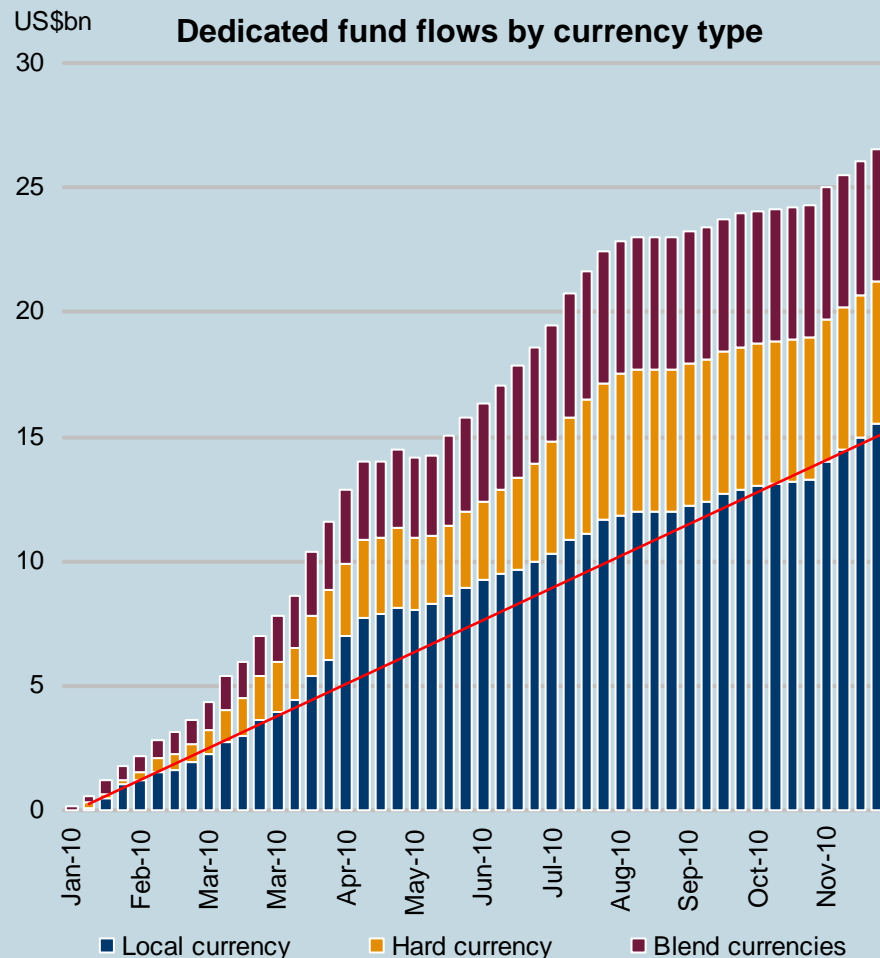
Benchmark rates at all time lows



Ruble offers stability to investors

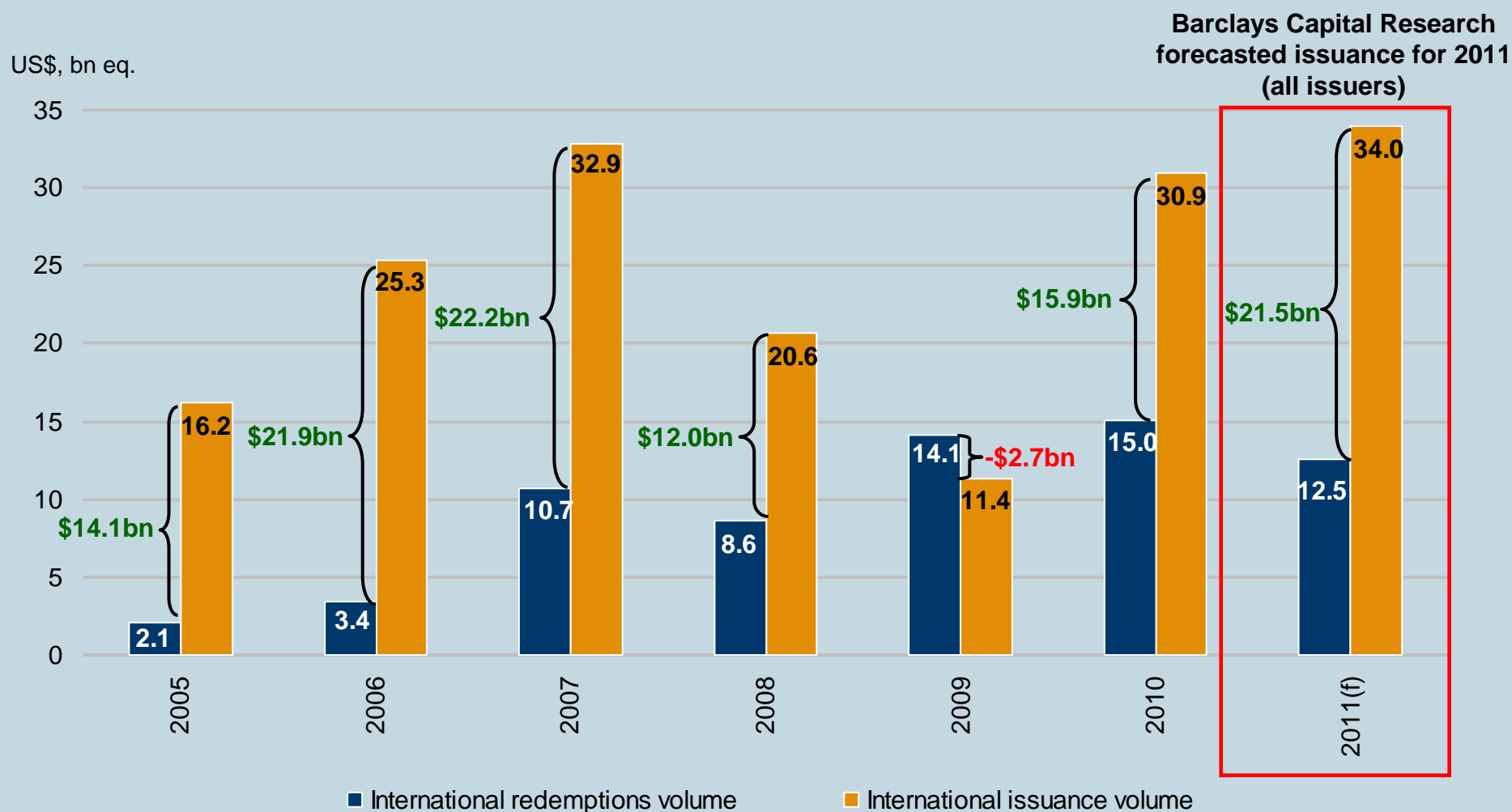


Record inflows into local currency portfolios



NOTE: Local currency inflows record inflows into dedicated EM currencies portfolios
Source: Bloomberg, Barclays Capital research 6 December 2010

Positive net issuance projected to continue into 2011



Source: Barclays Capital Research, Dealogic, December 2010

Key considerations for prospective borrowers in 2011...

EuroRuble versus local Ruble market

Accessing new markets to benefit from arbitrage

Consider global distribution

Long dated maturities available at competitive rates

Adopting an opportunistic issuance approach

...Barclays Capital is a trusted partner

#	Bookrunner	Deal value (\$ mn)	Number of deals	% Share
1	Barclays Capital	3,983.33	11	12.86
2	JPMorgan	3,837.68	14	12.39
3	VTB Capital	3,834.59	10	12.38
4	Citi	3,487.33	9	11.26
5	Credit Suisse	2,567.91	8	8.29

<p>Barclays Capital currently holds 7 mandates for execution in 2011</p> <p>5 Corporates 2 Financials</p>	<p>Evraz</p> <p>Ruble 15bn 10put5 domestic market issuance</p> <p><i>Joint Bookrunner</i> <i>Oct 2010</i></p>	<p>Lukoil</p> <p>\$800mn and \$200mn tap due 2020</p> <p><i>Joint Bookrunner</i> <i>Oct 2010</i></p>	<p>Severstal</p> <p>\$1bn due 2017 \$700mn tender</p> <p><i>Joint Bookrunner</i> <i>Oct 2010</i></p>	<p>Sberbank</p> <p>\$1bn and \$250mn tap due 2017</p> <p><i>Joint Bookrunner</i> <i>Sep 2010</i></p>
<p>Gazprombank</p> <p>\$500mn and \$500mn tap due 2014</p> <p><i>Joint Bookrunner</i> <i>Jul / Sep 2010</i></p>	<p>VEB</p> <p>\$1bn and \$600mn tap due 2020</p> <p><i>Joint Bookrunner</i> <i>Jun / Jul 2010</i></p>	<p>Russian Federation</p> <p>\$2bn due 2015 \$3.5bn due 2020</p> <p><i>Joint Bookrunner</i> <i>Apr 2010</i></p>	<p>Russian Railways</p> <p>\$1.5bn due 2017</p> <p><i>Joint Bookrunner</i> <i>Mar 2010</i></p>	<p>TNK-BP</p> <p>\$500mn due 2015 \$500mn due 2020</p> <p><i>Joint Bookrunner</i> <i>Jan 2010</i></p>