

PrivatBank

Presentation 2009



1. Ukraine—country and banking system overview

Ukraine—country overview



Area: 603,700 km²

Population: 46 million

GDP in 2005*: US\$ 86.1bn

GDP in 2006*: US\$107.8bn

GDP in 2007*: US\$141.2bn

GDP in 2008*: US\$185.2bn

Ratings: B (Fitch Ratings)
CCC+ (S&P)
B2 (Moody's)

Source: *Economist Intelligence Unit

Banking system of Ukraine: 1H 2009 overview

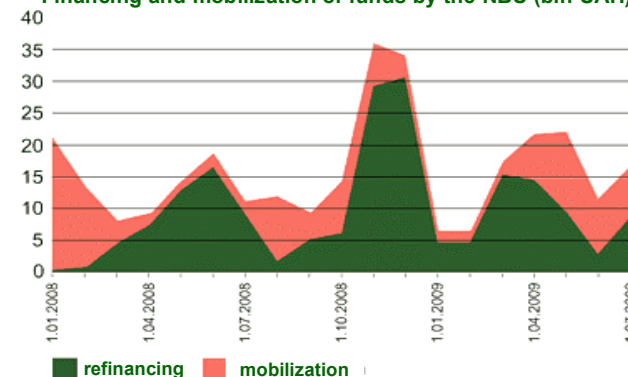
According to the NBU, in June 2009 total liabilities and assets of Ukrainian banks slightly increased for the first time in comparison with previous month after monthly reduction since the beginning of the year, and pace of total capital is slowed down. According to the NBU, liabilities grew for 0.8 percent in June in comparison with 1 percent decrease in May, the net assets increased by 0.6 percent in comparison with 1.2 per cent decrease respectively. The pace of total capital slowed down to 0.2 percent in June 2009 from 2.3 percent in May. In 2009 the main parameters of the banking system are reducing monthly under the ongoing financial and economic crisis, decrease in volumes of industrial production and solvency of clients. Indicators of the banking system:

	1 July 2009	growth	1 January 2009	growth	1 July 2008	growth
	bln UAH	%	bln UAH	%	bln UAH	%
Balance capital	116,8	-3,8	121,4	+73,7	84,7	+21,7
Banks liabilities	751,8	-6,7	805,8	+52,5	614,7	+16
Net assets	868,6	-6,3	927,2	+55,0	699,3	+16,7
Total assets	944,6	-2,8	971,8	+57,4	722,6	+16,7

According to the National Bank, the revenue of banks for the first half of 2009 was lower than expenses - 72.0 billion and 82.2 billion hryvnia respectively. While during the same period of last year banking system was profitable, revenue reached 48.6 billion hryvnia, expenses - 43.3 billion hryvnia. According to the NBU, in the current year work at a loss relates to the need to make significant contributions to reserves for credit risks. In connection with the loss of solvency 15 banks are under the Temporary Administration, appointed by the NBU. The government nationalized three problem banks - Ukrgasbank, Rodovid and Kiev and spent on this 9.5 billion hryvnia (USD 1.2 billion).

According to the NBU, in April outflow of deposits in banks stopped at level of UAH 312 billion. Since then account balances of financial institutions have started to increase. In June they increased by 3,9 billion to UAH 317 billion.

Financing and mobilization of funds by the NBU (bln UAH)

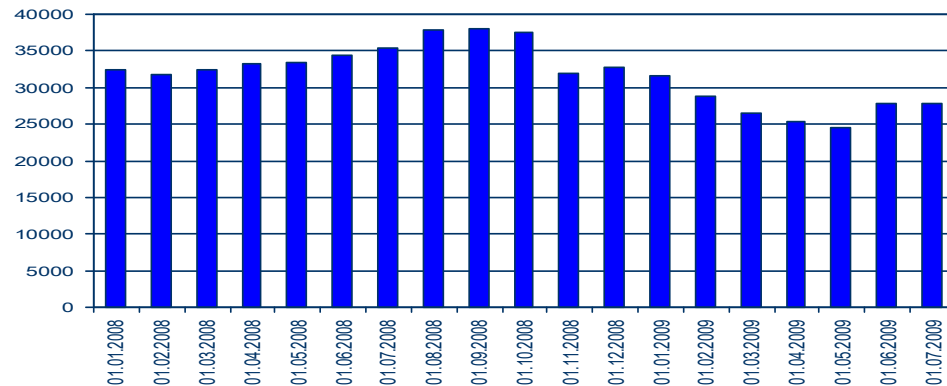


Banking system of Ukraine: current situation overview

NBU's reserves

Gross international reserves of the National Bank of Ukraine as of June 30, 2009 decreased to \$27,343 billion from \$27,792 billion as of May 31. Due to financial - economic crisis and deficit of currency supply on local market, a central bank was forced for the first four months of this year to sell \$5,4 billion and for a fourth quarter of the last year - \$10,3 billion. IMF on November 5, 2008 approved a decision about granting to Ukraine the stabilizing loan on amount of \$16,43 billion for strengthening of trust in a financial sector and help for country economy, which is suffering from a world financial crisis. In November 2008 Ukraine got the first tranche of loan in amount of \$4,5 billion. On May 14 the second tranche was got from IMF in amount of \$2,625 billion. Upon completion on July 10, 2009 in Kiev IMF mission will recommend to grant Ukraine the third tranche of the loan in the amount of \$ 3.3 billion.

Dynamic of international reserves of Ukraine (mln. USD)*



Dynamic of exchange rate USD/UAH**



Dynamic of international reserves and interventions of NBU*

	3Q08			4Q08			1Q09			1Q09		
	July	August	September	October	November	December	January	February	March	April	May	June
reserves (mln. USD)	37914,1	38062,5	37528,6	31923,1	32742,6	31543,2	28820,4	26458,7	25392,2	24494,73	27800	27343,14
interventions (mln. USD)	+2487,2	+1210,2	-150,3	-4114,8	-3398,6	-2770,9	-1611,2	-1729,6	-1077,4	-946,3	+133	-689,8

Ukrainian export dynamics*

	April 2009		March 2009		April 2008		The largest users of metal production in January-April 2009	%
	thousands tons	million USD	thousand tons	million USD	thous and tons	million USD		
Metallurgy								
1.Ferroalloy	33,89	28,54	40,65	41,22	117,44	186,93	Middle East	33
2.Flat rolled metal	468,01	201,86	500,19	223,3	882,8	665,25	South-East Asia	23
3.Steel pipes	119,88	132,76	130,24	136,58	185,71	240,24	EU	14
Agricultural industry								
1.Sunflower	75,78	19,32	135,04	31,85	0,11	0,5	CIS	8,4
2. Sugar	3,187	1,381	9,545	4,179	0,009	0,011	North Africa	7,7
3. Grain crops (corn, wheat, barley)	2215,71	312,36	2401,7	318,07	306,91	93,86	Other	13
4.Vegetable oil	178,52	118,69	202,91	133,5	14,03	24,56		

Metallurgy

On the whole, metallurgical production in March of 2009 showed a record increase of deliveries to Asia – by \$253,5 million – up to \$1,056 billion, the market which for Ukraine was almost compared to the volume of export to CIS countries (\$1,107 billion). Unprecedented high appeared a growth of export to China – during month the volume of Ukrainian goods deliveries was increased by two times, and compared to March, 2008 – by 6,3 times.

Ferroalloys: In January-April 2009 as compared to January-April 2008 the export of ferroalloys decreased by 67,2%. In March the export of ferroalloys increased by 27,8% as compared to February. Among countries of export: Russia, Poland, Turkey, Greece.

Flat rolled metal: In January-April 2009 as compared to January-April 2008 the export of flat rolled metal decreased by 40,4%. In March export of flat rolled metal increased by 3,9% as compared to February. Among countries of export: China, Turkey, Russia, India.

Steel pipes: In January-April 2009 in comparison with January-April 2008, export of steel pipes decreased by 30,6%. In March export of steel pipes increased by 12,5% in comparison with February. Among countries of export: Russia, Italy, the Republic of Belarus, Kazakhstan.

Coke: In January-May 2009 in comparison with January-May 2008, production of gross coke decreased by 26,2%. In April production of gross coke (6% of water content) decreased by 9,7% compared to March.

Finished rolled metal: In January-May 2009 the production of finished rolled metal decreased as compared to January-May 2008 by 34,6%. In April the production of finished rolled metal decreased by 8,6% as compared to March.

Agricultural industry

Sunflower: In January-April 2009 as compared to January-April 2008 the export of sunflower increased by 114,7 times. Among countries of export: France, Turkey, Georgia, Spain.

Sugar: In January-April 2009 as compared to January-April 2008 the export of sugar increased by 35,9 times. Among countries of export: Kyrgyzstan, Russia, Kazakhstan, Georgia.

Grain crops (corn, wheat, barley): In January-April 2009 as compared to January-April 2008 the export of grain increased by 6,7 times. Among countries of export: Egypt, Philippines, Bangladesh, South Korea.

Vegetable oil: In January-April 2009 as compared to January-April 2008 the export of vegetable oil increased by 74%. Among countries of export: India, Egypt, Spain, Byelorussia.

Chemical industry

Ammoniac saltpetre: In January-March 2009 the import of ammoniac saltpetre decreased by 67,1% as compared to January-March 2008. In March import of ammoniac saltpetre decreased by 42,2% as compared to February.

Ammonia: In January-April 2009 the production of ammonia decreased by 44,3% in comparison with January-April 2008. In March the production of ammonia decreased by 33,3%, as compared to March 2008.

Carbamide: In January-March 2009 the export of carbamide decreased by 10,3% as compared to January-March 2008. In February, 2009 export of carbamide decreased by 48,7% as compared to February, 2008.

Foreign trade dynamics

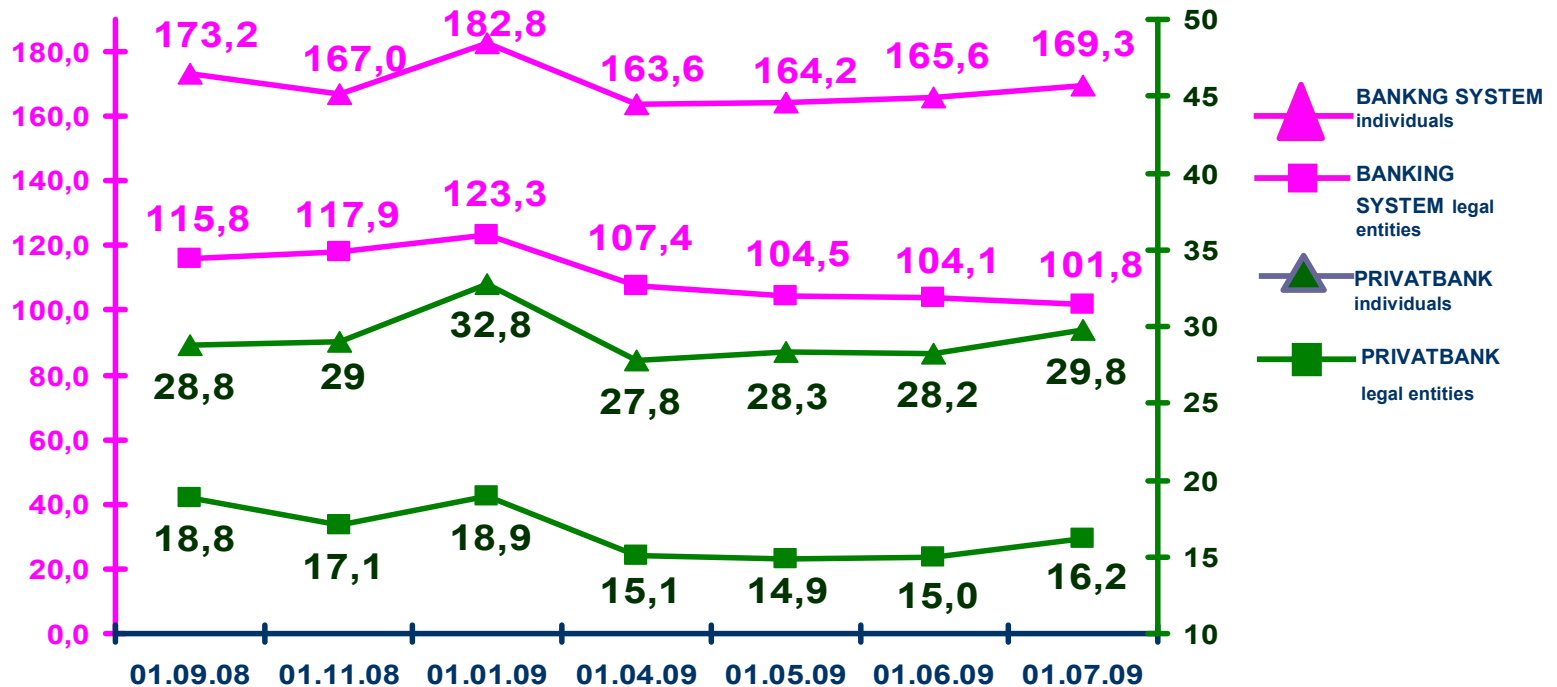
The deficit of Ukrainian goods foreign trade in January-May 2009 decreased up to \$2,210 billion from \$8,806 billion for the same period of time in the previous year. Volume of goods export for 5 months of 2009 during the crisis decreased, in comparison with the same period in 2008, by 44,1% up to \$14,363 billion, import - by 52% up to \$16,573 billion. Ukrainian export, which is based on metallurgical and chemical goods, decreased due to global crisis, loss of competitive strength of Ukrainian producers during decrease of world prices for this kind of products. Import decrease happened due to UAH devaluation and crediting reduction from the side of the Ukrainian banking system. Formation of negative balance was due to influence of separate group of goods such as: energy materials, oil and oil refining products (less \$5,188 billion), pharmaceutical product (less \$641 million). According to results of 2008 trade deficit amounted to record level of \$18,532 billion in comparison with \$11,322 billion in 2007. According to data of State Committee of Statistics, the leading positions of Ukrainian trade partner takes European Union countries, Ukrainian export volumes of which makes - 22,6%, import – 32,2%. The next position is taken by Russia - 19,8% in total volume of Ukrainian export, 21,4% - import. Volume of main export group - ferrous metals – decreased by 59,5% in comparison with the same period of the last year up to \$3,932 billion and share of this group in total export volume – up to 27,4% from 37,8%.

DYNAMICS OF FOREIGN TRADE*

FOREIGN TRADE WITH ALL COUNTRIES OF THE WORLD :			
	January-May 09	January-April 09	January-May 08
export (million \$)	14.362,9	1.431,6	25.646,0
import (million \$)	16.572,6	13.370,1	34.452,4
balance (million \$)	-2.209,7	-1.938,5	-8.806,4
FOREIGN TRADE WITH CIS COUNTRIES:			
export (million \$)	4.913,2	750	2.995,1
import (million \$)	7.521,8	708,1	4.883,1
balance (million \$)	-2.608,6	-2.252,0	-5.243,9
FOREIGN TRADE WITH OTHER COUNTRIES:			
export (million \$)	9.449,7	7.575,6	16.474,8
import (million \$)	9.050,8	7.252,0	20.037,3
balance (million \$)	+398,9	+313,5	-859,0

Deposits dynamic of Ukrainian banking system and PrivatBank

Deposits of Ukrainian banking system and PrivatBank, UAH billion*



The deposits outflow of legal entities continued in the second quarter (reduction by UAH 2,7 billion or -2,6%). During 2Q PrivatBank increased by UAH 1,3 billion this portfolio (+8,7%).

Since April the positive dynamic of deposit growth from individuals has kept stable in the banking system (+ UAH 5,7 billion or 3,5%) and in PrivatBank as well (+UAH 2 billion or 7,2%)

* Excluding PrivatBank

Source: relating to banking system – NBU statistics (www.bank.gov.ua) and relating to PrivatBank – data relating to balance-sheets of 10 largest banks.

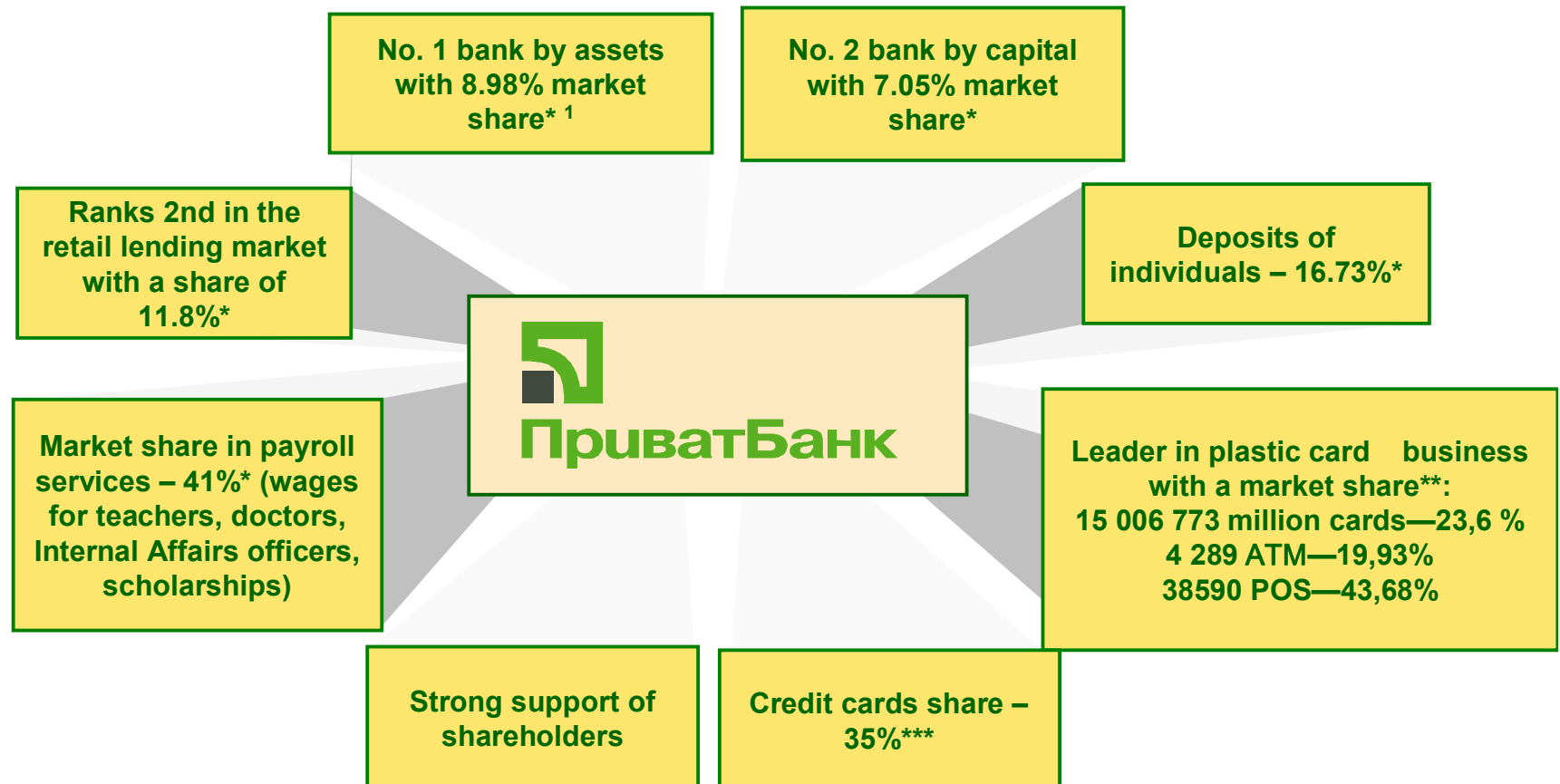
The ratings of Ukrainian banks by deposits from individuals*

	Bank	as on 01.10.2008 (UAH, mln)			as on 01.01.2009 (UAH, mln)			as on 01.04.2009 (UAH, mln)			as on 01.05.2009 (UAH, mln)			as on 01.06.2009 (UAH, mln)		
		Total amount	Rating	Share in total (%)	Total amount	Rating	Share in total (%)	Total amount	Rating	Share in total (%)	Total amount	Rating	Share in total (%)	Total amount	Rating	Share in total (%)
1	PrivatBank	29 472,22	1	15,547	32 750,09	1	16,157	27 842,31	1	15,698	28 303,25	1	16,415	28 204,63	1	16,737
2	Raiffeisenbank Aval	17 119,17	2	9,031	18 042,08	2	8,901	16 245,82	2	9,159	16 829,98	2	9,761	16 996,61	2	10,086
3	Oschadbank	13 091,62	3	6,906	12 360,53	3	6,098	12 107,33	3	6,826	12 656,46	3	7,340	13 010,83	3	7,721
4	Nadra	10 531,13	4	5,555	9 490,68	4	4,682	8 307,13	4	4,684	8 213,31	4	4,763	8 186,16	4	4,858
5	Ukrsotbank	7 971,93	5	4,205	7 900,81	5	3,898	7 069,89	5	3,986	-	-	-	-	-	-
6	Ukrsotsbank	7 680,72	6	4,052	7 315,69	8	3,609	5 903,74	8	3,329	5 951,80	7	3,452	6 024,91	7	3,575
7	Ukrsibbank	7 296,75	7	3,849	7 873,07	6	3,884	7 057,23	6	3,979	7 620,49	5	4,420	8 017,06	5	4,757
8	Ukreximbank	6 495,25	8	3,426	7 620,29	7	3,759	6 978,66	7	-	7 059,50	6	4,094	7 192,91	6	4,268
9	Finance and credit	6 148,06	9	3,243	6 598,94	9	3,255	5 155,91	9	2,907	4 757,96	8	2,759	4 535,98	8	2,692
10	Ukrgasbank	4 900,67	10	2,585	5 481,64	10	2,704	4 507,74	10	2,541	4 194,41	9	2,433	-	-	-
	...															
	Total	189 568,14		100	202 702,24		100	177 365,91		100	172 422,35		100	168 514,61		100

2. Overview of PrivatBank

PrivatBank—market leader in Ukraine

PrivatBank has a strong competitive position with a clear focus on Retail Banking and SME Lending





Source: data by *AUB as at 01.06.2009

EMA, *PrivatBank as at 01.04.2009











¹ PrivatBank's assets outside Ukraine account for 8.21% as at 01.01.09 (assets of foreign subsidiaries in the total consolidated assets)



PrivatBank: Ratings

Agency	Ratings	Credit Strengths
 Moody's	Outlook	Negative
	Bank Deposits - Fgn Curr	B3/NP
	Bank Deposits - Dom Curr	Ba3/NP
	NSR Bank Deposits - Dom Curr	Aa1.ua
	Bank Financial Strength Senior Unsecured	D-B1
	Bkd Subordinate	B1
 Fitch	Long-Term IDR	B
	Short-Term IDR	B
	Outlook	Negative
	Individual	D
	Support	5
	Support Floor	NF

“Privat’s ratings are supported by the bank’s broad domestic franchise and sizeable market shares, relatively long track record and better-than-average (for the Ukrainian market) risk management systems and controls.” (Moody’s, Credit opinion, January 26, 2009)

Top 10 Ukrainian banks, competitive environment on April 01, 2009

	Bank	Assets (US\$mln)	(% of top 10)	Capital (US\$mln)	(% of top 10)	Revenues (US\$mln)	(% of top 10)	Net profit after tax (US\$mln)	Number of branches and sub-branches
	1 PrivatBank	9 657,95	16,12	1 104,80	14,16	596,43	25,90	44,08	3 305
	2 Raiffeisenbank Aval	7 767,21	12,97	923,36	11,84	257,81	11,20	-47,92	1 133
	3 Oschadbank	7 116,53	11,88	2 094,66	26,85	246,00	10,68	57,05	6 160
	4 Uksribbank (BNP Paribas)	6 801,46	11,36	522,08	6,69	230,62	10,02	-110,63	942
	5 Ukreximbank	6 632,47	11,07	1 063,95	13,64	201,06	8,73	0,99	437
	6 Uksotsbank (UniCredit)	6 061,60	10,12	681,73	8,74	197,74	8,59	7,03	131
	7 Prominvestbank	4 241,87	7,08	536,12	6,87	120,90	5,25	-28,58	206
	8 OTP Bank	4 023,56	6,72	295,91	3,79	143,59	6,24	-27,50	233
	9 Alfa-Bank	3 946,38	6,59	411,75	5,28	167,88	7,29	-20,97	636
	10 Nadra	3 645,91	6,09	166,35	2,13	140,54	6,10	-72,41	163
	Total	59 894,93	100	7 800,70	100	2 302,60	100	-198,85	

 State banks
  Banks with foreign investments

Source: NBU as at 01.04.09
 Exchange rate USD/UAH as at April 1, 2009 was 7,7

Comparative analysis of liquidity of TOP-10 Ukrainian banks

01.01.2009

Banks rating by assets	I	II	III	IV	V	VI	VII	VIII	IX	X
Name of the item	PrivatBank	RZB Aval	Ukrs ibbank	Ukrs ots bank	Ukre xim	Nadra	OTP Bank	Alfa-Bank	Os chadbank	VTB Bank
Total assets	80 165 465	65 361 554	55 696 742	49 694 781	48 324 704	30 547 480	33 717 300	32 310 096	57 788 076	28 343 609
Total liquid assets	11 224 346	8 838 030	3 885 371	3 375 971	7 163 063	2 456 576	3 052 147	5 013 188	5 755 842	2 870 725
% of high liquid assets from total assets	14,00%	13,52%	6,98%	6,79%	14,82%	8,04%	9,05%	15,52%	9,96%	10,13%

01.04.2009

Banks rating by assets	I	II	III	IV	V	VI	VII	VIII	IX	X
Name of the item	PrivatBank	RZB Aval	Os chadbank	Ukrs ibbank	Ukre xim	Ukrs ots bank	OTP Bank	Alfa-Bank	VTB Bank	Nadra
Total assets	74 366 264	59 807 492	54 797 300	52 371 280	51 069 992	46 674 284	30 981 392	30 387 101	26 520 660	28 073 488
Total liquid assets	10 346 955	6 137 613	4 923 319	5 029 537	5 553 919	2 678 823	1 757 530	4 145 629	1 653 641	1 825 817
% of high liquid assets from total assets	13,91%	10,26%	8,98%	9,60%	10,88%	5,74%	5,67%	13,64%	6,24%	6,50%

01.06.2009

Banks rating by assets	I	II	III	IV	V	VI	VII	VIII	IX	X
Name of the item	PrivatBank	RZB Aval	Os chadbank	Ukrs ibbank	Ukre xim	Ukrs ots bank	OTP Bank	Alfa-Bank	VTB Bank	Nadra
Total assets	74 626 024	57 468 692	53 231 848	50 015 428	54 708 240	45 839 440	30 303 736	32 268 907	27 806 203	27 120 494
Total liquid assets	13 864 595	5 521 494	4 555 105	4 083 377	9 741 510	3 131 128	1 911 643	4 539 910	2 656 483	1 566 229
% of high liquid assets from total assets	18,58%	9,61%	8,56%	8,16%	17,81%	6,83%	6,31%	14,07%	9,55%	5,78%

During the period of “new possibilities”, PrivatBank successfully confirmed the status of the bank with excessive liquidity in Ukrainian banking system. As on 01.06.2009 the size of PrivatBank’s high liquid assets was the biggest among TOP 10 Ukrainian banks, taking the lead by this performance, in average in 2 times, over the banks with foreign capital.

Balance of PrivatBank*

(UAH, thous.)			
Line	Name of the item	At the close of day 31.03.2009	At the close of day 31.12.2008
ASSETS			
1	Cash and cash equivalents	6 843 774	8 426 371
2	Trading securities	62 792	551 512
3	Other financial assets at fair value through profit or loss	-	-
4	Due from other banks, including:	3 327 886	2 613 279
4.1	in foreign currency	3 303 639	2 528 931
5	Reserves for the impairment of funds in other banks	(178 501)	(419 049)
5.1	Provisions to assets (in percentage)	5	16
6	Loans and due from clients, including:	71 358 860	74 432 327
6.1	Loans and due from entities, including:	46 770 765	47 723 987
6.1.1	in foreign currency	22 048 468	27 183 519
6.2	Loans and due from individuals, including:	24 588 095	26 708 340
6.2.1	in foreign currency	12 158 464	13 064 429
7	Provisions for loans impairment	(10 431 678)	(8 607 224)
7.1	Provisions to assets (in percentage)	15	12
8	Securities in the bank's portfolio held for trading	182 236	173 696
9	Provisions for impairment of securities held for trading	(11 938)	(3 182)
9.1	Provisions to assets (in percentage)	7	2
10	Securities in the trade portfolio of the bank held to maturity	258 054	258 160
11	Provisions for impairment of securities held to maturity	(2)	(2)
11.1	Provisions to assets (in percentage)	0	0
12	Investments in associated companies and subsidiaries	555 650	555 650
13	Investment real estate	-	-
14	Accounts receivable in relation to a current income tax	1 798	181
15	Deferred tax assets	29 497	32 461
16	Fixed and intangible assets	1 389 075	1 465 775
17	Other financial assets	838 011	536 493
18	Provisions for other financial assets	(54 902)	(37 901)
18.1	Provisions to assets (in percentage)	7	7
19	Other assets	151 181	137 809
20	Provisions for other assets	(337)	(337)
20.1	Provisions to assets (in percentage)	-	-
21	Long term assets available-for-sale and transfers	44 797	49 446
22	Provisions for impairment of investments to associated and subsidiary companies held for sale	-	-
22.1	Provisions to assets (in percentage)	-	-
23	Total assets, including:	74 366 253	80 165 465
23.1	Foreign currency	37 475 920	44 529 509
LIABILITIES			
24	Due to other banks, including:	11 057 435	9 868 363
24.1	in foreign currency	4 990 084	6 081 792
25	Due to legal entities, including:	15 224 087	19 104 604
25.1	in foreign currency	10 580 533	12 894 731
25.2	Current/settlement accounts of legal entities, including:	7 589 600	8 304 805
25.2.1	in foreign currency	4 889 523	4 198 905
26	Due to individuals, including:	28 818 236	33 738 786
26.1	in foreign currency	14 194 863	16 884 516
26.2	Current/demand accounts of individuals, including:	4 577 568	5 711 610
26.2.1	in foreign currency	1 514 502	1 950 947
27	Debt securities in issue, including:	1 766 896	1 799 471
27.1	in foreign currency	464	3 734
28	Other attracted funds	4 698 447	4 816 814
29	Current income tax obligations	-	15 606
30	Deferred tax liabilities	8 660	39 640
31	Provisions under the liabilities	410 693	329 994
32	Other financial liabilities	2 454 252	779 060
33	Other liabilities	147 280	177 688
34	Subordinated Debt	1 273 340	1 299 756
35	Liabilities connected with long-term assets intended for sale or transfer	-	-
36	Total liabilities, including:	65 859 326	71 969 782
36.1	in foreign currency	36 324 267	42 418 171
EQUITY			
37	Statutory capital	5 684 882	5 684 882
38	Equity shares (portions, stocks) bought out from the shareholders	-	-
39	Issuing differences	-	-
40	Provisions, capitalized dividends and other bank's funds	409 820	409 820
41	Revaluation reserves for fixed assets, including:	207 870	237 533
41.1	Revaluation reserves for real estate	120 868	187 398
41.2	Revaluation reserves for intangible assets	-	-
42	Reserves of securities revaluation	-	-
43	Revaluation reserves for hedging operations	-	-
44	Profit/loss of previous years	1 864 966	571 672
45	Profit/loss of current financial year	339 389	1 291 776
46	Total equity	8 506 927	8 195 683
47	Total liabilities	74 366 253	80 165 465

* Balance is made according to the Ukrainian standards

Financial results of PrivatBank*

(UAH, thous.)

Line	Name of the item	As of the reporting date	
		At the close of day 31.03.2009	At the close of day 31.12.2008
1	Net interest income /(net interest expenses)	2 926 255	835 809
1.1	Interest income	4 592 483	1 817 667
1.2	Interest expenses	(1 666 228)	(981 858)
2	Net commission income/(net commission expenses)	660 326	603 182
2.1	Commission income	815 823	665 287
2.2	Commission expenses	(155 497)	(62 105)
3	Gains arising from securities trading	(472 770)	929
4	Gains arising from hedging operations	-	-
5	Gains on revaluation of other financial instruments, that were accounted at fair value with recognition of reevaluation in financial results	-	26
6	Gains arising from foreign exchange trading	(122 029)	338 107
7	Income/(loss) arising from the initial recognition of financial assets at the rate that is higher or lower than the market rate	-	-
8	Income/(loss) arising from the initial acknowledgement of financial liabilities at the rate that is higher or lower than the market rate	-	-
9	Gains less losses from revaluation of investment real estate	-	-
10	Foreign exchange translation gains less losses	292 529	(230 459)
11	Provisions for credit indebtedness	(1 746 026)	(211 865)
12	Impairment of securities for trading in the bank portfolio	(8 758)	4
13	Gains less losses from disposals of securities available for sale in the bank portfolio	11	318
14	Impairment of securities held to maturity	-	-
15	Provisions under the liabilities	(42 248)	(40 099)
16	Other operating income	58 029	30 246
17	Gains/(losses) arising from early retirement of debt	-	-
18	Administrative and other operating expenses	(1 203 374)	(847 234)
19	Profit/loss from capital contribution	-	-
19.1	Income on capital contribution	-	-
19.2	Loss on capital contribution	-	-
20	Profit/loss from sale of long-term assets held for trading	-	-
21	Profit/loss before taxation	341 945	478 964
22	Income tax charges	(2 556)	(124 282)
23	Profit/loss after taxation	339 389	354 682
24	Net profit/loss from sale of long-term assets available-for-sale	-	-
25	Net profit/loss of the bank	339 389	354 682

* Balance is made according to the Ukrainian standards

Access to clients

PrivatBank gains access to the clients via:

the largest in Ukraine among commercial banks branches and sub-branches network (3,297 as at 01.06.2009) and ATM network (6,847 ATMs as at 01.01.2009), and:

Ukrainian population *: 46.1 mln.

Economically active population *: 22.3 mln.

PrivatBank clients : 9.1 mln.
(agreements in force)





* Source: State Statistics Committee as at 01.01.2008

Average number of transactions executing by PrivatBank for unique clients is 1 048 000 per day via:

ATM - 440 000 (including 20 000 transactions executing by clients of other banks)

branches and subbranches - 553 000 transactions

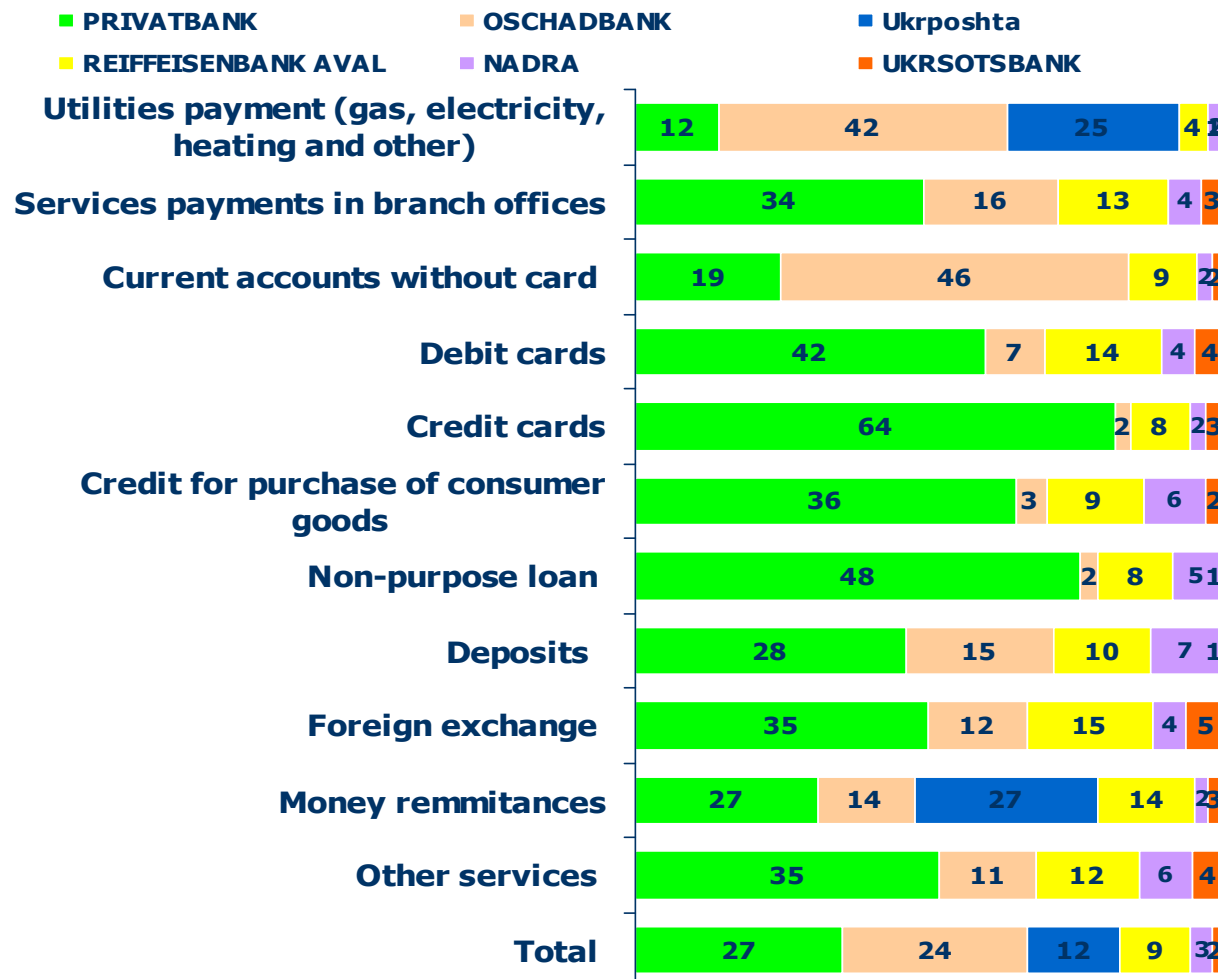
PrivatBank's competitive position

№	Bank	Number of branches 		ATMs 		POS-terminals in distribution network 		Plastic cards 	
		units, as on 01.06.09	Share, %	units, as on 01.04.09	Share, %	units, as on 01.04.09	Share, %	units, as on 01.04.09	Share, %
Banking system		23 011	100	28 305	100	107 566	100	44 068	100
1	PrivatBank	3 297	14,2	7 611	26,9	48 860	45,4	18 558	42,1
2	Raiffeisenbank Aval	1 095	4,9	3 153	11,1	9 993	9,3	2 971	6,7
3	Ukreximbank	126	0,6	590	2,1	3 963	3,7	824	1,9
4	Oschadbank	6 160	26,4	1 004	3,5	2 920	2,7	1 728	3,9
5	Ukrsibbank	827	3,9	1 508	5,3	2 054	1,9	1 026	2,3
6	Ukrsotsbank	564	1,6	1 087	3,8	3 394	3,2	1 212	2,8
7	Alfa-bank	94	0,4	202	0,7	93	0,1	213	0,4
8	OTP Bank	207	0,9	217	0,7	385	0,3	101	0,2
9	VTB Bank	166	0,7	283	1,0	411	0,4	195	0,4
10	Nadra	594	2,7	925	3,2	2 125	2,0	2 689	6,1

1 place	2 place	3 place
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PrivatBank's market share relating to products, services and number of customers

Number of customers: market shares breakdown among banks (main players)



Ownership structure of PrivatBank

The ultimate major shareholders of the Bank are two Ukrainian individuals, Mr. Gennady Bogolubov and Mr. Igor Kolomojsky, neither of which individually controls the Bank. The main shareholders of PrivatBank have interest in ferroalloy industry, oil/oil refining, mining, metallurgy and etc.

Statutory capital, UAH	6 810 865 100,00
Statutory capital, number of shares	42 282 500
Nominal value per share, UAH	161,08
Date of issuance registration*	June 11, 2009

Name of the shareholder	Share, per cent	Number of shares
Mr. Igor Kolomoyskiy	49,018 %	20 725 942
Mr. Gennady Bogolyubov	48,861 %	20 659 791
Managemnet of the bank	2,121 %	896 767
TOTAL	100 %	42 282 500

Increase of authorized capital in 2009

At the meeting on April 21, 2009, shareholders of PrivatBank decided to increase Statutory capital by 1,126 billion up to 6,811 billion UAH (\$885 million) due to dividends re-investment. This increase was registered with the National Bank of Ukraine on June 11, 2009. As a result principal value of one share is increased by 26,63 UAH up to 161,08 UAH.








During shareholder`s meeting on April 30, 2009 was made a decision to increase authorized capital of the bank by UAH 1 000 000 748, 00 up to UAH 7 810 865 848, 00. Increase of authorized capital will be effected at the expense of additional payments of bank shareholders. It was decided to place between existing shareholders of PrivatBank shares of additional issuance.

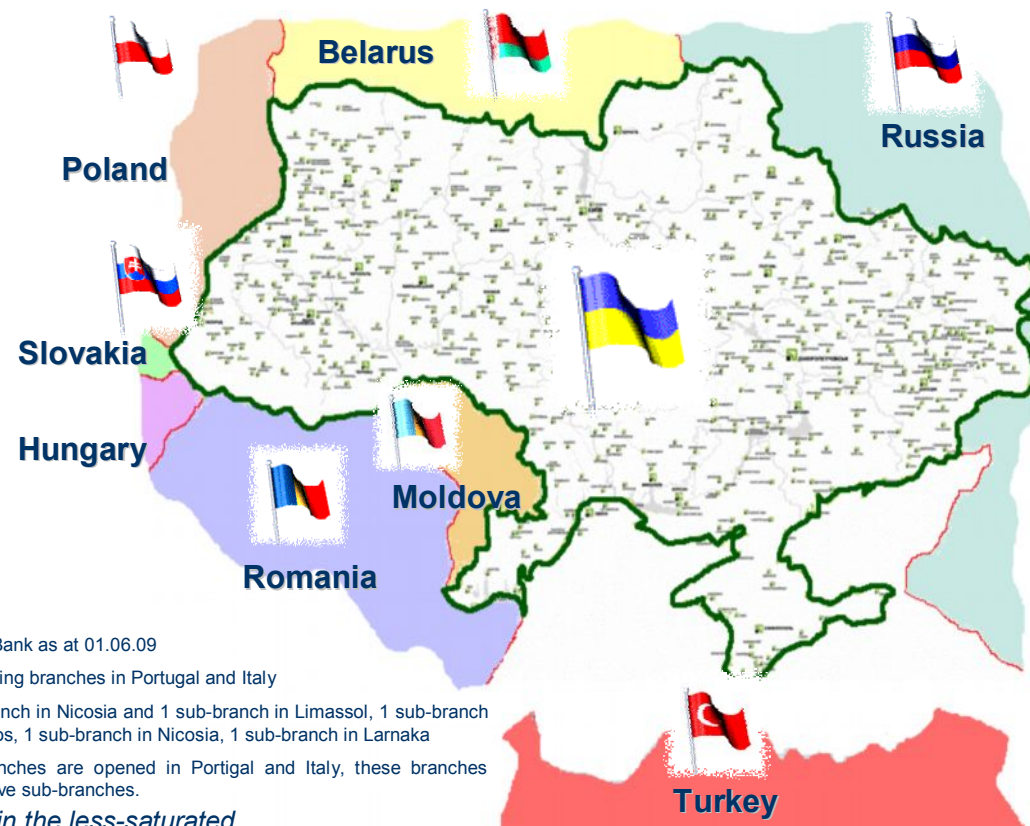
Increase of the share capital of Moscomprivatbank in 2009

Privatbank constantly supports the development of the subsidiary banks. In near future PrivatBank is going to invest RUB 720 mln in the share capital of Moscomprivatbank.

PrivatBank's branches

As of 1 June 2009, PrivatBank's network includes **3,297** branches and sub-branches across Ukraine

	Staff	Branches and sub-branches
 Ukraine PrivatBank	27808*	3297*
International subsidiaries and branches:		
 Russia (Moscomprivatbank)	2 752	158
 Latvia AS "PrivatBank" (former AS "Paritate Banka")	303	27**
 Cyprus Branch	33	5***
 Georgia "Tao PrivatBank" (former "TaoBank")	953	62
 Portugal Branch of AS "PrivatBank"	10	1****
 Italy Branch of AS "PrivatBank"	-	1****



* PrivatBank as at 01.06.09

** including branches in Portugal and Italy

*** 1 branch in Nicosia and 1 sub-branch in Limassol, 1 sub-branch in Paphos, 1 sub-branch in Nicosia, 1 sub-branch in Larnaka

**** branches are opened in Portugal and Italy, these branches don't have sub-branches.

"The wide branch network helps the bank to compete effectively in the less-saturated regional markets, where rates are still above the market average"

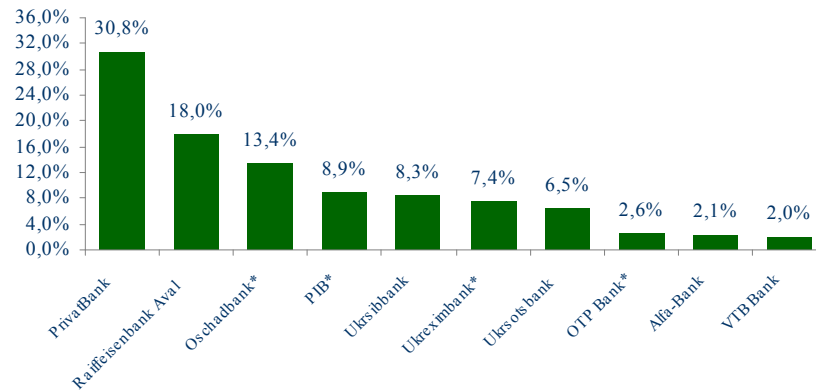
Fitch report October, 2007

"We believe that the bank's sound market position, brand, and distribution network will enable it to further develop its franchise and thus support profitability."

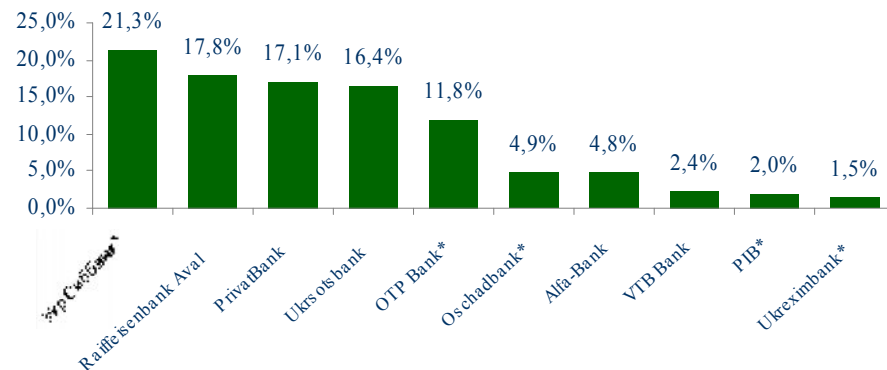
(Moody's, Credit opinion, January 26, 2009)

Retail banking business

Deposits from individuals (share among 10-top banks)



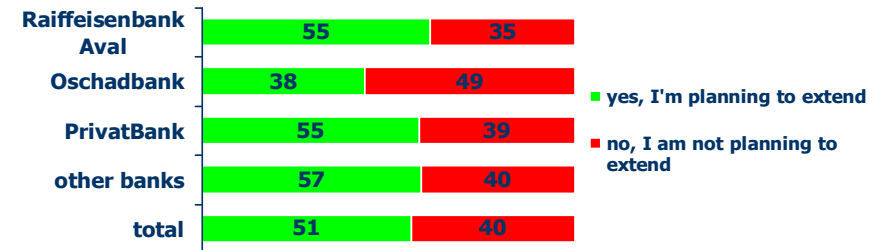
Loans to individuals (share among 10-top banks)



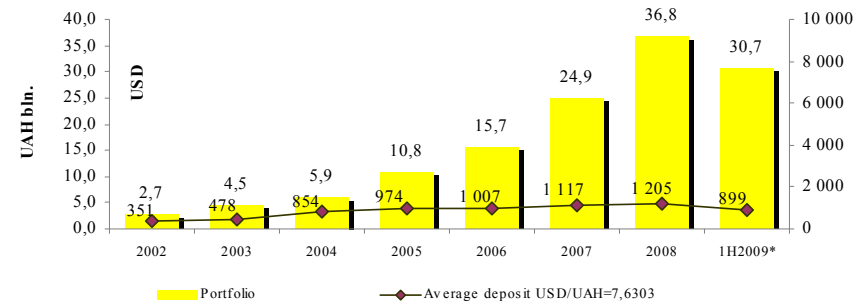
Source: AUB (www.aub.com.ua) as at 01.07.2009

Research of company "GfK Ukraine" regarding deposit extension by individually with banks

Asked question: "Are you planning to extend the deposit with your bank, %?" (results of 1Q)



Dynamics of retail deposit portfolio and average deposit size



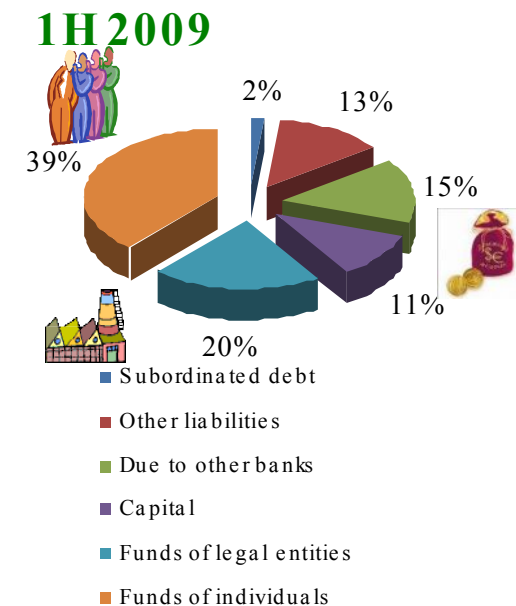
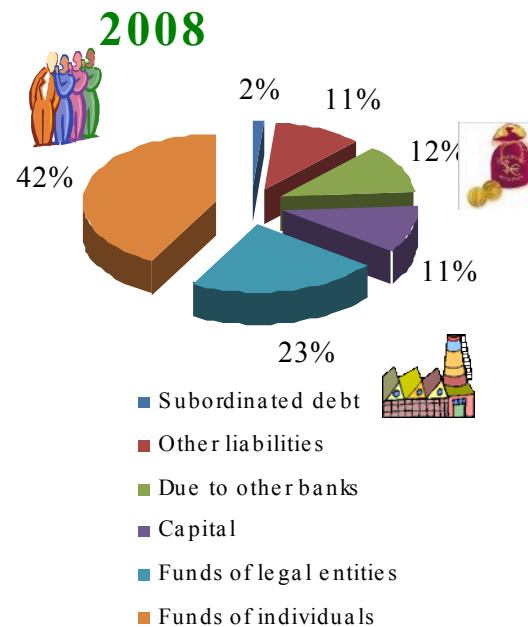
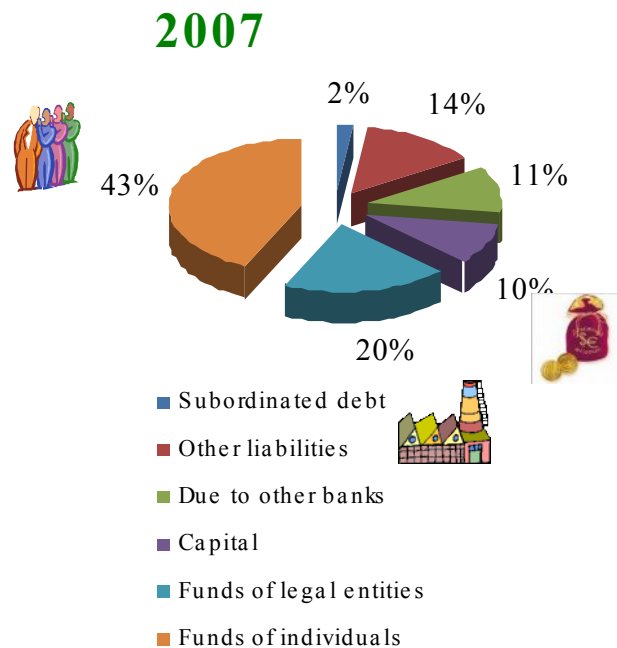
On 05.11.2008 Individual Deposits Guarantee Fund increased reimbursement under individual deposits up to UAH150,000 (19658 USD) Data calculated at ex.rate 1USD=7,6303 (NBU ex.rate as at 30.06.2009)

Source: PrivatBank

2002-2008 – audited IFRS consolidated financial statements,
*Data for 30.06.09 as per consolidated unaudited IFRS figures

Key financial results

Funding sources



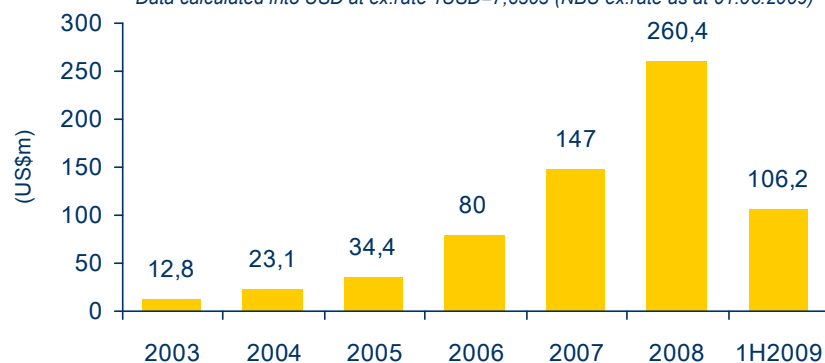
- Asset growth is supported by adequate equity growth and diversification of funding source

*Source: consolidated IFRS figures as of 2007 and 2008 and consolidated unaudited IFRS figures as of 2008 and 1H 2009

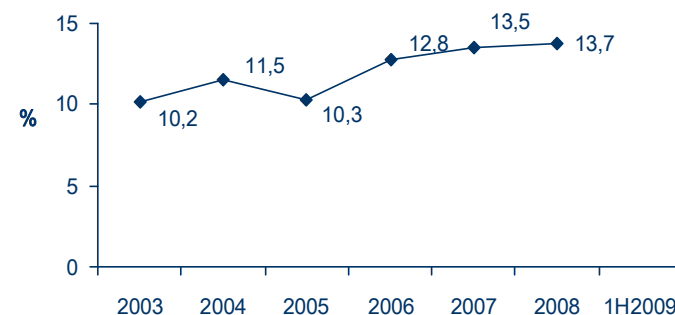
Key financial results (Cont'd)

Net Profit After Tax

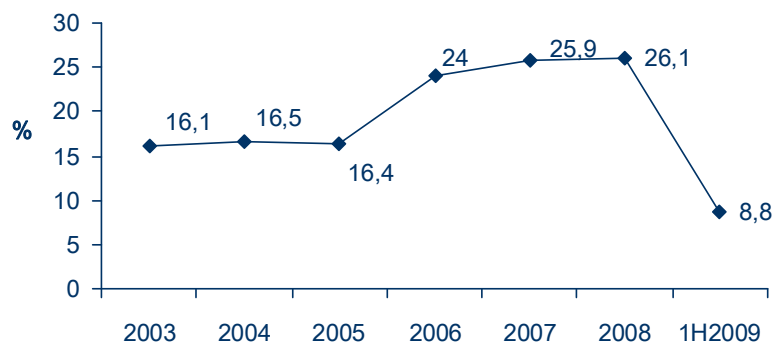
Data calculated into USD at ex.rate 1USD=7,6303 (NBU ex.rate as at 01.06.2009)



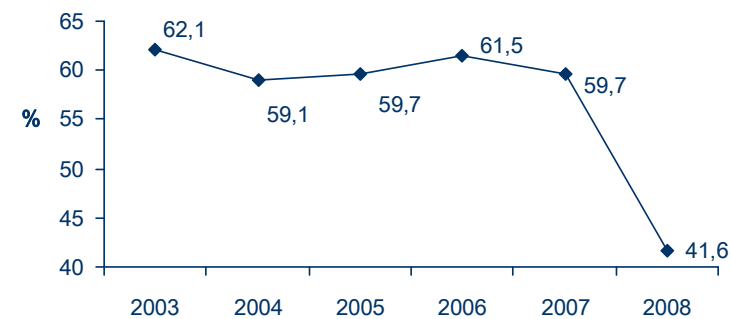
Capital Adequacy



Return-on-Equity



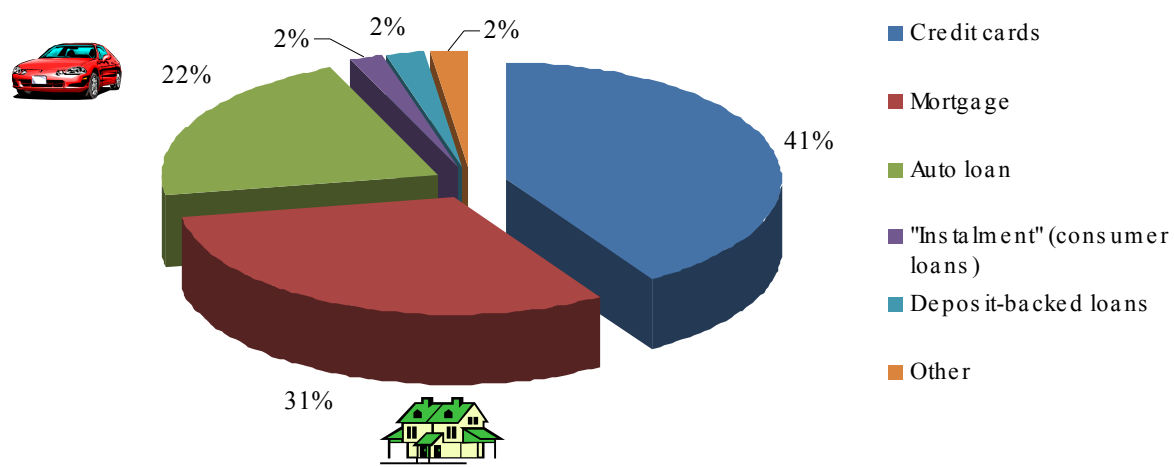
Cost-Income Ratio



Source: audited consolidated IFRS figures for 2003-2008
 * Unaudited consolidated IFRS figures at 01/07/2008 (annualized)

Retail lending

Retail loans by product

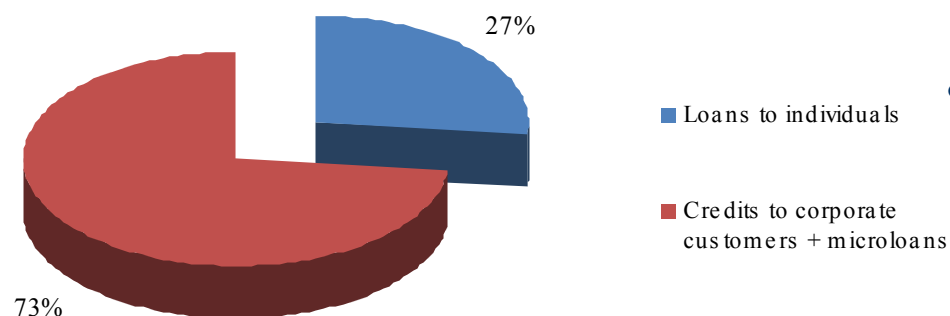


Strategy:
 variety of products,
 balanced portfolio, the
 maximum effective work
 with problem loans, high
 yield for a bank and
 attractiveness to customers

Product	Amount (UAH)	Average account balance in the portfolio, US\$	Average loan term as per agreement, months	National currency return (%)	Foreign currency return (%)	National currency Interest spread (%)	Foreign currency Interest spread (%)
Credit cards	7 653 782	122	7	30	34	11	22
Mortgage	5 759 105	17 309	154	31	18	13	9
Auto loan	3 965 804	6 360	67	27	16	8	5
"Instalment " (consumer loans)	384 138	195	18	25	-	17	-
Deposit-backed loans	418 351	485 199	20	30	15	11	3
Other	390 105	2 853	39	28	14	9	2
TOTAL	18 571 285	282	67	30	18	11	13

Total Loan portfolio

Loan portfolio structure



Approach to the assessment of the problem debts

- If any payment under the loan is delinquent for 90+ days, PrivatBank classifies **the whole debt under such loan as problem debt (NPL)**.

Total loan portfolio

Portfolio components	Amount (UAH)	Average account balance in the portfolio, US\$	Average loan term as per agreement, months	National currency return (%)	Foreign currency return (%)	National currency interest spread (%)	Foreign currency interest spread (%)	Level of problem assets (NPL) (90+ days) (%)	Recoverability of problem loans in a year (%)
Loans to individuals	18 571 285	282	67	30	18	11	13	18,96%	39%
Credits to corporate customers + microloans	50 997 091	461 233	42	19	13	5	4	5,93%	15%
Total portfolio	69 568 376	1 046	44	22	14	7	6	9,44%	34%

PrivatBank's deals in international markets

May 2008	Issued USD denominated bonds backed by auto loans issued by PrivatBank. The total value of these bonds is US\$105MM (UAH507MM) with tranche A amounting to US\$86MM with an initial interest rate of 3m Libor + 5.5% and tranche B amounting to US\$19MM with an initial interest rate of 3m Libor + 7.5%. These bonds mature in November 2018 and have an interest rate step-up date in May 2011.
March 2008	Raised US\$200m Syndicated Loan at LIBOR +0.75% (Bayerische Landesbank, The Bank of Tokyo Mitsubishi, UniCredit) — the lowest margin which is a new benchmark for Ukrainian banks
July 2007	Financing of the corporate client Telesystems of Ukraine (Telecommunication Project) by JPMorgan Chase under EDC guarantee. The total size of the transaction is \$133MM (including EDC guaranteed loan for \$114MM with 7 years of repayment). The transaction was awarded as “The Deal of the Year” by 3 publications: “Trade Finance”, “Global Trade Review” and “Trade and Forfaiting Review”
March 2007	Placement of the UAH1 bn. (US\$200 million) UAH denominated bonds
February 2007	First Ukrainian US\$180m RMBS deal: Class A: US\$134.1m, Fitch BBB-/Moody's Baa3 (first Ukrainian issuer who reached investment grade), 1mLibor + 210bps; Class B: US\$36.9m, B+/Ba3, 1mLibor + 375bps.; Class C: US\$9m, unrated
February 2007	144A/Reg S issue of 5-year US\$500m eurobonds, rated Ba2/B (Moody's/Fitch) and priced at a yield of 8.00%, spread 315bps over the 5-year US Treasury. The first 144A issue among Ukrainian banks.
October 2006	Raised US\$300m Syndicated Loan at LIBOR +1.8% (Commerzbank, UniCredit, Barclays, Standard Bank) — the largest deal among Ukrainian banks in the Ukraine
January 2006	US\$150m Subordinated Debt issue first ever (LT2) issue from Ukraine . The offering, rated Ba3 (Moody's) with a maturity of 9/02/2016 and a call date of 9/02/ 2011, was priced at par 8.75%
October 2005	The largest Syndicated loan in the Ukraine in the amount of US\$158m. The loan was priced at 2.8% over LIBOR
December 2003	The first Eurobond issue in Ukraine in the amount of US\$100m
December 1997	The first syndicated loan in Ukraine in the amount of US\$20m

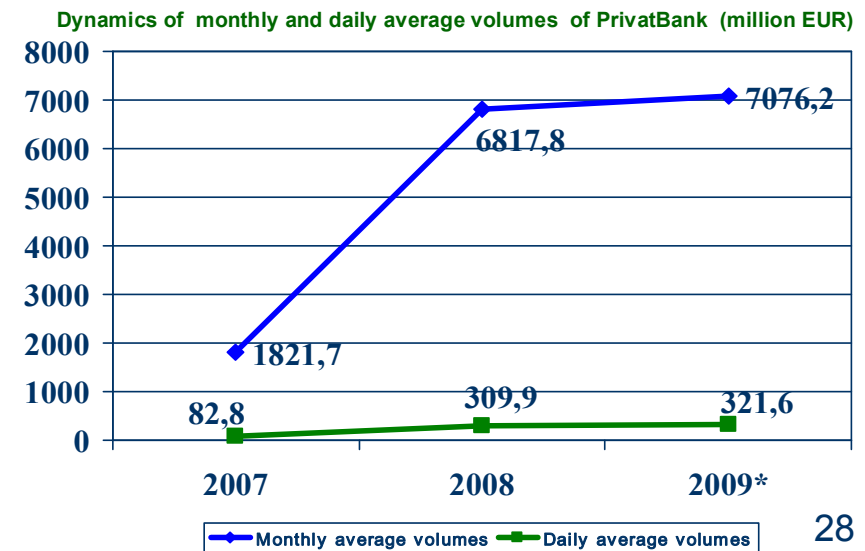
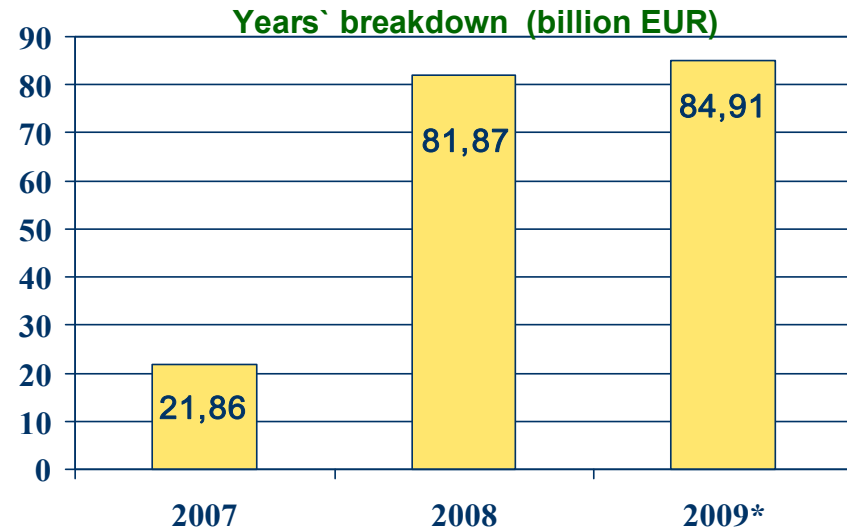
Volume of FX transactions of PrivatBank on international markets

According to report of January publication 2009 of international business edition of Global Finance journal, PrivatBank the fifth year in a row is included in a number of the best world banks - operators of FOREX currency market.

According to results the annual rating of the best world operators of currency market "World's Best Foreign Exchange Banks 2009", Privatbank is acknowledged by experts of journal Global Finance the best bank of Ukraine. According to analysts' opinion, PrivatBank is a leading bank in Ukraine on the level of assets and renders services to more than 15 million of clients. Also the experts of Global Finance mark on the bank activity in financing of economy and operations on currency markets.











Winners were chosen by judge voting, which included financial analysts, managers, entered by corporations, experts in the sphere of bank technologies and also editors of Global Finance journal. For laureates choosing, the followings criteria were taken into account: volume of transactions, market share, geographical diversification, service for clients, competitive prices, usage of innovative technologies.

* annualized

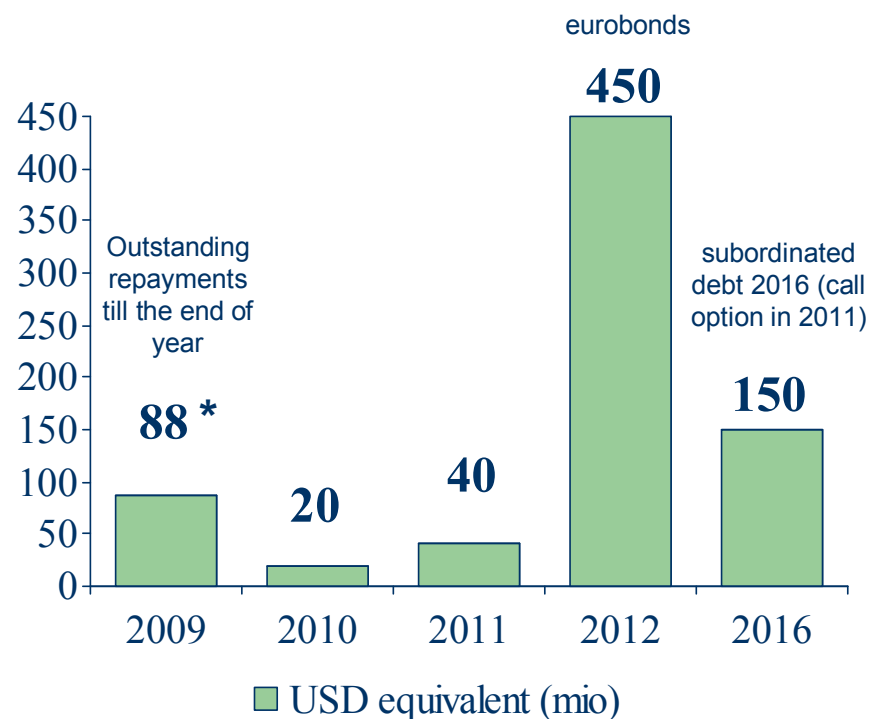


Export Credit Agencies

Cooperation with Export Credit Agencies:

	ECA name	Credit lines utilized
	EDC, Canada	USD 114 MM
	US-Exim, USA	USD 90 MM
	Euler-Hermes, Germany	EUR 91 MM
	ONDD, Belgium	USD 45 MM
	COFACE, France	EUR 6 MM
	EGAP, Czechia	EUR 2 MM
	ERG (SERV), Switzerland	CHF 2 MM
	SACE, Italy	EUR 6,6 MM
	FINNVERA, Finland	EUR 1,5 MM
	EKF, Denmark	EUR 1 MM

Planned repayments for PrivatBank's large international borrowings



" In the current environment, we view positively the bank's limited reliance on wholesale funding as it only has to repay USD 88 million of wholesale funding in 2009 " (Moody's, Credit opinion, January 26, 2009)

* On March 17, 2009 PrivatBank successfully repaid Syndicated Loan Facility \$200 mln. fully and on time.

Strategic areas of the bank's activity for 2H 2009

- 1 **PrivatBank - Payment bank № 1.** Payments of the population and remittances.
- 2 **Client program targeted at the clients** who decided to diversify the bank risks.
- 3 To attract the significant number of clients to **credit cards!**
- 4 To increase cash turnover of SME clients at the expense of collection programs, use of debit cards for keeping and collection of funds of entrepreneurs, maintenance of salary projects.
- 5 **To attract deposits** at the expense of new deposit programs increase, active work of agent distribution network.
- 6 **To extend the agent distribution network and increase its quality.**
- 7 **To reduce risks of internal fraud** at the expense of tough selection procedure and inspections.
- 8 **To increase labour productivity at the expense of accelerated reduction of “weak link” and attraction of strong.**

