

Issue Terms

Issue Terms dated 25 October 2012

SB CAPITAL S.A. (the "Issuer")

société anonyme with registered office at 2, Boulevard Konrad Adenauer, L-1115 Luxembourg,
RCS Luxembourg B-115914

Issue of U.S.\$2,000,000,000 5.125 per cent. Loan Participation Notes due 2022
(the "Notes")

under a U.S.\$30,000,000,000 Programme for the Issuance of Loan Participation Notes by the
Issuer

for the purpose of financing
a Loan to SBERBANK OF RUSSIA (the "Borrower")

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the "**Conditions**") set forth in the Base Prospectus dated 16 October 2012 and incorporated in relation to the Notes only into a drawdown prospectus dated 25 October 2012 (the "**Drawdown Prospectus**") which constitutes a prospectus for the purposes of the Prospectus Directive. These Issue Terms of the Notes modify and complete the Conditions in relation to the Notes only. References in the Conditions to "Notes" shall be deemed to be references to the Notes.

1	Issuer:	SB Capital S.A.
2	(i) Series Number:	12
	(ii) Tranche Number:	1
3	Specified Currency:	U.S. Dollars
4	Aggregate Nominal Amount of Notes admitted to Trading:	
	(i) Series:	U.S.\$2,000,000,000
	(ii) Tranche:	U.S.\$2,000,000,000
5	Issue Price:	100 per cent. of the Aggregate Nominal Amount of the Notes
6	(i) Specified Denominations:	U.S.\$200,000 and integral multiples of U.S.\$ 1,000 in excess thereof
	(ii) Calculation Amount	U.S.\$1,000
7	(i) Issue Date:	29 October 2012
	(ii) Interest Commencement Date:	29 October 2012
8	Maturity Date:	29 October 2022
9	Interest Basis:	5.125 per cent. Fixed Rate

EXECUTION VERSION

10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/Payment Basis:	Not Applicable
12	(i) Status of the Notes:	Senior
	(ii) Status of the Loan:	Subordinated
	(iii) Date of Board approval for issuance of Notes obtained by the Issuer:	24 October 2012
13	Method of distribution:	Syndicated
14	Financial Centres (Condition 7):	London, New York, Moscow and Luxembourg

PROVISIONS RELATING TO INTEREST PAYABLE UNDER THE NOTES

15	Fixed Rate Note Provisions:	Applicable
	(i) Rate of Interest:	5.125 per cent. per annum payable semi-annually in arrear
	(ii) Interest Payment Dates:	29 April and 29 October in each year commencing on 29 April 2013 to, and including, the Maturity Date
	(iii) Fixed Coupon Amount:	U.S.\$25.63 per U.S.\$1,000 in principal amount
	(iv) Broken Amount:	Not Applicable
	(v) Day Count Fraction (Condition 5):	30/360
	(vi) Determination Date(s) (Condition 5):	Not Applicable
16	Floating Rate Note Provisions:	Not Applicable

PROVISIONS RELATING TO REDEMPTION

17	Final Redemption Amount of each Note:	U.S.\$1,000 for every U.S.\$1,000 of principal amount of a Note
18	Early Redemption Amount(s) of each Note payable if the Loan should become repayable under the Loan Agreement prior to the Maturity Date:	Principal amount of the relevant Note together with interest accrued to the date of redemption.

DISTRIBUTION

19	(i) If syndicated, names of Managers:	HSBC Bank plc, J.P. Morgan Securities plc and SIB (Cyprus) Limited as Joint Lead Managers UBS Limited as Senior Co-Manager
	(ii) Stabilising (if any):	J.P. Morgan Securities plc
20	If non-syndicated, name of Dealer:	Not Applicable

RESPONSIBILITY

Signed on behalf of the Issuer:

Signed on behalf of the
Borrower:

Duly authorised

By:

Duly authorised

EXECUTION VERSION

RESPONSIBILITY

The Issuer and the Borrower accept responsibility for the information contained in these Issue Terms.

Signed on behalf of the Issuer:

By: _____
Duly authorised

By: _____
Duly authorised

Signed on behalf of the
Borrower:

By: *Nikolay N. Gorskikh*
Deputy Chairman of the Board
Duly authorised

By: *Andrei V. Krushalov*
Chief Investment Director
Duly authorised *Associate Representative*
Symonov

PART B – OTHER INFORMATION

1 LISTING

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|-------|---|---|
| (i) | Listing: | Ireland |
| (ii) | Admission to trading: | Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to the official list of the Irish Stock Exchange and to trading on the regulated market of the Irish Stock Exchange with effect from 29 October 2012. |
| (iii) | Estimate of total expenses related to admission to trading: | EUR 2,514.20 |

2 RATING

Ratings:	Baa1 by Moody's Investors Service Ltd. BBB- by Fitch Ratings CIS Limited
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Moody's Investors Service Ltd is established in the European Union and is registered under the CRA Regulation. As such, Moody's Investors Service Ltd is included in the list of credit rating agencies published by the ESMA on its website in accordance with the CRA Regulation.

Fitch Ratings CIS Ltd is established in the European Union and is registered under the CRA Regulation. As such, Fitch Ratings CIS Ltd. is included in the list of credit rating agencies published by the ESMA on its website in accordance with the CRA Regulation.

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in the section headed "Subscription and Sale" in the Base Prospectus (incorporated by reference into the Drawdown Prospectus), so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

4 YIELD

Indication of yield:	5.125 per cent. per annum The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield
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5 OPERATIONAL INFORMATION

Regulation S Global Note ISIN Code:	XS0848530977
CFI Code for Regulation S:	DTFXFR
Regulation S Global Note Common Code:	084853097
Rule 144A Global Note ISIN Code:	US78406JAC80
Rule 144A Global Note Common Code:	084853119
CUSIP Code:	78406JAC8
CFI Code for 144A:	DBFSGR
Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking société anonyme and DTC and the relevant identification number(s):	Not Applicable
Delivery:	Delivery against payment (Regulation S) and delivery free of payment (Rule 144A)
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable