



**Activity report
of the Republican Unitary Enterprise
«Republican Central Securities Depository»
for 2012**

I. General information

The Republican Unitary Enterprise "Republican Central Securities Depository" (hereinafter - RUE "RCSD") was established in September 1998 on the basis of CJSC "RCSD".

RUE "RCSD" is the central securities depository in the Republic of Belarus.

RUE "RCSD" accepts securities for centralized storage into the depository system as well as in accordance with the Law conducts depository activity, keeps the correspondent LORO depository accounts, provides settlements for securities transactions between depositors of different depositories, including the results of trading on OJSC "Belarusian currency and Stock Exchange", provides interaction between depositories, maintains securities issues guide, is the operator of state information resource on securities, the rights for which are limited to mortgage commitments and performs other functions as determined by the legislation of the Republic of Belarus.



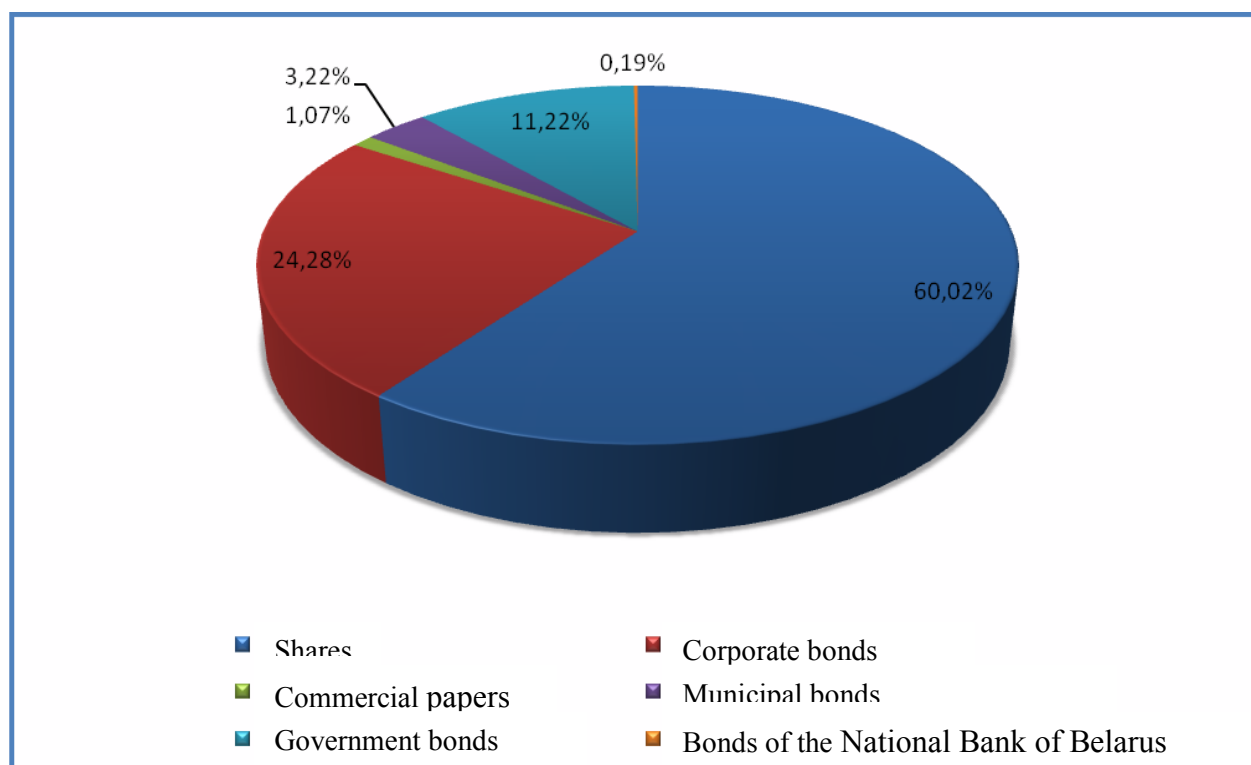
II. Centralized storage of securities

Equity securities

As of January 1, 2013 RCSD had 5,126 issues of equity securities with total issue volume 26.7 billion U.S. dollars.

Number of issues has increased by 44 (0.87%) per year, the total volume of the issue - by 6.33 billion (30.88%).

The structure of total issue volume of equity securities kept on a centralized storage at par as of 01.01.2013.

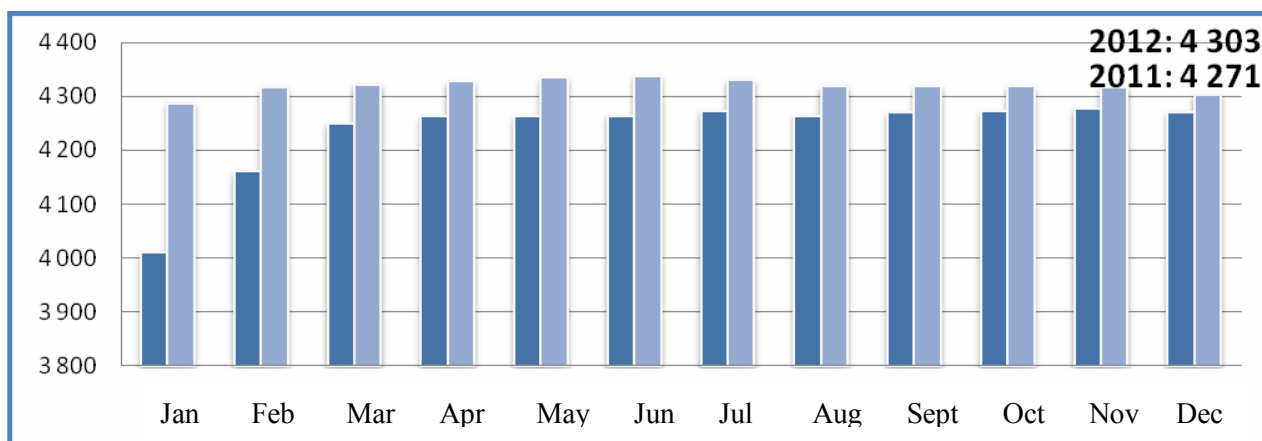


Shares

On January 1, 2013 the number of shares issues on the centralized storage in RUE "RCSD" was 4,303 at 4271 issues as of 01.01.2012 (increase – 32 issues or 0.75%).

The nominal value of the shares was 137.53 trillion Belarusian rubles (16.05 billion U.S. dollars) what is 48.56 trillion Belarusian rubles (5.39 billion U.S. dollars) more in comparison with 2011.

The number of share issues in 2011-2012

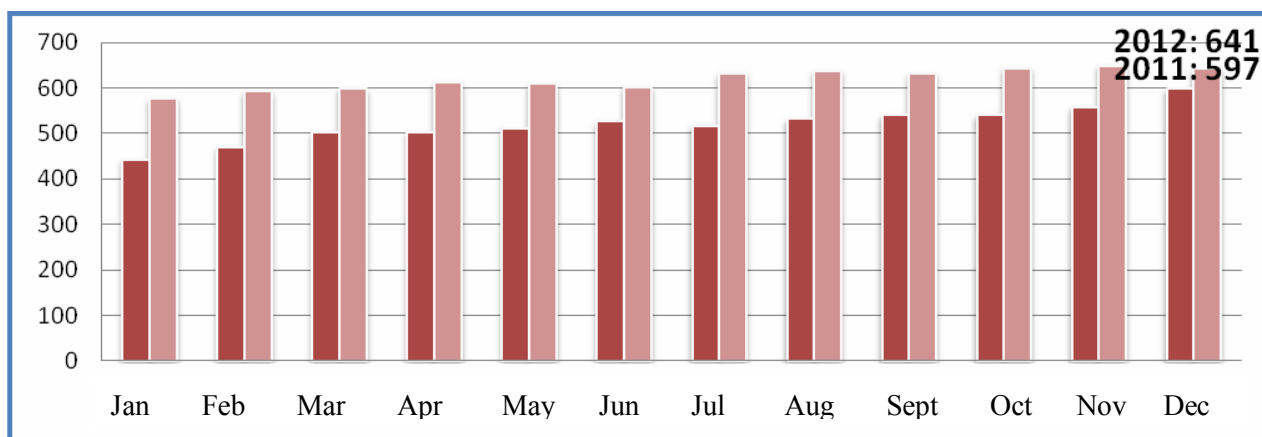


Corporate bonds

On January 1, 2013 the number of corporate bond issues on the centralized storage in RUE "RCSD" was 641 at 597 issues as of 01.01.2012 (increase – 44 issues or 7.37%).

The nominal value of corporate bonds was 6.49 billion U.S. dollars what is 0.07 billion U.S. dollars more in comparison with 2011.

The number of corporate bond issues in 2011-2012

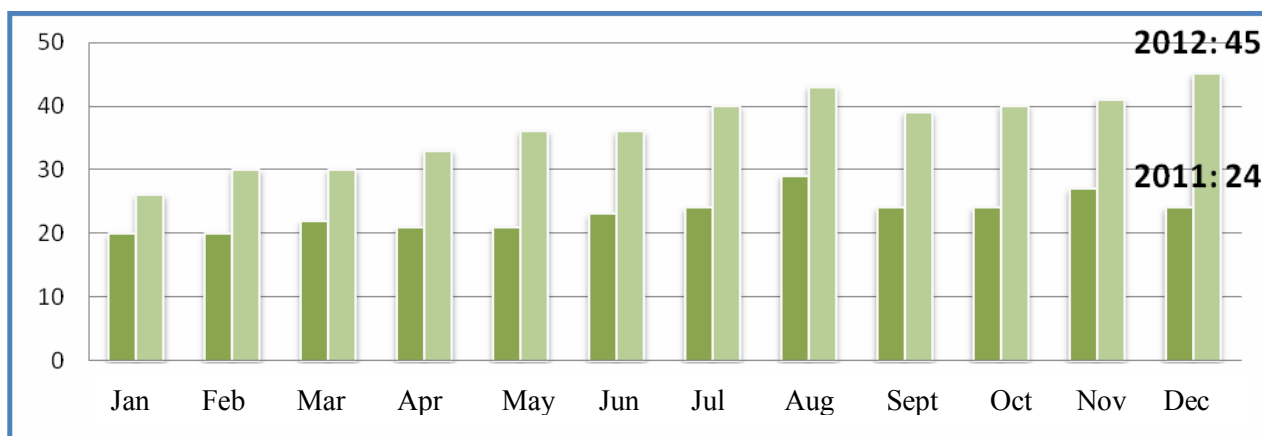


Commercial papers

On January 1, 2013 the number of commercial paper issues on the centralized storage in RUE "RCSD" was 45 at 24 issues as of 01.01.2012 (increase - 21 issues or 88%).

The nominal value of commercial paper was 2.46 trillion Belarusian rubles (0.29 billion U.S. dollars) what is 0.73 trillion Belarusian rubles (0.08 billion U.S. dollars) more in comparison with 2011.

The number of commercial paper issues in 2011-2012

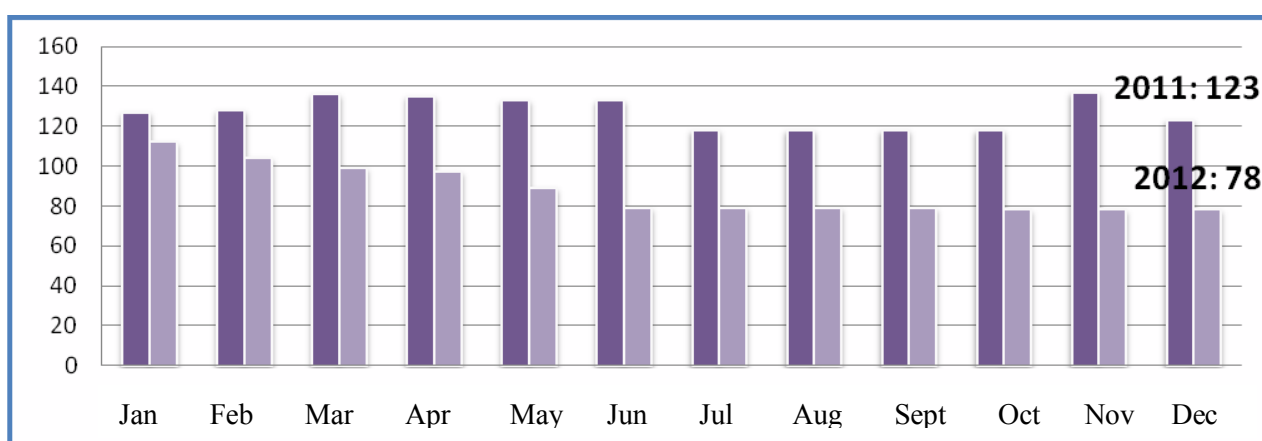


Municipal bonds

On January 1, 2013 the number of municipal bond issues on the centralized storage in RUE "RCSD" was 78 at 123 issues as of 01.01.2012.

The nominal value of municipal bonds was 0.86 billion U.S. dollars what is 0.12 billion U.S. dollars less in comparison with 2011.

The number of municipal bond issues in 2011-2012

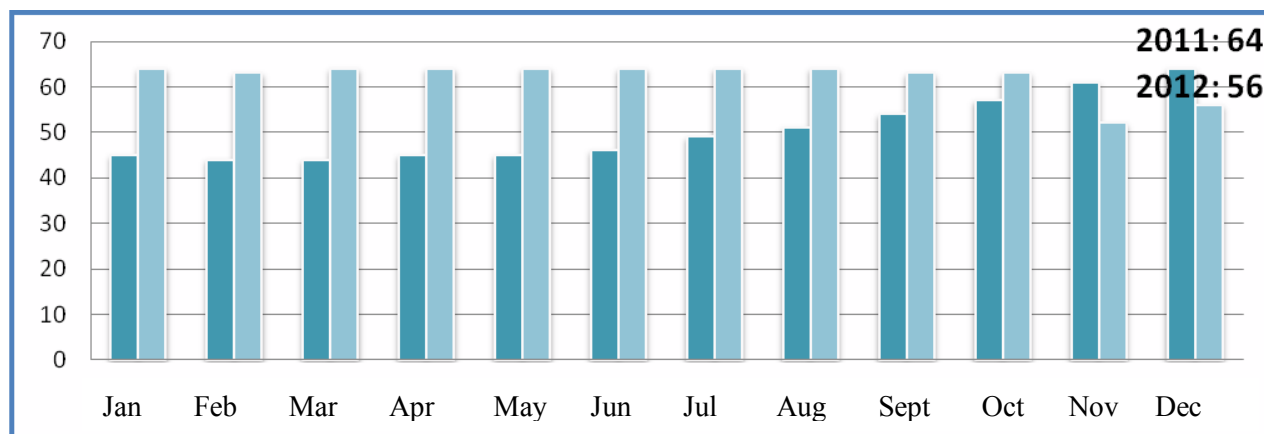


Government bonds of the Republic of Belarus

Bonds are issued by the Ministry of Finance of the Republic of Belarus. On January 1, 2013 the number of government bond issues of the Republic of Belarus on the centralized storage in RUE "RCSD" was 56 at 64 issues as of 01.01.2012.

The nominal value of government bonds of the Republic of Belarus was 3.00 billion U.S. dollars what is 0.89 billion U.S. dollars more in comparison with 2011.

The number of government bond issues of the Republic of Belarus in 2011-2012

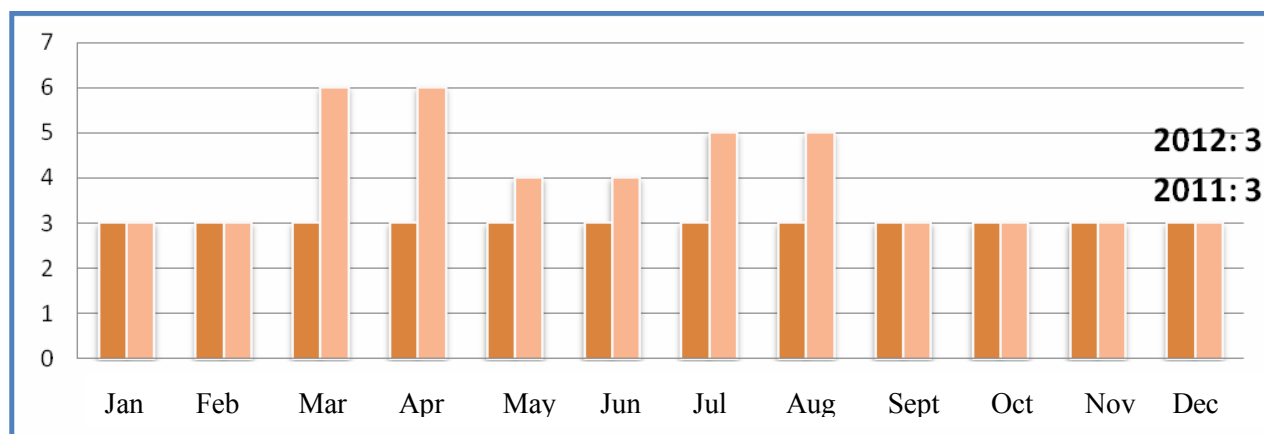


Bonds of the National bank of Belarus

On January 1, 2013 the number of bond issues of the National Bank of the Republic of Belarus on the centralized storage in RUE "RCSD" was 3 without any changes for a previous year.

The nominal value of bonds of the National Bank of Belarus was 0.43 trillion Belarusian rubles (50.68 million U.S. dollars) what is 0.12 trillion Belarusian rubles (12.69 million U.S. dollars) more than in the year 2011.

The number of bond of the National bank of Belarus in 2011-2012



Non-equity securities

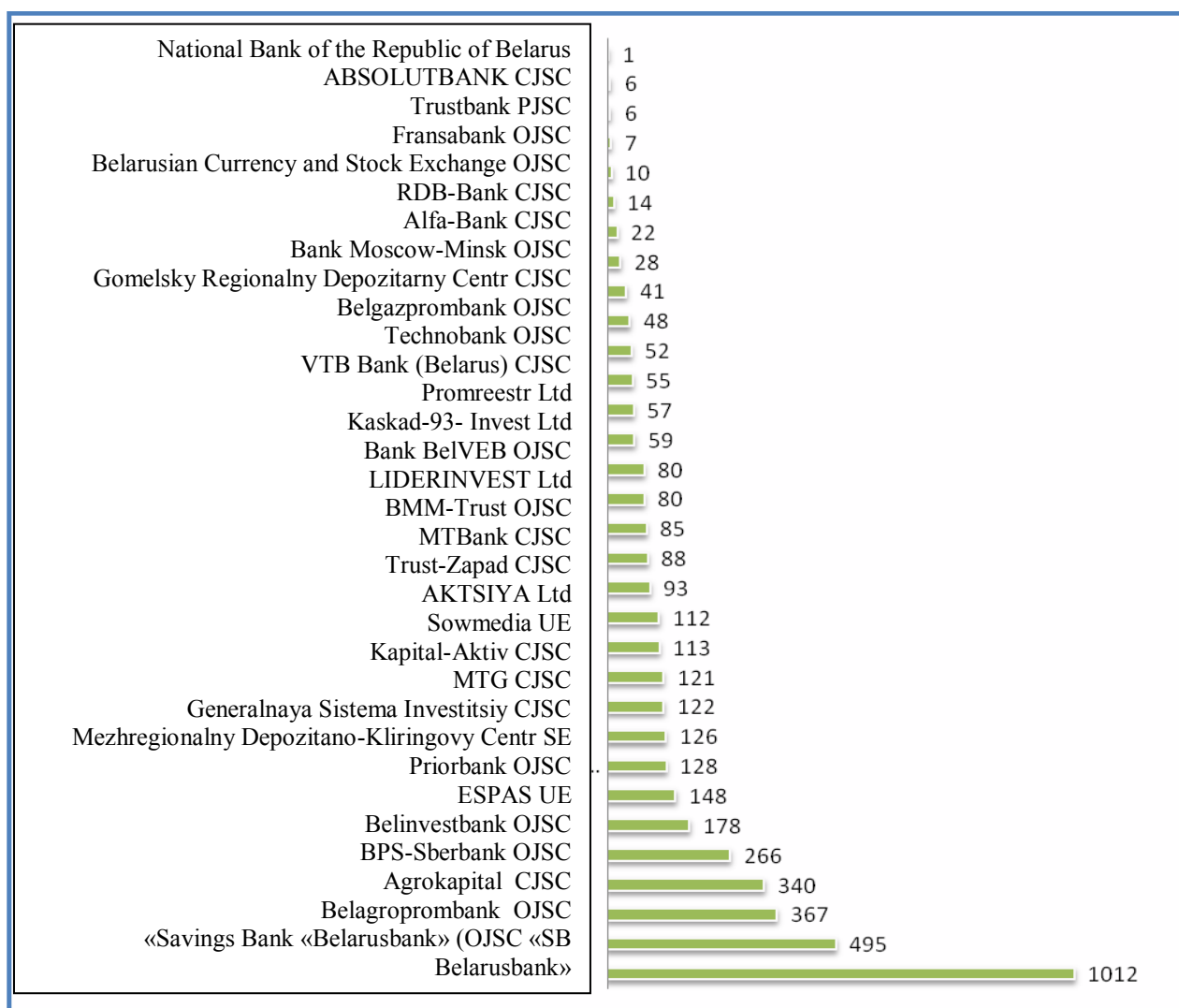
As of January 1, 2013 there were 871 undocumented mortgages on the centralized storage in the depository system of the Republic of Belarus what is 220 undocumented mortgages less in comparison with 2011.

III. The depository system of Belarus

RUE "RCSD" is an infrastructure organization of the securities market of the Republic of Belarus, operating the two-tier depository system that consists of a central depository and 33 depositories which have established correspondent relations with RUE "RCSD", 17 of which are the structural units of banks, 16 - non-bank depositories.

The main objective of the depository system is to provide centralized storage of securities (shares, government bonds, bonds, undocumented mortgages) and recording rights to these securities.

Ranking of the depositories by the number of issuers as of 01.01.2013



IV. Depository securities activity

Custody transactions

The total number of the executed inter-depository securities transfers was 20,772 in the reporting period, the number of operations related to the securities blocking / unblocking was 18,584 (for 2011 the amount of these transactions was 20 829 and 22 399 respectively).

7,266 requests were processed for the registry collection of securities owners and 10,259 requests were sent in the depository, on the correspondent LORO depository accounts of which the securities were kept on the date of registry formation.

1,495 depository transactions were executed on acceptance of equity securities issues for the centralized storage and 87 depository transactions on acceptance of undocumented mortgages for the centralized storage as well as 1117 withdrawal transactions of equity securities issues removed from the centralized storage and 307 withdrawal transactions of undocumented mortgages from the centralized storage.

During the reporting period 10,468 forms of the equity securities issues and 89 forms of the undocumented mortgages were filled. 3317 updates were made into the forms of the securities issues.

Issuers and depositors servicing

According to the current law, RUE "RCSD" functions as a depository of the second level and as of 01.01.2013 implements custody services of 30 stocks and bonds issuers.

RUE "RCSD" is the depository of the issuer of government bonds - the Ministry of Finance of the Republic of Belarus.

As of January 1, 2013, 7070 depository accounts of securities holders are opened in RUE "RCSD".

V. Other activities in the sphere of financial intermediation

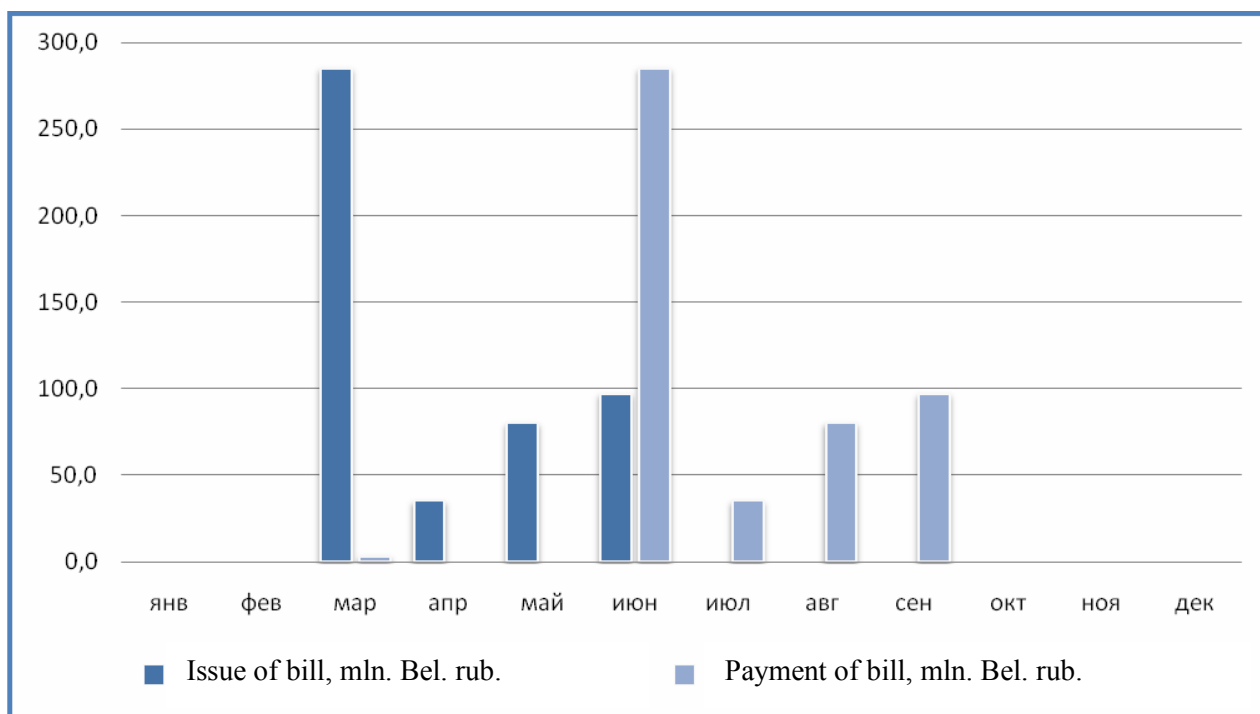
Information on the bills circulation

In accordance with the Decree of the President of the Republic of Belarus № 278 of April 28, 2006 "On regulation improvement of bills circulation in the Republic of Belarus", the documents on the bills circulation are provided in RUE "RCSD" by legal entities and individuals for the following transactions:

- Payment of bills;
- Issue of bills;
- Other form of transfer or receipt of a bill or its copy.

For the period from 01.01.2012 to 31.12.2012, the documents on the issuance and payment (redemption) of 994 promissory notes are provided in the RUE "RCSD" at total amount of 497.0 million Belarusian rubles.

The dynamics of transactions with the bills in 2012.



State information resource on securities, the rights to which are limited to mortgage commitments

According to the Decree of Council of Ministers of the Republic of Belarus № 466 of 30.03.2010 "On some issues of the establishment and operation of an integrated information resource on property, the rights to which are limited to mortgage commitments", the integrated information resource on the property rights was created in the Republic of Belarus. The component part of the integrated information resource is the state information resource on securities, the rights to which are limited to mortgage commitments, and the owner of which is the Ministry of Finance of the Republic of Belarus.

RUE "RCSD" is the operator of the information securities resource, the rights to which are limited to mortgage commitment, in order to further reporting to banks, non-bank financial institutions and leasing organizations.

During the reporting year as the operator of the above mentioned information resource, RUE "RCSD" has accepted, processed and transmitted 215 information messages of the pledged securities blocking and 274 messages of the pledged securities unblocking.

Information services

In 2012 the information transfer services were rendered in accordance with agreements on exchange of information concluded with NCO CJSC "National Settlement Depository" (Moscow, Russian Federation) and CBONDS LIMITED (Cyprus).

According to the concluded contracts, RUE "RCSD" provides:

- Reference information on the bond issues of the Belarusian issuers, including bonds resolution and a summary of the public sale of bonds;
- Share issues guide (with weekly updates);
- Newsletter of the regulations governing the operation of the securities market of the Republic of Belarus as well as amendments and additions;
- Information on the activities of RUE "RCSD";
- Quarterly reports on the performance of the issuers of Belarus.

VI. International activity

RUE "RCSD" is a member of the Association of the Eurasian Central Securities Depositories (AECSD).

RUE "RCSD" has signed an agreement of correspondent relations with the following non-residents:

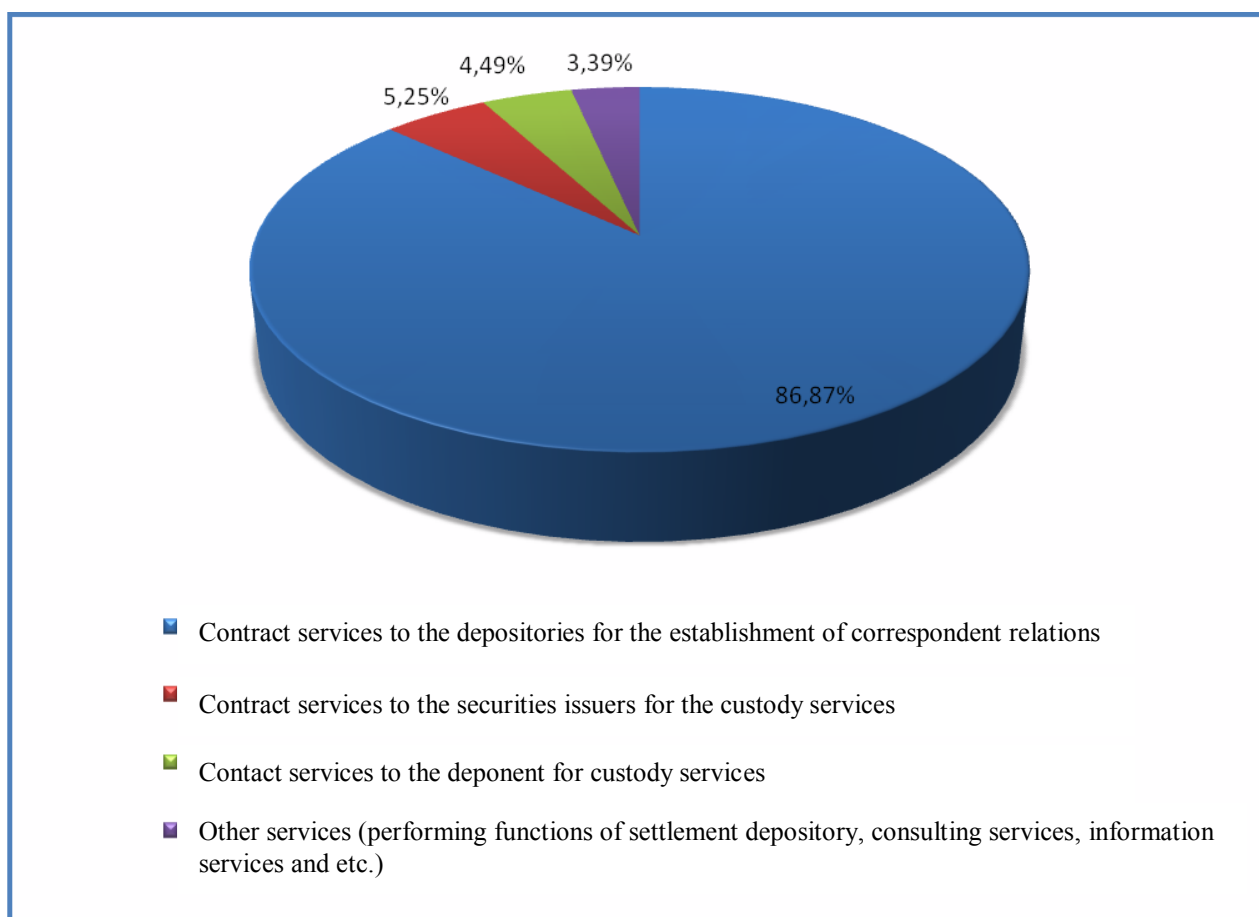
- Non-bank credit organization "National Settlement Depository" (Moscow, Russian Federation);
- Open Joint-Stock Company "Specialized Depository INFINITUM" (Moscow, Russian Federation);
- Open Joint-Stock Company "SEB Bank" (Saint Petersburg, Russian Federation);
- Closed Joint Stock Company "UniCredit Bank" (Moscow, Russian Federation);
- Public Joint Stock Company "National Depository of Ukraine" (Kiev, Ukraine).

RUE "RCSD" is a partner of the Association of National Numbering Agencies and acts as the National Numbering Agency of the Republic of Belarus. Nowadays RUE "RCSD" is the only entity responsible for ISIN and CFI codes allocation to the securities of Belarusian issuers.

VII. Business and financial performance indicators

In 2012 RUE "RCSD" rendered services at the amount of 289.1 thousand U.S. dollars, service revenue was \$ 9.6 thousand U.S. dollars, realized services profitability - 3.5%.

The range structure of services provided in 2012



In the reporting year RUE "RCSD" has completed with all the financial requirements to the professional participants of the securities market.

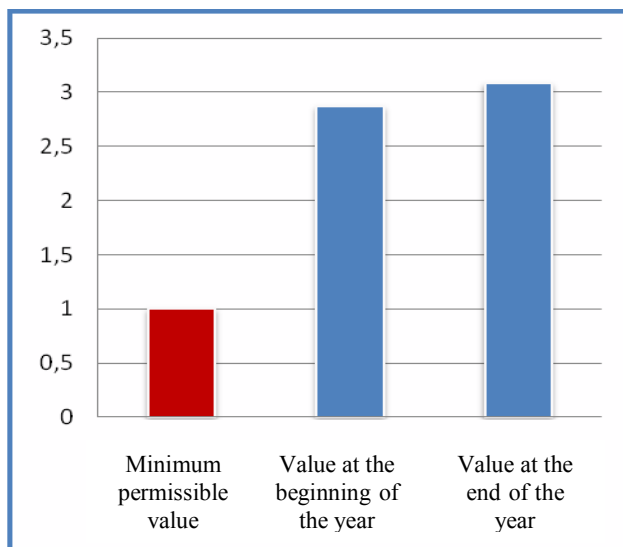
The requirements of financial sufficiency were satisfied for the minimum amount of equity capital (net assets), equal to 10 thousand base units (1 billion Belarusian rubles or 0.12 million U.S. dollars). At the beginning and end of 2012, equity capital of RUE "RCSD" was 2.87 and 3.08 billion rubles, or 0.34 and 0.36 million U.S. dollars respectively.

Indicators of solvency and financial status correspond to the statutory value:
at the beginning and the end of 2012 liquidity adequacy ratio was 23.85 and 21.78 while the norm was at least 1.5;

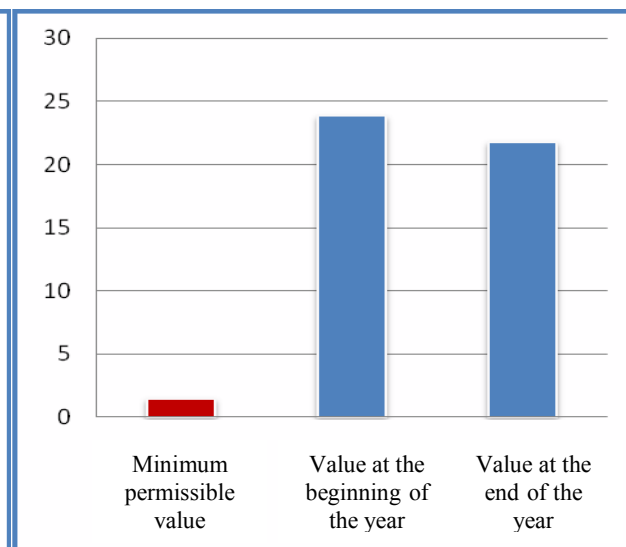
working capital ratio - 0.96 and 0.95 while the norm was at least 0.2;

financial liabilities ratio financed by assets - 0.01 and 0.02 while the norm was not more than 0.85.

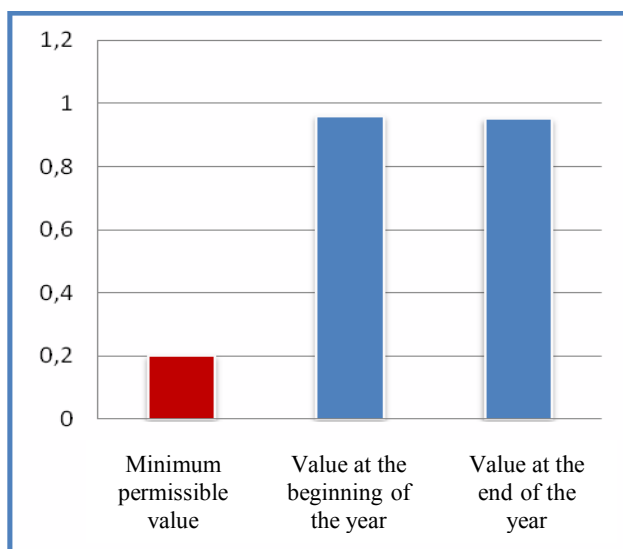
Rate of equity capital, billion Br. rub.



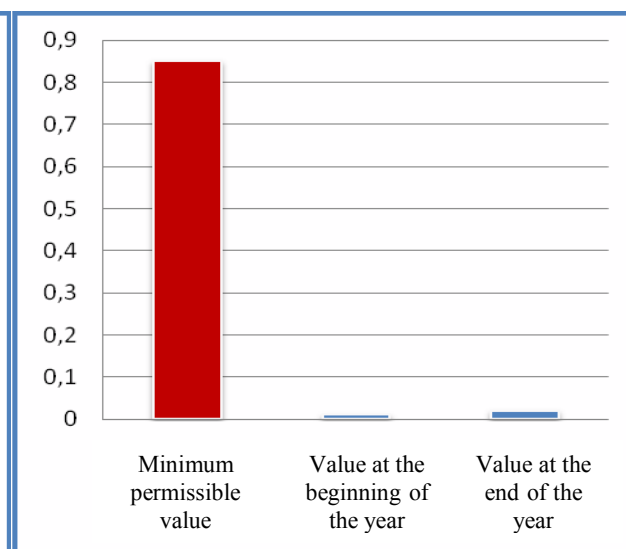
Liquidity adequacy ratio (R1)



Working capital ratio (R2)



Financial liabilities ratio financed by assets (R3)





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