

ZAO Toyota Bank

Summary Financial Statements
derived from the Audited Financial Statements
for the year ended 31 December 2014



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Auditors' Report on the Summary Financial Statements

To the Shareholders and Supervisory Board
ZAO Toyota Bank

The accompanying summary financial statements, which comprise the summary statement of financial position as at 31 December 2014, the summary statements of profit or loss and other comprehensive income, changes in equity and cash flows for 2014, and related notes, are derived from the audited financial statements of ZAO Toyota Bank (the "Bank") as at 31 December 2014 and for 2014. We expressed an unmodified audit opinion on those financial statements in our report dated 30 April 2015.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Bank.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements on the basis described in note 3.

Auditors' Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 *Engagements to Report on Summary Financial Statements*.

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of the Bank as at and for the year ended 31 December 2014 are consistent, in all material respects, with those financial statements, on the basis described in note 3.

Kolosov A.E.
Director

power of attorney dated 16 March 2015 No. 44/15
Moscow, Russian Federation
JSC KPMG
30 April 2015



Audited entity: ZAO Toyota Bank.

Registered by the Bank of Russia on 3 April 2007, Registration No. 3470.

Entered in the Unified State Register of Legal Entities on 3 April 2007 by Moscow Inter-Regional Tax Inspectorate No. 50 of the Ministry of Taxes and Duties of the Russian Federation, Registration No. 1077711000058, Certificate series 77 No. 008760429.

Address of the audited entity: 29, Serebryanicheskaya nab., floor 3, Moscow, Russian Federation, 109028.

Independent auditor: JSC KPMG, a company incorporated under the Laws of the Russian Federation and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Registered by the Moscow Registration Chamber on 25 May 1992, Registration No. 011.585.

Entered in the Unified State Register of Legal Entities on 13 August 2002 by the Moscow Inter-Regional Tax Inspectorate No. 39 of the Ministry for Taxes and Duties of the Russian Federation, Registration No. 1027700125628, Certificate series 77 No. 005721432.

Member of the Non-commercial Partnership "Chamber of Auditors of Russia". The Principal Registration Number of the Entry in the State Register of Auditors and Audit Organisations: No.10301000804.

ZAO Toyota Bank
Summary Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2014
(expressed in thousands of Russian Roubles)

| | 2014 | 2013 |
|---|------------------|------------------|
| Interest income | 6 376 070 | 5 384 650 |
| Interest expense | (3 319 605) | (2 754 590) |
| Net interest income | 3 056 465 | 2 630 060 |
| Fee and commission income | 226 313 | 92 428 |
| Fee and commission expense | (169 873) | (56 976) |
| Net fee and commission income | 56 440 | 35 452 |
| Net foreign exchange income | 428 | 1 724 |
| Other operating income | 61 930 | 58 791 |
| Operating income | 3 175 263 | 2 726 027 |
| Charge for impairment losses | (245 017) | (460 711) |
| Personnel expenses | (416 697) | (377 376) |
| Provision under buy-back program | 29 391 | (37 796) |
| Other general administrative expenses | (764 911) | (775 064) |
| Profit before income tax | 1 778 029 | 1 075 080 |
| Income tax expense | (395 013) | (236 362) |
| Profit and total comprehensive income for the year | 1 383 016 | 838 718 |

The summary financial statements were derived from the financial statements of ZAO Toyota Bank, which were approved for issue by the Management Board and signed on its behalf on 30 April 2015.

Signed on behalf of the Management Board on 30 April 2015.

Shengelevich A.M.
Acting President



Zvereva E.V.
Deputy Chief Accountant

ZAO Toyota Bank
Summary Statement of Financial Position as at 31 December 2014
(expressed in thousands of Russian Roubles)

| | 2014 | 2013 |
|---|-------------------|-------------------|
| ASSETS | | |
| Cash and cash equivalents | 170 683 | 1 408 301 |
| Mandatory reserve deposit with the Bank of Russia | 32 858 | 11 159 |
| Loans to banks | 7 821 729 | 1 300 092 |
| Loans to customers | 49 691 031 | 48 961 108 |
| Property, equipment and intangible assets | 208 118 | 227 596 |
| Current tax asset | 39 921 | 3 035 |
| Other assets | 201 530 | 107 180 |
| Total assets | 58 165 870 | 52 018 471 |
| LIABILITIES | | |
| Loans from banks | 22 614 786 | 21 053 591 |
| Other loans received and customer accounts | 24 123 368 | 21 067 107 |
| Subordinated borrowings | 1 768 720 | 1 769 526 |
| Deferred tax liability | 117 671 | 78 988 |
| Current tax liability | 61 501 | – |
| Other liabilities | 189 385 | 141 836 |
| Total liabilities | 48 875 431 | 44 111 048 |
| EQUITY | | |
| Share capital | 5 440 000 | 5 440 000 |
| Additional paid-in capital | 1 343 400 | 1 343 400 |
| Retained earnings | 2 507 039 | 1 124 023 |
| Total equity | 9 290 439 | 7 907 423 |
| Total liabilities and equity | 58 165 870 | 52 018 471 |

Shengelevich A.M.
Acting President



Zvereva E.V.
Deputy Chief Accountant

These summary financial statements should be read in conjunction with the financial statements of ZAO Toyota Bank from which they were derived.

ZAO Toyota Bank
Summary Statement of Cash Flows for the year ended 31 December 2014
(expressed in thousands of Russian Roubles)

| | 2014 | 2013 |
|---|--------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Interest receipts | 6 185 124 | 5 157 364 |
| Interest payments | (3 189 727) | (2 761 983) |
| Fee and commission receipts | 190 965 | 69 236 |
| Fee and commission payments | (114 448) | (55 492) |
| Net receipts from foreign exchange | 1 098 | 1 174 |
| Other operating income receipts | 22 508 | 16 802 |
| Personnel expenses | (417 598) | (372 982) |
| Other general administrative expenses | (692 329) | (712 338) |
| (Increase) decrease in operating assets | | |
| Mandatory reserve deposit with the Bank of Russia | (21 699) | 14 528 |
| Loans to banks | (6 500 000) | 1 106 015 |
| Loans to customers | (455 718) | (11 546 654) |
| Other assets | (96 871) | 31 554 |
| Increase (decrease) in operating liabilities | | |
| Loans from banks | 1 227 816 | 590 092 |
| Other loans received and customer accounts | 2 615 245 | 6 602 389 |
| Other liabilities | 86 869 | 24 820 |
| Net cash used in operating activities before income tax paid | (1 158 765) | (1 835 475) |
| Income tax paid | (331 715) | (191 540) |
| Cash flows used in operating activities | (1 490 480) | (2 027 015) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchases of property, equipment and intangible assets | (62 755) | (117 699) |
| Sales of property, equipment and intangible assets | 1 177 | 6 068 |
| Cash flows used in investing activities | (61 578) | (111 631) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Shares issued | - | 3 000 000 |
| Cash flows provided from financing activities | - | 3 000 000 |
| Net (decrease) increase in cash and cash equivalents | (1 552 058) | 861 354 |
| Effect of changes in exchange rates on cash and cash equivalents | 314 440 | 43 586 |
| Cash and cash equivalents as at the beginning of the year | 1 408 301 | 503 361 |
| Cash and cash equivalents as at the end of the year | 170 683 | 1 408 301 |

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Acting President



Zvereva E.V.
Deputy Chief Accountant

These summary financial statements should be read in conjunction with the financial statements of ZAO Toyota Bank from which they were derived.

ZAO Toyota Bank
Summary Statement of Changes in Equity for the year ended 31 December 2014
(expressed in thousands of Russian Roubles)

| | Share capital | Additional paid-in capital | Retained earnings | Total equity |
|--|------------------|----------------------------|-------------------|------------------|
| Balance as at 1 January 2013 | 2 440 000 | 1 343 400 | 285 305 | 4 068 705 |
| Total comprehensive income | | | | |
| Profit for the year | - | - | 838 718 | 838 718 |
| Transactions with owners, recorded directly in equity | | | | |
| Shares issued | 3 000 000 | - | - | 3 000 000 |
| Balance as at 31 December 2013 | 5 440 000 | 1 343 400 | 1 124 023 | 7 907 423 |
| Total comprehensive income | | | | |
| Profit for the year | - | - | 1 383 016 | 1 383 016 |
| Balance as at 31 December 2014 | 5 440 000 | 1 343 400 | 2 507 039 | 9 290 439 |

Shengelevich A.M.
Acting President



Zvereva E.V.
Deputy Chief Accountant

1 General information

ZAO Toyota Bank (the Bank) was established in the Russian Federation as a Closed Joint Stock Company on 3 April 2007. The Bank received license № 3470 to carry out banking operations in Roubles and foreign currencies on 21 June 2007. On 28 October 2013 the Bank received a license to attract deposits from individuals. The principal activities of the Bank are lending, customer's accounts maintenance and interbank operations. The activities of the Bank are regulated by the Bank of Russia. The majority of the Bank's assets and liabilities are located in the Russian Federation.

The average number of people employed by the Bank during 2014 was 150 (2013: 141).

The Bank's registered address is 29, Serebryanicheskaya nab., Moscow, 109028, Russian Federation.

The Bank is part of Toyota Financial Services Corporation (Japan), one of Japan's largest diversified financial conglomerates. As at 31 December 2014 and 2013, the main shareholder of the Bank is Toyota Kreditbank GmbH (Germany) with 99.94% share.

2 Operating environment

The Russian Federation displays characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in the Russian Federation.

Current economic and politic situation, including introduction of sanctions against the Russian Federation by particular countries and introduction of responsive sanctions against particular countries by the Russian Federation increases local risks for banking operations in the Russian Federation. The Management of the Bank believes that it takes all the necessary efforts to support the economic stability of the Bank in the current environment.

3 Basis of preparation

These summary financial statements was derived from an audited financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). The complete financial statements are available in the Bank's office located at the following address: 29, Serebryanicheskaya nab., Moscow, 109028, Russian Federation.

These summary financial statements comprise the summary statement of financial position, the summary statements of profit or loss and other comprehensive income, changes in equity and cash flows, derived from the audited financial statements without alteration and selected notes, such as general information, operating environment and basis of preparation. The summary financial statements do not contain all the disclosures required by the IFRS. For a better understanding of the financial position of the Bank, its performance for 2014 and the scope of the audit the summary financial statements, therefore, should be read in conjunction with the financial statements from which they were derived and the auditors' report on the financial statements.

The financial statements are prepared on the historical cost basis.

The functional currency of the Bank is the Russian Rouble (RUB) as, being the national currency of the Russian Federation, it reflects the economic substance of the majority underlying events and circumstances relevant to them. The RUB is also the Bank's presentation currency for the purposes of these summary financial statements. Financial information presented in RUB is rounded to the nearest thousand.

The most significant estimate made in connection with the preparation of financial statements relates to estimation of the loan impairment:

- The Bank estimates the impairment allowance for loans to auto dealers based on the analysis of the future cash flows for impaired loans and based on its past loss experience for portfolios of loans for which no indications of impairment has been identified adjusted on current economic environment and financial position of the borrowers.
- The Bank estimates the impairment allowance for retail loans based on its past historical loss experience on each type of loan. The significant assumptions used by management in determining the impairment losses for retail loans include that loss migration rates are constant and can be estimated based on the historic loss probability of default for the past 12 months and recovery rate on default loans for the period since the beginning of operations.