

January 23, 2003

JSCB BIN (OAO) and ZAO Citibank announced that BIN-Bank had obtained a syndicated loan from foreign banks

On January 23, 2003 JSCB BIN (OAO) and ZAO Citibank announced that BIN-Bank had obtained a syndicated loan from foreign banks (Citibank and Union Bank of California) in the amount of USD 10,000,000. The loan arranger under this deal was Citibank NA. The indicated amount was extended for a one-year term at an annual Libor+4% rate. This amount will be used mostly for the purposes of financing loans to the Bank's customers, including regional customers.

This is the first untied financing obtained by BIN-Bank from western banks. This deal was a natural result of the activity carried out by BIN-Bank at international markets; to-date, seven western banks have opened loan facility lines for the confirmation of the letters of credit and guarantees issued by Joint Stock Commercial Bank BIN; the United States Agency for International Development (USAID) has opened a guarantee line on loans to small- and micro-size businesses; several projects involving Hermes insurance company, Germany, have been implemented. BIN-Bank has been maintaining close long-term relationship with Citibank and Union Bank of California: from 1995 BIN-Bank established correspondent relations with Citibank by opening an account with it; and from 1999 – with Union Bank of California. Starting from 1996 IAS BIN-Bank has been audited under IAS. BIN-Bank participated in ratings conducted by international agencies.

Mikhail Shishkhanov, President of JSCB BIN-Bank (OAO), said: "In the future BIN-Bank intends to obtain new syndicated loans and enter debt markets".

President of ZAO Citibank Allan Hirst said: "We have been successfully cooperating with BIN-Bank for seven years. This loan is a result of this beneficial cooperation; in the future we shall carry on our assistance to BIN-Bank, which is an active member of the Russian banking community. We hope for a continuation of this mutually beneficial cooperation".