

Rosinkas Russian Market Update for ESTA 2016

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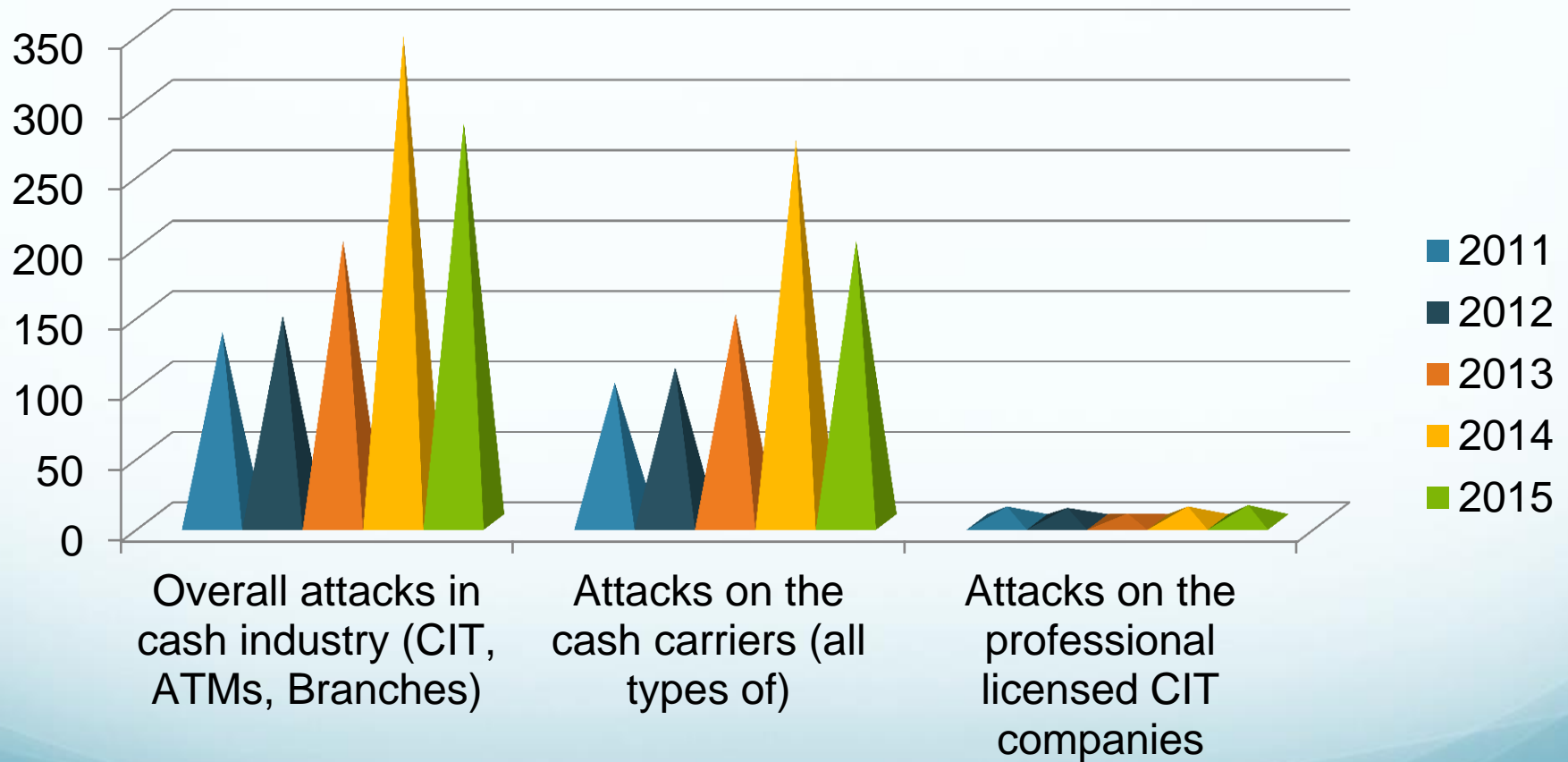
Rosinkas update

- Established in 1988 and owned by The Central Bank of Russian Federation
- Market leader for CIT services in Russia with market share 35-40% of security logistics services
- 78 Regional Branches, 508 regional CIT units
- From 2016 – sole CIT carrier of the Reserve Funds for the Central Bank of Russian Federation
- Over 18 000 employees, proudly serving over 34 000 customers on the whole territory of Russian Federation
- A fleet of over *5000* armored trucks
- 68 cash processing centers

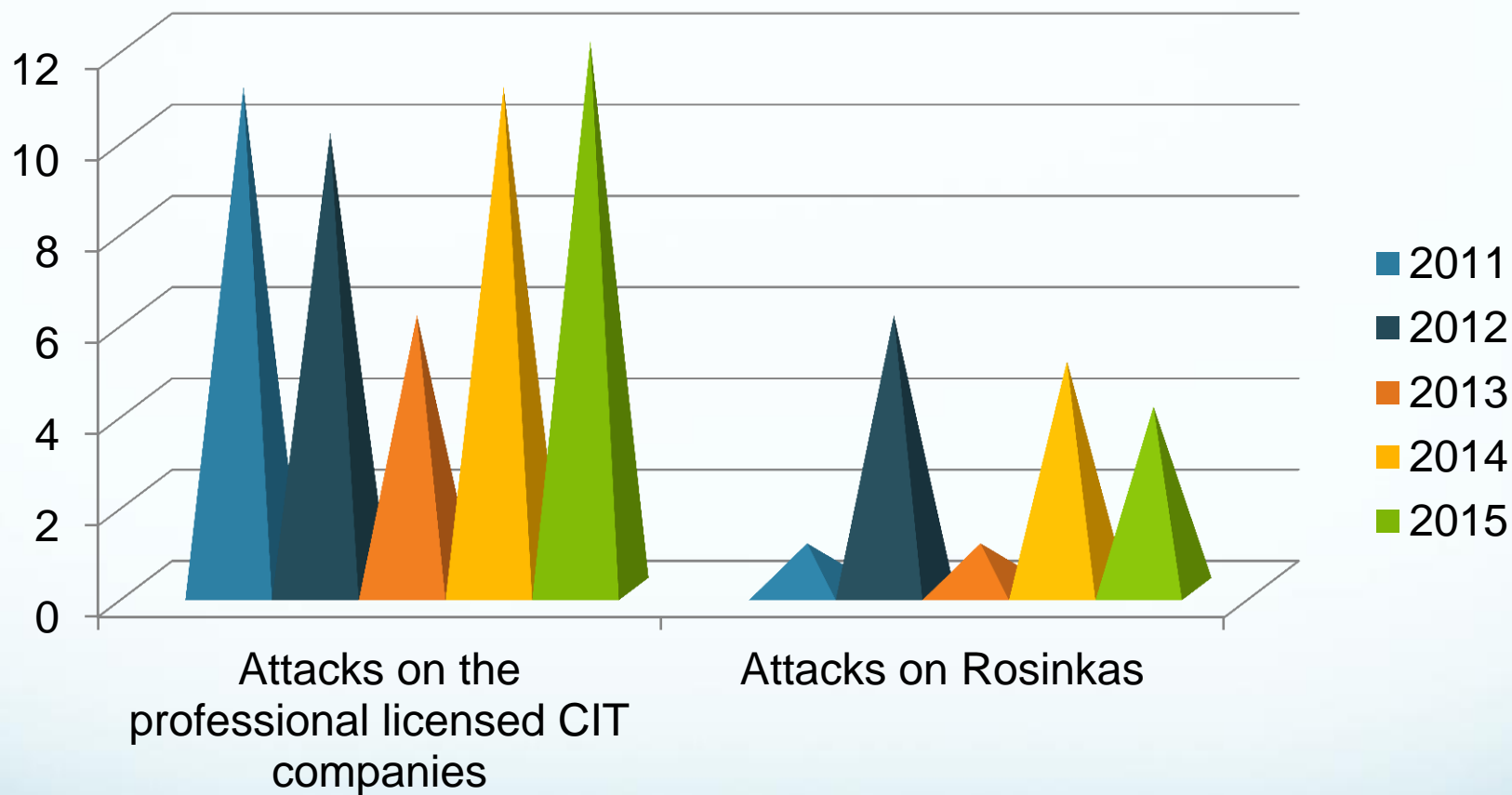
Russian market update

- Recession in the Russian economy drives overall slow down in the CIT industry
- Cash volume in circulation declined by over 2% in 2015 for the first time since 2009, after double digit growth for the last 5 years
- Over 179 Commercial banks went out of business in 2014-2015
- Decreasing prices and increasing competition in the CIT industry, especially among 4 largest players
- Russian Association of CIT industry created in 2015 with the founding conference held in Kazan.

Criminal situation update:



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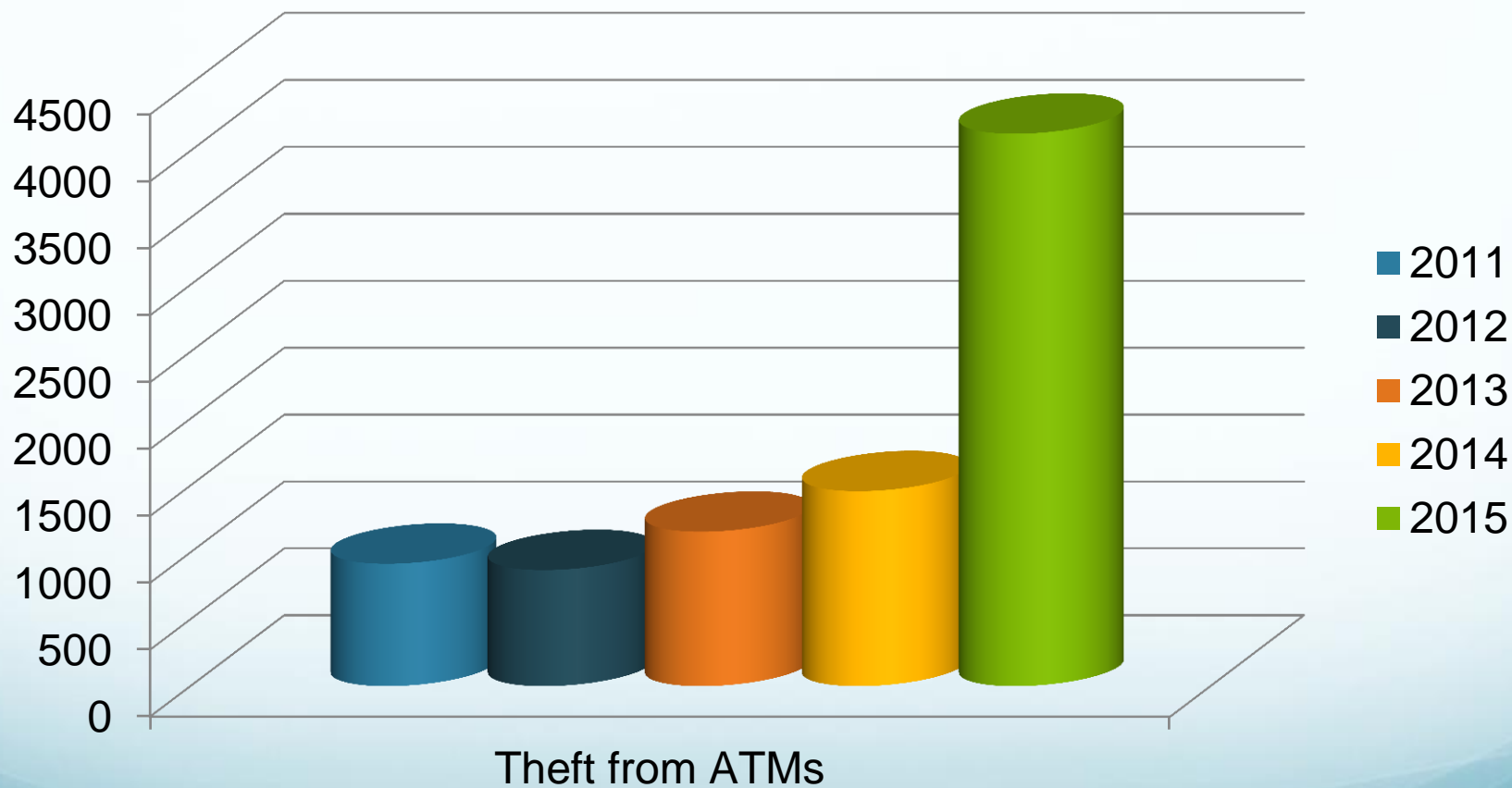
Attacks on the professional licensed CIT companies

Attacks on Rosinkas

Rosinkas loss from attacks

	2011	2012	2013	2014	2015
Attacks on the professional licensed CIT companies	11	10	6	11	12
Attacks on Rosinkas	1	6	1	5	4
<i>Rosinkas loss from attacks</i>	0	<i>Rub 14 M</i>	0	<i>Rub 50 M</i>	0

Criminal situation update: Cases of theft from ATMs



Russian CIT Industry future outlook



- Marginal growth of the industry is expected in next several years as Cash is still a most preferable means of payment in Russia and CIS
- More common standards and unified approach within the industry via strengthening Russian CIT association, which unites the major industry players and is strongly supported by the Central Bank of Russian Federation.
- The II CIT Industry conference to be held on 18-20 October 2016, in St.Petersburg, Russia



Thank You!

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