

TRANSSTROIBANK
(Closed Joint Stock Company)

Summarised Financial Statements
Derived from the Audited Financial Statements

31 December 2005

AUDITORS' REPORT ON THE SUMMARISED FINANCIAL STATEMENTS

To the Board of Directors and Shareholders of Transstroibank:

- 1 The accompanying summarised financial statements have been derived from the financial statements of Joint Stock Commercial Bank Transstroibank (Closed Joint-Stock Company) ("the Bank") as at 31 December 2005 prepared in accordance with International Financial Reporting Standards (not included herein). These summarized financial statements are the responsibility of the Bank's Management. Our responsibility is to express an opinion on whether these summarized financial statements are consistent, in all material respects, with the financial statements from which they were derived.
- 2 We have audited, in accordance with International Standards on Auditing, the financial statements of the Bank as at 31 December 2005, from which the accompanying summarised financial statements were derived. Without qualifying our opinion, we draw attention to the fact, that a substantial proportion of the Bank's assets and liabilities are with related parties, a significant component of the Bank's income and expenses are derived from activities with related parties and 71% of the Bank's loan portfolio was issued to one related party borrower.
- 3 In our opinion, the accompanying summarised financial statements are consistent, in all material respects, with the financial statements, from which they were derived.
- 4 For a better understanding of the Bank's financial position, results of its operations and cash flows for the year and the scope of our audit, the summarised financial statements should be read in conjunction with the financial statements from which the accompanying summarised financial statements were derived, and our auditors' report thereon.

ZAO PricewaterhouseCoopers Audit

Moscow, Russian Federation
30 June 2006

Transstroibank
Summarised Financial Statements Derived from the Audited Financial Statements
Balance Sheet

<i>In thousands of Russian Roubles</i>	31 December 2005	31 December 2004
ASSETS		
Cash and cash equivalents	259 904	257 965
Mandatory cash balances with the Central Bank of the Russian Federation	20 837	19 160
Securities at fair value through profit or loss	9 822	212 796
Due from other banks	169 333	15 986
Loans and advances to customers	1 536 798	1 794 352
Premises, equipment and intangible assets	371 340	379 586
Other assets	10 992	6 944
TOTAL ASSETS	2 379 026	2 686 789
LIABILITIES		
Due to other banks	-	449 094
Customer accounts	651 893	222 724
Promissory notes issued	406 524	748 414
Deferred income tax liability	65 587	42 995
Other liabilities	13 797	6 152
Subordinated loans	126 044	108 745
TOTAL LIABILITIES	1 263 845	1 578 124
EQUITY		
Share capital	990 195	990 195
Retained earnings	124 986	118 470
TOTAL EQUITY	1 115 181	1 108 665
TOTAL LIABILITIES AND EQUITY	2 379 026	2 686 789

Approved for issue and signed on behalf of the Board of Directors on 30 June 2006.

E.V. Bychkova
 Chairman of the Executive Board



S.V. Chetkina
 Chief Accountant

Transstroibank
Summarised Financial Statements Derived from the Audited Financial Statements
Income Statement

<i>In thousands of Russian Roubles</i>	2005	2004
Interest income	203 664	261 770
Interest expense	(105 767)	(138 105)
Net interest income	97 897	123 665
Release/(charge) of provision for loan impairment	16 283	(90 027)
Net interest income after provision for loan impairment	114 180	33 638
Gains less losses from securities at fair value through profit or loss	5 359	7 768
Gains less losses from trading in foreign currencies	8 471	3 914
Foreign exchange translation (losses less gains)/gains less losses	(10 178)	13 022
Fee and commission income	12 464	22 332
Fee and commission expense	(927)	(1 578)
Losses on initial recognition of loans at rates above/below market	-	(6 807)
Release/(charge) of provision for other credit related commitments	2 048	(2 048)
Other operating income	10 255	10 337
Operating income	141 672	80 578
Administrative and other operating expenses	(92 654)	(78 590)
Profit before tax	49 018	1 988
Income tax expense	(42 502)	(22 124)
Profit/(loss) for the year	6 516	(20 136)

Transstroibank
Summarised Financial Statements Derived from the Audited Financial Statements
Statement of Changes in Equity

<i>In thousands of Russian Roubles</i>	Share capital	Retained earnings	Total equity
Balance as at 1 January 2004	990 195	138 606	1 128 801
Net loss for the year	-	(20 136)	(20 136)
Balance as at 31 December 2004	990 195	118 470	1 108 665
Net profit for the year	-	6 516	6 516
Balance as at 31 December 2005	990 195	124 986	1 115 181

Transstroibank
Summarised Financial Statements Derived from the Audited Financial Statements
Cashflow Statement

<i>In thousands of Russian Roubles</i>	2005	2004
Cash flows from operating activities		
Interest received	197 318	291 714
Interest paid	(79 114)	(53 826)
Income received from trading in foreign currencies	8 471	5 239
Fees and commissions received	12 464	22 332
Fees and commissions paid	(927)	(1 578)
Other operating income received	10 255	10 340
Administrative and other operating expenses paid	(77 419)	(66 115)
Income tax paid	(8 922)	(20 419)
Cash flows from operating activities before changes in operating assets and liabilities	62 126	187 687
Changes in operating assets and liabilities		
Net (increase)/decrease in mandatory cash balances with the Central Bank of the Russian Federation	(1 677)	181 286
Net decrease/(increase) in securities at fair value through profit or loss	208 398	(106 526)
Net (increase)/decrease in due from other banks	(153 703)	70 465
Net decrease in loans and advances to customers	289 373	406 722
Net (increase)/decrease in other assets	(182)	16 532
Net (decrease)/increase in due to other banks	(451 446)	15 285
Net increase/(decrease) in customer accounts	417 865	(652 850)
Net (decrease)/increase in debt promissory notes issued	(357 038)	571 730
Net decrease in other liabilities	(7 552)	(4 538)
Net cash from operating activities	6 164	685 793
Cash flows from investing activities		
Acquisition of premises, equipment and intangible assets	(7 751)	(5 422)
Proceeds from disposal of premises, equipment and intangible assets	3 660	-
Net cash used in investing activities	(4 091)	(5 422)
Cash flows from financing activities		
Repayment of subordinated loans	-	(897 489)
Net cash used in financing activities	-	(897 489)
Effect of exchange rate changes on cash and cash equivalents	(134)	(810)
Net increase/ (decrease) in cash and cash equivalents	1 939	(217 928)
Cash and cash equivalents at the beginning of the year	257 965	475 893
Cash and cash equivalents at the end of the year	259 904	257 965