

Final Terms

Final Terms dated 9 February 2012

STATE CORPORATION "BANK FOR DEVELOPMENT AND FOREIGN ECONOMIC AFFAIRS (VNESHECONOMBANK)"

Series 5 Issue of U.S.\$750,000,000 5.375 per cent. Loan Participation Notes due 2017
by VEB Finance plc
for the purpose of financing a Loan to State Corporation "Bank for Development and Foreign
Economic Affairs (Vnesheconombank)" (the "**Borrower**")
under a U.S.\$30,000,000,000 Programme for the Issuance of Loan Participation Notes

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 30 June 2011 (the "**Base Prospectus**"), the Base Prospectus Supplement dated 28 September 2011, the Base Prospectus Supplement dated 22 November 2011 and the Base Prospectus Supplement dated 2 February 2012 (together, the "**Base Prospectus Supplements**"). The Base Prospectus and the Base Prospectus Supplements together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus as so supplemented. Full information on the Issuer, the Borrower and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus and the Base Prospectus Supplements are available for viewing and copies may be obtained from the specified offices of the Trustee and the Principal Paying Agent and the registered office of the Issuer and at www.ise.ie.

1	(i) Issuer:	VEB Finance plc
	(ii) Borrower:	State Corporation "Bank for Development and Foreign Economic Affairs (Vnesheconombank)"
2	Series Number:	5
3	Specified Currency:	U.S. Dollars
4	Aggregate Nominal Amount of Notes:	U.S.\$750,000,000
5	Issue Price:	100 per cent. of the aggregate principal amount of the Notes
6	(i) Specified Denominations:	U.S.\$200,000 plus integral multiples of U.S.\$1,000 in excess thereof
	(ii) Calculation Amount:	U.S.\$1,000
7	(i) Trade Date:	9 February 2012
	(ii) Issue Date:	13 February 2012

	(iii) Interest Commencement Date:	13 February 2012
8	Maturity Date:	13 February 2017
9	Notes Interest Basis:	The same interest basis as the Loan Interest Basis
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/Payment Basis:	Not Applicable
12	Put/Call Options:	Not Applicable
13	(i) Status of the Notes:	Secured limited recourse obligations of the Issuer
	(ii) Status of the Loan:	Unsecured, unsubordinated
	(iii) Date of the Board approval for issuance of Notes obtained:	Issuer's Board approval was obtained on 8 February 2012
14	Method of distribution:	Syndicated
15	Financial Centres (Condition 7):	New York

PROVISIONS RELATING TO THE LOAN INTEREST BASIS

16	Fixed Rate Note Provisions:	Applicable
	(i) Rate of Interest:	5.375 per cent. per annum payable semi-annually in arrear
	(ii) Interest Payment Date(s):	13 August and 13 February in each year adjusted in accordance with the Following Business Day Convention
	(iii) Fixed Coupon Amount:	US\$26.875 per Calculation Amount
	(iv) Broken Amount:	Not Applicable
	(v) Day Count Fraction (Condition 5):	30/360 (unadjusted)
	(vi) Determination Date(s) (Condition 5):	Not Applicable
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
17	Floating Rate Note Provisions:	Not Applicable
18	SWAPS	Not Applicable

PROVISIONS RELATING TO REDEMPTION

19	Final Redemption Amount of each Note:	Principal Amount
20	Early Redemption Amount(s) of each Note payable if the Loan should become repayable under the Loan Agreement prior to the Maturity Date:	Principal Amount plus accrued interest and additional amounts, if any
21	Call Option:	Not Applicable

22 Put Option: Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23 Form of the Notes: Registered Notes

24 Other final terms: Not applicable

DISTRIBUTION

25 (i) If syndicated, names of Managers: BNP Paribas, J.P. Morgan Securities Ltd., Morgan Stanley & Co. International plc and The Royal Bank of Scotland plc.

(ii) Stabilising Manager(s) (if any): J.P. Morgan Securities Ltd.

26 If non-syndicated, name of Dealer: Not Applicable

27 Additional selling restrictions: Hong Kong

GENERAL

28 Additional steps that may only be taken following approval by an Extraordinary Resolution in accordance with Condition 10: Not Applicable

29 The aggregate principal amount of Notes issued has been translated into U.S. Dollars at the rate of (Not Applicable), producing a sum of (for Notes not denominated in U.S. Dollars): Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the U.S.\$30,000,000,000 Programme for the Issuance of Loan Participation Notes of VEB Finance plc for the purpose of financing loans to the Borrower.

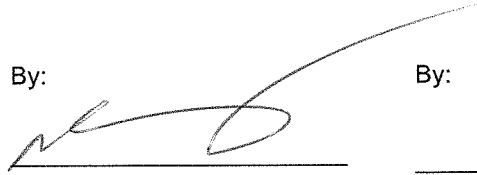
RESPONSIBILITY

Each of the Issuer and the Borrower accepts responsibility for the information contained in these Final Terms.

Signed by a duly authorised
attorney for and on behalf of the
Issuer:

Signed on behalf of the Borrower:

By:



Duly authorised

Neasan Cavanagh
Attorney

By:

Duly authorised

By:

Duly authorised


Signed by a duly authorised
attorney for and on behalf of the
Issuer:

By:

Duly authorised

Signed on behalf of the Borrower:

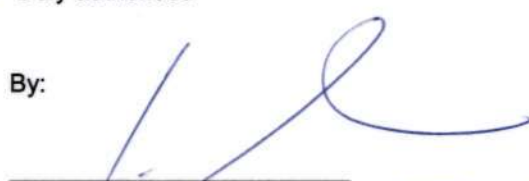
By:



Duly authorised

A.S. Ivanov
Director of Structured
and Debt Finance
Department

By:



Duly authorised

V.D. Shaprin
Chief Accountant,
Member of
Management Board

PART B – OTHER INFORMATION

1 LISTING

- | | | |
|-------|---|---|
| (i) | Listing: | Irish Stock Exchange |
| (ii) | Admission to trading: | Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and to trading on its regulated market with effect from 13 February 2012. |
| (iii) | Estimate of total expenses related to admission to trading: | €500 |

2 RATINGS

- | | |
|----------|--|
| Ratings: | <p>The Notes to be issued have been rated:</p> <p>Moody's Investors Service Ltd.: Baa1</p> <p>Fitch Ratings Ltd.: BBB</p> <p>Standard & Poor's International Services, Inc: BBB</p> <p>Moody's Investors Service Ltd. and Fitch Ratings Ltd. are established in the EU and registered under Regulation (EC) No 1060/2009 (the "CRA Regulation").</p> <p>Standard & Poor's International Services, Inc is not established in the EU and has not applied for registration under the CRA Regulation.</p> <p>A rating must be issued by a credit rating agency established in the European Community and registered under the CRA Regulation unless the rating is provided by a credit rating agency that operated in the European Community before 7 June 2010 and which has submitted an application for registration in accordance with the CRA Regulation and such application for registration has not been refused.</p> |
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3 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- | | | |
|-------|---------------------------|--|
| (i) | Reasons for the offer: | The Issuer intends to use the proceeds of the Notes for the sole purpose of financing the Loan to the Borrower. The Borrower will use the proceeds of the Loan for general corporate purposes. |
| (ii) | Estimated net proceeds: | US\$747,500,000 |
| (iii) | Estimated total expenses: | US\$2,500,000 |

4 Fixed Rate Notes only - YIELD

Indication of yield:	5.375 per cent.
	The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5 OPERATIONAL INFORMATION

ISIN Code (Regulation S Notes):	XS0719009754
Common Code (Regulation S Notes):	071900975
CUSIP Code (Regulation S Notes):	G93249AE3
ISIN Code (Rule 144A Notes):	US91821XAE31
Common Code (Rule 144A Notes):	071903842
CUSIP Code (Rule 144A Notes):	91821XAE3
Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking, <i>société anonyme</i> and DTC and the relevant identification number(s)/and/or any alternative Common Depositary/Custodian:	Not Applicable
Delivery:	Delivery against payment
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable

SCHEDULE

9 February 2012

**STATE CORPORATION "BANK FOR DEVELOPMENT AND FOREIGN
ECONOMIC AFFAIRS (VNESHECONOMBANK)"**

and

VEB FINANCE PLC

LOAN SUPPLEMENT

to be read in conjunction with the Facility Agreement dated 24 June 2010
in respect of
a Loan of U.S.\$750,000,000

Series 5

This Loan Supplement is made on 9 February 2012 **between:**

- (1) **VEB FINANCE PLC** (formerly VEB Finance Limited), a company incorporated in Ireland with limited liability, whose registered office is at 53 Merrion Square, Dublin 2, Ireland (the **"Lender"**); and
- (2) **STATE CORPORATION "BANK FOR DEVELOPMENT AND FOREIGN ECONOMIC AFFAIRS (VNESHECONOMBANK)"**, registration number 1077711000102 with its registered address at 9 Akademika Sakharova, Moscow, 107996, Russia (the **"Borrower"**).

Whereas:

- (A) The Borrower has entered into a facility agreement dated 24 June 2010 (such facility agreement, as it may be amended or supplemented from time to time, the **"Facility Agreement"**) with the Lender in respect of the Borrower's U.S.\$30,000,000,000 programme for the issuance of loan participation notes by the Lender (the **"Programme"**).
- (B) The Borrower proposes to borrow U.S.\$750,000,000 (the **"Loan"**) and the Lender wishes to make such Loan on the terms set out in the Facility Agreement and this Loan Supplement.

It is agreed as follows:

1 Definitions

Capitalised terms used but not defined in this Loan Supplement shall have the meaning given to them in the Facility Agreement save to the extent supplemented or modified herein.

2 Additional Definitions

For the purpose of this Loan Supplement, the following expressions used in the Facility Agreement shall have the following meanings:

"Account" means the account in the name of the Lender in the Loan Currency (account number 1871428400);

"Borrower Account" means the account in the name of the Borrower (account number 8900341718);

"Calculation Agent" means The Bank of New York Mellon, London Branch;

"Closing Date" means, subject to Clause 4.3 of the Subscription Agreement, 13 February 2012;

"Loan Agreement" means the Facility Agreement as amended and supplemented by this Loan Supplement;

"Loan Currency" means U.S. Dollars;

"Notes" means U.S.\$750,000,000 5.375 per cent. Loan Participation Notes due 2017 issued by the Lender as Series 5 under the Programme;

"Rate of Interest" has the meaning given to it in Clause 4.2 below;

"Repayment Date" means 13 February 2017;

“Subscription Agreement” means an agreement between the Lender, the Borrower and BNP Paribas, J.P. Morgan Securities Ltd., Morgan Stanley & Co. International plc and The Royal Bank of Scotland plc dated 9 February 2012 relating to the Notes;

“Trustee” means BNY Mellon Corporate Trustee Services Limited (formerly BNY Corporate Trustee Services Limited) as trustee under the Trust Deed and any successor thereto as provided thereunder; and

“Trust Deed” means the Principal Trust Deed between the Lender and the Trustee dated 24 June 2010 (as may be amended or supplemented from time to time) as amended and supplemented by the Supplemental Trust Deed to be dated 13 February 2012 constituting and securing the Notes.

3 Incorporation by Reference

Except as otherwise provided, the terms of the Facility Agreement shall apply to this Loan Supplement as if they were set out herein and the Facility Agreement shall be read and construed, only in relation to the Loan constituted hereby, as one document with this Loan Supplement.

4 The Loan

4.1 Drawdown

Subject to the terms and conditions of the Loan Agreement, on the Closing Date, the Lender shall make the Loan to the Borrower and the Borrower shall make a single drawing in the full amount of the Loan.

4.2 Loan Interest Basis

The Loan is a Fixed Rate Loan. Interest shall be calculated, and the following terms used in the Facility Agreement shall have the meanings, as set out below:

4.2.1 Fixed Rate Loan Provisions	Applicable
(i) Interest Commencement Date:	13 February 2012
(ii) Rate of Interest:	5.375 per cent. per annum payable semi-annually in arrear
(iii) Interest Payment Date(s):	13 August and 13 February in each year adjusted in accordance with the Following Business Day Convention
(iv) Fixed Coupon Amount:	U.S.\$26.875 per US\$1,000 in principal amount
(v) Broken Amount:	Not Applicable
(vi) Day Count Fraction (Clause 4.9):	30/360 (Unadjusted)
(vii) Determination Date(s) (Clause 4.9):	Not Applicable

(viii)	Other terms relating to the method of calculating interest for Fixed Rate Loans:	Not Applicable
4.2.2	Floating Rate Loan Provisions	Not Applicable
4.2.3	Prepayment in the Event of Change of Control	Applicable
4.2.4	Put Option	Not Applicable
4.2.5	Call Option	Not Applicable

5 Fees and Expenses

Pursuant to Clause 3.2 of the Facility Agreement and in consideration of the Lender making the Loan to the Borrower, the Borrower hereby agrees that it shall, one Business Day before the Closing Date, pay to the Lender, in Same-Day Funds, the Arrangement Fee calculated taking into account the front-end fees, commissions and costs incurred and properly documented by the Lender in connection with financing the Loan pursuant to an invoice submitted by the Lender to the Borrower in the total amount of U.S.\$1,202,427.

6 Governing Law

This Loan Supplement, and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with English law.

7 Limited Recourse and Non-Petition

The provisions of clause 14.19 and 14.20 of the Facility Agreement shall apply to the parties to this Agreement as if specifically incorporated herein.

8 Jurisdiction

The provisions of Clause 14.10 of the Facility Agreement shall apply to the parties to this Agreement as if specifically incorporated herein.

This Loan Supplement has been entered into on the date stated at the beginning.

For and on behalf of STATE CORPORATION "BANK FOR DEVELOPMENT AND FOREIGN ECONOMIC AFFAIRS (VNESHECONOMBANK)":

By:

By:

Title:

Title:

**Signed by a duly authorised attorney for and on behalf of
VEB FINANCE PLC:**

By:

Title: