

**CONSOLIDATED BALANCE SHEETS**

(RUR thousands)

	Notes	December 31, 2006	December 31, 2005
<b>Assets</b>			
Cash and cash equivalents	5	5,405,277	4,904,158
Obligatory reserves with the Central Bank of the Russian Federation		291,036	508,993
Financial assets at fair value through profit or loss:			
non charged	6	9,881,442	6,582,977
charged under repurchase agreements	6	24,646,862	7,304,352
Amounts due from banks	7	1,320,397	1,938,606
Accounts receivable under reverse repurchase agreements	8	1,539,493	1,895,765
Financial assets available for sale	9	6,365	65,272
Loans to customers	10	3,166,324	4,380,936
Tax assets	26	288,555	156,056
Property and equipment	11	332,479	390,945
Investment assets	12	245,303	-
Intangible assets	13	26,172	44,876
Other assets	14	246,425	173,678
<b>Total assets</b>		<b>47,396,130</b>	<b>28,346,614</b>
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss	15	1,884,579	890,054
Amounts due to other banks	16	3,983,497	3,958,958
Accounts payable under repurchase agreements	17	21,842,458	7,013,339
Customer accounts	18	7,898,868	7,234,602
Debt securities in issue	19	4,913,440	2,713,684
Tax liabilities	26	7,680	506
Other liabilities	20	196,528	302,868
<b>Total liabilities</b>		<b>40,727,050</b>	<b>22,114,011</b>
<b>Shareholders' equity</b>			
Share capital	21	3,044,581	3,044,581
Repurchased equity stocks		-	(258,270)
Added paid-in capital		2,176,889	2,176,889
Retained earnings		1,447,610	1,269,403
<b>Total shareholders' equity</b>		<b>6,669,080</b>	<b>6,232,603</b>
<b>Total liabilities and shareholders' equity</b>		<b>47,396,130</b>	<b>28,346,614</b>

Approved and signed for and on behalf of the Management Board on June 8, 2007.

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/Signed/

Chairman

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Chief Financial Officer

The Notes enclosed are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENTS OF INCOME

(RUR thousands)

	Notes	2006	2005
Interest income	23	2,383,201	1,353,652
Interest expense	23	(1,438,838)	(658,983)
<b>Net interest income</b>		944,363	694,669
Allowance for impairment	10	(294,989)	(238,022)
<b>Net interest income after allowance for impairment</b>		649,374	456,647
Fee and commission income	24	318,392	186,674
Fee and commission expense	24	(44,797)	(50,506)
<b>Net fee and commission income</b>		273,595	136,168
Securities dealing gains less losses		816,626	1,520,097
Foreign exchange gains less losses		18,253	95,502
Dividends received		11,140	21,154
Other income		14,799	32,876
<b>Other non interest income</b>		860,818	1,669,629
Salaries and employment benefits	25	(946,363)	(827,714)
Administrative expenses	25	(425,936)	(359,238)
Amortization and depreciation	11, 13	(95,207)	(76,605)
Other operating expenses		(50,919)	(60,641)
<b>Operating expenses</b>		(1,518,425)	(1,324,198)
<b>Profit before taxes</b>		265,362	938,246
<b>Income tax (expense)/credit</b>	26	(87,155)	(212,549)
<b>Net profit</b>		178,207	725,697

The Notes enclosed are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(RUR thousands)

	Notes	Share capital	Repurchased equity stocks	Added paid-in capital	Retained earnings	Total shareholders' equity
<b>Balance as of December 31, 2004</b>		<b>3,044,581</b>	<b>(261,390)</b>	<b>2,176,889</b>	<b>847,688</b>	<b>5,807,768</b>
Dividend paid	21	-	-	-	(303,982)	(303,982)
Net profit		-	-	-	725,697	725,697
Resale of stocks previously repurchased from shareholders		-	3,120	-	-	3,120
<b>Balance as of December 31, 2005</b>		<b>3,044,581</b>	<b>(258,270)</b>	<b>2,176,889</b>	<b>1,269,403</b>	<b>6,232,603</b>
Net profit		-	-	-	178,207	178,207
Resale of stocks previously repurchased from shareholders		-	258,270	-	-	258,270
<b>Balance as of December 31, 2006</b>		<b>3,044,581</b>	<b>-</b>	<b>2,176,889</b>	<b>1,447,610</b>	<b>6,669,080</b>

The Notes enclosed are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(RUR thousands)

	Notes	2006	2005
<b>Cash flows from operating activities</b>			
Interest and commissions received		2,771,484	1,476,464
Interest and commissions paid		(1,379,860)	(741,321)
Securities dealing gains less losses		419,406	1,247,441
Foreign exchange gains less losses		213,878	180
Other income		14,629	32,868
Dividend received		10,749	21,154
Salaries and employment benefits		(1,038,324)	(639,060)
Administrative and other expenses		(399,585)	(437,856)
<b>Cash flows provided from/(used in) operating activities before changes in operating assets and liabilities</b>		<b>612,377</b>	<b>959,870</b>
<b>Net decrease (increase) in operating assets</b>			
Obligatory reserves with the Central Bank of the Russian Federation		217,957	(71,889)
Financial assets at fair value through profit or loss			
non-charged		(2,832,240)	447,031
charged under repurchase agreements		(16,117,089)	(4,269,289)
Amounts due from banks		719,103	(1,731,851)
Accounts payable under reverse repurchase agreements		518,654	3,072,440
Financial assets available for sale		-	3,275
Loans to customers		959,430	(1,383,578)
Other assets		(105,607)	939,152
<b>Net increase/(decrease) in operating liabilities</b>			
Financial assets at fair value through profit or loss		516,634	(2,846,925)
Amounts due to banks		(196,074)	1,995,209
Accounts payable under repurchase agreements		13,906,105	4,651,732
Customer funds		857,200	1,495,086
Other liabilities		(17,781)	59,243
<b>Net cash flows used in/(provided from) operating activities before income tax</b>		<b>(961,331)</b>	<b>3,319,506</b>
Income tax paid		(193,152)	(310,084)
<b>Net cash flows used in/(provided from) operating activities</b>		<b>(1,154,483)</b>	<b>3,009,422</b>
<b>Cash flows from investing activities</b>			
Acquisition of investment assets		(245,303)	-
Net acquisition of property and equipment		(5,704)	(59,547)
Acquisition of intangible assets		(9,997)	(34,509)
<b>Net cash flows from investing activities</b>		<b>(261,004)</b>	<b>(94,056)</b>
<b>Cash flows from financing activities</b>			
Resale of stocks previously repurchased from shareholders		258,270	3,120
Debt securities issued/(redeemed)		2,008,868	(447,613)
Dividend paid		-	(273,877)
<b>Net cash flows provided from/(used in) financing activities</b>		<b>2,267,138</b>	<b>(718,370)</b>
Effect of change in exchange rates on cash and cash equivalents		(350,532)	94,132
<b>Net change in cash and cash equivalents</b>		<b>501,119</b>	<b>2,291,128</b>
<b>Cash and cash equivalents as at the beginning of the year</b>		<b>4,904,158</b>	<b>2,613,030</b>
<b>Cash and cash equivalents as at the end of the year</b>		<b>5,405,277</b>	<b>4,904,158</b>

The Notes enclosed are an integral part of these consolidated financial statements.