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The company is incorporated in the trade register of the Chamber of Commerce for Amsterdam under the file number 34126597.

Press Release

Home Credit B.V.:
IFRS consolidated results for the nine months ended 30 Sept 2014

Continued quarter-on-quarter improvement as the impact of tough conditions in Russia is offset by a solid result in Asia

Amsterdam, 9 Dec 2014: Home Credit B.V. ('HCBV'), the Netherlands-based holding company for Home Credit's leading multi-channel consumer finance operations in CEE and Asia, announces its consolidated unaudited financial results for the nine months ended 30 Sept 2014, prepared in accordance with International Financial Reporting Standards (IFRS).

"The Group reported a EUR 12 million profit in the third quarter following losses in the first and second quarters, demonstrating further signs of improvement in financial performance thanks both to actions taken to mitigate losses in Russia and solid results in Asia. Overall, for the first nine months the Group reports a loss of EUR 67 million.

Performance in Russia has been impacted, not only by seasonality commonly felt in the third quarter, but also by the worsening economic backdrop. The result also reflects our deliberate policy, established over a year ago, to impose tighter conditions on new loans which reduced business volumes. However, we are seeing signs of improvement in the quality of loans.

Asia has continued compensating the loss in Russia as it performs well, justifying our strategy to diversify into these fast-growth markets. Continued business development here reduces the significance of Russia's business on the overall figures. We incorporated the profitable Vietnamese operation into the Group this quarter which also provided a positive impact.

While seasonality will weigh on the first quarter in 2015, we anticipate further improvements in the underlying performance."

Jiří Šmejc, HCBV Chief Executive Officer

HIGHLIGHTS

- **Operating income was EUR 1,500 million in the first nine months of 2014,** a decrease of 22.0% year on year (9M 2013: 1,924 million). The result comes from a combination of the weak macro-economic environment in Russia with its tightened regulatory measures, and our own decision to sharpen our underwriting criteria, leading to lower lending volumes in Russia. The swift measures taken there in 2013 and early 2014 are showing early signs of improvement in the quality of the loan book. Continued business growth across the Group's Asian operations, which this quarter also included Vietnam, offsets these headwinds in Russia.

- **Having finalized the acquisition of PPF Vietnam Finance Company Limited, the Group started consolidating its results.** Since July 2014 Vietnam's operations contributed EUR 8 million to the Group's net income. Meanwhile, China continued to contribute a greater share to net income. This quarter, the Group also consolidated its Chinese CFC company, which owns the Chinese consumer finance license, and which is expected to add to future profitable growth.

- **The company reported a net loss of EUR 67 million in the first nine months of 2014,** compared to 9M 2013 net profit of EUR 293 million. Profits were pulled lower by

Russia, which, although reducing in importance in the portfolio in light of the Asian businesses' growth, remains Home Credit's largest market. However, the Group reported a net profit in the third quarter of EUR 12 million, an improvement from the net loss in the second quarter of EUR 17 million, and the EUR 62 million net loss in the first quarter. Group RoAE was -6.2% in 9M 2014 (9M 2013: 24.5%) reflecting the loss reported for the period.

- **The Group continued to invest in further distribution network expansion, particularly in Asia.** As at 30 Sept 2014, HCBV's multi-channel network consisted of 162,154 distribution points of different formats: 158,451 points of sale, 2,720 post offices as well as a network of 983 retail bank branches.

- **The net loan portfolio declined to EUR 6,301 million in 9M 2014,** down 12.1% from the year end 2013, as the Group continued applying its more conservative policy on lending which reduced the number of loans granted in Russia (31 Dec 2013: EUR 7,171 million).

- The intentional decision to underwrite fewer loans meant that the proportion of NPLs increased with **an NPL ratio of 16.4% (31 Dec 2013: 12.2%)**, although the NPL ratio was flat from the end of H1 2014. **Provisioning levels remain adequate with an NPL coverage ratio of 104.1%.**

- **The level of customer deposits declined to EUR 4,518 at 30 Sept 2014,** down 11.5% from the year end reflecting reduced funding requirements.

- **HCBV's capitalisation remained solid** with total equity of EUR 1,450 million as at 30 Sept 2014.

RESULTS

In the first nine months of 2014 the Group posted a net loss of EUR 67 million, showing signs of improvement with a third quarter profit of EUR 12 million versus a loss of EUR 17 million in the second quarter.

Although the importance of Russia to the overall business is reducing, the Group result was pulled lower as the Russian economy continued to worsen. The macroeconomic backdrop has continued to weaken in Russia in the first nine months of 2014 and the consumer finance sector has been particularly impacted by ongoing regulatory reform. The Russian business decided last year to tighten its underwriting procedures and reduce the number of loans granted in response to these tougher market conditions. **Early positive signs** of this enhanced approach to risk management are already emerging. However, the reduction in underwriting will have an impact on profitability and key ratios in the near term.

The Group benefited from the consolidation of the Vietnamese business into the Group results as well as from a solid performance across other operations in both Europe and Asia. This mitigated the impact of increased provisioning in Russia, validating Home Credit's strategy to expand across Asia.

Net interest income for the nine-month period ended 30 Sept 2014 slipped 19.1% to EUR 1,071 million, compared to EUR 1,323 million for the same period in 2013. **Net fee and commission income** decreased 31.7% to EUR 325 million in 9M 2014, from EUR 476 million in 9M 2013, mirroring the decline in new loan volume.

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General administrative and other operating expenses were stable at EUR 647 million (9M 2013: EUR 650 million) even as the business added new employees and boosted its distribution network. HCBV's cost-to-income ratio increased to 43.1% over the nine-month period (9M 2013: 33.8%), affected by the decrease in income, while the ratio of cost to average net loans remained stable at 13.1% in the first nine months of 2014 compared to 12.3% at 9M 2013.

The decline of HCBV's loan portfolio, which stood at EUR 6,301 million at 30 Sept 2014, was a result of an intentional policy to grant fewer loans in Russia where the Group underwrote approximately 66% of the loan volume (based on local currency) compared to the same period a year ago. This portfolio shrinkage was also impacted by seasonality in the third quarter. However, the decline in Russia was partly mitigated by new loan volumes in Asia. In China new loan volume for the nine-month period ended 30 Sept 2014 grew 41.0% (based on local currency) from the year earlier period.

The NPL ratio (gross non-performing loans more than 90 days overdue as a percentage of total gross loan book) rose to 16.2%, mathematically impacted by the reduced loan portfolio. Through HCBV's conservative approach to provisioning the NPL coverage ratio remained adequate at 104.1% at 30 Sept 2014. Thanks to the experience gained during the previous period of economic weakness in Russia in 2008, HCBV has taken swift proactive measures to improve the quality of its loan book.

HCBV maintained a solid **funding base and liquidity position**, and the Group's funding structure remained diversified. The share of account balances and term deposits comprised 58.9% of total liabilities as at 30 Sept 2014 (31 Dec 2013: 65.6%).

FINANCIAL SUMMARY

Business Results	**As at Sept 30, 2014**	**As at Dec 31, 2013**	**As at Sept 30, 2013**	**YTD Change, %**	**Y-O-Y Change, %**
Loans granted YTD (EUR millions)	5,340	9,739	7,428	*N/A*	*(28%)*
Number of active clients (millions)	9.0	7.9	7.6	*14%*	*19%*
No. of distribution points	162,154	139,612	134,119	*16%*	*21%*
Number of employees (thousands)	58.7	51.4	47.6	*14%*	*23%*

Income Statement (EUR millions)	**9M period ended Sept 30, 2014**	**9M period ended Sept 30, 2013**	**Change, %**
Net interest income	1,071	1,323	*(19%)*
Operating income	1,500	1,924	*(22%)*
Impairment losses on financial assets	(898)	(890)	*1%*
Operating expenses[1]	(647)	(650)	*(1%)*
Net profit after tax	(67)	293	*(123%)*

Financial Position (EUR millions)	**As at Sept 30, 2014**	**As at Dec 31, 2013**	**Change, %**
Total assets	9,116	9,313	*(2%)*

Net loan portfolio	6,301	7,171	*(12%)*
Shareholders' equity	1,450	1,532	*(5%)*
Wholesale funding	2,707	2,237	*21%*
Customer deposits	4,518	5,105	*(12%)*

Notes:

1) Operating expenses comprise general administrative and other operating expenses

KEY RATIOS

Income Statement Ratios	**As at Sept 30, 2014**	**As at Dec 31, 2013**	**As at Sept 30, 2013**
Net interest margin[1)]	17.8%	19.9%	19.6%
Net interest income to operating income	71.4%	69.3%	68.8%
Cost to average net loans[2)]	13.1%	13.0%	12.3%
Cost to income[3)]	43.1%	36.4%	33.8%
Cost of risk ratio[4)]	18.2%	16.7%	16.8%
RoAA	(1%)	3.3%	3.9%
RoAE	(6.2%)	20.5%	24.5%

Financial Position Ratios	**As at Sept 30, 2014**	**As at Dec 31, 2013**	**As at Sept 30, 2013**
Net loans to total assets	69.1%	77.0%	73.6%
NPL ratio[5)]	16.4%	12.2%	10.7%
NPL coverage ratio[6)]	104.1%	117.0%	122.4%
Deposits to total liabilities	58.9%	65.6%	71.8%
Equity to assets	15.9%	16.5%	16.6%
Equity and deposits to net loans ratio	94.7%	92.6%	104.0%

Notes:

1) Net interest margin is calculated as net interest income divided by average balance of net interest earning assets.
2) Cost to average net loans is calculated as general administrative and other operating expenses divided by average net loans.
3) Cost to income ratio is calculated as general administrative and other operating expenses divided by operating income.
4) Cost of risk represents impairment losses divided by average balance of net loans to customers.
5) NPL ratio is calculated as gross non-performing loans divided by total gross loans. The Group defines non-performing loans as collectively impaired loans that are overdue by more than 90 days as well as loans considered individually impaired.
6) NPL coverage ratio is calculated as loan loss provisions divided by gross non-performing loans.

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NOTES TO EDITORS

Home Credit B.V. ("HCBV") is a leading multi-channel provider of consumer finance in Central and Eastern Europe ("CEE") and in Asia. Founded in 1997, HCBV is focused on the ten key consumer finance markets of the Czech Republic, Slovakia, the Russian Federation, Belarus, Kazakhstan, China, Vietnam, India, Indonesia and the Philippines. HCBV's core business is to provide consumer finance lending to qualified mass market retail customers (POS loans, cash loans, revolving loans, credit cards and car loans). As its business expands HCBV is also selectively adding retail deposit and current account services for its customers in the markets where it holds a banking licence. Its 58.7 thousand employees have so far served 42.9 million customers through its vast distribution network comprising 162,154 points of sale, loan offices, branches and post offices. HCBV's total consolidated assets reached EUR 9.1 billion as at 30 Sept 2014. *More information on HCBV is available at www.homecredit.net.*

The majority shareholder (86.62% stake) of Home Credit B.V. is **PPF Group N.V. ("PPF")**. PPF invests into multiple market segments such as banking and financial services, telecommunications, insurance, real estate, energy, metal mining, agriculture, retail and biotechnology. PPF's reach spans from Central and Eastern Europe to Russia and across Asia. PPF Group owns assets of EUR 24.2 billion (as at 30 June 2014). *More information on PPF Group N.V. is available at www.ppf.eu.*

A minority stake (13.38%) of Home Credit B.V. is held by **EMMA OMEGA LTD**, an investment holding company ultimately owned by Mr. Jiří Šmejc.