

**Intesco
Research
Group**

BANK CARDS AND BANK CARDS MARKET



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RESEARCH METHODOLOGY

Subject of research:

BANK CARD MARKET

Purpose of research:

ASSESSMENT OF SITUATION ON THE MARKET AND FORECAST OF ITS DEVELOPMENT FOR 2015-2016

Regions of research:

WORLD, RUSSIA, REGIONS OF RF

Main blocks of research:

WORLD MARKET OF BANK CARDS
EMISSION OF BANK CARDS IN RUSSIA
OPERATIONS WITH BANK CARDS
STRUCTURE OF BANK OPERATIONS WITH BANK CARDS
CREDIT CARDS MARKET
LARGEST COMPANIES ON THE MARKET
TRENDS ON THE BANK CARD MARKET
TYPES OF CARDS AND CONDITIONS OF THEIR SERVICE
SERVICE CONSUMERS
STATE REGULATIONS
FACTORS INFLUENCING THE MARKET
FORECAST OF BANK CARD MARKET DEVELOPMENT FOR 2015-2016

Information sources used:

Federal State Statistics Service
Ministry of economic development of RF
Federal Customs Service
Federal Tax Service
Field expert evaluations
Retail sales reports
Materials of the field's main players
Field print and electronic publications

The research contains 39 schedules, 38 diagrams, 20 tables.

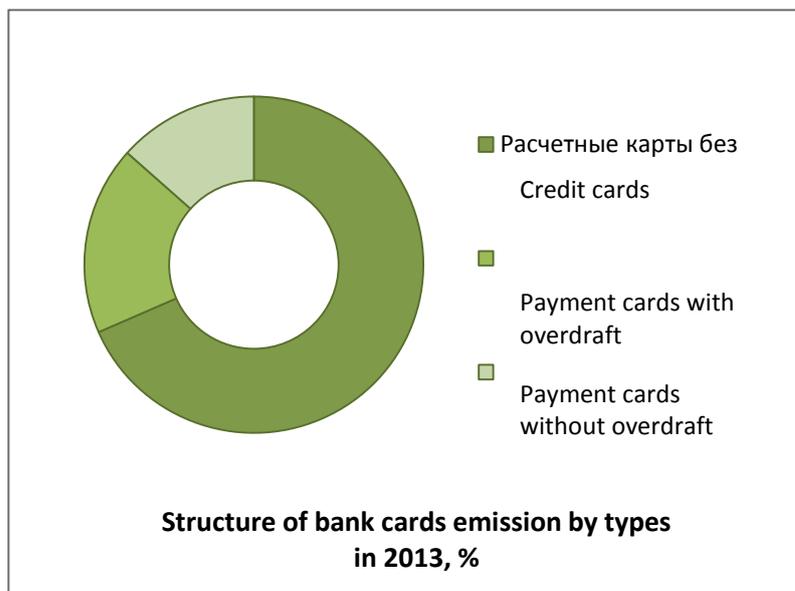
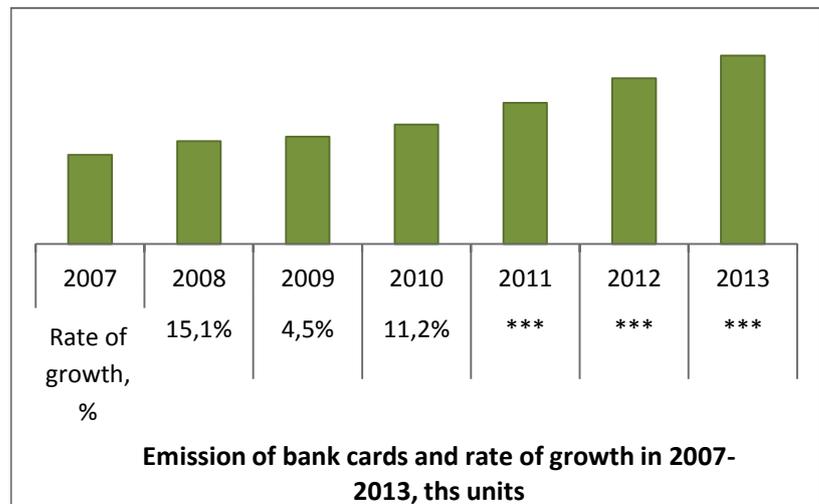
EXTRACTS FROM RESEARCH

CHAPTER 4

ISSUANCE OF BANK CARDS IN RUSSIA

Russian market of plastic cards has become more available for customers during the recent years and the related bank services and offers are more versatile. If most of customers used that card before only for getting salary, now it is being perceived as convenient and reliable means of payment.

According to the data as of January 1, 2014, more than 217 mln. plastic bank cards have been issued for the previous year.

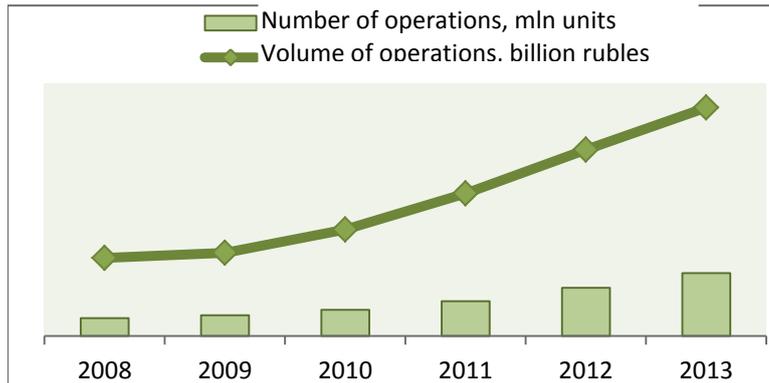


Active growth in card issuance surplus was observed in the period from 2009-2012, the growth by more than 13% towards the previous years has been fixed compared to 2012.

CHAPTER 5

OPERATIONS WITH BANK CARDS

In recent years number and volume of operations with bank cards increased significantly. Number of operations with bank cards during 2008-2013 increased more than *** times. Compared to 2008 (*** mln operations), in 2011 number of operations increased almost twice (up to *** mln operations). Further growth was natural, and in 2013 the level of *** mln operations was reached.

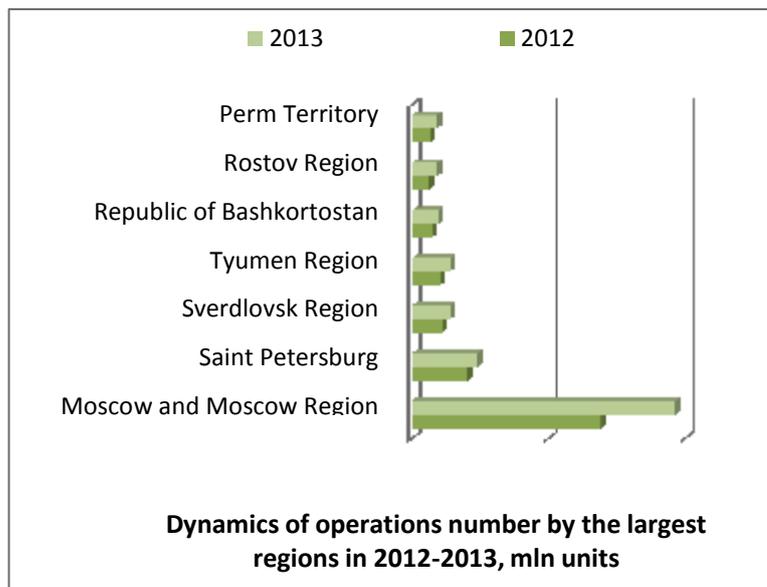


Dynamics of number and volume of operations, on the territory of RF and out of its borders using bank cards in 2008-2013

Among the largest regions by number of operations made

with bank cards in 2013 the least increase was marked in St. Petersburg – 18,4% compared to 2012. The greatest growth was marked in Rostov Region – ***%. In remaining regions the increase of operations

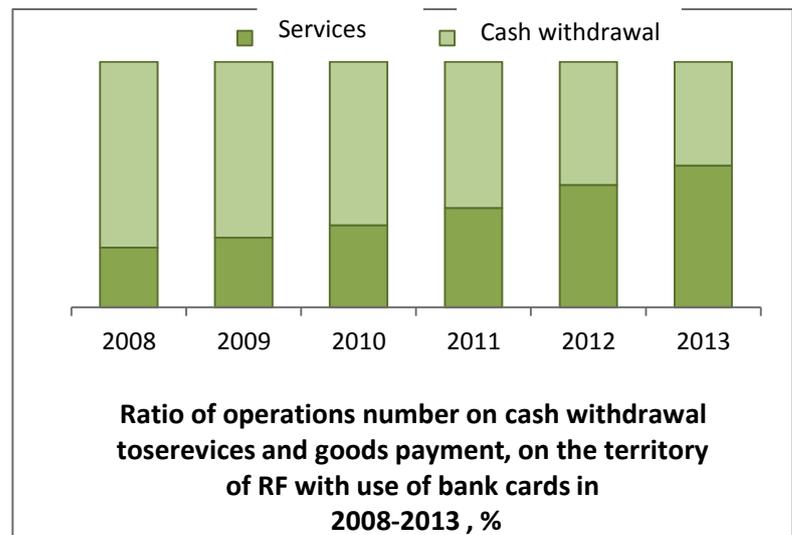
number compared to the previous year was equal to **%.



Dynamics of operations number by the largest regions in 2012-2013, mln units

CHAPTER 6**STRUCTURE OF OPERATIONS
WITH BANK CARDS**

Structure of operations made on the territory of Russia, with use of payment cards changes significantly. Payment of goods and services by cash cards becomes more popular from year to year, payment on them happens even more often, and volume of payments by this payment method grows, and the average amount of operations decreases. Cash withdrawal, in turn, stops being an indispensable condition before any purchase.



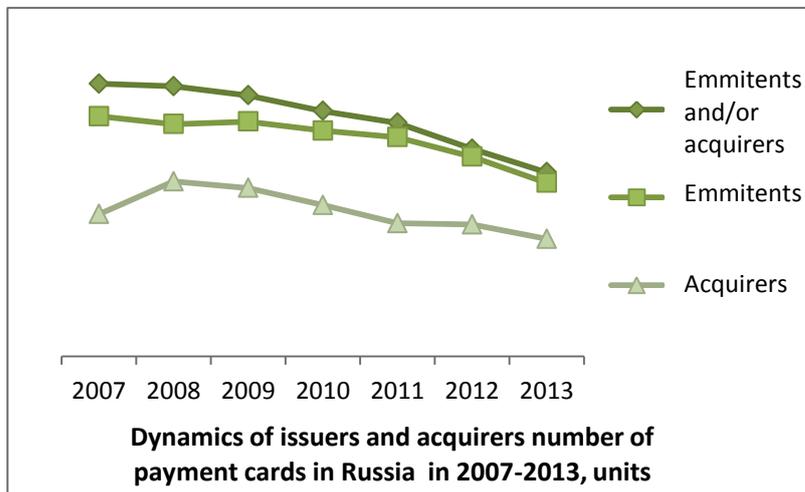
Structure of bank cards by aggregate operations turnover of payment systems in 2013, %



In 2013 about 95% of the Russian market was controlled by the international payment systems. Other payment systems had about 5% of operations volume.

CHAPTER 8***LARGEST COMPANIES ON THE MARKET***

According to the Central Bank as of January 1, 2014, in Russia 641 credit organizations were engaged in issue and/or acquiring of plastic cards. Thus this parameter, unlike quantity of cards in circulation, did not grow, and, on the contrary, decreased a little from year to year. It is connected to toughening of requirements to banks from the state, in particular, to the increase in the minimum bank capital since January 1, 2012 to 180 mln rubles. Earlier the increase was marked in January, 2010 to 90 mln rubles, and the following mark -January, 2015 – to ** mln rubles. From 2007 to 2013 number of



credit organizations in Russia decreased by 19%. Number of banks, working with cash cards, during this period reduced by **%. On the diagram the trend to decrease of total number of issuers and acquirers of payment cards in the Russian Federation is visually presented.

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LIST OF SCHEDULES, DIAGRAMS, TABLES AND SCHEMES

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ABOUT INTESCO RESEARCH GROUP

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INTESCO RESEARCH GROUP is the analytical agency, specializing in development of high-quality business plans, feasibility studies and marketing researches both on federal and regional levels of RF. We provide our clients with up-to-date and accurate information, professional recommendations for conducting business.

All works of **INTESCO RESEARCH GROUP** are based on the proven investigation methods. When conducting marketing researches and developing the business plans, the agency applies the worldwide accepted methods of investments efficiency evaluation and they are based on the Russian and international quality standards.

Analysts of **INTESCO RESEARCH GROUP** are the graduates of the leading Moscow institutions of higher education (Moscow State University, Moscow Institute of Physics and Technology, Russian Academy of Economics after Plekhanov, Higher School of Economics, State University of Economics and Finance) and have deep knowledge in marketing, methods of marketing research arrangement, investment projects efficiency evaluation, preparing the analytical reports and business-forecasting.

Professional approach and service, highly-qualified specialists, deep knowledge of various markets, broad design experience and constant improvement allow the **INTESCO RESEARCH GROUP** to provide the high-quality service to all the clients.

Information from our reports is published in the largest Russian newspapers and magazines: “Vedomosti”, “Kommersant-Dengi”, “Rossiyskaya gazeta”, “Forbes”, “Russian Food Market”, “FoodService”, “RBK daily”, “Tsenovick”, “Moye delo. Magazin”, “MAXIM”, “Odnako”, “Khlebopekarnoe proizvodstvo”, “Producty i Pribyl”, “Konditerskaya sfera/khlebopechenie”, “Unipack.Ru”, and etc.

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