HOME CREDIT

Home Credit B.V.

Semi-annual report

for the first half of 2015

(consolidated, unaudited)

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APPENDIX

Home Credit B.V. – Condensed Consolidated Interim Financial Report for the six-month period ended 30 June 2015

1. Basic Information

1.1. Basis of preparation

The Semi-annual report provides an update of and should be read in conjunction with the 2014 Home Credit B.V. Annual Report.

There have been no significant events which could influence the financial position or business operation of Home Credit B.V., or its subsidiaries (together referred to as 'Group') which are not mentioned in this report.

1.2. Basic data on Home Credit B.V.

Company:	Home Credit B.V. (the "Company" or "Home Credit B.V.")
Legal form:	Besloten Vennootschap (Private Limited Liability Company)
Registered office:	The Netherlands, Strawinskylaan 933, 1077XX Amsterdam
Place of registration:	The Netherlands, Chamber of Commerce and Industries in Amsterdam (Kamer van Koophandel Amsterdam)
Registration No.:	34126597
VAT number:	NL 8086.95.976.B01
Date of incorporation:	28 December 1999
Duration of the Company:	Incorporated for an indefinite period of time
Applicable law:	Laws of the Netherlands
Country of incorporation:	The Netherlands
Issued capital:	EUR 659,019,639
Paid up capital:	EUR 659,019,639
Authorized capital:	EUR 712,500,000
Contact address:	Home Credit B.V. Strawinskylaan 933, 1077 XX Amsterdam, The Netherlands Tel.: +31 (0)20 88 13 120 Fax: +31 (0)20 88 13 121
Contact address in the Czech Republic:	Zdeňka Kohoutová Senior Controller Home Credit International a.s. Evropská 2690/17 160 41 Prague 6 Tel.: +420 224 174 375
Contact for investors:	Petr Kohout Chief Finance Officer Tel.: +420 224 174 560
Company's website:	www.homecredit.net

1.3. Basic data on the Group

Home Credit B.V. and its subsidiaries (hereinafter "the Group") is one of the leading multi-channel providers of consumer finance in Central Europe and The Commonwealth of Independent States (CIS) with a strong foothold in Asia.

The Group is currently active the Czech Republic, Slovakia, the Russian Federation, Belarus, Kazakhstan, China, Vietnam, India, Indonesia and the Philippines.

The core products offered by the Group companies are[1]:

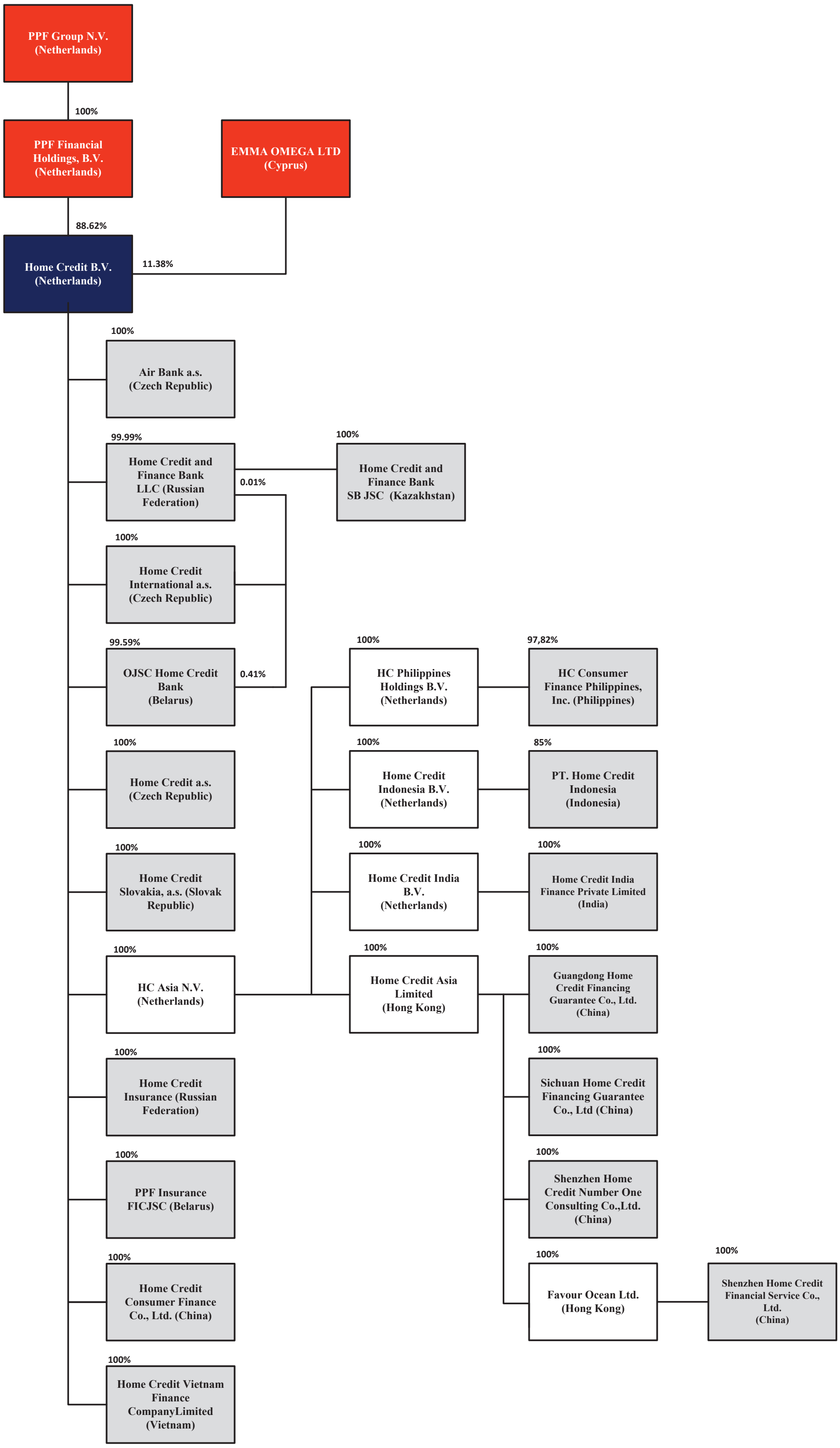
- POS Loans
- Cash Loans
- Revolving Loans/Credit Cards
- Car loans

In countries where Home Credit B.V.'s subsidiaries hold banking licences, the Group offers retail banking services such as deposits, debit cards and current accounts. The Group also sells insurance products of various insurance companies through its distribution network and owns insurance companies in Russia and Belarus.

The 88.62% shareholder of Home Credit B.V. is PPF Financial Holdings B.V. (the Netherlands). The ultimate controlling party of PPF Financial Holdings B.V. is Mr. Petr Kellner. The remaining 11.38% stake is owned by EMMA OMEGA LTD (Cyprus).

[1] *Products are developed in line with local market conditions and therefore the product portfolios vary according to the country of operation.*

Organization chart – key companies



The detailed specification of the consolidated subsidiaries is listed in the appendix "Home Credit B.V. Condensed Consolidated Interim Financial Report for the six-month period ended 30 June 2015" on pages 9 and 10 in Note 1. Description of the Group.

2. MOST IMPORTANT EVENTS IN THE FIRST HALF OF 2015

In the period of January to June 2015 the Company several times increased the share premium of its subsidiary Home Credit US Holding, LLC by TUSD 3,500 (TEUR 3,108) cumulatively.

In February 2015 the Company recognised dividend income of TCZK 400,000 (TEUR 14,583) from its subsidiary Home Credit a.s.

In February 2015 the Company recognised dividend income of TEUR 4,000 from its subsidiary Home Credit Slovakia, a.s.

In March 2015 the transfer of ownership rights to CF Commercial Consulting (Beijing) Co., Ltd. to the Company was settled.

In April 2015 the Company recognised dividend income of TRUB 838,358 (TEUR 13,448) from its subsidiary Home Credit and Finance Bank LLC of which TRUB 42,920 (TEUR 672) was paid as withholding tax.

In April and June 2015 the Company increased the share premium of its subsidiary Home Credit Lab, N.V. by MCZK 23 (TEUR 836).

In May 2015 the Company recognized dividend income of TRUB 379,000 (TEUR 6,572) from its subsidiary Home Credit Insurance of which TRUB 18,950 (TEUR 342) was paid as withholding tax.

In 2015 until the reporting date the Company increased the share premium of its subsidiary HC Asia N.V. by TEUR 56,267 cumulatively.

In June 2015 the Company recognised dividend income in a total amount of TEUR 2,667 from its subsidiaries Talpa Estero Limited, Enadoco Limited, Rhaskos Finance Limited, Sylander Capital Limited and Septus Holding Limited.

In June 2015 PPF Group N.V. acquired a 2% stake in the Company from EMMA OMEGA LTD.

In June 2015 the Company recognised dividend income of MVND 245,000 (TEUR 10,252) from its subsidiary Home Credit Vietnam Finance Company.

In June 2015 the Company executed an agreement with its shareholders whereby the shareholders contributed to the Company’s share premium their shareholdings in Air Bank a.s. The share premium increase totalled TEUR 180,000. The Company became a 100% shareholder of Air Bank a.s.

In June 2015 PPF Group N.V. transferred its 88.62% stake in the Company to PPF Financial Holdings B.V.

3. Subsequent events

In July and August 2015 the Company increased the share premium of its subsidiary HC Asia N.V. cumulatively by TEUR 9,500.

In August 2015 the Company increased the share premium of its subsidiary Home Credit Consumer Finance Co., Ltd. by MRMB 500 (TEUR 70,807)

4. Financial information for the first half-year 2015

The condensed consolidated interim financial statements for the first six months of 2015 are disclosed in the appendix "Home Credit B.V. – Condensed Consolidated Interim Financial Report for the six-month period ended 30 June 2015". These condensed consolidated interim financial statements were prepared and presented in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union and follow the requirements of the International Financial Reporting Standards (IFRS). These condensed consolidated interim financial statements were subject to a review by the Group's auditor.

Total assets were EUR 9,486 million as at 30 June 2015 compared to EUR 7,037 million as at 31 December 2014. This increase was mainly due to the Group's acquisition of Air Bank in the Czech Republic, which contributed an additional EUR 2,369 million to the Group's balance sheet.

Air Bank is the Czech Republic's fastest growing bank already profitable two years after its launch. The acquisition completed at the end of June 2015 and as such, there was no contribution to the Group's profit by Air Bank in the first six months of 2015. The Group, however, expects to see a positive impact on its results from this transaction in the second half of 2015.

The acquisition of Air Bank boosted both the Group's retail deposit and loan portfolios. It almost doubled the level of the Group's customer deposits and current accounts, which stood at EUR 5,557 million as at 30 June 2015 (31 December 2014: EUR 2,890 million).

The net loan portfolio rose overall to EUR 5,878 million (31 December 2014: EUR 5,060 million) largely because of the Air Bank transaction and partly also due to strong growth across the Group's Asian operations, particularly China. However, this growth was adversely impacted by the cautious steps taken in Russia to reduce new loan volumes and tighten lending criteria, which led to a 30% fall in new loan volumes to EUR 2,574 million.

The Group focused on resizing its Russian distribution network while continuing to invest in further expansion in Asia and, as at 30 June 2015, HCBV's multi-channel network consisted of 161,654 distribution points with 159,206 POS and loan offices, 502 bank branches and 1,946 post offices.

The Group remains strongly capitalized with total equity of EUR 1,338 million.

Operating income fell by 22% to EUR 778 million in the first half of 2015 (EUR 1,004 million in the first half of 2014) in line with the decision to take a conservative approach to lending in the Russian market. Net interest income fell correspondingly by 24% to EUR 559 million compared to EUR 737 million for the same period last year.

A positive effect of tightening lending criteria in Russia was that impairment losses on financial assets reduced to EUR 452 million in the first six months of 2015 (down 27% from EUR 623 million in the corresponding period in 2014).

The Group's ongoing drive for efficiency reduced general administrative and other operating expenses by 7% to EUR 415 million during the first six months of 2015 (compared to EUR 448 million in the corresponding period in 2014).

As a result, profits were pulled lower by the weakening of the overall economy in Russia although partly offset by strong performances across Asia, with the Group posting a net loss of EUR 90 million for the first half of 2015, compared to EUR 79 million loss for the first half of 2014.

5. Expected events until the end of 2015

The Company will continue to manage and finance its business and subsidiaries with the full support of PPF Group N.V., which considers financial services as one of its key areas of business. In June 2015 PPF Group N.V. transferred its share on Home Credit B.V. to PPF Financial Holdings B.V., which thus became the Group’s direct parent company. PPF Financial Holdings B.V. is a 100 % subsidiary of PPF Group N.V., and PPF Group N.V. will continue to provide strategic support to the Group through PPF Financial Holdings B.V.

Given the current global market environment, the Group will continue to closely monitor developments during the second half of 2015. Thanks to swift measures put in place to combat the worsening environment in Russia last year and this year, the Group has started to see an improvement in performance in the second quarter against the first quarter. As the market currently stands, the Group expects that stabilizing effect will continue into the second half.

The Group’s focus remains on balancing the business geographically, with Asia playing an increasingly larger role. In the first half of 2015 Russia accounted for just 36% of the Group’s new loan volume compared to 67% in the first half of 2014. The successful roll-out in China continues with Home Credit now operating in 24 provinces and on track to reach almost 300 cities by the end of the year. Expansion in India has also been extremely successful with Home Credit now the fastest growing financial business in the country. The Group will continue to focus on strengthening presence in its chosen markets, working to maximise revenue streams and profitability in the more mature markets whilst successfully continuing to drive growth and investment across the fast-growing Asian countries.

Management Affidavit

I declare that, to the best of my knowledge and belief, the information stated in the Semi-annual report of Home Credit B.V. for the first half of 2015 reflects the true state of its financial position, business operations, its result and the prospects of their future development and that no material circumstances that may have an impact on the accurate and correct assessment of Home Credit B.V., have been omitted.

Date: August 28, 2015

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Petr Kohout
Member of the Board of Directors

The Semi-annual report of Home Credit B.V. for the first half of 2015 was published at www.homecredit.net and delivered to the Czech National Bank and the Prague Stock Exchange.

Home Credit B.V.

Condensed Consolidated Interim Financial Report
for the six-month period ended 30 June 2015

Contents

	Note	30 Jun 2015 TEUR	31 Dec 2014 TEUR
ASSETS			
Cash and cash equivalents	8	1,026,408	865,552
Due from banks, other financial institutions and holding companies	9	402,414	171,829
Loans to customers	10	5,878,479	5,059,514
Positive fair value of derivative instruments	11	142,207	144,846
Debt securities at fair value through profit or loss	12	186,580	-
Financial assets available-for-sale	13	1,259,586	306,172
Financial assets held-to-maturity		5,987	-
Assets classified as held for sale	5	3,069	5,705
Current income tax receivables		14,065	20,266
Deferred tax assets		124,577	66,167
Investments in associates		891	2,252
Intangible assets	14	135,864	100,466
Property and equipment	15	163,644	157,603
Other assets	16	142,464	136,210
Total assets		**9,486,235**	**7,036,582**
LIABILITIES			
Current accounts and deposits from customers	17	5,556,989	2,889,966
Due to banks and other financial institutions	18	1,282,471	1,434,149
Debt securities issued	19	523,130	575,112
Negative fair value of derivative instruments	20	11,555	5,583
Current income tax liabilities		27,297	33,560
Deferred tax liabilities		4,484	3,045
Insurance and other provisions	21	74,018	80,928
Subordinated liabilities	22	406,131	542,297
Other liabilities	23	261,908	233,065
Total liabilities		**8,147,983**	**5,797,705**
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	24	659,020	659,020
Share premium	22	479,872	299,872
Statutory reserves	24	31,316	24,671
Foreign currency translation	24	(403,596)	(505,114)
Cash flow hedge reserve	24	6,631	12,971
Reserve for business combinations under common control	24	(91,228)	(80,685)
Revaluation reserve	24	13,182	(4,364)
Other reserves		639,726	828,682
Total equity attributable to equity holders of the Company		**1,334,923**	**1,235,053**
Non-controlling interests	25	**3,329**	**3,824**
Total equity		**1,338,252**	**1,238,877**
Total liabilities and equity		**9,486,235**	**7,036,582**

	Note	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2014 TEUR	3 months ended 30 Jun 2015 TEUR	3 months ended 30 Jun 2014 TEUR
Interest income	26	895,674	1,052,353	470,015	506,582
Interest expense	26	(337,006)	(315,278)	(180,631)	(158,745)
Net interest income		**558,668**	**737,075**	**289,384**	**347,837**
Fee and commission income	27	189,336	248,672	104,328	125,863
Fee and commission expense	28	(45,302)	(47,318)	(22,884)	(22,072)
Net fee and commission income		**144,034**	**201,354**	**81,444**	**103,791**
Insurance income	29	19,853	20,788	9,677	12,747
Net gains/(losses) on financial assets and liabilities	30	802	(1,077)	654	448
Other operating income	31	55,005	45,435	31,698	20,424
Operating income		**778,362**	**1,003,575**	**412,857**	**485,247**
Impairment losses on financial assets	32	(452,959)	(623,046)	(214,717)	(254,407)
General administrative expenses	33	(363,653)	(396,908)	(191,391)	(204,593)
Other operating expenses	34	(51,660)	(51,395)	(30,450)	(30,532)
Operating expenses		**(868,272)**	**(1,071,349)**	**(436,558)**	**(489,532)**
Losses on disposals of associates and subsidiaries		(343)	(680)	(218)	(680)
Share of earnings in associates		972	634	383	634
Loss before tax		**(89,281)**	**(67,820)**	**(23,536)**	**(4,331)**
Income tax expense	35	(1,104)	(11,107)	(9,434)	(12,380)
Net loss for the period		**(90,385)**	**(78,927)**	**(32,970)**	**(16,711)**
Loss attributable to:					
Equity holders of the Company		(88,753)	(77,409)	(32,154)	(16,040)
Non-controlling interests	25	(1,632)	(1,518)	(816)	(671)
		(90,385)	**(78,927)**	**(32,970)**	**(16,711)**
Other comprehensive income which will be subsequently reclassified to profit or loss:					
Currency translation		112,751	(53,610)	(33,389)	51,290
Revaluation gains/(losses) on available-for-sale financial assets		1,247	1,021	(4,449)	3,356
Revaluation of available-for-sale financial assets transferred to profit or loss		3,204	(1,576)	5,866	(1,704)
Cash flow hedge reserve – effective portion of changes in fair value		8,771	11,266	2,823	(18,847)
Cash flow hedge reserve – net amount transferred to profit or loss		(16,696)	(3,991)	(7,361)	17,775
Income tax relating to components of other comprehensive income		695	(1,068)	624	159
Other comprehensive income for the period		**109,972**	**(47,958)**	**(35,886)**	**52,029**
Total comprehensive income for the period		**19,587**	**(126,885)**	**(68,856)**	**35,318**
Total comprehensive income attributable to:					
Equity holders of the Company		20,796	(125,395)	(68,448)	36,791
Non-controlling interests		(1,209)	(1,490)	(408)	(1,473)
		19,587	**(126,885)**	**(68,856)**	**35,318**

	Share capital	Share premium	Statutory reserves	Foreign currency translation	Reserve for business combinations under common control	Revaluation reserve	Cash flow hedge reserve	Other reserves	Total	Non-controlling interests	Total equity
	Attributable to equity holders of the Company										
	TEUR	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**
Balance as at 1 January 2015	659,020	299,872	24,671	(505,114)	(80,685)	(4,364)	12,971	828,682	**1,235,053**	3,824	**1,238,877**
Disposal of subsidiaries	-	-	-	(591)	-	-	-	-	**(591)**	-	**(591)**
Acquisition of subsidiaries	-	-	-	(10,219)	(10,543)	13,985	-	(88,952)	**(95,729)**	-	**(95,729)**
Share premium increase	-	180,000	-	-	-	-	-	-	**180,000**	-	**180,000**
Changes in non-controlling interests	-	-	-	-	-	-	-	(4,606)	**(4,606)**	714	**(3,892)**
Transfers	-	-	6,645	-	-	-	-	(6,645)	-	-	-
Total	**659,020**	**479,872**	**31,316**	**(515,924)**	**(91,228)**	**9,621**	**12,971**	**728,479**	**1,314,127**	**4,538**	**1,318,665**
Currency translation	-	-	-	112,328	-	-	-	-	**112,328**	423	**112,751**
Revaluation of available-for-sale financial assets, net of tax	-	-	-	-	-	3,561	-	-	**3,561**	-	**3,561**
Change in cash flow hedge reserve, net of tax	-	-	-	-	-	-	(6,340)	-	**(6,340)**	-	**(6,340)**
Loss for the period	-	-	-	-	-	-	-	(88,753)	**(88,753)**	(1,632)	**(90,385)**
Total comprehensive income for the period	**-**	**-**	**-**	**112,328**	**-**	**3,561**	**(6,340)**	**(88,753)**	**20,796**	**(1,209)**	**19,587**
Total changes	**-**	**180,000**	**6,645**	**101,518**	**(10,543)**	**17,546**	**(6,340)**	**(188,956)**	**99,870**	**(495)**	**99,375**
Balance as at 30 June 2015	**659,020**	**479,872**	**31,316**	**(403,596)**	**(91,228)**	**13,182**	**6,631**	**639,726**	**1,334,923**	**3,329**	**1,338,252**

	Attributable to equity holders of the Company										
	Share capital	**Share premium**	**Statutory reserves**	**Foreign currency translation**	**Reserve for business combinations under common control**	**Revaluation reserve**	**Cash flow hedge reserve**	**Other reserves**	**Total**	**Non-controlling interests**	**Total equity**
	TEUR	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**	**TEUR**
Balance as at 1 January 2014	659,020	184,377	11,672	(208,627)	15,106	431	(73)	867,649	**1,529,555**	2,916	**1,532,471**
Disposal of subsidiaries	-	-	-	1,300	-	-	-	-	**1,300**	-	**1,300**
Changes in non-controlling interests	-	-	-	-	-	-	-	(336)	**(336)**	1,844	**1,508**
Transfers	-	-	82	-	-	-	-	(82)	**-**	-	**-**
Total	**659,020**	**184,377**	**11,754**	**(207,327)**	**15,106**	**431**	**(73)**	**867,231**	**1,530,519**	**4,760**	**1,535,279**
Currency translation	**-**	**-**	**-**	(53,638)	**-**	**-**	-	**-**	**(53,638)**	28	**(53,610)**
Revaluation of available-for-sale financial assets, net of tax	-	-	-	-	-	(168)	-	-	**(168)**	-	**(168)**
Change in cash flow hedge reserve, net of tax	-	-	-	-	-	-	5,820	-	**5,820**	-	**5,820**
Loss for the period	-	-	-	-	-	-	-	(77,409)	**(77,409)**	(1,518)	**(78,927)**
Total comprehensive income for the period	**-**	**-**	**-**	**(53,638)**	**-**	**(168)**	**5,820**	**(77,409)**	**(125,395)**	**(1,490)**	**(126,885)**
Total changes	**-**	**-**	**82**	**(52,338)**	**-**	**(168)**	**5,820**	**(77,827)**	**(124,431)**	**354**	**(124,077)**
Balance as at 30 June 2014	**659,020**	**184,377**	**11,754**	**(260,965)**	**15,106**	**263**	**5,747**	**789,822**	**1,405,124**	**3,270**	**1,408,394**

	Note	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2014 TEUR
Net operating cash flow before changes in working capital		770,995	911,709
Cash flows from operations		600,955	845,367
Cash flows from operating activities		**110,127**	**486,736**
Cash flows from/(used in) investing activities		**129,632**	**(114,676)**
Cash flows used in financing activities		**(144,438)**	**(146,506)**
Net increase in cash and cash equivalents		95,321	225,554
Cash and cash equivalents as at 1 January	8	865,552	926,483
Effects of exchange rate changes on cash and cash equivalents		65,535	(26,269)
Cash and cash equivalents as at 30 June	8	**1,026,408**	**1,125,768**

1. Description of the Group

Home Credit B.V. (the "Company") was incorporated on 28 December 1999 in the Netherlands.

Registered office
Strawinskylaan 933
1077 XX Amsterdam
The Netherlands

Shareholders	**Country of incorporation**	**Ownership interest (%) 30 Jun 2015**	**31 Dec 2014**
PPF Financial Holdings B.V.	Netherlands	88.62	-
PPF Group N.V.	Netherlands	-	86.62
EMMA OMEGA LTD	Cyprus	11.38	13.38

In June 2015 PPF Group N.V. acquired a 2.00% stake in the Company from EMMA OMEGA LTD. Subsequently in June 2015 PPF Group N.V. sold its 88.62% stake in the Company to PPF Financial Holdings B.V.

PPF Financial Holdings B.V. is a subsidiary of PPF Group N.V. The ultimate controlling party is Mr. Petr Kellner, who exercises control through PPF Group N.V. and PPF Financial Holdings B.V.

Principal activities

The principal activities of the Company and its subsidiaries (together referred to as the "Group") are the provision of consumer financing to private individual customers in Central European, Commonwealth of Independent States (CIS) and Asian countries as well as deposit taking, saving and current bank account service and maintenance, payments, insurance and other services.

Board of Directors

Jiří Šmejc	Chairman	
Jan Cornelis Jansen	Vice-chairman	
Rudolf Bosveld	Member	
Mel Gerard Carvill	Member	
Marcel Marinus van Santen	Member	
Paulus Aloysius de Reijke	Member	
Lubomír Král	Member	
Petr Kohout	Member	from 1 January 2015

1. Description of the Group (continued)

Consolidated subsidiaries	Country of incorporation	Ownership interest (%) 30 Jun 2015	31 Dec 2014
Home Credit Bank (OJSC)	Belarus	100.00	100.00
PPF Insurance (FICJSC)	Belarus	100.00	100.00
Guangdong Home Credit Financing Guarantee Co., Ltd.	China	100.00	100.00
Home Credit Business Management (Tianjin) Co., Ltd.[1]	China	100.00	100.00
Home Credit Consumer Finance Co., Ltd.	China	100.00	100.00
Sichuan Home Credit Financing Guarantee Co., Ltd.	China	100.00	100.00
Shenzhen Home Credit Financial Service Co., Ltd.	China	100.00	100.00
Shenzhen Home Credit Number One Consulting Co., Ltd.	China	100.00	100.00
CF Commercial Consulting (Beijing) Co., Ltd. [2]	China	100.00	-
Redlione (LLC)	Cyprus	100.00	100.00
Astavedo Limited	Cyprus	100.00	100.00
Enadoco Limited	Cyprus	100.00	100.00
Rhaskos Finance Limited	Cyprus	100.00	100.00
Septus Holding Limited	Cyprus	100.00	100.00
Sylander Capital Limited	Cyprus	100.00	100.00
Talpa Estero Limited	Cyprus	100.00	100.00
Air Bank (JSC) [2]	Czech Republic	100.00	-
Click Credit (LLC)	Czech Republic	100.00	100.00
Different Money (LLC)	Czech Republic	100.00	100.00
Home Credit (JSC)	Czech Republic	100.00	100.00
Home Credit International (JSC)	Czech Republic	100.00	100.00
HC Broker (LLC)	Czech Republic	100.00	100.00
HC Insurance Services (LLC)	Czech Republic	100.00	100.00
Autotým (LLC)	Czech Republic	100.00	100.00
Home Credit Egypt Trade S.A.E. [1]	Egypt	100.00	100.00
Favour Ocean Ltd.	Hong Kong	100.00	100.00
Home Credit Asia Limited	Hong Kong	100.00	100.00
Saint World Ltd.	Hong Kong	100.00	100.00
Home Credit India Finance Private Limited	India	100.00	100.00
PT. Home Credit Indonesia	Indonesia	85.00	75.48
Home Credit Kazakhstan (JSC)	Kazakhstan	100.00	100.00
Home Credit and Finance Bank (SB JSC)	Kazakhstan	100.00	100.00
Eurasia Capital S.A. [3]	Luxemburg	0.00	0.00
Eurasia Structured Finance No.1 S.A. [1] [3]	Luxemburg	0.00	0.00
Eurasia Credit Card Company S.A. [3] [4]	Luxemburg	-	0.00
AB 1 B.V. [2]	Netherlands	100.00	-
AB 2 B.V. [2]	Netherlands	100.00	-
AB 3 B.V. [2]	Netherlands	100.00	-
AB 4 B.V. [2]	Netherlands	100.00	-
AB 5 B.V. [2]	Netherlands	100.00	-
AB 6 B.V. [2]	Netherlands	100.00	-
AB 7 B.V. [2]	Netherlands	100.00	-
HC Asia N.V.	Netherlands	100.00	100.00
Home Credit India B.V.	Netherlands	100.00	100.00
Home Credit Indonesia B.V.	Netherlands	100.00	100.00
Home Credit Lab N.V.	Netherlands	100.00	100.00
HC Philippines Holdings B.V.	Netherlands	100.00	100.00
Eurasia Structured Finance No.3 B.V. [3]	Netherlands	0.00	0.00
Eurasia Structured Finance No.4 B.V. [3]	Netherlands	0.00	0.00
HC Consumer Finance Philippines, Inc. [5]	Philippines	97.82	95.34
PPF Home Credit IFN S.A. [1]	Romania	100.00	100.00

[1] subsidiaries in the process of liquidation
[2] subsidiaries acquired in 2015
[3] special purpose entities established to facilitate the Group's issues of debt securities and subordinated liabilities
[4] subsidiary liquidated in 2015
[5] the Group's share on the voting rights in HC Consumer Finance Philippines, Inc. is 60.00%

1. Description of the Group (continued)

Consolidated subsidiaries	Country of incorporation	Ownership interest (%) 30 Jun 2015	31 Dec 2014
Home Credit and Finance Bank (LLC)	Russian Federation	100.00	100.00
Financial Innovations (LLC)	Russian Federation	100.00	100.00
Home Credit Express (LLC)	Russian Federation	100.00	100.00
Bonus Center Operations (LLC) [1)]	Russian Federation	100.00	100.00
Home Credit Insurance (LLC)	Russian Federation	100.00	100.00
HC Finance (LLC) [2)]	Russian Federation	0.00	0.00
HC Finance No. 2 (LLC) [2)]	Russian Federation	0.00	0.00
Home Credit Slovakia (JSC)	Slovak Republic	100.00	100.00
Collect-Credit (LLC)	Ukraine	100.00	100.00
Homer Software House (LLC)	Ukraine	100.00	100.00
Home Credit US (LLC)	USA	100.00	100.00
Home Credit US Holding (LLC)	USA	100.00	100.00
Easy Dreams Company Limited [3)]	Vietnam	-	100.00
Home Credit Vietnam Finance Company Limited	Vietnam	100.00	100.00

[1)] subsidiaries in the process of liquidation
[2)] special purpose entities established to facilitate the Group's issues of debt securities and subordinated liabilities
[3)] subsidiary sold in 2015

The special purpose entities were established by the Group with the primary objective of raising finance through the issuance of debt securities and subordinated debt including loan portfolio securitizations. These entities are run according to pre-determined criteria that are part of their initial design. The day-to-day servicing is carried out by the Group under servicing contracts; other key decisions are also made by the Group. In addition, the Group is exposed to a variability of returns from the entities through exposure to tax benefits and cost savings related to the funding activities. As a result, the Group concludes that it controls these entities.

Associates	Country of incorporation	Ownership interest (%) 30 Jun 2015	31 Dec 2014
Společnost pro informační databáze (JSC)	Czech Republic	27.96	27.96
Filcommerce Holdings, Inc.	Philippines	40.00	40.00
Equifax Credit Services (LLC)	Russian Federation	25.00	25.00

1. Description of the Group (continued)

Major acquisitions in 2015

Acquisition of Air Bank (JSC)

In June 2015 the Company executed an agreement with its shareholders whereby the shareholders contributed to the Company's share premium their shareholdings in Air Bank (JSC). As a result, the Group acquired and became a controlling party to Air Bank (JSC) and its subsidiaries AB 1 B.V., AB 2 B.V., AB 3 B.V., AB 4 B.V., AB 5 B.V., AB 6 B.V. and AB 7 B.V.

The acquisition date was 30 June 2015. The share premium increase totalled TEUR 180,000.

The main reason for the acquisition was the consolidation of consumer finance entities controlled by PPF Group N.V. under one holding company.

The acquisition date net book values of identifiable assets acquired and liabilities assumed of Air Bank (JSC) and its subsidiaries are presented below:

	TEUR
ASSETS	
Cash and cash equivalents	274,948
Due from banks, other financial institutions and holding companies	178,939
Loans to customers	915,478
Positive fair value of derivative instruments	16,149
Debt securities at fair value through profit or loss	186,580
Financial assets available-for-sale	861,622
Current income tax receivables	375
Deferred tax assets	2,382
Intangible assets	38,672
Property and equipment	9,565
Other assets	30,574
Total assets	**2,515,284**
LIABILITIES	
Current accounts and deposits from customers	2,251,241
Negative fair value of derivative instruments	11,003
Current income tax liabilities	4,239
Deferred tax liabilities	244
Subordinated liabilities	37,182
Other liabilities	36,419
Total liabilities	**2,340,328**

Acquisition date gross balances of loans to customers were TEUR 990,550, and the estimated contractual cash flows not expected to be collected were TEUR 75,072. Acquisition date gross balances of due from banks, other financial institutions and holding companies were TEUR 178,939, and there were no contractual cash flows not expected to be collected.

There was no contribution of Air Bank (JCS) or its subsidiaries to the Group's revenues and profit as the acquisition date was on the last day of the reporting period.

The Group's management estimates that if the acquisition date had been as of the beginning of the annual period, Air Bank (JSC) and its subsidiaries would have contributed TEUR 67,262 and TEUR 7,837 to the Group's revenues and profit respectively in the six-month period ended 30 June 2015.

2. Basis of preparation

The condensed consolidated interim financial statements for the six-month period ended 30 June 2015 comprise the Company and its subsidiaries.

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. Selected explanatory notes are included to explain events and transactions that are significant to understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 31 December 2014. These condensed consolidated interim financial statements do not include all the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards.

(b) Basis of measurement

The condensed consolidated interim financial statements are prepared on the historic cost basis except for financial instruments at fair value through profit or loss and financial assets available-for-sale that are measured at fair value. Financial assets and liabilities and non-financial assets and liabilities which are valued at historic cost are stated at amortized cost or historic cost, as appropriate, net of any relevant impairment.

(c) Presentation and functional currency

These financial statements are presented in Euro (EUR), which is the Company's functional currency and Group's presentation currency. Financial information presented in EUR has been rounded to the nearest thousand (TEUR).

(d) Use of estimates and judgments

The preparation of the condensed consolidated interim financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historic experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of the judgments about the carrying values of assets and liabilities that cannot readily be determined from other sources. The actual values may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Fair value measurement

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (such as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

2. Basis of preparation (continued)

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Group determines fair values using valuation techniques.

Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market related rate at the end of the reporting period for an instrument with similar terms and conditions. Where pricing models are used, inputs are based on market related measures at the end of the reporting period.

The fair value of debt and equity securities available-for-sale is based on their quoted market price. Derivative contracts are not exchange traded and their fair value is estimated using arbitrage pricing models where key parameters are relevant foreign exchange rates and interbank interest rates ruling at the end of the reporting period.

(e) Basis of consolidation

(i) Subsidiaries

Subsidiaries are enterprises controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the enterprise and has the ability to affect those returns through its power over the enterprise. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control effectively commences until the date on which control effectively ceases.

Legal restructuring and mergers involving companies under common control are accounted for using consolidated net book values, consequently no adjustment is made to carrying amounts in the consolidated accounts and no goodwill arises on such transactions.

(ii) Associates

Associates are enterprises in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the total recognized gains and losses of associates on an equity accounted basis, from the date on which significant influence effectively commences until the date on which significant influence effectively ceases. When the Group's share of losses exceeds the Group's interest in the associate, that interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the associate.

(iii) Special purpose entities

The Group has established a number of special purpose entities (SPEs) for the purpose of raising finance. The Group does not have any direct or indirect shareholdings in these entities. These SPEs are controlled by the Group through the predetermination of the activities of SPEs, having rights to obtain the majority of benefits of the SPEs, and retaining the majority of the residual risks related to the SPEs.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized gains arising from intra-group transactions, are eliminated in the consolidated financial statements. Unrealized gains arising from transactions with associates are eliminated against the investment in the associate to the extent of the Group's interest in the enterprise. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3. Significant accounting policies

The significant accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2014.

The accounting policies have been applied consistently by all Group entities and to all periods presented in these condensed consolidated interim financial statements.

(a) Changes in accounting policies and accounting pronouncements adopted since 1 January 2015

The following revised annual improvements to IFRSs effective from 1 January 2015 are mandatory and relevant for the Group and have been applied by the Group since 1 January 2015.

Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle (effective from 1 July 2014)

In December 2013 the IASB published two Cycles of the Annual Improvements to IFRSs: "2010-2012 Cycle" and "2011-2013 Cycle". The Annual Improvements to IFRSs are part of the annual improvements process to make non-urgent but necessary amendments to IFRS. The new cycles of improvements contain amendments to IFRS 1, IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24, IAS 38 and IAS 40, with consequential amendments to other standards and interpretations.

(b) Standards, interpretations and amendments to published standards that are not yet effective and are relevant to the Group's financial statements

A number of new Standards, amendments to Standards and Interpretations were not yet effective as of 30 June 2015 and have not been applied in preparing these financial statements. Of these pronouncements, potentially the following will have an impact on the Group's operations. The Group plans to adopt these pronouncements when they become effective. The Group is in the process of analysing the likely impact on its financial statements.

IFRS 9 Financial Instruments (effective date: 1 January 2018)

IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

The Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 9.

Given the nature of the Group's operations, this standard is expected to have a pervasive impact on the Group's financial statements. In particular, calculation of impairment of financial instruments on an expected credit loss basis is expected to result in a change in the overall level of impairment allowance.

IFRS 15 Revenue from Contracts with Customers (effective from 1 January 2018)

In May 2014 IASB and the Financial Accounting Standards Board (FASB), responsible for US Generally Accepted Accounting Principles (US GAAP) jointly issued a converged Standard on the recognition of revenue from contracts with customers. The core principle of the new Standard is for companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. The new Standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple-element arrangements.

3. Significant accounting policies (continued)

IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC-31 Revenue-Barter Transactions Involving Advertising Services. IFRS 15 has not yet been adopted by the EU.

Amendments to IAS 1 Presentation of Financial Statements (effective from 1 January 2016)

The Amendments to IAS 1 include the following five, narrow-focus improvements to the disclosure requirements contained in the standard.

The guidance on materiality in IAS 1 has been amended to clarify that:
- immaterial information can detract from useful information;
- materiality applies to the whole of the financial statements; and
- materiality applies to each disclosure requirement in an IFRS.

The guidance on the order of the notes (including the accounting policies) have been amended, to:
- remove language from IAS 1 that has been interpreted as prescribing the order of notes to the financial statements; and
- clarify that entities have flexibility about where they disclose accounting policies in the financial statements.

Annual Improvements 2012-2014 Cycle (effective from 1 January 2016)

In September 2014 the IASB published Annual Improvements to IFRSs 2012-2014 Cycle as part of the annual improvements process to make non-urgent but necessary amendments to IFRS. The new cycle of improvements contains amendments to IFRS 5, IFRS 7, IAS 19 and IAS 34. These Annual Improvements have not yet been adopted by the EU.

4. Financial risk management

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the Group's consolidated financial statements for the year ended 31 December 2014.

During the interim period there were no significant changes in the nature or extent of risks arising from financial instruments.

5. Assets classified as held for sale

Assets classified as held for sale as at 30 June 2015 represent assets acquired through court decisions on defaulted mortgages.

Assets classified as held for sale as at 31 December 2014 represent items of property and equipment which are subject to sale transactions in connection with branch closures and assets acquired through court decisions on defaulted mortgages.

In the segment analysis (Note 6), assets classified as held for sale are presented within the Russian Federation segment.

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
ASSETS		
Property and equipment	-	1,932
Other assets	3,069	3,773
Total assets	**3,069**	**5,705**

6. Segment reporting

Segment information is presented in respect of the Group's geographical segments based on the Group's management and internal reporting structure. Segment information in respect of the Group's business segments is not presented as the Group's operations are concentrated in one main business segment only, consumer lending products.

The Group operates in seven principal geographical areas, the Russian Federation, the Czech Republic, the Slovak Republic, the Republic of Belarus, the Republic of Kazakhstan, the Socialist Republic of Vietnam and the People's Republic of China. The geographical segments are based on the geographical location of assets which corresponds to the geographical location of customers at the same time.

Vietnam became a new geographical segment in July 2014 following the acquisition of Home Credit Vietnam Finance Company Limited.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Inter-segment pricing is determined on an arm's length basis. The Group's senior management is the chief operating decision maker which reviews the Group's internal reporting on a regular basis to assess performance of individual segments and to allocate the Group's resources accordingly.

Information on individual segments is presented before consolidation eliminations (which are presented in a separate column).

	Russian Federation	Czech Republic	Slovak Republic	Belarus	Kazakhstan	Vietnam	China	Other	Unallocated [1]	Eliminations	Consolidated
	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR
Revenue from external customers [2]	515,088	8,883	5,592	30,260	114,599	79,850	343,600	13,549	4,745	-	1,116,166
Inter-segment revenue	9,284	-	-	-	-	-	-	335	444	(10,063)	-
Total revenue	**524,372**	**8,883**	**5,592**	**30,260**	**114,599**	**79,850**	**343,600**	**13,884**	**5,189**	**(10,063)**	**1,116,166**
Net interest income from external customers	176,447	4,041	2,222	11,207	61,780	53,598	243,753	9,524	(3,904)	-	558,668
Inter-segment net interest income	9,179	-	-	(437)	(1,313)	(1,028)	-	188	(7,771)	1,182	-
Total net interest income	**185,626**	**4,041**	**2,222**	**10,770**	**60,467**	**52,570**	**243,753**	**9,712**	**(11,675)**	**1,182**	**558,668**

1 Unallocated items represent items of revenue, operating expense, assets, liabilities and equity which cannot be reasonably allocated to the geographical segments.
2 Revenue from external customers comprises interest income, fee and commission income and gross insurance premiums earned.

6. Segment reporting (continued)

	Russian Federation	Czech Republic	Slovak Republic	Belarus	Kazakhstan	Vietnam	China	Other	Unallocated [1]	Eliminations	Consolidated
	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2015 TEUR
Income tax benefit/(expense)	37,666	(3,028)	(677)	791	(7,893)	(2,866)	(24,148)	(216)	(733)	-	(1,104)
Segment result	**(143,978)**	**11,085**	**1,841**	**(3,130)**	**16,731**	**10,121**	**71,826**	**(35,673)**	**(14,129)**	**(5,079)**	**(90,385)**
Depreciation and amortization	(18,295)	(665)	(202)	(1,397)	(3,765)	(2,448)	(4,045)	(13,379)	-	4,809	(39,387)
Other significant non-cash expenses [2]	(316,978)	(1,407)	(1,305)	(4,705)	(30,610)	(20,586)	(79,066)	(2,719)	-	-	(457,376)
Capital expenditure	(12,774)	(418)	(118)	(2,562)	(5,531)	(2,487)	(8,792)	(7,502)	-	8,590	(31,594)

	Russian Federation	Czech Republic	Slovak Republic	Belarus	Kazakhstan	Vietnam	China	Other	Unallocated [1]	Eliminations	Consolidated
	30 Jun 2015 TEUR	30 Jun 2015 TEUR	30 Jun 2015 TEUR	30 Jun 2015 TEUR	30 Jun 2015 TEUR	30 Jun 2015 TEUR	30 Jun 2015 TEUR	30 Jun 2015 TEUR	30 Jun 2015 TEUR	30 Jun 2015 TEUR	30 Jun 2015 TEUR
Segment assets [3]	**4,303,699**	**2,530,528**	**271,404**	**177,000**	**533,457**	**230,374**	**1,701,533**	**210,622**	**163,194**	**(635,576)**	**9,486,235**
Investments in associates	891	-	-	-	-	-	-	-	-	-	891
Segment liabilities [3]	**3,768,512**	**2,374,267**	**268,259**	**151,434**	**386,321**	**156,013**	**1,028,079**	**86,252**	**544,521**	**(615,675)**	**8,147,983**
Segment equity [3]	**535,187**	**156,261**	**3,145**	**25,566**	**147,136**	**74,361**	**673,454**	**124,370**	**(381,327)**	**(19,901)**	**1,338,252**

[1] Unallocated items represent items of revenue, operating expense, assets, liabilities and equity which cannot be reasonably allocated to the geographical segments.
[2] Other significant non-cash expenses are represented by impairment losses on financial and non-financial assets.
[3] Consolidation adjustments are included in Eliminations.

6. Segment reporting (continued)

	Russian Federation	Czech Republic	Slovak Republic	Belarus	Kazakhstan	China	Other	Unallocated [1]	Eliminations	Consolidated
	6 months ended 30 Jun 2014 TEUR	**6 months ended 30 Jun 2014 TEUR**	**6 months ended 30 Jun 2014 TEUR**	**6 months ended 30 Jun 2014 TEUR**	**6 months ended 30 Jun 2014 TEUR**	**6 months ended 30 Jun 2014 TEUR**	**6 months ended 30 Jun 2014 TEUR**	**6 months ended 30 Jun 2014 TEUR**	**6 months ended 30 Jun 2014 TEUR**	**6 months ended 30 Jun 2014 TEUR**
Revenue from external customers [2]	970,943	8,120	6,220	42,931	96,496	209,129	6,700	5,370	-	1,345,909
Inter-segment revenue	5,721	-	-	-	-	-	207	712	(6,640)	-
Total revenue	**976,664**	**8,120**	**6,220**	**42,931**	**96,496**	**209,129**	**6,907**	**6,082**	**(6,640)**	**1,345,909**
Net interest income from external customers	515,747	3,072	2,729	16,090	54,211	142,588	5,087	(2,449)	-	737,075
Inter-segment net interest income	5,721	-	-	(490)	(3,176)	-	47	(2,177)	75	-
Total net interest income	**521,468**	**3,072**	**2,729**	**15,600**	**51,035**	**142,588**	**5,134**	**(4,626)**	**75**	**737,075**
Income tax expense	18,182	(1,601)	(1,173)	(713)	(3,332)	(17,118)	(1,885)	(3,467)	-	(11,107)
Segment result	**(97,964)**	**5,743**	**4,561**	**2,825**	**11,919**	**25,806**	**(19,507)**	**(11,977)**	**(333)**	**(78,927)**
Depreciation and amortization	(27,430)	(519)	(183)	(1,231)	(2,380)	(1,097)	(7,979)	-	2,548	(38,271)
Other significant non-cash expenses [3]	(538,611)	(1,110)	(679)	(7,148)	(30,926)	(52,416)	(1,493)	-	-	(632,383)
Capital expenditure	(26,369)	(1,456)	(441)	(2,901)	(5,347)	(2,361)	(17,429)	-	4,866	(51,438)

[1] Unallocated items represent items of revenue, operating expense, assets, liabilities and equity which cannot be reasonably allocated to the geographical segments.

[2] Revenue from external customers comprises interest income, fee and commission income and gross insurance premiums earned.

[3] Other significant non-cash expenses are represented by impairment losses on financial and non-financial assets.

6. Segment reporting (continued)

	Russian Federation 31 Dec 2014 TEUR	Czech Republic 31 Dec 2014 TEUR	Slovak Republic 31 Dec 2014 TEUR	Belarus 31 Dec 2014 TEUR	Kazakhstan 31 Dec 2014 TEUR	Vietnam 31 Dec 2014 TEUR	China 31 Dec 2014 TEUR	Other 31 Dec 2014 TEUR	Unallocated [1] 31 Dec 2014 TEUR	Eliminations 31 Dec 2014 TEUR	Consolidated 31 Dec 2014 TEUR
Segment assets [2]	**4,536,901**	**106,609**	**68,830**	**149,369**	**505,956**	**278,929**	**1,375,638**	**172,666**	**160,874**	**(319,190)**	**7,036,582**
Investments in associates	2,252	-	-	-	-	-	-	-	-	-	2,252
Segment liabilities [2]	**3,904,213**	**56,849**	**40,708**	**112,747**	**370,623**	**207,852**	**824,396**	**78,625**	**510,209**	**(308,517)**	**5,797,705**
Segment equity [2]	**632,688**	**49,760**	**28,122**	**36,622**	**135,333**	**71,077**	**551,242**	**94,041**	**(349,335)**	**(10,673)**	**1,238,877**

[1] Unallocated items represent items of revenue, operating expense, assets, liabilities and equity which cannot be reasonably allocated to the geographical segments.
[2] Consolidation adjustments are included in Eliminations.

7. Fair values of financial instruments

The Group has performed an assessment of fair values of its financial instruments to determine whether it is practicable within the constraints of timeliness and cost to determine their fair values with sufficient reliability.

Fair values of the following financial instruments differ from their carrying amounts shown in the statement of financial position:

	Note	Carrying amount 30 Jun 2015 TEUR	Fair Value 30 Jun 2015 TEUR	Carrying amount 31 Dec 2014 TEUR	Fair Value 31 Dec 2014 TEUR
Loans to customers	10	5,878,479	5,864,931	5,059,514	4,815,561
Current accounts and deposits from customers	17	(5,556,989)	(5,546,329)	(2,889,966)	(2,825,535)
Due to banks and other financial institutions	18	(1,282,471)	(1,282,364)	(1,434,149)	(1,436,291)
Debt securities issued	19	(523,130)	(520,756)	(575,112)	(571,728)
Subordinated liabilities	22	(406,131)	(380,066)	(542,297)	(389,725)

The Group's estimates of fair values of its other financial assets and liabilities are not materially different from their carrying values.

The following table shows an analysis of financial instruments recorded at fair value broken down into those whose fair value is based on quoted market prices (Level 1), calculated using valuation techniques where all the model inputs are observable in the market, typically interest rates and foreign exchange rates (Level 2) and calculated using valuation techniques where significant model inputs are not observable in the market (Level 3):

30 Jun 2015	Note	Level 1 TEUR	Level 2 TEUR	Level 3 TEUR	Total TEUR
Positive fair value of derivative instruments	11	-	140,733	1,474	142,207
Debt securities at fair value through profit or loss	12	186,580	-	-	186,580
Financial assets available-for-sale	13	1,227,984	31,602	-	1,259,586
Negative fair value of derivative instruments	20	-	(11,555)	-	(11,555)
		1,414,564	**160,780**	**1,474**	**1,576,818**

31 Dec 2014	Note	Level 1 TEUR	Level 2 TEUR	Level 3 TEUR	Total TEUR
Positive fair value of derivative instruments	11	-	141,524	3,322	144,846
Financial assets available-for-sale	13	279,778	26,394	-	306,172
Negative fair value of derivative instruments	20	-	(5,583)	-	(5,583)
		279,778	**162,335**	**3,322**	**445,435**

There were no transfers between Level 1, 2 and 3 in the six-month period ended 30 June 2015 or year ended 31 December 2014.

7. Fair values of financial instruments (continued)

Reconciliation of movements in Level 3:	**30 Jun 2015**	**30 Jun 2014**
	TEUR	**TEUR**
Financial assets		
Balance as at 1 January	3,322	10,700
Net (losses)/gains recorded in profit or loss (included in Net gains/(losses) on financial assets and liabilities)	(1,691)	882
Net losses recorded in other comprehensive income	(157)	(587)
Closing balance	**1,474**	**10,995**

Fair values of derivative instruments presented in Level 3 represent foreign currency derivatives, refer to Note 11.

Valuation techniques used for Level 3 financial instruments are based on discounted cash flow models where future contractual cash flows are discounted to the present value. The financial instruments presented under the Level 3 category were contracted in Kazakhstan (31 December 2014: financial instruments presented under Level 3 were contracted in Belarus and Kazakhstan). The availability of market data to be used for the determination of the discount rates used for these instruments is limited. Therefore, the Group estimated the discount rates based on official interest rates published on Kazakhstan Stock Exchange.

The effect of change of interest rates by +/- 100 basis points on the fair value of derivative instruments is:

	30 Jun 2015	**31 Dec 2014**
	TEUR	**TEUR**
Financial instruments contracted in Belarus	-	6/(6)
Financial instruments contracted in Kazakhstan	81/(79)	272/(107)

The calculation of fair values of Level 3 is the responsibility of local treasury teams of respective Group entities, which on a monthly basis carry out the calculations based on a pre-determined valuation model and inputs. Heads of the local treasury teams approve the calculation outputs.

8. Cash and cash equivalents

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Cash on hand	104,126	252,341
Current accounts	420,279	417,974
Current accounts with central banks	110,313	82,212
Placements with financial institutions due within one month	391,690	113,025
	1,026,408	**865,552**

9. Due from banks, other financial institutions and holding companies

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Loans and term deposits with banks, other financial institutions and holding companies due in more than one month	183,357	142,612
Loans and advances provided under repo operations	143,010	-
Minimum reserve deposits with central banks	74,447	29,203
Other	1,600	14
	402,414	**171,829**

The minimum reserve deposits are mandatory non-interest bearing deposits whose withdrawals are restricted and which are maintained in accordance with regulations issued by central banks in countries in which the Group’s banking entities operate.

10. Loans to customers

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Gross amount		
Cash loan receivables	3,948,438	3,508,194
POS loan receivables	1,774,113	1,691,134
Revolving loan receivables	926,283	729,782
Mortgage loan receivables	76,610	73,033
Car loan receivables	112,772	34,997
Loans to corporations	60,543	5,840
Other	5,806	2,515
	6,904,565	**6,045,495**
Collective allowances for impairment		
Cash loan receivables	(618,103)	(597,515)
POS loan receivables	(195,430)	(200,246)
Revolving loan receivables	(181,203)	(163,001)
Mortgage loan receivables	(6,111)	(4,506)
Car loan receivables	(22,973)	(18,619)
Loans to corporations	(940)	(770)
Other	(398)	(381)
	(1,025,158)	**(985,038)**
Specific allowances for impairment		
Loans to corporations	(928)	(943)
	(928)	**(943)**
	5,878,479	**5,059,514**

The Group regularly sells pools of certain customer loan receivables to related parties. The Group sells the receivables at a fixed price above their face value which is regularly agreed between the parties on arm's length principles.

As at 30 June 2015 cash loan receivables of TEUR 99,016 (31 December 2014: TEUR 91,102) served as collateral for debt securities issued (Note 19). As at 30 June 2015 cash loan receivables of TEUR 44,867 (31 December 2014: TEUR 55,426) and POS loan receivables of TEUR 43,973 (31 December 2014: TEUR 34,469) served as collateral for bank loan facilities (Note 18).

As at 31 December 2014 POS loan receivables of TEUR 160,952 served as collateral for corporate term deposits (Note 17). As at 30 June 2015 no such collateralized deposits were outstanding.

11. Positive fair value of derivative instruments

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Positive fair value of hedging derivative instruments	118,593	131,491
Positive fair value of trading derivative instruments	23,614	13,355
	142,207	**144,846**

Cash flows from the hedging derivative instruments are expected to occur in 2015-2016.

12. Debt securities at fair value through profit or loss

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Debt securities	186,580	-
	186,580	**-**

13. Financial assets available-for-sale

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Debt securities	1,259,586	306,172
	1,259,586	**306,172**

14. Intangible assets

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Acquisition cost	292,495	224,298
Accumulated amortization	(156,471)	(123,636)
Impairment	(160)	(196)
Carrying amount	**135,864**	**100,466**

15. Property and equipment

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Acquisition cost	323,279	300,736
Accumulated depreciation	(155,787)	(139,590)
Impairment	(3,848)	(3,543)
Carrying amount	**163,644**	**157,603**

16. Other assets

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Prepaid expenses	47,724	33,849
Trade receivables and settlement with suppliers	41,447	24,246
Deferred acquisition costs of insurance contracts	27,562	25,302
Outstanding selling price for receivables	-	26,354
Other taxes receivable	6,348	10,083
Accrued income from insurance fees	1,396	1,756
Inventories	583	448
Receivables arising out of insurance and re-insurance operations	423	1,014
Acquisition of subsidiaries	-	1,000
Non-life amounts ceded to reinsurers from insurance provisions	230	189
Other	17,466	12,001
	143,179	**136,242**
Specific allowances for impairment on settlement with suppliers and other assets	(715)	(32)
	142,464	**136,210**

As at 31 December 2014 acquisition of subsidiaries represented the consideration paid for the acquisition of CF Commercial Consulting (Beijing) Co., Ltd., which was acquired in March 2015 (Note 1).

17. Current accounts and deposits from customers

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Term deposits	2,887,850	2,592,858
Current accounts and demand deposits	2,664,511	294,848
Other	4,628	2,260
	5,556,989	**2,889,966**

As at 31 December 2014 the balance of corporate term deposits secured by POS loan receivables was TEUR 84,121 (Note 10). As at 30 June 2015 no such collateralized deposits were outstanding.

18. Due to banks and other financial institutions

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Unsecured loans	1,218,131	1,262,586
Secured loans	60,422	65,774
Loans received under repo operations	-	102,035
Other balances	3,918	3,754
	1,282,471	**1,434,149**

As at 31 December 2014 the balance of loans received under repo operations of TEUR 102,035 was secured by financial assets available-for-sale.

As at 30 June 2015 the balances of loans secured by cash loan receivables and POS loan receivables were TEUR 30,560 (31 December 2014: TEUR 37,768) and TEUR 29,862 (31 December 2014: TEUR 23,488) respectively. As at 31 December 2014 the balances of loans secured by guarantees were TEUR 4,518. As at 30 June 2015 there were no loan balances secured by guarantees. These amounts represent the balances of loans, and do not necessarily represent the fair value of the collateral.

19. Debt securities issued

	Interest rate	Final maturity	Amount outstanding 30 Jun 2015 TEUR	31 Dec 2014 TEUR
Unsecured RUB bonds issue 7 of MRUB 5,000	Variable	April 2015	-	74,495
Unsecured CZK bonds issue 4 of MCZK 2,900	Zero-coupon	September 2015	105,009	100,118
Stock exchange RUB bonds issue 02 of MRUB 3,000	Fixed	February 2016	47,826	43,603
Unsecured CZK bonds issue 5 of MCZK 3,750	Fixed	June 2016	137,958	140,044
CZK promissory notes issue of MCZK 300	Zero-coupon	July 2016	10,417	9,969
EUR promissory notes issue of MEUR 9.1	Zero-coupon	July 2016	8,609	8,384
Long-term registered Certificate of Deposit, 1st tranche of BVND 250	Fixed	August 2016	10,615	10,024
Long-term registered Certificate of Deposit, 2nd tranche of BVND 273	Fixed	September 2016	11,561	10,899
Long-term registered Certificate of Deposit, 3rd tranche of BVND 200	Fixed	October 2016	8,293	7,832
Unsecured KZT bond issue 1 of MKZT 7,000	Fixed	November 2016	33,653	31,193
Long-term registered Certificate of Deposit, 8th tranche of BVND 37	Fixed	April 2017	1,525	-
Long-term registered Certificate of Deposit, 9th tranche of BVND 24	Fixed	April 2017	974	-
Long-term registered Certificate of Deposit, 4th tranche of BVND 93	Fixed	November 2017	3,824	3,604
Long-term registered Certificate of Deposit, 5th tranche of BVND 158	Fixed	December 2017	6,442	6,074
Long-term registered Certificate of Deposit, 6th tranche of BVND 61	Fixed	December 2017	2,485	2,344
Long-term registered Certificate of Deposit, 7th tranche of BVND 100	Fixed	December 2017	4,058	3,827
CZK promissory notes issue of MCZK 650	Zero-coupon	March 2018	20,139	19,190
Unsecured KZT bond issue 2 of MKZT 6,769	Fixed	February 2019	33,160	30,846
Cash loan receivables backed notes issue of MRUB 5,000	Variable	November 2021	76,582	72,666
			523,130	**575,112**

RUB denominated cash loans receivables backed notes were issued in November 2013 through HC Finance (LLC) and Eurasia Structured Finance No.3 B.V. (Note 1) with a fixed coupon rate which is valid until the coupon payment date on 19 January 2017 and capped floating coupon rate from 20 January 2017 till the final maturity. The bondholders are entitled to require early redemption of the bonds in November 2016. As at 30 June 2015 cash loan receivables of TEUR 99,016 (31 December 2014: TEUR 91,102) served as collateral for these notes (Note 10). As at 30 June 2015 the Group bought back cash loans receivables backed notes with a cumulative par value of MRUB 201.

20. Negative fair value of derivative instruments

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Negative fair value of trading derivative instruments	11,555	5,583
	11,555	**5,583**

21. Insurance and other provisions

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Provisions for unearned premiums	67,542	72,196
Provisions for outstanding claims	1,775	2,005
Other insurance provisions	332	389
Provision for litigations	3,091	2,728
Other provisions	1,278	3,610
	74,018	**80,928**

Other provisions represent restructuring provisions and provisions for closure of offices in connection with a business optimisation programme in Russia.

22. Subordinated liabilities

	Final maturity	Amount outstanding 30 Jun 2015 TEUR	31 Dec 2014 TEUR
Loan participation notes issue of MUSD 500	April 2020	207,160	374,698
Loan participation notes issue of MUSD 200	April 2021	181,273	167,599
Subordinated bonds issue of MCZK 1,000	April 2024	17,698	-
		406,131	**542,297**

Subordinated loan participation notes issue of MUSD 500 were issued in October 2012 through Eurasia Capital S.A. (Note 1). The Group has an early redemption option exercisable on 24 April 2018 (the reset date). After the reset date the interest rate is determined as a variable rate. As at 30 June 2015 the Group bought back the loan participation notes with a cumulative par value of MUSD 271 (31 December 2014: cumulative par value of MUSD 51).

Subordinated loan participation notes issue of MUSD 200 were issued in October 2013 through Eurasia Capital S.A. (Note 1). The Group has an early redemption option exercisable on 17 April 2019 (the reset date). After the reset date the interest rate is determined as a variable rate.

23. Other liabilities

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Accrued employee compensation	73,826	56,440
Settlement with suppliers	68,313	60,516
Accrued expenses	41,311	35,539
Other taxes payable	29,847	27,951
Customer loan overpayments	27,874	30,453
Deferred income and prepayments	4,892	5,773
Advances received	1,253	987
Other	14,592	15,406
	261,908	**233,065**

24. Equity

At 30 June 2015 the Group's authorized share capital comprised 1,250,000,000 (31 December 2014: 1,250,000,000) ordinary shares at a par value of EUR 0.57 (31 December 2014: EUR 0.57), of which 1,156,174,806 (31 December 2014: 1,156,174,806) shares were issued and fully paid. All issued shares bear equal voting rights. The holders of the shares are entitled to receive distributions of profits and reserves when declared by the general meeting of the Company. No distributions can be made if the total amount of the reserves to be maintained pursuant to the law or the articles of association exceeds the Company's equity and the management board has not given its approval to such distribution.

In June 2015 the Group's shareholders contributed to the Company's share premium their shareholdings in Air Bank (JSC) (Note 1). The share premium increase totalled TEUR 180,000 (EUR 0.16 per one share).

The creation and use of statutory reserves is limited by legislation and the articles of each company within the Group. Statutory reserves are not available for distribution to the shareholders.

The foreign currency translation reserve comprises foreign exchange differences arising from translation of the financial statements of companies within the Group with a functional currency other than the presentation currency. The translation reserve is not available for distribution to the shareholders.

The cash flow hedge reserve represents the effect of the recognition of the effective portion of changes in the fair value of hedging instruments in other comprehensive income in equity. The cash flow hedge reserve is not available for distribution to the shareholders.

The reserve for business combinations under common control was recognized on acquisitions of HC Asia N.V., Home Credit Consumer Finance Co., Ltd., Home Credit Vietnam Finance Company Limited, CF Commercial Consulting (Beijing) Co., Ltd. and Air Bank (JSC) from the Group's shareholders. The reserve for business combinations under common control is not available for distribution to the shareholders.

The revaluation reserve represents the revaluation deficit or surplus, net of deferred tax, recognized on changes in the fair value of financial assets available-for-sale. The revaluation reserve is not available for distribution to the shareholders.

25. Non-controlling interests

As at 30 June 2015 the Group reported the following non-controlling interests:

	NCI %	Total assets TEUR	Total liabilities TEUR	Carrying amount of NCI TEUR	Net losses for the period TEUR	Net losses allocated to NCI TEUR
PT. Home Credit Indonesia	15.00	24,050	3,826	3,034	(8,971)	(1,346)
HC Consumer Finance Philippines, Inc.	2.18	15,381	1,870	295	(6,136)	(286)
				3,329		**(1,632)**

As at 31 December 2014 the Group reported the following non-controlling interests:

	NCI %	Total assets TEUR	Total liabilities TEUR	Carrying amount of NCI TEUR	Net losses for the period TEUR	Net losses allocated to NCI TEUR
PT. Home Credit Indonesia	24.52	22,572	7,638	3,662	(11,373)	(2,937)
HC Consumer Finance Philippines, Inc.	4.66	10,052	6,580	162	(7,069)	(587)
				3,824		**(3,524)**

26. Interest income and interest expense

	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2014 TEUR
Interest income		
Cash loan receivables	525,404	660,068
POS loan receivables	234,906	223,601
Revolving loan receivables	89,953	140,193
Mortgage loan receivables	3,665	4,417
Car loan receivables	749	705
Due from banks, other financial institutions and holding companies	25,977	17,778
Financial assets available-for-sale	13,698	5,256
Financial assets held-to-maturity	15	102
Other	1,307	233
	895,674	**1,052,353**
Interest expense		
Deposits from customers	214,270	205,042
Due to banks and other financial institutions	74,440	50,745
Debt securities issued	22,469	34,301
Subordinated liabilities	25,827	25,190
	337,006	**315,278**

The Group's measures taken in response to the recent increase in customer loan delinquencies across the Russian consumer loan market included a reduction of new loan volumes. This was the main reason for the decrease in net interest income.

27. Fee and commission income

	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2014 TEUR
Insurance commissions	109,569	156,922
Penalty fees	44,455	41,220
Customer payment processing and account maintenance	13,039	13,382
Cash transactions	11,757	24,871
Retailer commissions	9,275	9,554
Other	1,241	2,723
	189,336	**248,672**

The Group's measures taken in response to the recent increase in customer loan delinquencies across the Russian consumer loan market included a reduction of new loan volumes. This was the main reason for the decrease in fee and commission income.

28. Fee and commission expense

	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2014 TEUR
Payment processing and account maintenance	8,463	7,385
Commissions to retailers	8,397	8,546
Cash transactions	7,483	10,767
Payments to deposit insurance agencies	6,290	8,876
Stamp duties	3,665	6,433
Other	11,004	5,311
	45,302	**47,318**

29. Insurance income

	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2014 TEUR
Gross premiums earned	31,156	44,884
Net insurance benefits and claims	(986)	(1,847)
Earned premiums ceded	(47)	(40)
Acquisition costs	(10,270)	(22,209)
	19,853	**20,788**

30. Net gains/(losses) on financial assets and liabilities

	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2014 TEUR
Net foreign currency losses	(10,716)	(23,808)
Net trading gains on other financial assets and liabilities	1,256	484
Net gains on trading derivative instruments	14,721	29,646
Net losses on hedging derivative instruments	(4,459)	(7,399)
	802	**(1,077)**

31. Other operating income

	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2014 TEUR
Gains on disposal of loan receivables	38,800	33,534
Income from other services provided	6,400	8,046
Other	9,805	3,855
	55,005	**45,435**

Gains on disposal of loan receivables relate to sales of customer loan receivables.

32. Impairment losses on financial assets

	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2014 TEUR
Cash loan receivables	277,606	390,135
POS loan receivables	84,054	113,885
Revolving loan receivables	89,471	121,920
Mortgage loan receivables	1,869	(1,393)
Car loan receivables	(134)	(1,314)
Other financial assets	93	(187)
	452,959	**623,046**

33. General administrative expenses

	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2014 TEUR
Employee compensation	187,346	193,135
Payroll related taxes (including pension contributions)	40,461	43,663
Rental, maintenance and repair expense	29,641	52,753
Professional services	29,532	23,441
Telecommunication and postage	18,821	24,274
Taxes other than income tax	17,114	10,469
Information technologies	14,449	11,606
Advertising and marketing	8,789	15,253
Travel expenses	7,736	7,985
Other	9,764	14,329
	363,653	**396,908**

34. Other operating expenses

	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2014 TEUR
Depreciation and amortization	39,387	38,271
Loss on disposal of property and equipment and intangible assets	7,856	3,787
Impairment losses on property and equipment	3,712	9,278
Impairment losses on other non-financial assets	705	59
	51,660	**51,395**

35. Income tax

	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2014 TEUR
Current tax expense	49,862	31,353
Deferred tax benefit	(48,758)	(20,246)
Total income tax expense	**1,104**	**11,107**

This main driver for the improvement in the effective tax rate was a greater extent of the utilization of tax-deductible expenses in the six-month period ended 30 June 2015.

36. Commitments

The Group has outstanding commitments to extend loans. These commitments take the form of approved credit limits related to customer revolving loan accounts, POS loan facilities, cash loan facilities and overdraft facilities.

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Revolving loan commitments	558,979	569,595
POS loan commitments	35,654	34,309
Cash loan commitments	17,674	8,862
Undrawn overdraft facilities	882	585
	613,189	**613,351**

The total outstanding contractual commitments to extend loans indicated above do not necessarily represent future cash requirements as many of these commitments will expire or terminate without being funded.

As at 30 June 2015 the Group reported contractual commitments for the acquisition of property and equipment and intangible assets of TEUR 4,299 (31 December 2014: TEUR 1,006).

As at 30 June 2015 the Group had no loan guarantees issued (31 December 2014: TEUR 194,607).

37. Contingencies

Taxation

The taxation systems in the Russian Federation, the Republic of Belarus, the Republic of Kazakhstan, the Socialist Republic of Vietnam and the People's Republic of China are relatively new and are characterized by frequent changes in legislation which are subject to varying interpretation by different tax authorities. Taxes are subject to review and investigation by a number of authorities, which have the authority to impose severe fines, penalties and interest charges. A tax year remains open for review by the tax authorities during several subsequent calendar years. Recent events within the Russian Federation, the Republic of Belarus, the Republic of Kazakhstan, the Socialist Republic of Vietnam and the People's Republic of China suggest that the tax authorities are taking a more assertive position in their interpretation and enforcement of tax legislation.

The facts mentioned above may create tax risks in respective countries that are substantially more significant than in other countries. Management believes that it has provided adequately for tax liabilities based on its interpretations of applicable Russian, Belarusian, Kazakhstani, Vietnamese and Chinese tax legislation, official pronouncements and court decisions.

38. Related party transactions

The Group has a related party relationship with its parent company, which was PPF Financial Holdings B.V. as at 30 June 2015 and PPF Group N.V. as at 31 December 2014, with entities exercising control over the parent company, , their subsidiaries and associates, the Group's key management personnel and other related parties. Related party transactions are executed on an arm's length basis. Related party transactions arise primarily from funding and treasury transactions as well as from sales of loan receivables reported under other operating income and insurance commissions reported under fee and commission income.

(a) Transactions with the parent company and entities exercising control over the parent company

Balances included in the statement of financial position in relation to transactions with the parent company and entities exercising control over the parent company are as follows:

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Due from banks, other financial institutions and holding companies	27,695	23,716
Other assets	-	1,000
Current accounts and deposits from customers	-	(79,466)
Due to banks and other financial institutions	(110,015)	(21,844)
Subordinated liabilities	(130,309)	(96,197)
Other liabilities	(126)	-
	(212,755)	**(172,791)**

Amounts included in the statement of comprehensive income in relation to transactions with the parent company and entities exercising control over the parent company are as follows:

	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2014 TEUR
Interest income	1,623	3,102
Interest expense	(9,028)	(3,714)
General administrative expenses	(126)	(126)
	(7,531)	**(738)**

38. Related party transactions (continued)

(b) Transactions with fellow subsidiaries

Balances included in the statement of financial position in relation to transactions with fellow subsidiaries are as follows:

	30 Jun 2015 TEUR	31 Dec 2014 TEUR
Cash and cash equivalents	60,359	20,889
Due from banks, other financial institutions and holding companies	3,692	3,606
Loans to customers	-	11,957
Positive fair value of derivative instruments	9,838	2,925
Financial assets available-for-sale	-	24,348
Other assets	23,071	41,771
Current accounts and deposit from customers	(27,803)	(80,509)
Due to banks and other financial institutions	(46,274)	(123,772)
Debt securities issued	(57,743)	(54,832)
Negative fair value of derivative instruments	(12,074)	(2,536)
Subordinated liabilities	(18,069)	(15,384)
Other liabilities	(1,087)	(9,845)
	(66,090)	**(181,382)**

Amounts included in the statement of comprehensive income in relation to transactions with fellow subsidiaries are as follows:

	6 months ended 30 Jun 2015 TEUR	6 months ended 30 Jun 2014 TEUR
Interest income	928	775
Interest expense	(10,093)	(9,680)
Fee and commission income	928	2,913
Fee and commission expense	(201)	(1,031)
Net gains on financial assets and liabilities	11,843	1,215
Other operating income	32,162	43,468
General administrative expenses	(4,320)	(6,794)
Other operating expenses	(34)	(59)
	31,213	**30,807**

Interest income presented in the table above did not include transaction costs integral to the effective interest rate and incurred with fellow subsidiaries in the six-month period ended 30 June 2014. Such transactions had an impact on interest income of TEUR 4,017. In the six-month period ended 30 June 2015 such transaction costs were not incurred.

As disclosed in Note 10, the Group sold receivables to related parties. The related transactions and balances are included in other assets (Note 16) (30 June 2015: TEUR 0, 31 December 2014: TEUR 26,354) and other operating income (Note 31) (six months ended 30 June 2015: TEUR 38,800, six months ended 30 June 2014: TEUR 33,534).

38. Related party transactions (continued)

(c) Transactions with the parent company's associates

In January 2015 PPF Group N.V. sold its share in an associate company with which the majority of the Group's transactions with the parent company's associates had been executed in the past. As a result, the Group did not have any transactions with the parent company's associates as at 30 June 2015 or in the six-month period ended 30 June 2015.

Balances included in the statement of financial position in relation to transactions with the parent company's associates as at 31 December 2014 are as follows:

	31 Dec 2014 TEUR
Other assets	77
Debt securities issued	(174,797)
Other liabilities	(125)
	(174,845)

Amounts included in the statement of comprehensive income in relation to transactions with the parent company's associates in the six-month period ended 30 June 2014 are as follows:

	6 months ended 30 Jun 2014 TEUR
Interest expense	(6,768)
Fee and commission income	(869)
Insurance income	(1,153)
Other operating income	845
General administrative expenses	(130)
	(8,075)

(d) Transactions with key management personnel and other related parties

Amounts included in the statement of comprehensive income in relation to transactions with members of key management are long-term benefits of TEUR 487 (six months ended 30 June 2014: TEUR 0) and short-term benefits of TEUR 8,220 (six months ended 30 June 2014: TEUR 10,621) comprising salaries, bonuses and non-monetary benefits.

As at 30 June 2015 the balance of unsecured loans to members of the key management was TEUR 89 (31 December 2014: TEUR 105).

The members of the Board of Directors of the Company and key management of its subsidiaries are considered as the key management of the Group.

In 2013 the Group concluded a consultancy service agreement with a company controlled by one of the members of its Board of Directors. The consultancy fees of TEUR 3,000 charged over the six-month period ended 30 June 2015 (six months ended 30 June 2014: TEUR 3,000) in relation to this agreement are recorded under general administrative expenses, while the related liability of TEUR 500 as of 30 June 2015 (31 December 2014: TEUR 2,559) is recorded under other liabilities.

As at 30 June 2015 the balances due from holding companies included secured loans of TEUR 71,491 (31 December 2014: TEUR 68,174) provided by the Group to a company controlled by one of the members of its Board of Directors. The weighted average interest rate is 7.12% (31 December 2014: 6.89%) and the repayment date of those loans is 30 June 2016.

39. Subsequent events

During the period after the reporting date the Kazakhstan Tenge depreciated against EUR by 35%. As the devaluation occurred after the reporting date, these condensed consolidated interim financial statements have not been adjusted for the rate change. The Group carried out a sensitivity analysis of the Group's equity to such a devaluation based on positions existing as at 30 June 2015. Based on the analysis, the estimated negative impact on the Group's equity would be TEUR 30,394.

During the period after the reporting date the Belarussian Rouble depreciated against EUR by 21%. As the devaluation occurred after the reporting date, these condensed consolidated interim financial statements have not been adjusted for the rate change. The Group estimates no material impact of the devaluation on the Group's equity.

The consolidated financial statements as set out on pages 3 to 37 were issued on 28 August 2015.

KPMG

Review report

To: the Board of Directors of Home Credit B.V.

Introduction

We have reviewed the accompanying condensed consolidated interim financial information as at 30 June 2015 of Home Credit B.V., Amsterdam, which comprises the statement of financial position as at 30 June 2015, the statements of comprehensive income for the period of six months ended 30 June 2015, and for the period of three months ended 30 June 2015, changes in equity, and cash flows for the period of six months ended 30 June 2015, and the notes. Management of the Company is responsible for the preparation and presentation of this consolidated interim financial information in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2015 is not prepared, in all material respects, in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union.

Amstelveen, 28 August 2015

KPMG Accountants N.V.

B.M. Herngreen RA