



ANNUAL REPORT 2012



Evrofinance
Mosnarbank

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Reviewed and submitted for approval by the annual general meeting of shareholders by the Supervisory Board of Evrofinance Mosnarbank (Minutes No. 137 of the meeting of the Supervisory Board dated 30 May 2013)

Approved at the annual general meeting of shareholders of Evrofinance Mosnarbank (Minutes No. 53 dated 27 June 2013)

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1 ADDRESS OF THE PRESIDENT-CHAIRMAN OF THE BOARD

Dear shareholders, clients and partners,

let me present you a consolidated report on the performance of Evrofinance Mosnarbank in 2012.

2012 was the first year when Evrofinance Mosnarbank had operated on a full-scale basis as a joint Russian-Venezuelan bank.

It should be noted that in the beginning the Bank found itself in highly difficult conditions of the continuing global financial crisis when the entire Russian banking system, our Bank included, were exposed to the full to the influence of the environment of foreign commodity and financial markets. All through the year the prospects of the global economy's development remained uncertain, the economic growth rates in developed and developing countries considerably slackened and there was a drastic economic downgrade in the euro area. All these factors led to a high variation of prices on the global commodity markets on the whole and particularly on the energy market.

2012 proved to be a challenging year, both for Russia and for Venezuela and yet the two countries continue developing their efficient cooperation. One of the key points of the joint operating program is an extensive package of investment projects, including long-term ones, which cover a variety of economic sectors. At present, the top executives of the two states are negotiating for developing Venezuela's energy resources, building heat power plants and dock yards, arranging leasing supplies of Russian-sourced civil aeronautics, setting car assembly plants and establishing agricultural cooperation.

In 2012 Evrofinance Mosnarbank actively participated in the development of Russia-Venezuela cooperation and contributed to the implementation of forthcoming joint projects. Thanks to it, the Bank considerably extended the range of its operations and significantly improved its key performance indicators, which is illustrated by the dynamics in the key volume indicators of the Bank's performance at the end of 2012:

- asset increase by 30% (by 19% on average in terms of active credit institutions),
- increase in the volume of raised resources by 35% (19%),
- increase in the corporate credit portfolio by 25% (13%).

As of 1 January 2013 the Bank's asset amounted to 89,908 million rubles and the equity capital - to 12,689 million rubles. The Bank's net profit grew by 2.2 times against the previous reporting period to hit 697 million rubles.

Thanks to its high performance, the Bank remains among the largest Russian credit institutions by the size of assets and equity capital. According to Interfax-CEA, as of 1 January 2013 the Bank ranks 42nd by the size of the capital and 59th by the size of assets, thus having advanced against the beginning of the reporting year.

The Bank's client policy in 2012 aimed at continuing effective cooperation with stable active enterprises operating in the leading economic sectors of Russia, fuel and energy, engineering, petrochemical and manufacturing

businesses. Extension of the client base and improvement of the client service quality remain the Bank's priorities. For addressing current and strategic tasks, the Bank's clients representing leading economic enterprises are traditionally offered personal managers. The model of switching from sales of individual products to the concept of the maximum satisfaction of needs of various client categories fully proved to be effective. Hence, most of the clients that had earlier used individual products and services chose comprehensive banking servicing. Another factor that contributed to improving and preserving a high level of service was the continuing development of advanced information technologies.

The regional policy of Evrofinance Mosnarbank was aimed at reorganizing the branch network as a main channel for promoting products and services in Russia and in countries of strategic interest. In the short term the Bank plans to set up a branch as part of the Bank's representative office in Caracas (the Bolivarian Republic of Venezuela), which will allow providing full-scale servicing of Russian-Venezuelan projects and will promote the development of the mutually beneficial cooperation between Russia and Venezuela.

The Bank's effective performance in the previous year was strongly rated by international analysts. The international

rating agencies FitchRatings, Moody's and PA Moody's Interfax confirmed the Bank's reliability and stability ratings. According to the rating agencies, the Bank's rating is positively influenced by high liquidity, capitalization and asset quality ratios. In The Banker's Top 1,000 World Banks ranking published in 2012 the Bank ranked 919th by Tier I Capital and 19th by the capital adequacy level.

Traditionally following the recommendations of the Basel Committee on Banking Supervision, in 2012 Evrofinance Mosnarbank met as before the new Basel III requirements to the capital structure and asset quality.

In conclusion, I would like to thank our employees - a solid team of professionals. In addition, I would like to express our gratitude to all our shareholders and partners for support and joint fruitful efforts and also thank our clients for confidence. I hope in the new reporting year we will once again justify your confidence and consolidate the reputation of a reliable and stable financial and credit institution.

Acting President-Chairman of the Board

I.K. Lomakin

2

REPORT OF THE MANAGEMENT TEAM





2. REPORT OF THE MANAGEMENT TEAM

2.1. Key events

2012

Evrofinance Mosnarbank, Rostec State Corporation and OJSC Rosoboronexport sign a memorandum of cooperation.

2012

On 24 September a joint project of Evrofinance Mosnarbank, Union Card Russian payment system, Vietnam's national settlement company Banknetvn and Vietnam-Russia Joint Venture Bank (VRB) is launched in Hanoi. The project is initiated by Evrofinance Mosnarbank.

2011

On 8 December 2011 Russia and Venezuela sign an interstate agreement, under which an international organization will be created as part of Evrofinance Mosnarbank;

2010

In accordance with the Russia-Venezuela intergovernmental agreement it is resolved to change the structure of the Bank's shareholders. Evrofinance Mosnarbank will consolidate the international shareholders: OJSC VTB Bank, VTB Bank (France) SA, ITC Consultants (Cyprus) Limited, GPB (OJSC), Gazprombank (Switzerland) Ltd and Venezuelan National Development Fund FONDEN S.A.;

2009

Evrofinance Mosnarbank is the top Russian bank in terms of risk management according to EUROMONEY;

2008

Evrofinance Mosnarbank ranks 27th among Russian banks in terms of the equity capital according to The Banker;

2007

EUROMONEY acknowledges Evrofinance Mosnarbank to be the corporate governance leader among banks of the Central and Eastern Europe;

2005

OJSC VTB Bank buys BCEN –Eurobank, Paris and Moscow Narodny Bank Limited (MNB Limited), London and the Vneshtorgbank Group becomes the largest shareholder of Evrofinance Mosnarbank;

2003

Evrofinance Mosnarbank is established in Russia following the consolidation of CB Mosnarbank CJSC with OJSC JSCB Evrofinance;

2001

According to the methods of Standard & Poor's international rating agency, JSCB Evrofinance becomes the most profitable bank among the one hundred largest banking institutions of the Central and Eastern Europe;

1998

Having survived the economic crisis, JSCB Evrofinance succeeds in increasing the number of clients, augmenting the volumes of raised funds and becoming one of the few banks that keep issuing loans to the real sector of economy;

1996

Evrofinance Commercial Bank is admitted to the International Chamber of Commerce. Investments in federal loan bonds/T-Bills, made via the Bank, exceeds 3.4 billion US dollars;

1995

CB Mosnarbank CJSC, a 100% subsidiary bank of Moscow Narodny Bank Limited, London, is established in Russia;

1993

Evrofinance Commercial Bank (the legal successor of JSC Evrofinance North-European Financial Company) is registered in Russia and is granted a general banking license; BCEN – Eurobank, Paris, the Bank of Foreign Economic Activity of the USSR and the Bank of Foreign Trade of Russia become the Bank's shareholders;

1990

Joint-Stock Company North-European Financial Company (Evrofinance), one of the first foreign-invested financial companies granted the State Bank of the USSR's general license at the moment of its creation, is established in the USSR;

1921

BCEN – Eurobank (Banque Commerciale pour l'Europe du Nord), which later on became a subsidiary of the State Bank of the USSR and the Bank of Russia, is created in France;

1919

The London representative office of Moscow Narodny Bank (MNB) is restructured into a bank operating under the English law - Moscow Narodny Bank Limited (MNB Limited). Following the subsequent nationalization, MNB Limited becomes a subsidiary bank of the State Bank of the USSR (later on, the Bank of Russia);

1915

A representative office of Moscow Narodny Bank (MNB) is opened in London;

1911

Moscow Narodny Bank (MNB) owned by cooperatives, the largest non-state bank of the Russian Empire, is established in Russia.

DEVELOPMENT STRATEGY





2. REPORT OF THE MANAGEMENT TEAM

2.2. Development strategy

When developing the 2013-2015 Strategy, Evrofinance Mosnarbank focuses on the following key areas:

1. Priority business development lines:

- Work with large corporate clients in the oil and gas, electrical energy, petrochemical and manufacturing industries, transport and communication enterprises
- Private banking service
- Treasury operations, trade operations on the currency and money market, trade operations on the fixed-income market, trade operations on the stock market
- Investment banking business (raising debt financing, brokerage services, trust asset management, investment consulting, M&A, etc.)

- Operating within the framework of the intergovernmental agreement aimed to promote the bilateral cooperation between Russia and Venezuela, by preserving positions of a universal bank prioritizing servicing major corporate clients.

2. Maintaining high liquidity and capitalization ratios, which is the basis for the Bank's stability in the unstable economic environment.

3. Ongoing development and improvement of the risk management system and corporate governance standards in accordance with the world standards.

Main areas of focus for the Bank's business development:

- Universal service of corporate clients, including issue of loans to the real sector of economy, has always been a priority line of the Bank's activity. In its credit policy the Bank sticks to the rational conservatism principles, by gradually building up the volumes of credit operations. At the same time, the Bank never ceases to aim at preserving high operating reliability and stability; hence, if the Bank decides to

extend its credit activities, it will do it only after assessing the advisability of such extension in terms of risk management and in strict compliance with the provisions forming policy.

- Since 2011 Evrofinance Mosnarbank has been operating within the framework of an intergovernmental agreement aimed to develop bilateral cooperation between Russia and Venezuela, by preserving at the

same time positions of a universal bank. Within the project scope, the Bank offers a full range of banking services - placement of funds, international settlements, consultancy services, lending activities, etc. It is planned to continue servicing the leading state and private companies of Venezuela, Russian companies participating in the Russian-Venezuelan economic cooperation, and joint ventures set up for the implementation of projects with the involvement of Russian companies. The Bank conducts extensive operations with debt instruments of Venezuela and Venezuela's state companies.

- Securities market services. The Bank will continue extensive operations on the capital market by investing in securities of Russian issuers, including government, sub-federal and corporate bonds, and also shares. For the purpose of increasing the reliability of investments and ensuring more effective risk management the Bank intends to significantly expand the range of bonds purchased. The basic criteria for selecting securities are the issuer's financial stability and the potential of growth in the investment assets in the given sector.

- Investment and banking operations. The Bank plans to participate in large-scale projects, acting as a co-organizer and/or co-underwriter of bond issues, particularly, by using the potential of

the Russian debt market for organizing issues of Venezuelan debt instruments and raising funds from Russian investors. The Bank also projects to participate in investment projects related to funds raising and business restructuring, possessing an extensive experience in the implementation of various projects in Russia and abroad for providing consultancy services to foreign companies seeking to expand their presence in Russia and to Russian businesses wishing to access international capital markets.

- Operations on the currency and money market. The Bank is an active participant of the Russian money market and has an extensive resource base and a wide network of counterparties, maintaining an adequate level of its own liquidity and offering refinancing to Russian credit institutions against various forms of security.

- Regional business. The strategy of the Bank's development within the framework of Russia-Venezuela cooperation finds its way in the Bank's regional policy as well. The regional policy aims to ensure the Bank's presence in countries of strategic interest. The strategy of the business development in the Russian regions is aimed at optimizing the branch network. In future the regional strategy will be selective: the most promising and safe projects will be the Bank's priority.

In the opinion of the Bank's management team, the political events observed in Venezuela from the beginning of 2013 will have no material impact on the Bank's activity and its financial performance on the whole. In the short term, it is planned to set up a branch in the Bolivarian Republic of Venezuela as part of the Caracas representative office, which will make possible to provide full-scale servicing of Russian-Venezuelan projects.

OPERATIONS OVERVIEW





2. REPORT OF THE MANAGEMENT TEAM

2.3. Operations overview

CLIENT SERVICE

As before, offering comprehensive banking services to corporate clients was the priority line of the 2012 Client Policy of Evrofinance Mosnarbank. The Bank continued consolidating its positions in a conventional niche - working with large Russian enterprises of the fuel and energy, metallurgical, metal-processing, engineering and chemical industries, defense, aviation and space companies, and offered its clients a full range of banking services allowing structuring deals of any level of complexity and satisfying client needs at all business development stages.

In its 2012 Client Policy the Bank focused on improving the competitiveness of the Bank's services considering the situation on the inter-bank market by integrating new client service technologies. In 2012 the Bank became an accredited provider of financial and banking services on the largest e-trading platforms of e-trading operators: OJSC United Electronic Market Place, the e-trading platform of CJSC MICEX-Information Technologies "Goszakupki" (State Purchases), the electronic platform of CJSC Sberbank AST, RTS-Tender Electronic Platform - trading for state and municipal needs.

The Bank's Client Policy was implemented in line with the Bank's risk mitigation strategy. This approach resulted in a stable increase in the corporate credit portfolio during 2012 against the background of the still low volumes of the provisions formed.

In 2012 the Bank continued pursuing the objectives and goals set by the Bank's shareholders for the period of 2011-2015 within the framework of the established Russia-Venezuela bank and gradual transformation of Evrofinance Mosnarbank into an international organization through creation of an interstate Russia-Venezuela bank.

In 2012 the funds raised by the Bank grew by 35%, particularly, balances on accounts of large corporate clients rose by 13%.

The Bank widely participated in effecting settlements between Russian and Venezuelan companies, took part in the financing of the first phase of the construction of 1,000 Megawatt electric power plant in Guria (Sucre), integrated cash trust management services for Venezuelan companies, and set up an

institute of 24/7 individual managers. The Bank provided consultancy services to Russian companies entering Venezuela's markets and to Venezuelan companies planning to start operations in Russia. The Bank established correspondent relations with Venezuela's leading banks.

In 2012 the Bank continued its joint activities with Venezuelan companies for integrating an electronic document management system allowing exchanging with clients electronic financial messages

according to the EDIFACT international standards, which enables the clients using this standard to make payments via the Bank without upgrading their information systems and without using individual Bank-Client systems.

For individual clients the Bank's Client Policy envisaged an individual service approach, confidentiality, a differentiated selection of credit products, based on different client needs.

2. REPORT OF THE MANAGEMENT TEAM

CREDIT POLICY

As in the previous years, in the reporting period lending remained one of the priority lines of the Bank's activity.

The credit portfolio structure as of 1 January 2013 reflects the Bank's strategy oriented at corporate clients. Loans issued to legal entities accounted for 93% as of 1 January 2013 (a similar indicator for the banking sector on average is 72%). The Bank offers its corporate clients a traditional selection of credit products: loans (including loans issued within a set credit risk limit), credit lines (including those with drawdown and debt limits), trade finance transactions: guarantees (including guarantees of payment of customs charges, excise taxes), letters of credit. When providing finance, the Bank gives preference to companies with a positive credit history. When assessing the creditworthiness, the Bank takes into account the macroeconomic situation in the country, the borrower's market positions and its operating potential, financial situation, availability and quality of security.

The conservative credit policy pursued by the Bank ensures a high quality of the corporate credit portfolio, which is evidenced by the fact that there is no overdue debt and restructured loans as of 1 January 2013.

The overdue debt under the credit portfolio totaled 125 million rubles (overdue debts of individuals). The proportion of bad loans decreased against the beginning of 2012 and equaled 1% of the total issued loans.

Security was provided and documented for the most part of the credit portfolio. Based on the counterparty-borrower's payment risk, the Bank accepted pledge of property (real estate, equipment, vehicles, securities, inventory items), pledge / assignment of right of demand on earnings and/or third-party suretyships as security against the credit risk.

STRUCTURE OF THE BOOK VALUE OF LOANS ISSUED TO CLIENTS, BY TYPES OF SECURITY RECEIVED BY THE BANK

(MILLION RUBLES)

Mortgage secured loans	5 425
Loans secured by pledge of securities	1 372
Loans secured by pledge of equipment	611
Loans secured by pledge of the Bank's securities	192
Loans secured by suretyships and guarantees	162
Loans secured by assignment of right of demand	106
Loans secured by other resources	23
Unsecured loans	4 354
Total	12 243

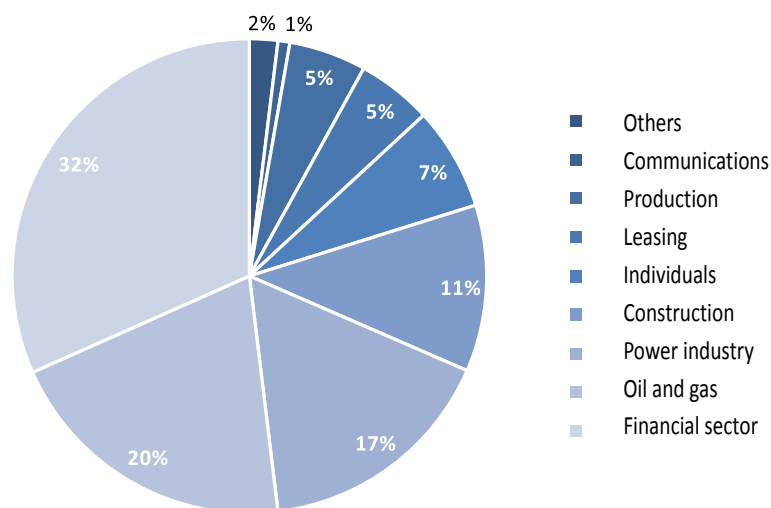
Against 2011, there was a decrease in the percentage of unsecured loans, which accounted for about 66% of the credit portfolio volume at the beginning of 2012. As of 1 January 2013 security totals 14,324 million rubles (at the collateral value).

For appraising pledge the Bank used independent expert services of qualified appraisers, whose reputation was undoubtful for the Bank, or reliable public sources of information for determining market prices of property pledged. As before, to major first-class corporate clients with a continuous positive credit history the Bank offered unsecured loans.

2. REPORT OF THE MANAGEMENT TEAM

As of 1 January 2013 most of the corporate credit portfolio is accounted for by power industry, oil and gas industry, construction industry and companies conducting investment activities.

SECTORAL STRUCTURE OF THE CREDIT PORTFOLIO AS OF 1 January 2013

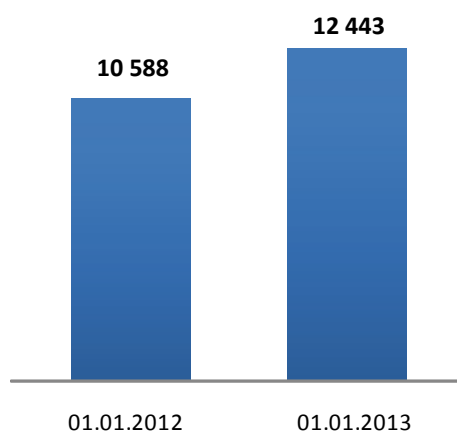


During 2012 the Bank's credit portfolio demonstrated stable growth, having gone up from 10,588 million rubles to 12,443 million rubles, or by 17.5%. The growth in the Bank's credit portfolio is due to the growth in its corporate credit portfolio, which during 2012 went up from 9,067 million rubles to 11,374 million rubles,

or by 25%. The volume of loans issued to individuals went down in 2012 from 1,150 million rubles to 866 million rubles (or by 25%), which is within the forecast level. The proportion of the portfolio issued to individuals is about 7% of the Bank's total credit portfolio.

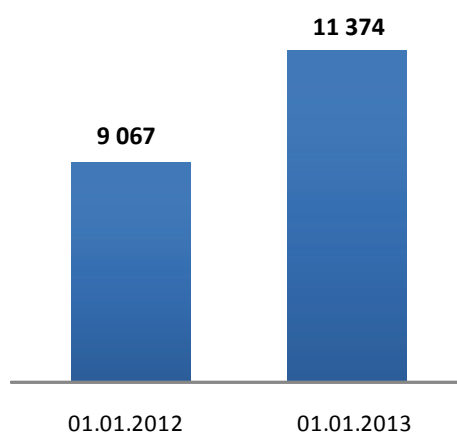
DYNAMICS IN THE BANK'S CREDIT PORTFOLIO IN 2012

(MILLION RUBLES)



DYNAMICS IN THE BANK'S CORPORATE CREDIT PORTFOLIO IN 2012

(MILLION RUBLES)



It should be noted that the rates of growth in the Bank's credit portfolio are somewhat behind the loan growth rates in the banking sector on average, which at the end of 2012 neared 19%. Such high

loan growth rates in the banking sector on the whole were thanks to the increase in the consumer loan volumes (by almost 40%), whereas the bank corporate portfolio grew only by 13%.

2. REPORT OF THE MANAGEMENT TEAM

CAPITAL MARKET SERVICES

In the reporting year Evrofinance Mosnarbank quite widely operated on fixed income instruments and stock markets by investing in securities of Russian issuers, including government, sub-federal and corporate bonds, and also their shares. For the purpose of increasing the reliability of investments and ensuring more effective risk management, the Bank gave preference to debt instruments rated by international agencies and put on the Bank of Russia's Lombard List. At the end of the year the securities portfolio amounted to 11.7 billion rubles, including: a trade portfolio of 11.6 billion rubles and an investment portfolio held to maturity - 0.1 billion rubles.

In 2012 the Bank maintained rather a high level of investments in debt government securities and securities of non-state highly reliable issuers. The basic criteria for selecting securities were the issuer's financial stability and the potential of growth in the investment assets in the given sector.

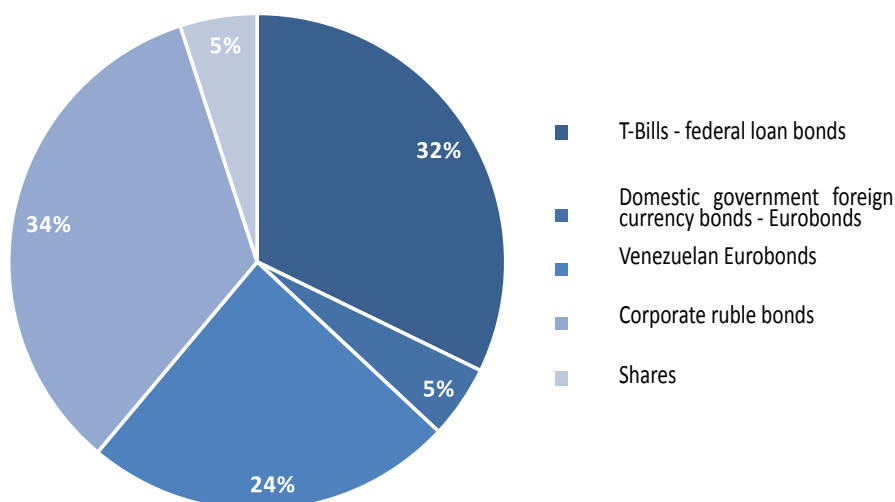
The Bank conducted operations with Venezuela's and PDVSA's debt instruments. Despite a high volatility of this financial market segment, at the end of 2012 the Bank's income, including coupon and trade income, amounted to 33.5 million US dollars.

At the end of 2012 the Bank's investments in these instruments equaled 53.5 million US dollars.

As of the end of the reporting period, Evrofinance Mosnarbank succeeded in maintaining its positions of a major participant both on the organized and on the OTC markets of debt instruments and shares of Russian issuers. The volume of the Bank's transactions with securities amounted in 2012 to 36 billion rubles and the trade income received under operations with securities hit 529 million rubles, having grown more than four-fold against 2011.

As of the end of the reporting year the total trade portfolio was represented mainly by marketable securities.

AVERAGE ANNUAL STRUCTURE OF THE SECURITIES PORTFOLIO IN 2012



In 2012 the Bank continued offering a full package of brokerage services to individuals and legal entities by carrying out operations on the main trading platforms of Russia and rendering also consultancy services on financial markets.

When rendering brokerage services Evrofinance Mosnarbank extensively closed transactions with debt instruments

and shares denominated in rubles and in foreign currency, traded both on organized and on OTC securities markets.

The Bank serviced its clients by actively using the NetInvestor electronic trade system offering clients a wide choice of possibilities to manage their own assets via the Internet.

2. REPORT OF THE MANAGEMENT TEAM

INVESTMENT AND BANKING OPERATIONS

In 2012 Evrofinance Mosnarbank participated in a number of large-scale projects on the Russian debt market (acting in some of them as a co-underwriter of the bond issue):

- Unicredit Bank (BO1 bonds);
- Transaero (BO1 bonds);
- Svyazbank (4 and BO1 series bonds);
- Acron (BO1 bonds).

Possessing profound competency and an extensive experience in the implementation of various projects in Russia and abroad, experts of Evrofinance Mosnarbank provided consultancy ser-

vices to foreign companies seeking to expand their presence in Russia and to Russian businesses wishing to access international capital markets.

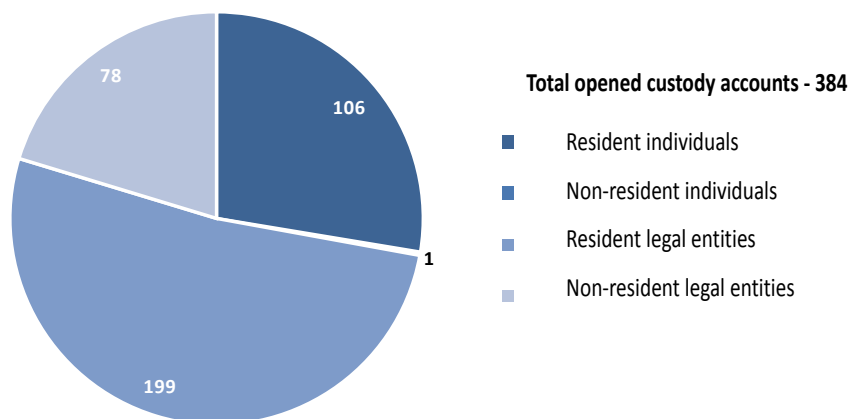
CUSTODY SERVICES

The Depository of Evrofinance Mosnarbank is a universal custodian dealing with all types of clients and all types of securities issued both in Russia and abroad.

The Depository of Evrofinance Mosnarbank has established correspondent relations with the EUROCLEAR international clearing center, depositaries of OJSC VTB Bank, State Corporation Bank for Development and Foreign Economic Affairs (Vnesheconombank), ING BANK (EURASIA) ZAO, and has opened accounts with NCO National Settlement Depository and other depositaries and registrars. An extensive correspondent network helps to significantly reduce clients' costs on asset service and makes it unnecessary to have a separate custody account at each of settlement depositaries.

During the previous year the Depository of Evrofinance Mosnarbank continued improving the product line and enhancing the quality of servicing the Bank's clients. In the third quarter 2012 the Depository joined the Remote Banking System, which made it possible to transmit client instructions as well as the Depository's reports via the remote banking service. In the fourth quarter the Bank promptly opened trading accounts for clients using brokerage services in accordance with the requirements of Federal Law No. 7-Φ3 dated 7 February 2011 "On Clearing and Clearing Activity".

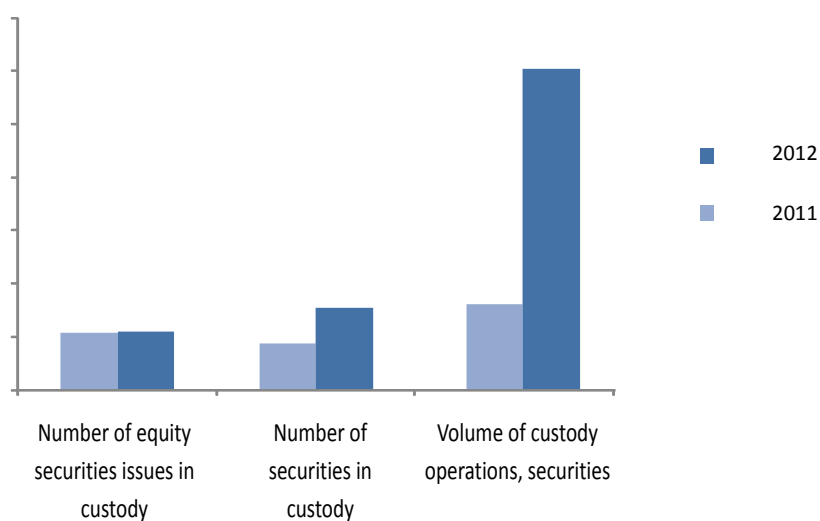
STRUCTURE OF THE DEPOSITARY'S CLIENT BASE



As compared with the past 2011, the Depository's client base extended by 10%, mainly, on account of resident individuals.

2. REPORT OF THE MANAGEMENT TEAM

In 2012 the number of securities issues in custody increased by 3%. The volume of custody operations grew by 3.75 times, and the number of securities in custody - by 78%.



As compared with 2011, the Depository's income grew by 25%.

At present the Depository's top priority is maintaining a high level of reliability, providing a full range of services to a wide number of clients by separately rendering VIP services on the OTC market when executing major transactions. Thanks to the

reputation of a reliable, high-tech universal depository, well-established on the stock market and in the banking community, the Bank acts as the guarantor when carrying out non-standard operations.

ATTRACTING CLIENTS' FUNDS IN DEPOSITS AND OPERATIONS ON THE ISSUE OF OWN BILLS OF EVROFINANCE MOSNARBANK

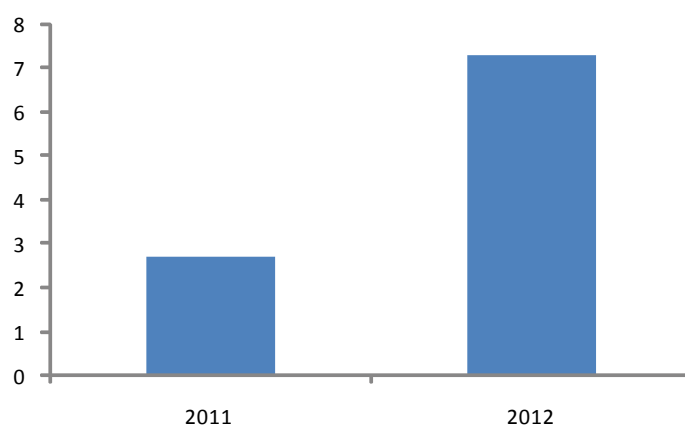
At the time of the stabilization in the banking sector in 2012, Evrofinance Mosnarbank continued its extensive operations on the market of sales of deposit products by developing the line of deposits and enhancing their competitiveness.

Thanks to an extended client base, the Bank significantly augmented the volumes of its deposit portfolio.

At the end of the reporting period the portfolio of raised funds grew from 2.7 billion rubles to 7.3 billion rubles, which is by more than 2.7 times higher than the similar figure in 2011.

PORTFOLIO OF RAISED FUNDS

(BILLION RUBLES)



To be able to effectively manage temporarily available cash, clients of Evrofinance Mosnarbank were offered a full range of deposit products - in rubles and in foreign currency, with an option of early deposit termination. Seeking to satisfy various client needs, Evrofinance Mosnarbank offered flexible terms and rates.

The mechanism of concluding deposit transactions on the basis of framework agreements and the possibility to place available funds by using electronic communications significantly simplifies the funds placement process for clients.

2. REPORT OF THE MANAGEMENT TEAM

During 2012 Evrofinance Mosnarbank's bills consolidated their market positions and become even more attractive for the Bank's counterparties.

More and more clients choose the Bank's bills as a universal settlement and payment instrument. The number of market counterparties that have opened limits with Evrofinance Mosnarbank is constantly growing, which speaks of the high liquidity and reliability of the Bank's bills.

Owing to the policy of balanced pricing and effective management of the portfolio of own bills, in 2012 the turnover under Evrofinance Mosnarbank's bills hit 1.8 billion rubles.

TRUST MANAGEMENT

In 2012 Evrofinance Mosnarbank developed a full-scale program on the trust management of funds of the Bank's clients.

Thanks to providing trust management services based on a flexible and individual approach to the needs of each individual client when drawing up the investment policy statement, adhering to the principles of the investment policy

statement, taking due care of clients' property and furnishing reports to clients on time, Evrofinance Mosnarbank formed a trust manager portfolio of 15.2 billion rubles.

2. REPORT OF THE MANAGEMENT TEAM

BROKERAGE SERVICE

In 2012 the Bank offered a full package of brokerage services to individuals and legal entities: the bank accepted instructions for closing transactions, effecting settlements under closed transactions, preparing and submitting reports on closed transactions and reports on the status of clients' brokerage accounts, and also provided consultancy services: the Bank's experts advised clients on operations on financial markets.

As part of brokerage services, the Bank conducted operations with debt instruments and shares denominated in rubles and in foreign currency, traded both on the organized and on the OTC securities markets.

The professional NetInvestor electronic trade system used at the Bank offers clients a wide selection of possibilities to manage their own assets via the Internet.

Several clients using brokerage services were granted the Qualified Investor status. New brokerage service regulations envisaging servicing of non-residents of Russia were brought into effect.

The Bank conducts its brokerage service activities in accordance with brokerage service agreements concluded with clients, being guided by the effective Russian legislation and regulatory documents of the Central Bank of Russia and the Federal Financial Markets Service of Russia.

OPERATIONS ON THE MONEY AND CURRENCY MARKETS

OPERATIONS ON THE MONEY MARKET

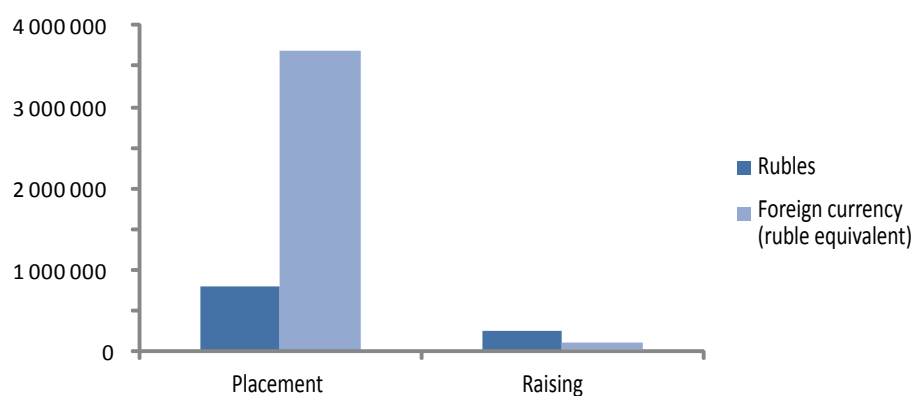
In 2012 Evrofinance Mosnarbank continued acting as a major participant of the Russian money market.

For a long period of time the Bank acted as a net seller of credit resources on the inter-bank loans market, retaining its positions of a net creditor in 2012.

In the reporting period the volume of placed inter-bank loans amounted to 4,480 billion rubles. The volume of raised inter-bank loans for the same period equaled 258 billion rubles.

VOLUME OF INTERBANK LOANS

(BILLION RUBLES)



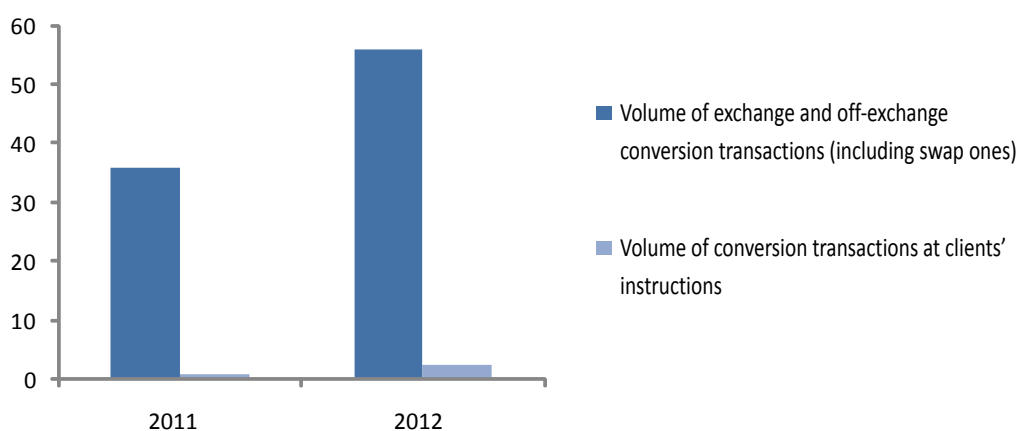
2. REPORT OF THE MANAGEMENT TEAM

CONVERSION OPERATIONS OF THE BANK'S CLIENTS

For settlement of the liquid position and arbitrage operations the Bank made an extensive use of derivatives of the currency market. In 2012 the volume of exchange and off-exchange conversion transactions (including SWAP ones) amounted to 56 billion US dollars.

Due to the extension of client operations, the volume of conversion transactions at clients' instructions grew more than two-fold, amounting to 2.4 billion US dollars.

(BILLION USD)



RELATIONSHIPS WITH FINANCIAL INSTITUTIONS

In 2012 Evrofinance Mosnarbank continued developing mutually beneficial cooperation with Russian and foreign financial institutions.

Among the Bank's partners are the world's leading financial institutions such as:

JPMorgan Chase Bank NA,
Commerzbank AG,
Credit Suisse AG,
BNP Paribas SA,
Barclays Bank Plc,
Raiffeisen Bank International AG,
Banco Central de Venezuela,

Banco de Venezuela,
Banco del Tesoro,
Vnesheconombank,
OJSC Sberbank of Russia,
OJSC VTB Bank,
GPB (OJSC)
and other financial institutions.

The Bank principally focused on increasing inter-bank limits of banks-counterparties.

Possessing an extensive experience and improving the internal settlement technologies, Evrofinance Mosnarbank succeeded in maintaining its presence on the Russian market of settlement services. Thanks to stable relations with

correspondent banks and an extended network of nostro accounts, the Bank promptly effected international and domestic settlements for needs of its clients in all global major currencies.

2. REPORT OF THE MANAGEMENT TEAM

BANK CARDS

Evrofinance Mosnarbank is a full-fledged member of Visa International, Master Card International international payment systems and Unionpay Chinese payment system and is the central settlement bank of Union Card and NCC payment systems.

In 2012 the Bank effectively continued developing the system of local clearing between partner banks. Besides accelerating settlements, this system allows clients holding cards of a bank participating in the local clearing system to withdraw cash at ATMs of another bank participating in the system.

The Bank was the first in Russia and Europe to issue cards of Unionpay Chinese payment system and was one of the first to provide their service in its ATM network. In the reporting year the Bank continued implementing the project on the issue and service of bank cards of the Unionpay payment system. The Bank carried out a number of organizational and technical activities to provide service of Unionpay bank cards in the network of banks - participants of the Union Card and NCC payment systems, which enables clients holding cards issued by the Bank to withdraw cash and pay for goods and services at more than 4,000 ATMs of banks participants of these payment systems.

At present the network of ATMs used in the systems, for which the Bank acts as a settlement bank, comprises 10,000

machines located in Moscow and Moscow region, Saint-Petersburg and other cities of Russia.

Besides, being a full-fledged member of the largest international Visa International, MasterCard International and UnionPay payment systems, the Bank gradually develops the inter-bank cooperation in providing a package of services (sponsored program) on joining and organizing the issue and service of Visa International, MasterCard International and UnionPay bank cards in the capacity of an associated/affiliated participant, and a package of services on distributing UnionPay cards under an agency program. At present, 14 Russian banks act as participants of the Visa International, Master Card International international payment systems within the framework of the Bank's sponsored program.

Evrofinance Mosnarbank took an active part in the preparation of the draft law on the National Payment System, in the work of the Russian-Vietnamese task force and the Russian-Chinese sub-commission on interbank cooperation.

REGIONAL POLICY

As part of the process of the Bank's transformation into an international financial organization and based on the changes in the Bank's regional strategy, in 2012 the Bank continued closing some of its branches. In the spring 2012 the Bank opened a representative office in Saint-Petersburg on the basis of a closed branch.

So, by the beginning of 2013 the Bank's regional network consisted of 2 branches in Stavropol and Yaroslavl; 2 additional offices in Nevinnomyssk, Pyatigorsk, and 3 representative offices in Saint-Petersburg, Beijing and Caracas.

Operations of branches in 2012 were focused on maintaining cooperation with their regular clients and on continuing the development of partnership relations with Venezuela's largest companies.

In the short term, the Bank plans to create a fully-featured branch in the Bolivarian Republic of Venezuela.



FINANCIAL PERFORMANCE OVERVIEW





10M

10M

2. REPORT OF THE MANAGEMENT TEAM

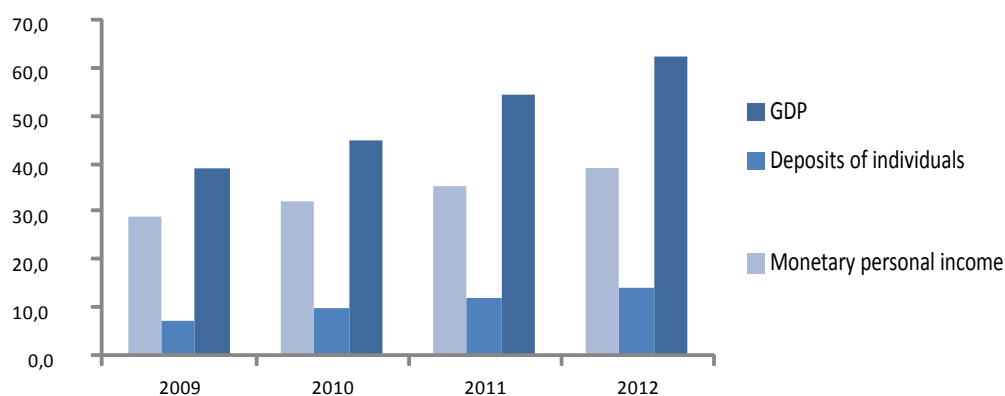
2.4. Financial performance overview

Despite a reduction in the country's key economic indicators at the end of 2012, considering that the situation on the global financial markets grew worse, results of 2012 for Russia on the whole may be regarded as satisfactory. Russia's GDP grew by 3.5% against 4.3% in 2011. There was an aggravation in the situation with inflation (6.6% against 6.1%) and the industrial production (in 2012 the industrial production

index grew only by 2.6%). However, Russia's economy avoided many negative scenarios. There was a gradual recovery of investments in the basic capital, however, this is a very slow process and the pre-crisis level has not been recovered yet. Among the positive events of the previous year one may recall a 7.8% increase in the Russian stock of gold and foreign currency and a 4.2% growth in the real income of the population.

DYNAMICS IN GDP AND PERSONAL INCOME

(TRILLION RUBLES)

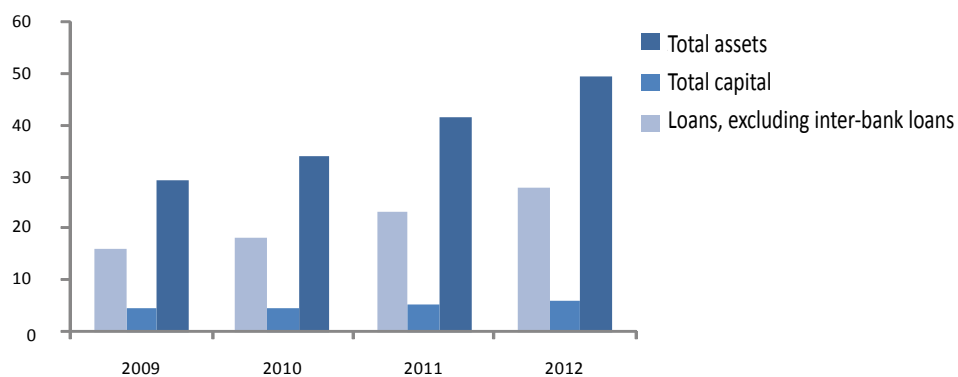


It is difficult to make a clear estimate of the results of 2012 for the banking sector as a whole because despite an increase in assets and returns indicators such as the capitalization and liquidity levels continued

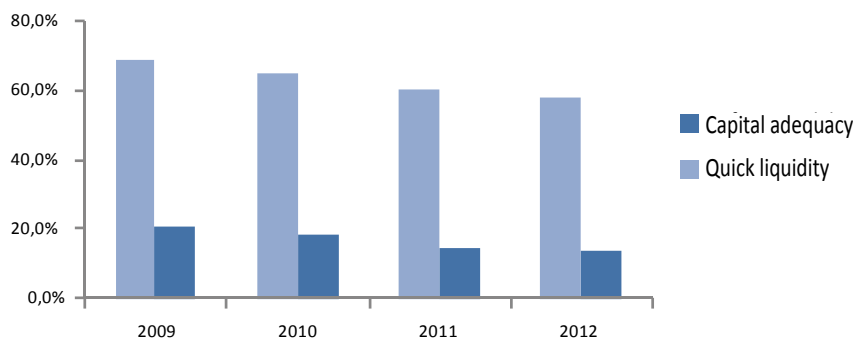
falling. For example, the capital adequacy ratio in the banking system as a whole went down in 2012 from 14.7% to 13.7% and the quick liquidity rate shrank from 60.1% to 58%.

DYNAMICS IN THE MAIN INDICATORS OF THE RUSSIAN BANKING SECTOR

(TRILLION RUBLES)



DYNAMICS IN CAPITAL ADEQUACY AND QUICK LIQUIDITY IN THE RUSSIAN BANKING SECTOR



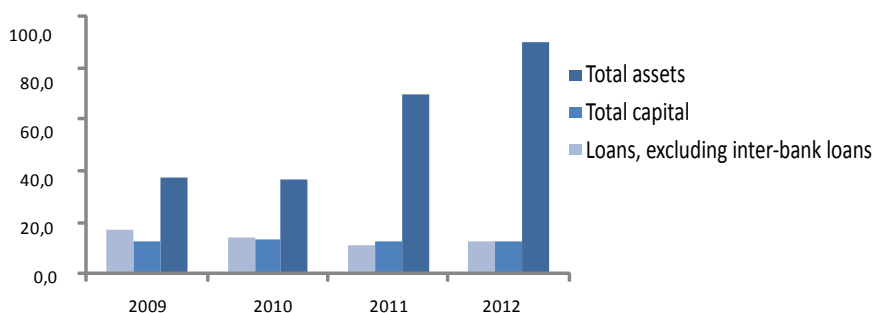
2. REPORT OF THE MANAGEMENT TEAM

In the reporting year Evrofinance Mosnarbank adhered to the risk and balance sheet structure equilibrium principles, envisaged by the development strategy, which ensure optimum returns from banking operations in the existing market conditions.

Against the background of the general trends in the banking sector, the Bank also demonstrated a significant increase in assets and the credit portfolio against the previous periods. Following the target strategy, the Bank retained high capitalization and liquidity ratios.

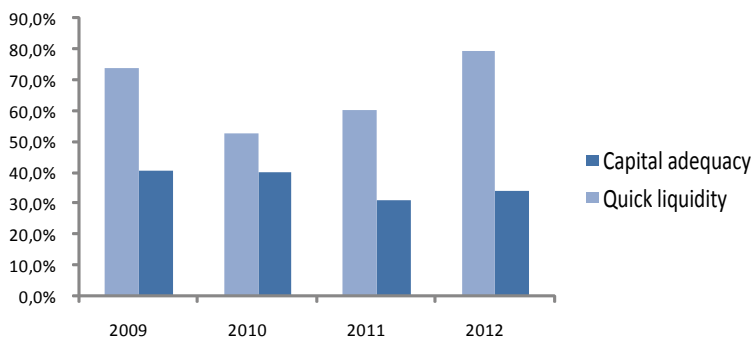
DYNAMICS IN THE BANK'S KEY INDICATORS

(BILLION RUBLES)



DYNAMICS IN CAPITAL ADEQUACY AND QUICK LIQUIDITY

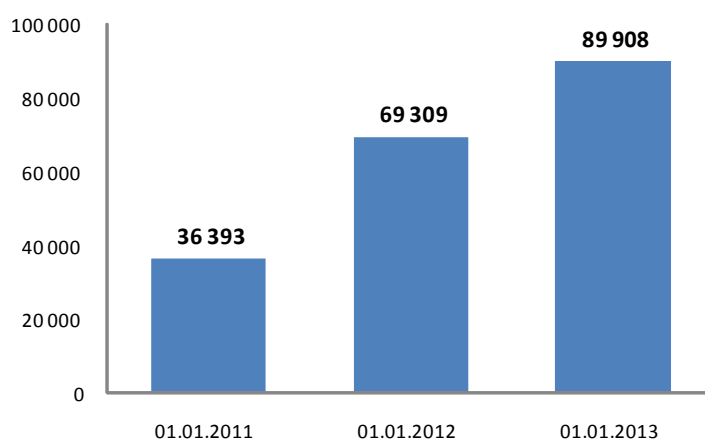
(BILLION RUBLES)



In 2012 the Bank's assets grew by 30%. On average, the asset growth in the banking sector was 16%, and 19% for 200 largest banks.

ASSETS DYNAMICS

(MILLION RUBLES)



According to Interfax-CEA "Russian Banks 2012" as of 1 January 2013 the Bank ranks 42nd by the size of the capital and 59th by the size of assets, thus, having improved its positions against the beginning of the reporting year.

2. REPORT OF THE MANAGEMENT TEAM

BALANCE SHEET STRUCTURE

LIABILITIES

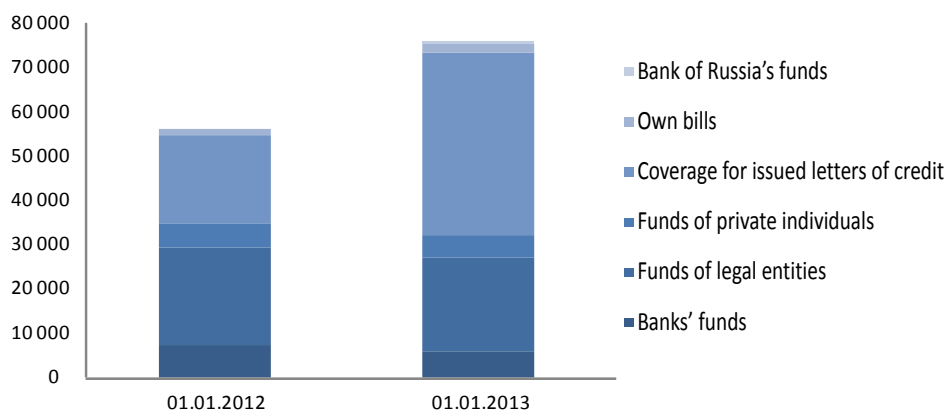
Raised funds and liabilities

Within the framework of an inter-governmental agreement the Bank significantly augmented the total volume of raised funds, which grew up by 35% from the beginning of 2012. For the most part the growth was due to the increase

in the volumes of conducted settlement operations under Russia-Venezuela projects. Accordingly, in terms of this type of funds raising the structure of raised funds changed against the previous reporting period.

STRUCTURE OF RAISED FUNDS

(MILLION RUBLES)



On average, the volumes and the structure of the resource base were stable in the reporting period despite a high level of concentration due to the Bank's operations within the framework of Russia-Venezuela partnership. It should be noted that the volume of funds raised from the Bank's traditional client groups demonstrates continuous positive dynamics and stability. In 2012 this resource base source grew by

13%, which is comparable to the growth of client funds in the banking sector on the whole (15%).

During the reporting year the Bank traditionally acted as a net creditor and widely operated on the currency and money market. In the reporting period the proportion of funds raised on the inter-bank market did not go on average above 10% in the Bank's total resource base.

Equity capital

In accordance with the development strategy the Bank maintains rather a high capitalization level. In the reporting year the capital adequacy ratio (H1) averaged 30%.

As of 1 January 2013 the size of the capital calculated in accordance with the Bank of Russia's Regulation No. 215-П dated 10 February 2003 was 12,689 million rubles,

which is by 287 million rubles (or 2.3%) higher than the level as of 1 January 2012. The main source of the capital growth was income for the reporting year. After the reporting date in 2012 the annual meeting of shareholders resolved on the payment of dividends in the amount of 323,561,000 rubles based on results for 2011.

DYNAMICS AND STRUCTURE OF CAPITAL

(MILLION RUBLES)



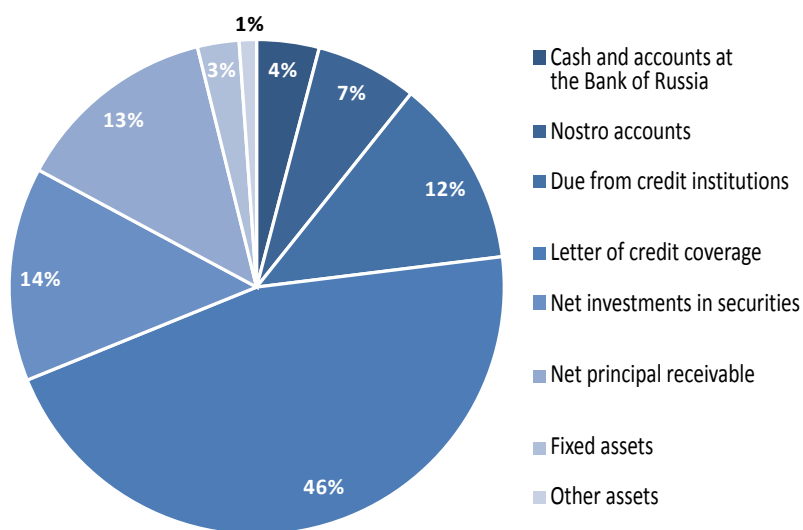
2. REPORT OF THE MANAGEMENT TEAM

BALANCE SHEET STRUCTURE

ASSETS

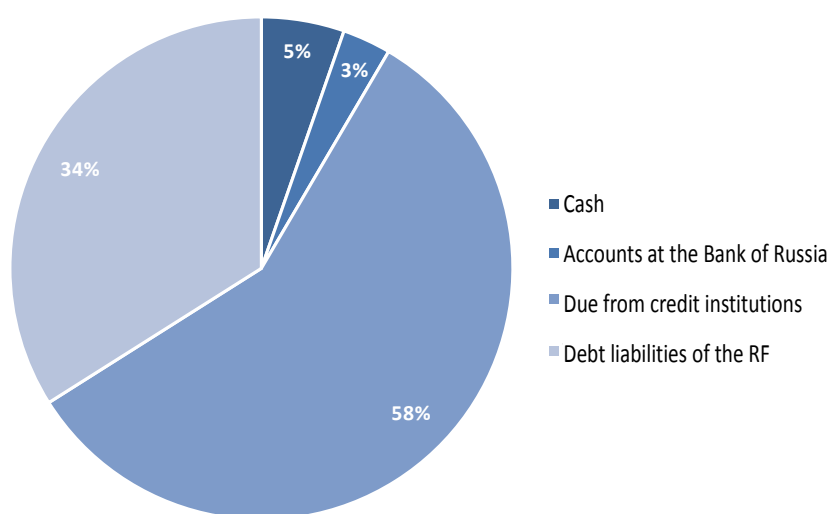
The Assets structure reflects the Bank's strategy aimed at reducing risks and maintaining a high level of the Bank's liquid position; in fact, this structure is the most appropriate with the existing structure of the Bank's liabilities to clients.

STRUCTURE OF THE BANK'S ASSETS AS OF 1 JANUARY 2013



The structure of the Bank's high-liquid assets did not change against the previous year. 92% in the high-liquid assets are active income-bearing assets.

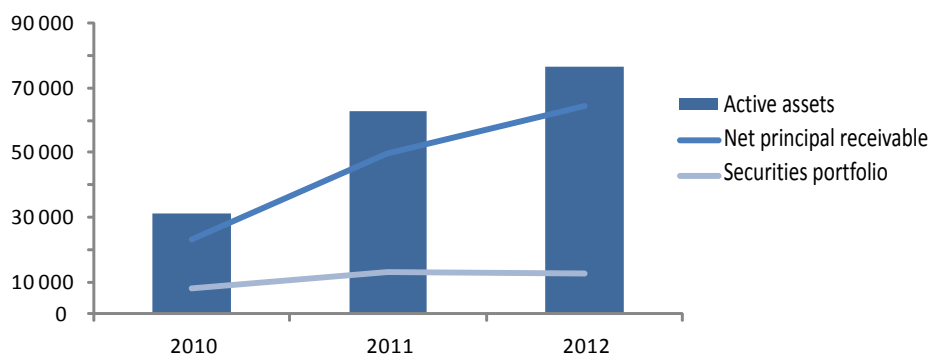
HIGH-LIQUID ASSETS STRUCTURE, 2012



As of 1 January 2013 active assets accounted for 85.4%, which is comparable to the average figure in the banking sector for 2012 (83.0%).

ACTIVE ASSETS DYNAMICS

(MILLION RUBLES)



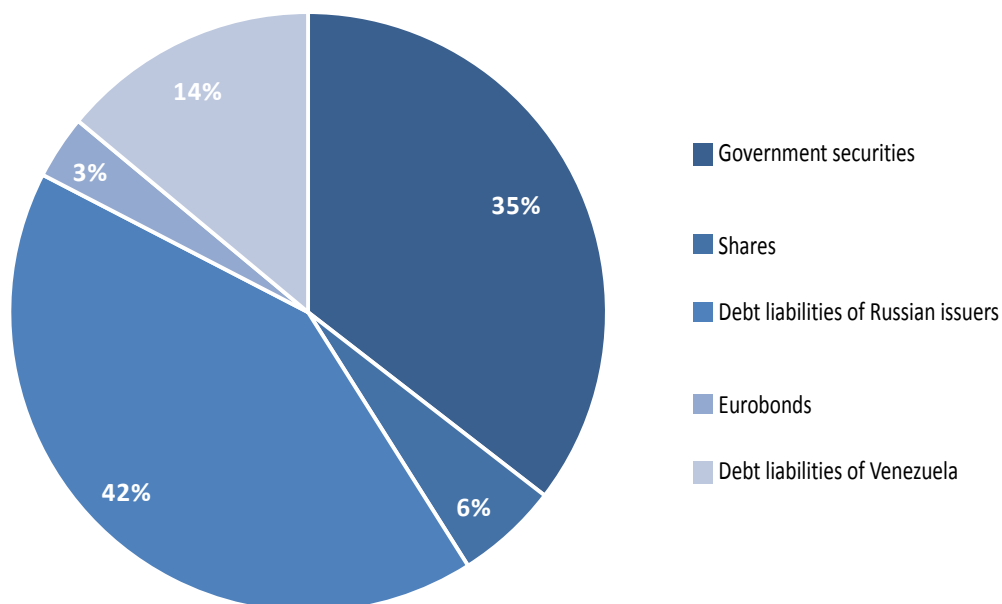
2. REPORT OF THE MANAGEMENT TEAM

SECURITIES PORTFOLIO

The generated securities portfolio accounts for about 16% of the total active assets and is represented by high-liquid debt liabilities and stock of large corporations. The total volume of investments in securities remained at the level of the previous reporting period. As of 1 January 2013 the total securities

portfolio was represented by securities with an acceptable level of risk and returns, including debt liabilities of Russian issuers (42%), government debt liabilities (35%), debt liabilities of Venezuela and Venezuela's state companies (14%), stock of large Russian companies (6%) and Eurobonds (3%).

SECURITIES PORTFOLIO STRUCTURE AS OF 1 JANUARY 2013



PRINCIPAL AND SIMILAR RECEIVABLES

The Bank's total credit portfolio makes up a significant part of assets. At the end of 2012 the Bank's net principal receivable grew by 54% to hit 64,198 million rubles against 41,629 million rubles as of the beginning of the reporting period.

The amount of loans issued to legal entities grew by 19% to hit 11,577 million rubles against 9,736 million rubles as of the beginning of the reporting period. Loans to legal entities accounted for 18% in the total amount of the credit portfolio.

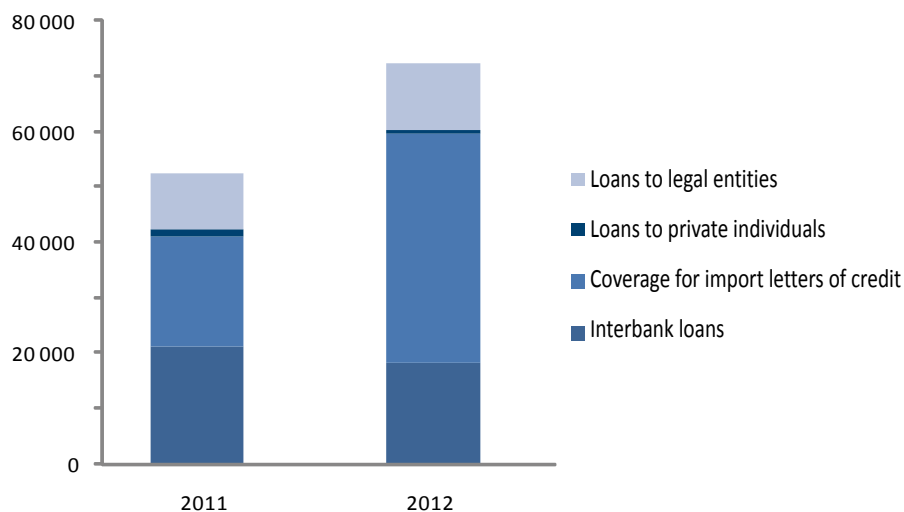
At the same time, the amount of loans to private individuals went down by 25%

to come to 864 million rubles against 1,148 million rubles as of the beginning of the reporting period. Loans to individuals accounted for 1.3% in the total amount of the credit portfolio.

The amount of funds issued to banks grew by 68% to hit 52,825 million rubles against 31,371 million rubles as of the beginning of the reporting period. Loans to banks accounted for 80% in the total amount of the credit portfolio. A significant part (80%) in the total funds placed at credit institutions is made up by coverage for import letters of credit.

STRUCTURE OF NET PRINCIPAL AND SIMILAR RECEIVABLES

(MILLION RUBLES)



During the reporting period the Bank formed the necessary provisions, the proportion of which in the credit portfolio grew from 1.5% to 1.6% as of the end of the reporting period.

2. REPORT OF THE MANAGEMENT TEAM

INCOME AND EXPENSES

At the end of the reporting year before-tax profit of Evrofinance Mosnarbank amounted to 1,103 million rubles. The return on capital was 8.7% (the calculation was made on the basis of the before-tax profit figure).

Main operations that in 2012 had the highest impact on the Bank's financial performance:

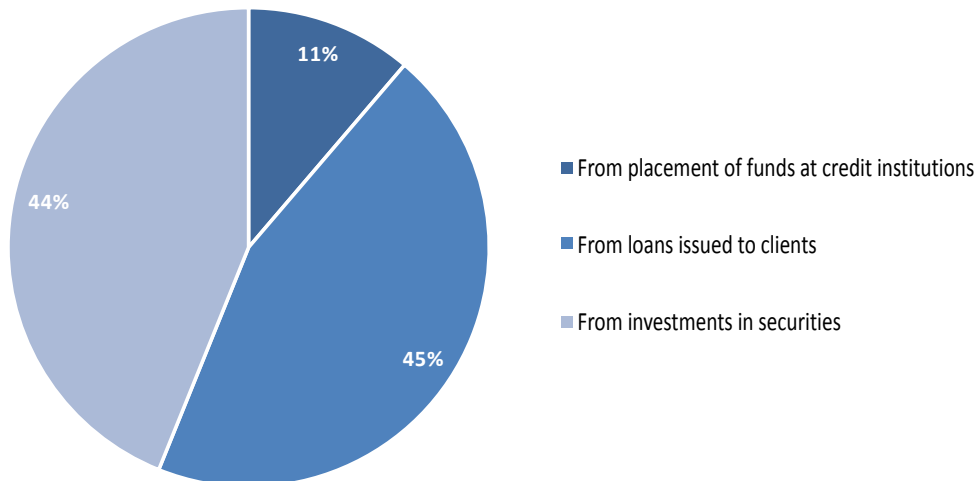
- issue of loans to legal entities;
- operations on the securities market;
- operations on the currency and money market;
- trade finance transactions.

Most of the income received by the Bank in 2012 (66% of the the Bank's total income under core activities) came from the interest income amounting to 2,534,286,000 rubles, which is by 26% higher than the previous-year figure. The

interest income growth against the previous reporting period was due to the increase in the volumes of the Bank's investments both in credit operations and in operations with debt securities.

There were no significant changes in the interest income structure. The income received under credit operations with legal entities and individuals amounted to 45% of the total interest income. A significant part of the income (44%) comes from the fixed yield on securities and 11% - from the interest income received on the inter-bank loan market.

INTEREST INCOME STRUCTURE IN 2012



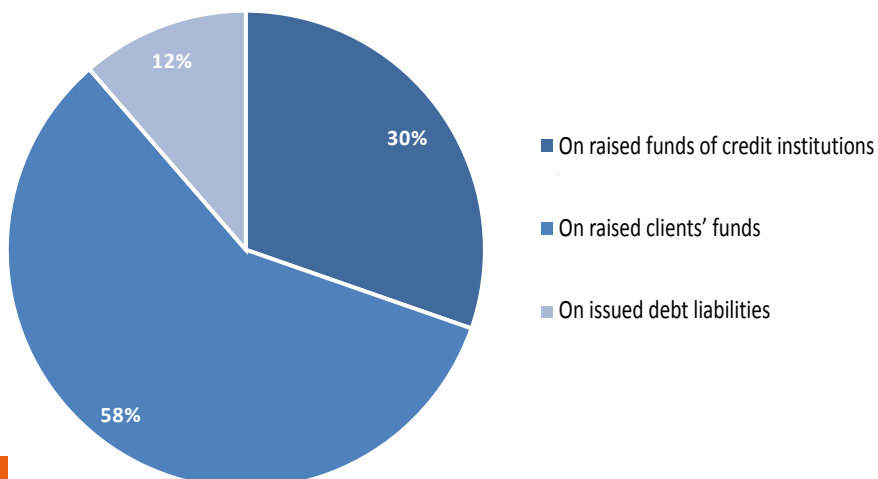
Against the previous year, there was a significant increase in the volume of income received under trade operations with securities, which rose up to 14% in the total income from core activities (4% in 2011). Also, there was an increase in the income from foreign currency transactions, which amounted to 8% (5% in 2011).

At the end of 2012 the interest expenses grew by 12.1% to come to 802 million rubles against 715 million rubles in 2011.

The main reason for changes in the interest expense was expenses on raised funds of credit institutions, which

grew by 64% to hit 243 million rubles against 148 million rubles at the end of 2011. Expenses on issued debt liabilities decreased by 38.4% to equal 91 million rubles. Expenses on raised clients' funds grew by 11.4% to hit 467 million rubles.

INTEREST EXPENSE STRUCTURE IN 2012



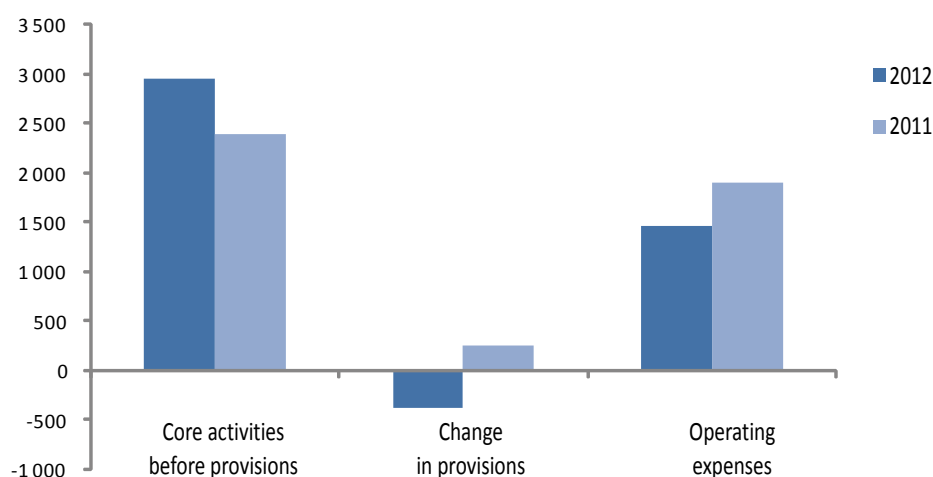
2. REPORT OF THE MANAGEMENT TEAM

In 2012 the Bank's total income from the core activity before the calculation of provisions for possible losses amounted to 2,948 million rubles, which is by 24% or 568 million rubles higher than the income received at the end of 2011.

The operating expenses decreased by 22% (or 420 million rubles), which is mainly due to the optimization of the Bank's organizational structure, including regional structures.

DYNAMICS IN INCOME UNDER CORE ACTIVITIES AND OPERATING EXPENSES

(MILLION RUBLES)



The ratio of operating expenses to the result of the core activity went down to 58%, which is a significant improvement against the similar figure for the previous reporting period (80%).

The amounts of remunerations paid to the President-Chairman of the Board and the Board's members are determined on an individual basis according to concluded employment agreements. The total remunerations paid to all the Board's

members in 2012 amounted to 129,342,000 rubles. Amounts of additional payments related to results of the Bank's performance on the whole or its individual subdivisions were determined by individual resolutions of the Board.

2.5. Risk management

The duties to manage and control financial risks are assigned to corresponding special-purpose subdivisions.

Resolutions regarding assumption by the Bank of financial risks are adopted by the Board as advised by the Credit Committee or the Assets and Liabilities Management Committee as well as by the Committees themselves within the scope of authority granted to them by the Board.

MAIN RISKS FOR THE BANK:

- credit risk,
- market risk,
- liquidity risk,
- operating risk,
- legal risk,
- strategic risk,
- country risk,
- reputational risk.

The Bank applies risk management policies developed on the basis of recommendations of the Basel Committee on Banking Supervision, international and Russian experience, which stipulate:

- delineation of responsibility and authority between subdivisions initiating operations and subdivisions assessing and monitoring risks of such operations;

- the basic principles for the assessment and monitoring of such risks and their management development methods;

- approaches to maintaining an appropriate ratio of the assumed risk to the operation return rate;

- methods of estimating the forecast rate of risks and capital adequacy for covering the given risks in case of development of negative scenarios (stress testing).

The Bank's risk management policy envisages formalized risk decision making procedures based on the implementation of the following main processes:

1. The effective system of the Bank's risk management aims at maintaining high liquidity and capitalization ratios as envisaged by the Development Strategy.

2. The Bank monitors compliance with the requirements of the Basel Committee to the bank asset structure and capital quality (Basel-III). As of 1 January 2013 the Tier I capital amounted to 28% in the risk-weighted assets at 4.5% recommended by Basel-III.

RATINGS





2. REPORT OF THE MANAGEMENT TEAM

2.6. Risk management

Evrofinance Mosnarbank has the following ratings confirmed as of the date of the preparation of the annual report:

FITCHRATINGS RATING AGENCY

FitchRatings

National long-term rating

(assigned on 7 March 2011, last confirmed on 10 December 2012);

A- (rus)

International long-term issuer default rating

(assigned on 7 March 2011, last confirmed on 10 December 2012);

B+

International short-term rating

(assigned on 7 March 2011, last confirmed on 10 December 2012);

B

Forecast – Rating Watch

(assigned on 7 March 2011, last confirmed on 10 December 2012).

Positive

**RUSSIAN INTERFAX RATING AGENCY
STRATEGIC PARTNER OF MOODY'S INVESTORS SERVICE IN RUSSIA**



Moody's Interfax Rating Agency

Long-term rating
(assigned on 5 October 2004);

Aa3 (rus)

Short-term rating
(assigned on 5 October 2004).

RuS-1

MOODY'S INVESTORS SERVICE



Moody's Investors Service

International long-term rating
(assigned on 9 September 2005, last confirmed on 5 March 2013);

Ba3

Not-Prime short-term foreign currency deposit rating
(assigned on 9 September 2005, last confirmed on 5 March 2013);

Not-Prime

Financial stability rating
(assigned on 9 September 2005, last confirmed on 5 March 2013).

E+

3

CORPORATE GOVERNANCE





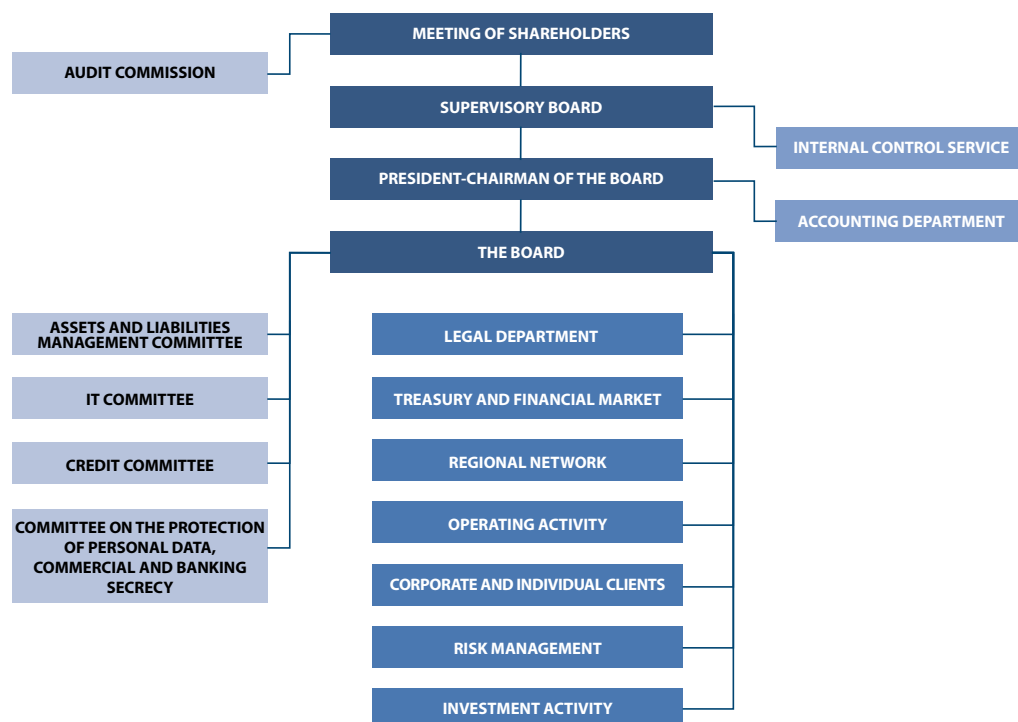
3

CORPORATE GOVERNANCE

3.1. Corporate governance overview

The corporate governance system of Evrofinance Mosnarbank is based on the principle of the unconditional observance of requirements of the Russian legislation and the Bank of Russia, recommendations of the Federal Financial Markets Service of Russia, taking into account the best world practices to a maximum extent possible.

In addition, when conducting its activities Evrofinance Mosnarbank is guided by the basic provisions of the Corporate Code of Conduct approved at the meeting of the RF Government of 28 November 2001 (Minutes No. 49).



General meeting of shareholders - the supreme management body of Evrofinance Mosnarbank. By adopting resolutions at shareholder meetings the Bank's owners exercise their rights to participate in its management.

Supervisory Board is a key element of the corporate governance system of Evrofinance Mosnarbank. The Supervisory Board exercises the general management of activities, determines the Bank's long-term strategy, acting on the basis of the Russian legislation, the Articles of Association and the Regulation on the Supervisory Board.

Members of the Supervisory Board are elected by the general meeting of shareholders for a term until the next annual meeting. Members of the Supervisory Board are elected by cumulative voting at the general meeting of shareholders.

Meetings of the Bank's Supervisory Board are convened at the initiative of its Chairman or upon demand of a member of the Supervisory Board, the Audit Commission, the external auditor, the Board, President-Chairman of the Board. The quorum for conducting a meeting of the Bank's Supervisory Board is at least half the elected members of the Supervisory Board. Resolutions are adopted at meetings of the Supervisory Board by a majority of

votes of participating members except in cases stipulated by the Articles of Association and the Regulation on the Supervisory Board. When resolving issues at meetings of the Supervisory Board, each member of the Supervisory Board is vested with one vote.

President-Chairman of the Board exercises management over the Bank's day-to-day activities for purposes of accomplishing goals and implementing the Bank's strategy. President-Chairman of the Board is accountable to the general meeting of shareholders and the Supervisory Board of the Bank.

The Board is a collective executive body of Evrofinance Mosnarbank. In cooperation with President-Chairman of the Board, the Board exercises management over the Bank's day-to-day activities. The Board is accountable to the general meeting of shareholders and the Supervisory Board.

The Board acts on the basis of the Russian legislation, the Articles of Association of Evrofinance Mosnarbank, the Regulation on the Board of Evrofinance Mosnarbank, approved by resolution of the general meeting of shareholders, and contracts concluded with each member of the Board. Contracts are signed on behalf of the Bank by the Chairman of the Supervisory Board.

3. CORPORATE GOVERNANCE

The quantitative and personal composition of the Board is determined and members of the Board are elected by resolution of the Supervisory Board. Members of the Board are appointed by the Supervisory Board at the suggestion of the President-Chairman of the Board.

The Board exercises the current management of activities of Evrofinance Mosnarbank, except for issues referred to the competence of the general meeting of shareholders and the Supervisory Board, and provides for the execution of their resolutions.

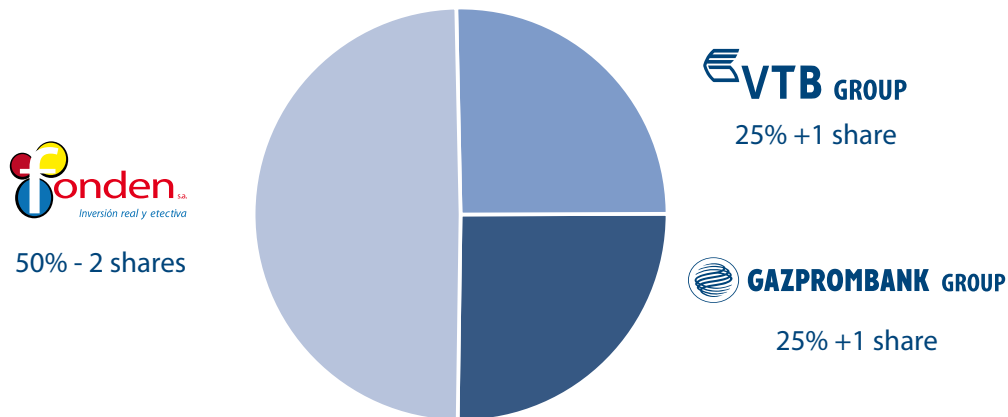
In accordance with the effective legislation the Bank's financial and economic activity is audited by the Audit Commission. The procedure for audits

by the Audit Commission is stipulated in the Regulation on the Audit Commission approved by the general meeting of the Bank's shareholders.

Persons who have ever been pronounced as guilty of committing economic crimes or crimes against the state, or who have been subject to administrative penalties for offences in the field of entrepreneurship, finance, taxes and dues, or the securities market, hold no offices in the Supervisory Board, the Board of Evrofinance Mosnarbank or in subdivisions exercising control over the Bank's financial and economic activities.

The main information about the Bank and material corporate events is published on the Bank's Web site.

3.2. Shareholding structure



The VTB Group, including:

OJSC VTB Bank, VTB Bank (France) SA, ITC Consultants (Cyprus) Limited

The Gazprombank Group, including:

GPB (OJSC), LLC New Financial Technologies

National Development Fund (FONDEN, S.A.)

VTB Bank (Open Joint-Stock Company) - Russia's state bank No. 2, a strategic Russian bank that has built an international financial group. The VTB Group has an international network, unique for Russian banks, which comprises more than 20 banks and financial companies in 19 countries worldwide.

Gazprombank (Open Joint-Stock Company) - one of the largest universal financial institutions of Russia that offers a wide range of banking, financial, investment products and services to corporate and individual clients, financial institutions, institutional and private investors. The bank is among the three largest banks of Russia and ranks 5th among banks of the Central and Eastern Europe.

National Development Fund (FONDEN, S.A.) - a government institution established in accordance with the Law "On the Partial Reform of the Law on the Central Bank of Venezuela". Establishment of this institution is in line with the New Economic and Financial Strategy of the national executive power. The Fund is also used to manage the internal debt, which enables the state to advance a political strategy focused on eliminating the debt and its impact on the state budget in a short-term outlook.

3. CORPORATE GOVERNANCE

3.3. Supervisory Board

Chairman of the Supervisory Board

Vladimir Mikhailovich Stolyarenko

Chairman of the Supervisory Board of Evrofinance Mosnarbank

Members of the Supervisory Board

Milton Eduardo Guzman Caripa

Part-time Advisor to the Deputy Finance Minister, Ministry of People's Power for Planning and Finance, Bolivarian Republic of Venezuela

Nikolai Grigorievich Korenev

Deputy Chairman of GPB (OJSC) Board

Marisette del Valier Puente Guzman

President of the National Society of Mutual Guarantees for Small and Medium Businesses (SOGAMPI), Bolivarian Republic of Venezuela

Sergey Petrovich Lykov

Member of the Board - Deputy Chairman at State Corporation Bank for Development and Foreign Economic Affairs (Vnesheconombank)

Aleksei Anatolievich Matveev

Deputy Chairman of GPB (OJSC) Board

Vasilii Nikolaevich Titov

First Deputy President - Chairman of OJSC VTB Bank Board

Gustavo Jose Hernandez Himenes

Deputy Finance Minister, Ministry of People's Power for Planning and Finance, Bolivarian Republic of Venezuela

Alexander Valerievich Yashnik

Senior Vice-President - Director for Financial Institutions and Trade Financing, OJSC Bank of Moscow

In the reporting period none of the members of the Supervisory Board held shares of Evrofinance Mosnarbank.

CURRICULUM VITAE OF MEMBERS OF THE SUPERVISORY BOARD

Vladimir Mikhailovich Stolyarenko

Russian citizen, born on 26 February 1961 in Leningrad.

- in 1983 graduated from N.A. Voznesensky Leningrad Finance and Economics Institute with a degree in Finance and Credit, PhD in Economics;
- in 2002 graduated from the Moscow State Law Academy, Doctor of Law;
- in 2002 finished the Postgraduate Program in the School of Law at Harvard University;
- in 2006 was qualified as a Certified International Investment Analyst - CIAA;
- in 2008 finished a two-year Executive

MBA - Global program in London Business School and Business Schools at Columbia University (New York), Master of Business Administration (MBA);

- from September 1998 to December 2003 - President-Chairman of the Board of OJSC JSCB Evrofinance;
- from December 2003 to June 2012 - President-Chairman of the Board of Evrofinance Mosnarbank;
- from April 2006 to the present - Professor at the State University - Higher School of Economics;

Milton Eduardo Guzman Caripa

Citizen of Venezuela, born on 4 May 1970 in Caracas, Venezuela.

- in 1995 graduated from the Central University of Venezuela with a degree in Economics;
- in 1999 graduated from the Pompeu Fabra University in Barcelona, Spain, Master's degree in Economics;
- in 2000 graduated from the Pompeu Fabra University in Barcelona, Spain, Master's degree in Management;
- from June 2001 to June 2003 - Senior Economist at the Department of Financial Programming of the Central Bank of Venezuela;

• from July 2003 to April 2010 - Chief Economist, Deputy Director for Major Accounts Management, Banco de Venezuela, Santander Group;

• from May 2010 to November 2010 - Chief Economist for Brazil and Venezuela, Andean Development Corporation (CAF);

• Advisor to the Deputy Minister of the Ministry of People's Power for Planning and Finance of Venezuela;

• from June 2011 to the present - Advisor to the First Executive Vice-President of Evrofinance Mosnarbank;

3. CORPORATE GOVERNANCE

Nikolai Grigorievich Korenev

Russian citizen, born on 9 August 1952 in Zasulye, Sumskaya Region, the Ukrainian SSR.

- in 1980 graduated from M.V. Lomonosov Moscow State University with a degree in History;
- in 1990 graduated from the All-Russian Distance-Learning Institute of Finance and Economics with a degree in Finance and Credit;
- from 1991 to 1993 - Deputy General Director, Joint Venture Sov. It.As, Moscow;
- from 1993 to 1997 - Vice-President, Deputy Chairman of the Board - Director for Human Resources and Development, First Deputy Chairman of the Board - Director for Human Resources and Development of the Russian State Insurance Company, Moscow;
- from 1997 to 2002 - Deputy Director of the Department-Director for Development of Federal Relations at the Department for the Interaction with Constituent Entities of the

Marisette del Valier Puente Guzman

Citizen of Venezuela, born on 9 May 1976 in Caracas, Venezuela.

- in 1995 graduated from the University Center of New Professions with a degree in Foreign Trade;
- in 2000 graduated from the Santa Maria University with a degree of Lawyer;
- from April 2004 to April 2006 - Assistant Personal Secretary of the President of the Bolivarian Republic of Venezuela;
- from April 2006 to January 2008 - General Director of the Department of Information, Communications and Interdepartmental Rela-

tions at the Ministry of People's Power for Basic Industries and Mining;

Russian Federation and Relations with the Council of the Federation, Deputy Director of the Department for the Regional Development and Relations with the Council of the Federation, Deputy Director of the Department for the Regional Development at the Executive Office of the RF Government;

- from January 2002 to May 2004 - Director for the Regional Development at the Executive Office of the RF Government;
- from May 2004 to July 2004 - Deputy Director for the Regional Monitoring in the RF Government;
- from July 2004 to July 2006 - First Vice-President at JSC Gazprombank (CJSC);
- from July 2006 to the present - Deputy Chairman of the Board of JSC Gazprombank (CJSC); from 4 October 2007 the new full name of the Bank is Gazprombank (Open Joint-Stock Company), the short name is GPB (OJSC).

tions at the Ministry of People's Power for Basic Industries and Mining;

- from January to December 2008 - General Director of the Human Resources Department at the Ministry of People's Power for Food Affairs;
- from December 2008 to March 2010 - Responsible Coordinator of the Sector of Inter-State Associations and Coordinator in the Venezuela-Vietnam Cooperation Fund;
- from 2009 to the present - President of the National Society of Mutual Guarantees for Small and Medium Businesses (SOGAMPI).

Sergey Petrovich Lykov

Born in Mytishi, Moscow Region, in 1952.

Graduated from the Moscow Financial Institute with a degree in International Economic Relations, PhD in Economics; an associate of the Institute of Certified Directors, UK.

Professional experience: from March 1996 to October 2005 - Deputy Chairman of the Board, Senior Vice-President - Member of the Board of Evrofinance Mosnarbank; from October 2005 to June 2007 - Deputy Chairman of Vnesheconombank, Member of the Board of Directors of Vnesheconombank, Ac-

ting Member of the Board of Vnesheconombank; from July 2007 to the present - Member of the Board-Deputy Chairman of Vnesheconombank. Deputy Chairman of the Board of Directors of OJSC MICEX-RTS; Member of the Board of Directors of CJSC ROSEXIMBANK; Deputy Chairman of the Supervisory Board of OJSC Bank BelVEB; Chairman of the Supervisory Board of CJSC JSCB National Clearing Center; Deputy Chairman of the Board of Directors of OJSC JSCB Svyaz-Bank; Member of the Supervisory Board of NCO CJSC NSD.

Aleksei Anatolievich Matveev

Russian citizen, born on 21 December 1963 in Leningrad.

- in 1986 graduated from the Moscow Finance Institute with a degree in International Economic Relations;

- from January 1986 to December 1987 - Senior Inspector at the Accounting Department of Exchange Operations, Inspector at the Department of Letters of Credit of Banks of Europe, North America, Australia and New Zealand, Inspector at the Department of Settlements under Documentary Credit Operations with Banks of Europe, North America, Australia and New Zealand, Economist at the Division of Financial Operations and Economic Analysis of the Currency Department of VTB VO Soyuzraschyoteksport;

- from January 1988 to June 1989 - Senior Economist of the Department for International Exchange Operations, Leading Economist at the Division of Financial Operations of the same department, Vnesheconombank of the USSR;

- from June 1989 to October 1989 - Chief Expert at the Department of Financial Loans VO, Exchange and Financial Operations, VEB of the USSR;

- from November 1989 to January 1992 - Director for Financial Loans, Department of Exchange and Conversion Operations and Interna-

tional Correspondent Relations of International Moscow Bank;

- from January 1992 to January 1993 - Advisor on Foreign Economic Affairs, JV Service-Globus;

- from February 1993 to July 1995 - Director of the Department of Foreign Currency Loans, General Director of the Department of External Loans and Currency Financing of FEC - Member of the Board, Executive Vice-President of the Multisectoral Commercial Bank for Development of Wholesale Trade;

- from July 1995 to June 1998 - Director of the Securities Trading Department, Vice-President of JSC CreditSwiss Bank (Moscow);

- from March 1999 to June 1999 - Advisor to the Chairman of the Board of JSCB Eastern-European Investment Bank;

- from June 1999 to March 2001 - Director of the Department of Investment and Banking Operations of CJSC Fleming UCB;

- from May 2001 to February 2003 - Managing Director of CJSC Troika Dialog Investment Company;

- from February 2003 to the present - Advisor to the Chairman of the Board, Deputy Chairman of the Board of Gazprombank;

3. CORPORATE GOVERNANCE

Vasiliy Nikolaevich Titov

Russian citizen, born on 30 December 1960 in Krasny Bor, Tosnensky District, Leningrad Region.

- in 1983 graduated from A.A. Zhdanov Leningrad State University with a degree in History;

- in 2002 graduated from the Financial Academy at the Government of the Russian Federation with a degree in Finance and Credit;

- from December 2004 to the present - Member of the Board, Senior Vice-President;

- Deputy President-Chairman of the Board; First Deputy President-Chairman of the Board of OJSC VTB Bank;

Gustavo Jose Hernandez Himenes

Citizen of Venezuela, born on 20 June 1972 in Caracas, Venezuela.

- in 1992 graduated from the Pompeu Fabra University in Barcelona, Spain, with a degree in World Economics, Doctor of Economics;

- in 1993 graduated from the Santa Maria University, Venezuela, with a degree in Economics;

- from August 1994 to April 1999 - Economist and Researcher at the Central Bank of Venezuela;

- from October 2006 to January 2008 - Deputy Minister for Investment Development of the Ministry of Basic Industries and Mining;

- from January 2008 to March 2011 - Deputy Minister for Internal Development Financing of the Ministry of Finance;

- from March 2011 to the present - Deputy Minister of Finance of the Ministry of People's Power for Planning and Finance;

- Manager on the part of Venezuela in the OPEK Fund for International Development (OFID); Director on the part of Venezuela in the Andean Development Corporation (CAF); Deputy Director of ALBA Bank;

- from June 2011 to the present - First Executive Vice-President of Evrofinance Mosnarbank;

Alexander Valerievich Yashnik

Born in Leningrad (now Saint-Petersburg) in 1975.

Graduated from the Saint-Petersburg State Academy for Engineering and Economics with a degree in Economic and Organization of Machine-Building Industry; in 2000 graduated from the Central Connecticut State University, New Britain, USA, with a degree in International Business, Master of Business Administration (MBA).

Professional experience: 2004-2006 - banker, then Senior Banker at the Black Sea Trade and Development Bank, Thessaloniki, Greece; 2006-2008 - Managing Director for Business Development and Coordination of the Service of Corporate Clients of Subsidiary Banks, Administration for Develop-

ment and Coordination of Corporate Business of Subsidiary Financial Institutions of the Corporate Block of OJSC VTB Bank; from May 2008 to August 2010 - Vice-President-Director of the Administration for Development and Coordination of the Corporate Business of Subsidiary Banks, Department of Subsidiary Banks of OJSC VTB Bank; from August 2010 to April 2012 - Senior Vice-President-Director of the Administration for Development and Coordination of the Corporate Business of Subsidiary Banks, Department of Subsidiary Banks of OJSC VTB Bank; from May 2012 to the present - Senior Vice-President-Director for Financial Institutions and Trade Financing, OJSC Bank of Moscow.

3. CORPORATE GOVERNANCE

3.4. Audit Commission

Chairman of the Audit Commission

Svetlana Valentinovna Griko

Vice-President-Director for Financing of Construction Projects, Evrofinance Mosnarbank.

Members of the Audit Commission

Marina Vitalievna Mikhina

Director for Coordination of Internal Control Systems, Internal Control Department's Group, OJSC VTB Bank, Moscow

Anton Sergeevich Chekalin

Vice-President-Director for Internal Control, GPB (OJSC)

During the reporting period none of the members of the Supervisory Board held shares of Evrofinance Mosnarbank.

CURRICULUM VITAE OF MEMBERS OF THE AUDIT COMMISSION

Svetlana Valentinovna Griko

Born in Leningrad (now Saint-Petersburg) in 1966.

In 1989 graduated from the Leningrad Institute of Finance and Economics with a degree in Finance and Credit; in 2002

graduated from the Moscow State Law Academy with a degree in Law; from October 2006 to the present - Vice-President-Director for Financing of Construction Projects at Evrofinance Mosnarbank.

Marina Vitalievna Mikhina

Born in Moscow in 1961.

In 1983 graduated from the Department of Economics of M.V. Lomonosov Moscow State University with a degree in Political Economics; from February 2005 to September 2007 - Deputy Director for Strategic and Current Planning of the Consolidated Economic Department, Deputy Director for Business Planning of the Financial Department of VTB Bank (Open Joint-Stock Company); from September 2007 to October 2009 - Director of the Service

of Corporate Policies and Strategies, Director of the Service of Strategic Marketing and Due Diligence, Director of the Department of Marketing and Due Diligence, Director of the Department of Strategy and Financial Modeling, Director of the Market Analysis Department of NOMOS BANK (Open Joint-Stock Company); from October 2009 - Director for Coordination of Internal Control Systems in the OJSC VTB Bank Group.

Anton Sergeevich Chekalin

Born in Gulistan, Syr-Darya Region, in 1975.

In 1996 graduated from the Moscow University of Consumer Cooperation with a degree in Finance and Credit; in 2004 graduated from the Moscow State Law Academy with a degree in Law; from October 1998 to October 2001 - divisional director, sectoral director, Director of the Internal

Control Service, departmental director at JSCB Trust Investment Bank (OJSC); from April 2002 to August 2004 - Deputy Director of the Internal Control Department - Director of the Internal Audit Department, Director of the Internal Control Department of GPB (OJSC); from May 2005 to the present - Vice-President-Director of the Internal Control Department of GPB (OJSC).

3. CORPORATE GOVERNANCE

3.5. The Board

Ilya Konstantinovich Lomakin

Acting President-Chairman of the Board, born in 1943, graduated from the Moscow Financial Institute, the Institute of Oriental Languages at M.V. Lomonosov Moscow State University. Has worked in the field of finance since 1965.

Alexander Valerievich Bondarenko

First Vice-President - Deputy Chairman of the Board, born in 1972, graduated from the Saint-Petersburg University of Economics and Finance, PhD in Law. Has worked in the field of finance since 1991.

Sergey Nikolaevich Yarosh

First Vice-President - Deputy Chairman of the Board, born in 1972, graduated from the Saint-Petersburg University of Economics and Finance. Has worked in the field of finance since 1994.

Boris Antonovich Boyarskov

Senior Vice-President - Member of the Board - Head of the Saint-Petersburg Representative Office, born in 1953, graduated from M.I. Kalinin Leningrad Polytechnic Institute; State University - Higher School of Economics with a degree in MBA-Finance. Has worked in the field of finance since 1994.

Vladimir Mikhailovich Favorin

Senior Vice-President - Member of the Board, born in 1955, graduated from Lomonosov Moscow State University and the Moscow Institute of Economics, Management and Law. PhD in Physics and Mathematics. Has worked in the field of finance since 1995.

Yuri Vladimirovich Yukin

Senior Vice-President - Member of the Board, born in 1952, graduated from the Moscow State Institute of International Relations at the MFA of the USSR (Department of International Economic Relations). Has worked in the field of finance since 1990.

Vadim Vladimirovich Zotov

Vice-President - Member of the Board, born in 1958, graduated from the Diplomatic Academy, postgraduate course at the Tokai University (Japan). Has worked in the field of finance since 1998.

Gennady Georgievich Mayatsky

Vice-President - Member of the Board - Treasury Director, born in 1966, graduated from the Moscow State University, Department of Economics. Has been awarded ACI Dealing Certificate, International Capital Markets Certificate (Euromoney training). Has worked in the field of finance since 1992.

3. CORPORATE GOVERNANCE

3.6. Internal control and audit

The internal control system of Evrofinance Mosnarbank is an important and integral element of the corporate governance system, ensuring enhancement of the Bank's financial and economic performance and contributing to the achievement of the Bank's set goals and improvement of the efficiency of bank risk management processes.

In accordance with the Bank's Articles of Association and the Regulation on the Internal Control System the Bank's internal control bodies consist of the management bodies, the Audit Commission, the Chief Accountant and Deputy Chief Accountants, Branch Managers and Deputy Branch Managers, Chief Accountants and Deputy Chief Accountants at branches, the Internal Control Service, the controller of a professional participant of the securities market, the Department for Combating the Legalization of Illegally Acquired Proceeds.

The Bank's Internal Control Service plays an important role in ensuring effective functioning of the internal control system. This Service operates on the basis of the principles of independence, objectivity and professional competence

of internal controllers.

The head and officers of the Internal Control Service do not make part of the Bank's executive bodies and are not participants, general directors (managers), members of management bodies or employees of legal entities that are the Bank's competitors. In accordance with the Regulation on the Bank's Internal Control Service, approved by the Supervisory Board, the Internal Control Service is accountable in its activity to the Supervisory Board.

The Internal Control Service checks if the Bank's subdivisions (branches) and individual employees comply with the requirements of the effective legislation, the Bank of Russia's regulatory acts and internal regulatory documents.

Based on results of conducted inspections, the Internal Control Service reports to the Supervisory Board, members of the Board and chief officers of the organizational subdivisions inspected. On a regular quarterly basis the Internal Control Service reports to the Board on the progress of the implementation of recommendations developed by it to eliminate detected faults and failures.

The organizational structure of the Internal Control Service comprises also a controller of a professional participant of the securities market that controls the Bank's activities on the securities market.

Special attention in the internal control system is paid to activities related to the implementation of Federal Law No. 115-FZ "On Counteracting the Legalization (Money Laundering) of Illegally Acquired Proceeds and the Financing of Terrorism". The Bank follows effective internal control rules aimed at counteracting the legalization (money laundering) of illegally

acquired proceeds and the financing of terrorism, which outline programs on the fulfillment of the requirements of the said law. By implementing these programs, in the reporting period the Bank effectively managed risks in this sector.

For the audit and confirmation of the fair presentation of the annual financial statements under Russian accounting rules and international financial reporting standards the Bank involves independent audit companies approved by the annual general meeting of shareholders.

Approved external auditors of the Bank in 2012:

- for audits under Russian accounting rules: LLC FBK;
- for audits under international financial reporting standards: CJSC Deloitte & Touche CIS.

The involved audit companies have no affiliations with or property interests in Evrofinance Mosnarbank.

4 CHARITY





4 CHARITY

In 2012 Evrofinance Mosnarbank widely participated in charitable activities and sponsored various projects related to different aspects of life: culture, art and social sphere.

At the beginning of 2012, for the purpose of promoting the consolidation of the cultural ties between Russia and Venezuela the Bank made a charitable cash donation for Jose Gregorio Nieto, a talented Venezuelan cello player and a student of the Moscow State Conservatory named after P.I. Tchaikovsky, to buy a unique 19th century violoncello.

Within the framework of developing the international cooperation, the Bank supported the International Relations Publishing House helping it to continue publishing the collection of documents "Legislation of the Bolivarian Republic of Venezuela", Volumes 2 and 3, in Russian.

In 2012 the Bank traditionally sponsored the Gala concert of the annual "White Night Stars" music festival organized by the Mariinsky Theatre already for the 20th time.

In 2012 Vympel Children's Sport Club of Martial Arts, which has become a big friend of the Bank, again held many

tournaments for children and young people, dedicated to different events. By tradition, the Bank acted as a partner in all contests.

This year the country celebrated the 80th anniversary of the birthday of a prominent film director, the winner of the Cannes, Venice and British Academy film festivals, Andrey Tarkovsky. The sixth International "Mirror" Film Festival named after the great Soviet film director and scriptwriter was arranged to coincide with the anniversary. Our bank was honored to be the Strategic Partner of this momentous cinematographic event.

The Bank paid special attention to supporting the most vulnerable population groups: the already traditional charity support of Moscow Children's Home No. 17 and donations for medical, psychological and educational assistance to children left without parental care, Non-Profit Organization "Severnaya Korona (Northern Crown)" Fund of Social, Charitable and Cultural Programs".



5

FINANCIAL STATEMENTS





5 FINANCIAL STATEMENTS

BALANCE SHEET AS OF 1 JANUARY 2013

(THOUSAND RUSSIAN RUBLES)

No.	ITEM	AS OF THE REPORTING DATE	AS OF A CORRESPONDING REPORTING DATE OF THE PREVIOUS YEAR
1	2	3	4
I. ASSETS			
1.	Cash	561,687	549,512
2.	Cash of credit institutions with the Central Bank of the Russian Federation	3,099,227	2,465,565
2.1	Mandatory provisions	2,637,339	1,955,766
3.	Due from credit institutions	5,962,365	7,949,368
4.	Financial assets evaluated at the fair value through profit or loss	0	0
5.	Net principal receivable	64,197,760	41,629,000
6.	Net investments in securities and other financial assets available for sale	12,402,379	12,724,999
6.1	Investments in subsidiary and dependent companies	892,590	808,590
7.	Net investments in securities held to maturity	149,999	449,875
8.	Fixed assets, intangible assets and inventory	2,505,198	2,637,560
9.	Other assets	1,029,779	903,196
10.	Total assets	89,908,394	69,309,075
II. LIABILITIES			
11.	Loans, deposits and other cash due to the Central Bank of the Russian Federation	530,199	0
12.	Due to credit institutions	46,993,469	7,158,570
13.	Due to clients other than credit institutions	26,405,720	47,494,089
13.1	Deposits of individuals	5,209,624	5,331,968
14.	Financial liabilities evaluated at the fair value through profit or loss	0	0
15.	Debt liabilities issued	1,919,023	1,451,865
16.	Other liabilities	359,995	245,128
17.	Provisions for possible losses under contingent credit liabilities, other possible losses and operations with offshore residents	75,435	132,524
18.	Total liabilities	76,283,841	56,482,176

1	2	3	4
III. EQUITY CAPITAL SOURCES			
19.	Equity of shareholders (participants)	1,638,252	1,638,252
20.	Own shares (stakes) purchased from shareholders (participants)	0	0
21.	Share premium	2,982,117	2,982,117
22.	Reserve fund	81,913	81,913
23.	Revaluation at the fair value of securities available for sale	87,900	-271,237
24.	Revaluation of fixed assets	1,461,847	1,524,534
25.	Undistributed profit (uncovered loss) of previous years	6,675,048	6,547,759
26.	Unused profit (loss) for the reporting period	697,476	323,561
27.	Total equity capital sources	13,624,553	12,826,899
IV. OFF-BALANCE SHEET LIABILITIES			
28.	Irrevocable liabilities of the credit institution	4,503,308	4,425,272
29.	Guarantees and suretyships issued by the credit institution	2,237,458	5,605,617
30.	Contingent non-credit liabilities	0	88

Acting President-Chairman of the Board

Ilya Konstantinovich Lomakin

Chief Accountant

Vladimir Vladimirovich Sergeev

5. FINANCIAL STATEMENTS

PROFIT AND LOSS STATEMENT FOR 2012

(THOUSAND RUSSIAN RUBLES)

No.	ITEM	REPORTING PERIOD	CORRESPONDING REPORTING PERIOD OF THE PREVIOUS YEAR
1	2	3	4
1.	Interest income, total, including:	2,534,286	2,010,742
1.1	From placement of funds at credit institutions	285,357	280,515
1.2	From loans issued to clients other than credit institutions	1,136,874	981,629
1.3	From financial lease (leasing) services	0	0
1.4	From investments in securities	1,112,055	748,598
2.	Interest expenses, total, including:	801,734	715,540
2.1	On raised funds of credit institutions	243,135	147,883
2.2	On funds raised from clients other than credit institutions	467,178	419,214
2.3	On issued debt liabilities	91,421	148,443
3.	Net interest income (negative interest margin)	1,732,552	1,295,202
4.	Changes in provisions for possible losses under loans, principal and similar receivables, funds on correspondent accounts and accrued interest income, total, including:	-446,987	302,135
4.1	Changes in provisions for possible losses under accrued interest income	-3,746	5,090
5.	Net interest income (negative interest margin) after the forming of provisions for possible losses	1,285,565	1,597,337
6.	Net gain from operations with financial assets evaluated at the fair value through profit or loss	-60,998	-3,084
7.	Net gain from operations with securities available for sale	528,636	126,753
8.	Net gain from operations with securities held to maturity	0	419
9.	Net gain from foreign exchange transactions	155,533	-230,773
10.	Net gain from foreign currency revaluation	172,474	359,779
11.	Income from interest in other companies	16,782	12,197
12.	Fee and commission income	436,448	562,938

1	2	3	4
13.	Fee and commission expense	53,264	48,716
14.	Changes in provisions for possible losses under securities available for sale	10,587	-6,804
15.	Changes in provisions for possible losses under securities held to maturity	-626	4,029
16.	Changes in provisions for other losses	52,524	-46,161
17.	Other operating income	16,766	53,032
18.	Net income (expense)	2,560,427	2,380,946
19.	Operating expenses	1,481,204	1,901,740
20.	Profit (loss) before tax	1,079,223	479,206
21.	Taxes accrued (paid)	381,747	155,645
22.	Profit (loss) after tax	697,476	323,561
23.	Profit payments after tax, total, including:	0	0
23.1	Distribution of dividends between shareholders (participants)	0	0
23.2	Deductions to form and replenish the reserve fund	0	0
24.	Unused profit (loss) for the reporting period	697,476	323,561

Acting President-Chairman of the Board

Ilya Konstantinovich Lomakin

Chief Accountant

Vladimir Vladimirovich Sergeev

5. FINANCIAL STATEMENTS

STATEMENT OF CAPITAL ADEQUACY, PROVISIONS FOR DOUBTFUL LOANS AND OTHER ASSETS AS OF 1 JANUARY 2013

(THOUSAND RUSSIAN RUBLES)

No.	INDICATOR	AS OF THE BEGINNING OF THE REPORTING YEAR	Increase (+)/ Decrease (-) for the reporting period	AS OF THE REPORTING DATE
1	2	3	4	5
1.	Shareholders' equity (capital) (thousand rubles), total, including:	12,402,063.0	287,330	12,689,393.0
1.1	Authorized capital of the credit institution, including:	1,638,252.0	0	1,638,252.0
1.1.1	Registered ordinary shares (stakes) at par value	1,638,252.0	0	1,638,252.0
1.1.2	Registered preferred shares at par value	0.0	0	0.0
1.2	Own shares (stakes) purchased from shareholders (participants)	0.0	0	0.0
1.3	Share premium	2,982,117.0	0	2,982,117.0
1.4	Reserve fund of the credit institution	81,913.0	0	81,913.0
1.5	Financial performance result accounted in equity (capital):	6,842,379.0	505,865	7,348,244.0
1.5.1	from previous years	6,561,391.0	127,289	6,688,680.0
1.5.2	for the reporting year	280,988.0	378,576	659,564.0
1.6	Intangible assets	15,623.0	-1,913	13,710.0
1.7	Subordinated credit (loan, deposit, bonded loan)	321,961.0	-18,234	303,727.0
1.8	Sources (part of sources) of the additional capital, formed by investors by using inappropriate assets	0.0	0	0.0
2.	Standard mandatory equity (capital) adequacy ratio, (percent)	10.0	X	10.0
3.	Actual equity (capital) adequacy ratio, (percent)	30.7	X	34.1
4.	Actually formed provisions for possible losses (thousand rubles), total, including:	796,114.0	384,326	1,180,440.0
4.1	related to loans, principal and similar receivables	622,967.0	451,988	1,074,955.0

1	2	3	4	5
4.2	related to other assets bearing the risk of losses, and other losses	40,623.0	-10573	30,050.0
4.3	related to contingent credit liabilities recorded on off-balance sheet accounts, and futures transactions	132,524.0	-57089	75,435.0
4.4	related to operations with offshore residents	0.0	0	0.0

For reference:

1. Forming (supplementing) provisions for possible losses under loans, principal and similar receivables in the reporting period (thousand rubles), total 35,993,992

including due to:

1.1. issue of loans	35,629,785;
1.2. change in the loan quality	344,710;
1.3. changes in the official ruble to foreign currency rate set by the Bank of Russia	19,497;
1.4. other reasons	0.

2. Recovery of (decrease in) provisions for possible losses under loans, principal and similar receivables in the reporting period (thousand rubles), total 35,542,004

including due to:

2.1. write-off of bad loans	0;
2.2. repayment of loans	33,086,054;
2.3. change in the loan quality	2,415,403;
2.4. changes in the official ruble to foreign currency rate set by the Bank of Russia	40,547;
2.5. other reasons	0.

Acting President-Chairman of the Board

Ilya Konstantinovich Lomakin

Chief Accountant

Vladimir Vladimirovich Sergeev

5. FINANCIAL STATEMENTS

STATUTORY RATIOS REPORT AS OF 1 JANUARY 2013

(PERCENT)

No.	INDICATOR	STATUTORY VALUE	ACTUAL VALUE	
			AS OF THE REPORTING DATE	AS OF THE PREVIOUS REPORTING DATE
1	2	3	4	5
1.	Equity (capital) adequacy ratio (H1)	10.0	34.1	30.7
2.	Equity (capital) adequacy ratio of a non-bank credit institution entitled to transfer monetary funds without opening bank accounts and to carry out other associated banking operations (H1.1)			
3.	Quick liquidity ratio (H2)	15.0	79.0	60.2
4.	Current liquidity ratio (H3)	50.0	104.0	96.6
5.	Long-term liquidity ratio (H4)	120.0	63.8	22.0
6.	Maximum risk per borrower or group of related borrowers ratio (H6)	25.0	Máximo 14.3	Máximo 20.8
			Mínimo 1.7	Mínimo 2.1
7.	Maximum major credit ratio (H7)	800.0	127.1	188.2
8.	Maximum amount of loans, bank guarantees and suretyships issued by the bank to its participants (shareholders) (H9.1)	50.0	10.5	0.8
9.	Aggregate risk for insiders (H10.1)	3.0	0.6	0.8
10.	Ceiling for using the bank's equity (capital) to purchase shares (stakes) of other legal entities (H12)	25.0	0.0	0.0
11.	Liquid assets maturing within the nearest 30 calendar days to liabilities of settlement non-bank credit institutions (H15)			
12.	Liquidity of a non-bank credit institution entitled to transfer monetary funds without opening bank accounts and to carry out other associated banking operations (H15.1)			

1	2	3	4	5
13.	Maximum aggregate loans to clients - participants for settlement completion (H16)			
14.	Issue of loans by a non-bank settlement credit institution on its behalf and at its expense to borrowers other than settlement participants (H16.1)			
15.	Minimum amount of issued mortgage-backed loans to shareholders' equity (capital) (H17)			
16.	Minimum amount of mortgage collateral to mortgage-backed bond issue (H18)			
17.	Maximum aggregate liabilities of the issuing credit institution to its creditors, which, in accordance with federal laws, have a priority right to satisfy their claims over mortgage-backed bond holders, to equity (capital) (H19)			

Acting President-Chairman of the Board

Ilya Konstantinovich Lomakin

Chief Accountant

Vladimir Vladimirovich Sergeev

5. FINANCIAL STATEMENTS

CASH FLOW STATEMENT FOR 2012

(THOUSAND RUSSIAN RUBLES)

No.	DESCRIPTION	CASH FLOW FOR THE REPORTING PERIOD	CASH FLOW FOR THE PREVIOUS REPORTING PERIOD
1	2	3	4
1.	Net cash received from (used in) operating activities		
1.1	Cash received from (used in) operating activities before changes in operating assets and liabilities, total, including:	617,871	- 496,722
1.1.1	Interest earned	2,422,589	2,059,973
1.1.2	Interest paid	-593,781	- 908,966
1.1.3	Fees and commissions earned	436,560	563,074
1.1.4	Fees and commissions paid	-53,867	- 44,133
1.1.5	Income net of expenses on operations with financial assets, evaluated at the fair value through profit or loss, available for sale	-60,998	- 3,084
1.1.6	Income net of expenses on operations with securities held to maturity	0	0
1.1.7	Income net of expenses on foreign exchange transactions	155,533	- 230,773
1.1.8	Other operating income	10,137	32,925
1.1.9	Operating expenses	-1,413,697	- 1,787,851
1.1.10	Tax expense (refund)	-284,605	- 177,887
1.2	Increase/decrease in net cash from operating assets and liabilities, total, including:	-3,969,060	14,484,077
1.2.1	Net increase (decrease) in mandatory provisions on accounts with the Bank of Russia	-681,573	- 1,629,947
1.2.2	Net increase (decrease) in investments in securities evaluated at the fair value through profit or loss	0	0
1.2.3	Net increase (decrease) in principal receivable	-27,605,745	- 15,998,748
1.2.4	Net increase (decrease) in other assets	-214,350	347,595
1.2.5	Net increase (decrease) in loans, deposits and other funds due to the Bank of Russia	530,199	0
1.2.6	Net increase (decrease) in funds due to other credit institutions	41,008,222	- 329,252

1	2	3	4
1.2.7	Net increase (decrease) in funds of clients other than credit institutions	-17,398,532	33,590,693
1.2.8	Net increase (decrease) in financial liabilities evaluated at the fair value through profit or loss	0	0
1.2.9	Net increase (decrease) in issued debt liabilities	440,261	- 1,508,222
1.2.10	Net increase (decrease) in other liabilities	-47,542	11,958
1.3	Total Section 1 (Item 1.1 + Item 1.2)	-3,351,189	13,987,355
2.	Net cash received from (used in) investment activities		
2.1	Acquisition of securities and other financial assets "available for sale"	-16,696,916	- 26,183,425
2.2	Proceeds from sale and redemption of securities and other financial assets "available for sale"	17,723,409	20,836,561
2.3	Acquisition of securities "held to maturity"	0	0
2.4	Proceeds from redemption of securities "held to maturity"	278,858	80,274
2.5	Acquisition of fixed assets, intangible assets and inventory	-35,343	-18,557
2.6	Proceeds from sale of fixed assets, intangible assets and inventory	171,991	5,042
2.7	Dividends received	16,224	12,197
2.8	Total Section 2 (sum of Item 2.1 to Item 2.7)	1,458,223	- 5,267,908
3.	Net cash received from (used in) financial activities		
3.1	Contributions of shareholders (participants) to the authorized capital	0	0
3.2	Acquisition of own shares (stakes) purchased from shareholders (participants)	0	0
3.3	Sale of own shares (stakes) purchased from shareholders (participants)	0	0
3.4	Dividends paid	-323,561	0
3.5	Total Section 3 (sum of Item 3.1 to Item 3.4)	-323,561	0
4.	Impact of changes in official ruble to foreign currency rates set by the Bank of Russia on cash and cash equivalents	178,966	- 1,024,228
5.	Increase in (use of) cash and cash equivalents	-2,037,561	7,695,219
5.1	Cash and cash equivalents as of the beginning of the reporting year	9,007,999	1,312,780
5.2	Cash and cash equivalents as of the end of the reporting year	6,970,438	9,007,999

Acting President-Chairman of the Board

Ilya Konstantinovich Lomakin

Chief Accountant

Vladimir Vladimirovich Sergeev

5. FINANCIAL STATEMENTS

AUDIT REPORT ON FINANCIAL (ACCOUNTING STATEMENTS)



Attn Shareholders of Evrofinance Mosnarbank

AUDITED COMPANY

Name:

Evrofinance Mosnarbank

Address:

29 Novy Arbat Str, Moscow 121099

State registration

Registered by the Bank of Russia on 29 June 1993 under Registration Number 2402.

AUDITOR

Name:

Limited Liability Company Financial and Accounting Consultants (LLC FBK)

Membership in self-regulatory organizations of auditors:

Non-Profit Partnership Audit Chamber of Russia.

Address:

2AB 44/1 Myasnitskaya Str, Moscow 101990

Number in the register of audit companies of the self-regulatory organization of auditors:

Non-Profit Partnership Audit Chamber of Russia Membership Certificate No. 5353, ORNZ (Primary Number of Registration Entry) –10201039470.

State registration

Registered by the Moscow Registration Chamber on 15 November 1993, Certificate: series U3 3 No. 484.583 ПП. Entered in the Unified State Register of Legal Entities on 24 July 2002 under Primary Registration Number 1027700058286.

We have audited the accompanying accounting statements of Evrofinance Mosnarbank, comprising the balance sheet as of 1 January 2013, the profit and loss statement for the period from 1 January to 31 December 2012, the cash flow statement for 2012, the statement of capital adequacy, provisions for doubtful loans and other assets as of 1 January 2013, the statutory ratios report as of 1 January 2013 and explanatory notes.

Responsibility of the audited company for accounting statements

The management team of the audited company is responsible for the preparation and fair presentation of the specified accounting statements in accordance with the Russian rules of preparation of

accounting statements and for the internal system control necessary for the preparation of accounting statements free of material misstatements, whether due to negligence or error.

Responsibility of the auditor

Our responsibility is to express an opinion on the fair presentation of the accounting statements on the basis of our audit. We have conducted the audit in accordance with the federal audit standards. The said standards require that we comply with applicable ethical requirements and plan and conduct the audit so as to obtain reasonable assurance that the accounting statements are free of material misstatements.

The audit comprised audit procedures aimed at obtaining audit evidence to support the amounts and disclosures reflected in the accounting statements. The audit procedures selected depend on the auditor's judgment, which is based on the assessment of the risk of material misstatements, whether due to negligence or error. In making the said risk

assessment, the auditor considered the internal control system relevant for the preparation and fair presentation of the accounting statements in order to select appropriate audit procedures but not for the purpose of expressing an opinion on the effectiveness of the internal control system. The audit also included evaluating the appropriateness of the accounting policies applied and the reasonableness of accounting estimates made by the audited company's management team, as well as assessing the overall presentation of the accounting statements.

We believe that the audit evidence obtained in the course of the audit is sufficient and appropriate to express an opinion on the fair presentation of the accounting statements.

5. FINANCIAL STATEMENTS

AUDIT REPORT ON FINANCIAL (ACCOUNTING STATEMENTS)



Opinion

In our opinion, the accounting statements present fairly, in all material respects, the financial position of Evrofinance Mosnarbank as of 1 January 2013, its financial performance, its cash flows for 2012, the level

of its capital adequacy, the size of provision for doubtful loans and other assets, information about statutory ratios as of 1 January 2013, in accordance with the Russian rules of preparation of accounting statements.

Report in accordance with requirements of Article 42, Federal Law No. 395-1 dated 2 December 1990 "On Banks and Banking Activities" (including amendments and additions thereto).

Upon completion of the audit procedures, as of 1 January 2013 we note that we discovered no material facts speaking of:

- miscalculations or non-compliance by Evrofinance Mosnarbank with the statutory ratios established by the Bank of Russia;
- inadequacy of the management structure of Evrofinance Mosnarbank to the nature and scope of conducted operations at the current stage of the development of the banking service sector in the Russian Federation;
- inadequacy of the internal system control of Evrofinance Mosnarbank to the nature and scope of conducted operations.

President of LLC FBK

S.M. Shapiguzov
(on the basis of the Articles of Association)

Audit leader

M.V. Korneev

Audit report date

18 April 2013

6

ADDITIONAL INFORMATION





6

ADDITIONAL INFORMATION

6.1. Licenses and statuses

Evrofinance Mosnarbank holds all necessary licenses to conduct any type of banking operations under the Russian legislation

The Bank of Russia's General Banking License No 2402 dated 17 May 2012;

License for conducting banking operations on depositing and placing precious metals No. 2402 dated 18 December 2003;

Securities market professional participant's Dealer License No. 177-03607-010000 dated 7 December 2000;

Securities market professional participant's Brokerage License No. 177-03504-100000 dated 7 December 2000;

Securities market professional participant's license to conduct custody activity No. 177-04142-000100 dated 20 December 2000;

Securities market professional participant's license to manage securities No. 177-03695-001000 dated 7 December 2000;

License of an exchange intermediary conducting commodity futures and option exchange transactions No. 1438 dated 17 September 2009;

Notice of the Federal Customs Service of Russia authorizing the Bank to act as a guarantor to customs authorities from 1 December 2012 to 30 November 2015.

Statuses held by Evrofinance Mosnarbank:

- The status of the deposit insurance system member (the status is awarded by the Bank of Russia);
- The status of a credit institution entitled to accept pension savings as ruble deposits (awarded by the Federal Financial Markets Service of Russia);
- The status of an authorized Bank of Russia's dealer on the GKO-OFZ market;
- The status of an inter-bank market operator determining the MosIBOR (Moscow InterBank Offered Rate) - a benchmark Moscow Inter-Bank Offered Rate;
- The status of a foreign exchange market maker - a RIBER project participant (calculating the benchmark Russian ruble/US dollar exchange rate for the interbank market) providing daily exchange rate quotes for the project.
- The status of an interbank market operator, whose quoted rates are used to calculate the average rates of the Moscow interbank credit market:
 - MIBID (the Moscow inter-bank bid rate),
 - MIBOR (the Moscow inter-bank offered rate).
 - MIACR (the Moscow inter-bank actual rate);
- The status of a national money market maker;

6. ADDITIONAL INFORMATION

Evrofinance Mosnarbank extensively cooperates with and is a member of the leading professional organizations such as

- Association of Russian Banks (ARB);
- National Securities Market Association (NSMA);
- National Foreign Exchange Association (NFEA);
- Association of Promissory Note Market Participants (AUVER);
- MasterCard International payment system (as the principal member);
- Visa International payment system (as the principal member);
- China UnionPay international payment system (as the principal member);
- Union Card payment system (as the settlement bank);
- SWIFT;
- Moscow Interbank Currency Exchange (MICEX);
- MICEX Stock Exchange;
- MICEX Clearing House;
- International Chamber of Commerce;
- Euroclear Clearing System (Belgium);
- Association of Russian Banks - Visa Members;
- Russian Europay Members' Association;
- National Credit Cards Payment System;
- American Express Card Service Agreement;

6.2. Details and contact information

Full name

Evrofinance Mosnarbank
(Open Joint-Stock Company)

Short name

Evrofinance Mosnarbank

Location and correspondence address

29 Novy Arbat Str, Moscow 121099

Tel:

(+ 7 495) 967 81 82

Fax:

(+ 7 495) 967 81 33

E-mail:

info@evrofinance.ru

Web site

www.evrofinance.ru,

www.mosnarbank.ru

S.W.I.F.T.

EVRFRUMM

TELEX

414242 EFIN R

Correspondent account

with Operations Department

of the Moscow Main Territorial Department

of the Bank of Russia

30101810900000000204

BIC

044525204

INN (Taxpayer Identification Number)

7703115760

KPP (Tax Registration Reason Code)

775001001

Major taxpayer KPP

997950001

6. ADDITIONAL INFORMATION

6.3. Regional network

Stavropol Branch

Address: 341 Mira Str, Stavropol,
355017 Russia
Tel: (8652) 35 56 60
Fax: (8652) 35 34 30
E-mail: stavropol@evrofinance.ru
Branch Manager: Valentin Igorevich Kolesnikov

Additional Office No. 1 in Nevinnomyssk, Stavropol Branch

Address: 12 Mira Boulevard, Nevinnomyssk 357108
Tel/fax: (86554) 7 42 82
Fax: (86554) 7 20 20
E-mail: stavropol@evrofinance.ru
Director: Igor Petrovich Ivanov

Additional Office No. 2 in Pyatigorsk, Stavropol Branch

Address: 74a Kalinina Avenue, Pyatigorsk 357502
Tel: (8793) 33 97 77
Fax: (8793) 33 82 11
E-mail: stavropol@evrofinance.ru
Director: Anatoly Grigorievich Ralkov

Yaroslavl Branch

Address: 2 Chkalova Str, Yaroslavl
150054 Russia
Tel: (4852) 73 99 90
Fax: (4852) 72 10 93
E-mail: yaroslavl@evrofinance.com
Branch Manager: Oleg Nikolaevich Roenko

Bank's Saint-Petersburg Representative Office

Address: A 20 Zvenigorodskaya Str, Saint-Petersburg 191119 Russia

Tel: (812) 718 6112

Fax: (812) 325 1262

E-mail: : info@evrofinance.ru

First Deputy Manager - Advisor to President:

Svetlana Nikolaevna Fedotova

Bank's Beijing Representative Office (PRC)

(Evrofinance Mosnarbank Beijing Representative Office)

Address: C802, 35 Dongzhimenwai Main Street, Dongcheng District, Beijing, China, 100027

Tel: (8610) 6467 4091

Fax: (8610) 6467 7932

E-mail: info@evrofinance.ru

Head of the Representative Office: Leonid Yakovlevich Kolos

Bank's Caracas Representative Office

(Bolivarian Republic of Venezuela)

(La Sede Representativa del Banco Comercial EVROFINANCE MOSNARBANK (Sociedad Anónima) en la Ciudad de Caracas)

Address: Torre La Castellana, Oficina 9-A, Piso 9, Av. Eugenio Mendoza, Urbanizació La Castellana, Municipio Chacao, Caracas 1060, Venezuela.

Tel: +58 212 2633149

Fax: (8610) 6467 7932

E-mail: EFariasJR@evrofinance.ru

Head of the Representative Office: Emilio Junior Farias Lopez

Evrofinance Mosnarbank

