

October 7, 2009
Moscow

Russian Agricultural Bank and Citi sign a framework agreement to streamline trade finance operations for RusAg's clients

The new agreement to strengthen Russian Agricultural Bank's international ties and to boost development of Russia's agricultural sector.

Russian Agricultural Bank (RusAg) signed an agreement for the financing of trade operations of its customers with Citibank Europe plc.

For Russian Agricultural Bank JSC, Yuri Trushin, Chairman of the Board and CEO, signed the agreement, and Zdenek Turek, President ZAO Citibank and Head of Citi Russia and CIS, signed on behalf of Citibank Europe plc.

The new framework agreement between Russian Agricultural Bank and Citi will facilitate financing of export and import contracts with RusAg's clients. The agreement provides additional opportunities in trade finance and it will help to strengthen business ties and to boost cooperation between Russian Agricultural Bank and world financial institutions.

Zdenek Turek, noted at the signing ceremony today: "Strong and mutually beneficial partnership between RusAg and Citi is one of the best examples of bilateral economic cooperation between the U.S. and Russia. This agreement will not only help to streamline trade finance operations for RusAg and its clients, but will have a long-term positive impact on development of Russia's agricultural sector – one of the key engines of growth and diversification of Russian economy".

Thanks to the state support and the potential for development that has been accumulated in the recent years, Russia's agricultural sector has become one of the engines for overcoming the crisis. Despite the decline in industrial production, agriculture continues to gain momentum: according to the Q1 2009 statistics, it has increased by 1% in comparison to the same period of 2008. In 2008, the index of production for agriculture totaled 110.8 per cent.

Yury Trushin stated that through financing agriculture and related industries, RusAg has become the backbone of the domestic market. In accordance with the recommendations of the Government, the bank continues to work in this respect and it is steadily increasing resources to support the country's agricultural producers. As of the beginning of 2009 the bank's loan portfolio amounted to RUB 584 bn.

Despite economic downturn RusAg maintains its leading role on the Russian market and continues to develop. This is one more proof of the high confidence on the part of the customers – common people, as well as that of corporates and foreign investors.