Home Credit B.V., Strawinskylaan 933, 1077 XX Amsterdam, Netherlands
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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 three month period ended 31 March 2014

Strong growth in Asia offset by headwinds in Russia

Amsterdam, 11 March 2014: Home Credit B.V. ('HCBV' or 'the Group'), the Netherlands-based holding company for Home Credit's leading multi-channel consumer finance operations in CEE and Asia, announces its consolidated financial results for the three-month period ended 31 March 2014 in accordance with International Financial Reporting Standards (IFRS).

"Our strategy of geographical diversification and a focus on growth markets continues to deliver. The first quarter brought exciting developments in China and our other Asian markets which are growing strongly. However, headwinds In Russia, combined with our conservative approach to reserves, led us to an overall loss in the quarter.

In China we have tripled the number of provinces we serve to 14 and we expect to maintain a brisk, but controlled, expansion over the remainder of the year as part of our national roll out. Other countries in the Asian region continue their rapid development. Indonesia, although still in the investment phase, delivered very promising results, having achieved the target of 1,000 points of sale (POS) in just five months. Asia already generates 32% of our new volumes and this growth looks set to continue.

Our Russian business, in line with the sector as a whole, suffered the impact of a difficult economic environment and the after effects of a period of too fast growth in recent years. Home Credit was one of the first to recognise the risks and took action in mid-2013 to tighten its lending criteria. The positive impact of this step is already being seen.

Home Credit is a great franchise, with strong capitalisation, good liquidity, experienced management and an excellent competitive position in the consumer lending market. We have a clear road map to build on our strengths and restore profitability in 2014 and I remain excited by the future for these businesses."

Jiří Šmejc,
Chairman of the Board of Directors and Chief Executive Officer, Home Credit B.V.

HIGHLIGHTS

1Q2014 saw EUR 518 million of operating income achieved at Home Credit with a value of loans granted of EUR 1,725 million while the number of active clients reached 7.4 million. Distribution points, driven by the successful regional expansion in Asia, grew by 2.8% to 143,510 with 139,349 POS and loan offices, 1,355 bank branches and 2,806 post offices.

Operating income in Q1 2014 was down 15.2% y-o-y to EUR 518 million (Q1 2013: EUR 611 million). This drop in operating income is predominantly impacted by the challenging environment in Russia.

Net interest income fell slightly by 4.8% to EUR 389 million compared to EUR 409 million for same period in 2013. In response to regulatory reform in 2013, our local product line has been optimised and interest rates reduced. Nonetheless the Group's Net Interest Margin remained solid at 19.4%.

The Group posted a net loss of EUR 62 million in the quarter as a result of very conservative provisioning in Russia. Although the Russian contribution to the Group business continues to decrease as the Group's geographical footprint diversifies, Russia's tough economic backdrop still had a negative effect on the Group results as a whole and overshadowed the continued strong development in Asia. Russia's local economy in Q1 slowed down and average salaries showed negative growth. The consumer finance market there has also been impacted by the rapid growth in unsecured lending to individuals from 2011 to 2013. The effect of this growth was underestimated by lenders and credit quality was put under pressure. Our Russian subsidiary is quickly adapting to the changing environment there but, in common with our peers, faces headwinds due to challenging conditions.

The net loan portfolio fell 10.9% to EUR 6,387 million (31 December 2013: EUR 7,171 million). In response to the macroeconomic backdrop in Russia the growth rates of loan volumes have been intentionally decreased since the middle of 2013 which overshadowed the other Group countries' operations. **Total assets reflected this impact and were down by 8.9% to EUR 8,485 million.**

The quality of HCBV's loan portfolio dipped in Q1 2014 with the NPL (non-performing loans more than 90 days overdue) share of the gross loan book up to 14.2% (12.2% as at 31 December 2013) due to the deteriorating position in Russia. Our Russian subsidiary is now carefully managing its growth with tighter risk management procedures and an increased focus on loan quality. The benefits of this stricter approach to lending are already coming through and the risk profile of the portfolio accumulated since mid-2013 shows much higher quality. **The Group's NPL coverage ratio remained strong at 116.7% (31 December 2013: 117.0%).**

General administrative and other operating expenses rose by 5.5% to EUR 213 million (Q1 2013: EUR 202 million) due to the continued development of the distribution networks linked predominantly to geographic expansion in Asia, China in particular. HCBV continues to maintain stringent cost management; **the cost-to-income ratio was 41.1% as a result of a falling denominator, income.**

HCBV's customer deposits fell by 11.3% to EUR 4,528 million (31 December 2013: EUR 5,105 million) as a result of a decreased volume of lending requiring less funding. The share of current account balances and term deposits now comprises 63.6% of total liabilities (31 December 2013: 65.6%).

HCBV remains strongly capitalised and deposits remain the key source of external funding in line with the Group's strategy: total equity was EUR 1,370 million as at 31 March 2014.

HOME CREDIT

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KPIs SUMMARY

Business Results	As at Mar 31, 2014	As at Dec 31, 2013	As at Mar 31, 2013	YTD Change %	y-o-y Change %
Loans granted YTD (EUR millions)	1,725	9,741	2,231		-22.7%
Number of active clients (millions)	7.4	7.7	6.8	-3.6%	9.1%
Number of distribution points	143,510	139,612	113,460	2.8%	26.5%
- Number of POSs and loan offices	139,349	135,459	109,364	2.9%	27.4%
- Number of bank branches	1,355	1,328	955	2.0%	36.2%
- Number of post offices	2,806	2,825	3,101	-0.7%	-9.5%
Number of employees (thousands)	52.2	51.4	41.2	1.5%	26.5%

Profit and Loss (EUR millions)	As at Mar 31, 2014	As at Mar 31, 2013	Change %
Net interest income	389	409	-4.8%
Operating income	518	611	-15.2%
Credit risk costs[1]	(369)	(251)	47.0%
Operating expenses[2]	(213)	(202)	5.5%
Net profit for the year	(62)	128	-148.7%

1) Credit risk costs represent impairment losses
2) Operating expenses comprise general administrative and other operating expenses

Financial Position (EUR millions)	As at Mar 31, 2014	As at Dec 31, 2013	Change %
Total assets	8,485	9,313	-8.9%
Net loan portfolio	6,387	7,171	-10.9%
Equity	1,370	1,532	-10.6%
Wholesale Funding	2,170	2,237	-3.0%
Customer deposits and current accounts	4,528	5,105	-11.3%

Source: Home Credit B.V., consolidated.

KEY RATIOS

Profit and Loss Ratios	3M period ended 31 March, 2014	12M period ended 31 Dec, 2013	3M period ended 31 March, 2013
Net interest margin[1]	19.4%	19.9%	18.5%
Net interest income to operating income	75.1%	69.3%	66.8%
Cost to average net loans[2]	12.6%	13.0%	12.0%
Cost income ratio[3]	41.1%	36.4%	33.0%
Cost of risk ratio[4]	21.8%	16.7%	14.8%
ROAA[5]	-2.8%	3.3%	5.2%

Financial Position Ratios	As at Mar 31, 2014	As at Dec 31, 2013
Net loans to total assets	75.3%	77.0%
NPL ratio[6]	14.2%	12.2%
NPL coverage ratio[7]	116.7%	117.0%
Deposits to total liabilities	63.6%	65.6%
Equity to assets	16.1%	16.5%
Equity and deposits to net loans ratio	92.3%	92.6%

Source: Home Credit B.V., consolidated.

Notes:
1) Net interest margin is calculated as net interest income divided by the 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) RoAA is calculated as net profit divided by average balance of total assets.
6) 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.
7) 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 eight key consumer finance markets of the Czech Republic, Slovakia, the Russian Federation, Belarus, Kazakhstan, China, India, Indonesia and is developing a new business in 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 52.2 thousand employees have so far served 38.6 million customers through its vast distribution network comprising 143,510 points of sale, loan offices, branches and post offices. HCBV's total consolidated assets reached EUR 8.5 billion as at 31 March 2014. *More information on HCBV is available at www.homecredit.eu.*

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 20.9 billion (as at 31 December 2013). *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.

** Home Credit B.V. also executed agreements with PPF Group N.V. concerning the future acquisition of a 100% ownership stake in the following companies: Home Credit Consumer Finance Co., Ltd. [China], CF Commercial Consulting (Beijing) Co. Ltd. [China] and PPF Vietnam Finance Company Limited [Vietnam]. The completion of the transactions is subject to obtaining regulatory approval from the respective regulators in China and Vietnam. Therefore, these three entities were not consolidated as at 31 March 2014.*