

Consolidated Statement of Financial Position for the half year ended 30 June 2010

	2010_1 '000 RUR	2009 '000 RUR	2010_1 '000 USD*	2009 '000 USD*
ASSETS				
Non-current assets				
Property, plant and equipment	21,831,013	21,267,188	699,815	681,741
Advances for property, plant and equipment	630,922	362,953	20,225	11,635
Goodwill	106,843	106,849	3,425	3,425
Other intangible assets	207,778	350,341	6,661	11,231
Investments in equity accounted investees	178,848	199,488	5,733	6,395
Other investments	105,166	16,455	3,371	527
Loans issued	1,078,005	59,370	34,557	1,903
Net investments in leases	184,026	39,770	5,899	1,275
Advances issued other than those issued for property, plant and equipment	-	25,760	-	826
Accounts receivable	-	1,670	-	54
Deferred tax assets	41,673	68,986	1,336	2,211
Total non-current assets	24,364,274	22,498,831	781,021	721,223
Current assets				
Inventories	1,461,900	1,783,985	46,863	57,187
Trade and other receivables	7,889,576	5,741,462	252,908	184,048
Advances issued other than those issued for property, plant and equipment	2,004,388	2,710,879	64,253	86,900
Current income tax	249,955	288,879	8,013	9,260
Net investments in leases	163,883	91,028	5,253	2,918
Loans issued	274,818	794,654	8,810	25,473
Other investments	366,642	404,983	11,753	12,982
Security deposits	6,175,971	6,450,010	197,977	206,762
Cash and cash equivalents	593,655	514,586	19,030	16,496
Non-current assets held for sale	3,753,586	758,759	120,325	24,323
Total current assets	22,934,374	19,539,225	735,184	626,350
Total assets	47,298,648	42,038,056	1,516,206	1,347,572

	2010_1 '000 RUR	2009 '000 RUR	2010_1 '000 USD*	2009 '000 USD*
EQUITY AND LIABILITIES				
Equity				
Share capital	3,101,456	3,101,456	99,420	99,420
Treasury shares	(173,244)	(173,244)	(5,554)	(5,554)
Surplus from reissuance of treasury shares	13,010	13,010	417	417
Foreign currency translation reserve	105,030	117,911	3,367	3,780
Revaluation reserve	7,969,572	8,133,733	255,473	260,735
Retained earnings	(4,484,111)	(5,313,407)	(143,743)	(170,327)
Total equity attributable to equity holders of the Company	6,531,713	5,879,459	209,381	188,472
Non-controlling interest	488,445	511,949	15,658	16,411
Total equity	7,020,158	6,391,408	225,038	204,883
Non-current liabilities				
Loans and borrowings	13,467,493	12,548,873	431,714	402,267
Derivatives	30,600	98,088	981	3,144
Trade and other payables	113,396	117,134	3,635	3,755
Deferred income	804,496	895,201	25,789	28,697
Employee benefits	165,296	165,296	5,299	5,299
Deferred tax liabilities	1,579,417	1,867,313	50,630	59,859
Total non-current liabilities	16,160,698	15,691,905	518,047	503,020
Current liabilities				
Loans and borrowings	15,596,647	13,584,686	499,966	435,471
Derivatives	52,972	93,720	1,698	3,004
Trade and other payables	6,522,362	4,831,012	209,081	154,863
Deferred income	268,165	301,241	8,596	9,657
Income tax liabilities	205,118	2,659	6,575	85
Taxes payable	457,822	244,527	14,676	7,839
Advances received	996,509	883,682	31,944	28,327
Other liabilities	4,981	(0)	160	(0)
Employee benefits	13,216	13,216	424	424
Total current liabilities	24,117,792	19,954,743	773,120	639,669
Total liabilities	40,278,490	35,646,648	1,291,168	1,142,689
Total equity and liabilities	47,298,648	42,038,056	1,516,206	1,347,572

Consolidated Statement of Comprehensive Income for the half year ended 30 June 2010

	2010_1	2009_1	2010_1	2009_1
	'000 RUR	'000 RUR	'000 USD*	'000 USD*
Revenue				
Passenger traffic and helicopter services revenue	19,098,967	18,436,263	612,237	590,993
Other revenue	1,168,890	1,007,778	37,470	32,305
	20,267,857	19,444,041	649,707	623,298
Operating expenses				
Direct operating expenses	(10,780,229)	(11,800,631)	(345,571)	(378,281)
Personnel expenses	(4,109,578)	(2,795,777)	(131,737)	(89,621)
Depreciation and amortisation	(1,468,125)	(953,176)	(47,062)	(30,555)
Repair expenses	(946,867)	(444,317)	(30,353)	(14,243)
Commissions	(770,631)	(593,957)	(24,703)	(19,040)
Gain on sales of non-current assets held for sale	440,484	-	14,120	-
Other operating income	152,774	185,271	4,897	5,939
Other operating expenses	(1,026,390)	(1,514,728)	(32,902)	(48,556)
	(18,508,562)	(17,917,315)	(593,311)	(574,358)
Operating profit	1,759,295	1,526,726	56,396	48,941
Financial income	149,798	299,835	4,802	9,612
Financial expenses	(1,247,299)	(1,198,982)	(39,983)	(38,435)
Share of results of associates	(20,640)	135,200	(662)	4,334
Impairment for doubtful debts	(144,291)	5,894	(4,625)	189
Net foreign exchange loss	202,179	(372,599)	6,481	(11,944)
Profit/ (loss) from purchase and/ or disposal of subsidiaries	-	-	-	-
	699,042	396,074	22,408	12,697
Profit/(loss) before income tax	699,042	396,074	22,408	12,697
Income tax benefit	(75,770)	(80,230)	(2,429)	(2,572)
	623,272	315,844	19,980	10,125
Profit/(loss) for the year	623,272	315,844	19,980	10,125
<i>Attributable to:</i>				
-equity holders of the Company	549,621	306,368	17,619	9,821
-minority interests	73,651	9,476	2,361	304

Consolidated Statement of Cash Flows for the half year ended 30 June 2010

	2010_1 '000 RUR	2009 '000 RUR	2010_1 '000 USD*	2009 '000 USD*
Cash flows from operating activities				
Profit/(loss) before income tax	699,042	187,786	22,408	6,020
<i>Adjustments for:</i>				
Depreciation and amortisation	1,457,654	2,213,217	46,727	70,947
Loss on disposal of property, plant and equipment	2,073,400	127,768	66,465	4,096
Finance costs, net	1,262,432	2,347,638	40,469	75,256
Unrealised foreign exchange differences	190,199	(974,859)	6,097	(31,250)
Cash from operating activities before changes in working capital and provisions	5,682,727	3,901,550	182,166	125,068
Decrease / (increase) in inventories	322,085	278,873	10,325	8,940
Increase in trade and other receivables	(2,315,088)	(682,165)	(74,212)	(21,867)
Decrease / (increase) in prepayments	732,251	(253,519)	23,473	(8,127)
Increase in trade and other payables	1,658,949	1,438,394	53,179	46,109
Increase/(decrease) in payables to personnel	-	50,694	-	1,625
Increase in advances received and deferred income	93,533	697,326	2,998	22,353
(Decrease) / increase in taxes payable	213,295	(317,931)	6,837	(10,192)
Cash flows from/(used in) operations before income taxes and interest paid	6,387,752	4,808,084	204,766	154,128
Income tax paid	(21,398)	(171,949)	(686)	(5,512)
Interest paid	(1,443,162)	(2,692,798)	(46,262)	(86,320)
Net cash from/(used in) operating activities	4,923,192	1,943,337	157,818	62,296

Consolidated Statement of Cash Flows for the half year ended 30 June 2010

	2010_1 '000 RUR	2009 '000 RUR	2010_1 '000 USD*	2009 '000 USD*
Cash flows from investing activities				
Acquisition of property, plant and equipment	(5,997,239)	(3,536,562)	(192,248)	(113,368)
Proceeds from sale of property, plant and equipment	(60,591)	250,536	(1,942)	8,031
Acquisition of intangible assets	(68,587)	(39,563)	(2,199)	(1,268)
Interest received	-	37,988	-	1,218
Acquisition of other investments	(4,657,641)	(6,315,147)	(149,305)	(202,438)
Proceeds from sales of investments	4,869,600	5,475,563	156,100	175,525
Short-term loans provided to third parties	(303,431)	(69,578)	(9,727)	(2,230)
Short-term loans repaid by third parties	2,219	10,130	71	325
Deposits	274,038	(1,894,000)	8,785	(60,714)
Net cash used in investing activities	(5,941,632)	(5,775,495)	(190,465)	(185,139)
Cash flows from financing activities				
Proceeds from borrowings	33,097,337	46,720,533	1,060,969	1,497,674
Repayment of borrowings	(31,704,191)	(42,569,812)	(1,016,310)	(1,364,618)
Dividends paid equity holders of the Company	-	(23,088)	-	(740)
Dividends paid to non-controlling holders	-	(8,002)	-	(257)
Repayment of liability under finance lease agreements	(295,637)	(111,759)	(9,447)	(3,583)
Acquisition of treasury shares	-	-	-	-
Net cash from financing activities	1,097,509	4,007,872	35,182	128,476
Net increase in cash and cash equivalents	79,069	175,714	2,535	5,633
Cash and cash equivalents at 1 January	514,586	338,872	16,496	10,863
Cash and cash equivalents at 31 December	593,655	514,586	19,030	16,496

'000 RUR

	Attributable to equity holders of the Company								
	Share capital	Treasury shares	Reserve for own shares	Translation reserve	Property, plant and equipment revaluation reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 1 January 2009	3,101,456	(173,244)	13,010	120,050	8,449,185	(5,591,349)	5,919,108	489,014	6,408,122
Total comprehensive income for the year	-	-	-	-	-	38,044	38,044	52,156	90,200
Other comprehensive income	-	-	-	(2,139)	-	-	(2,139)	6,510	4,371
Foreign currency translation differences	-	-	-	-	-	-	-	-	-
Realisation of property, plant and equipment revaluation reserve	-	-	-	-	(384,422)	318,844	(65,578)	-	(65,578)
Income tax on other comprehensive income	-	-	-	-	68,970	(55,858)	13,112	-	13,112
Total other comprehensive income	-	-	-	(2,139)	(315,452)	262,986	(54,605)	6,510	(48,095)
Total comprehensive income for the year	-	-	-	(2,139)	(315,452)	301,030	(16,561)	58,666	42,105
Transactions with shareholders, recorded directly in equity	-	-	-	-	-	-	-	-	-
Contributions by and distributions to owners	-	-	-	-	-	(23,088)	(23,088)	-	(23,088)
Dividends to equity holders	-	-	-	-	-	(23,088)	(23,088)	-	(23,088)
Total contributions by and distributions to owners	-	-	-	-	-	(23,088)	(23,088)	-	(23,088)
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	(35,731)	(35,731)
Disposal of subsidiary	-	-	-	-	-	(23,088)	(23,088)	(35,731)	(58,819)
Total transactions with owners	-	-	-	-	-	(23,088)	(23,088)	(35,731)	(58,819)
Balance at 31 December 2009	3,101,456	(173,244)	13,010	117,911	8,133,733	(5,313,407)	5,879,459	511,949	6,391,408

'000 RUR

	Attributable to equity holders of the Company							Total equity	
	Share capital	Treasury shares	Reserve for own shares	Translation reserve	Property, plant and equipment revaluation reserve	Retained earnings	Total		Non-controlling interest
Balance at 1 January 2010	3 101 456	(173 244)	13 010	117 911	8 133 733	(5 313 407)	5 879 459	511 949	6 391 408
Total comprehensive income for the year									
Profit for the year	-	-	-	-	-	591 458	591 458	(31 814)	623 272
Other comprehensive income									
Foreign currency translation differences	-	-	-	(12 881)	-	-	(12 881)	8 310	(4 571)
Realisation of property, plant and equipment revaluation reserve	-	-	-	-	(164 160)	237 836	73 676	-	73 676
Income tax on other comprehensive income	-	-	-	-	-	-	-	-	-
Total other comprehensive income	-	-	-	(12 881)	(164 160)	237 836	60 795	8 310	69 105
Total comprehensive income for the year									
				(12 881)	(164 160)	829 294	652 253	(23 504)	628 749
Transactions with shareholders, recorded directly in equity									
Contributions by and distributions to owners	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners									
Changes in ownership interests in subsidiaries									
Disposal of subsidiary	-	-	-	-	-	-	-	-	-
Total transactions with owners									
Balance at 30 June 2010	3 101 456	(173 244)	13 010	105 030	7 969 572	(4 484 113)	6 531 711	488 445	7 020 156

	Attributable to equity holders of the Company							Total equity	
	Share capital	Treasury shares	Reserve for own shares	Translation reserve	Property, plant and equipment revaluation reserve	Retained earnings	Total		Non-controlling interest
Balance at 1 January 2009	99,420	(5,554)	417	3,848	270,847	(179,236)	189,743	15,676	205,419
Total comprehensive income for the year	-	-	-	-	-	1,220	1,220	1,672	2,891
Profit for the year	-	-	-	(69)	-	-	(69)	209	140
Other comprehensive income	-	-	-	-	(12,323)	10,221	(2,102)	-	(2,102)
Foreign currency translation differences	-	-	-	-	2,211	(1,790)	420	-	420
Realisation of property, plant and equipment revaluation reserve	-	-	-	-	(10,112)	8,430	(1,750)	209	(1,542)
Income tax on other comprehensive income	-	-	-	(69)	(10,112)	9,650	(531)	1,881	1,350
Total other comprehensive income for the year	-	-	-	-	-	-	-	-	-
Transactions with owners, recorded directly in equity	-	-	-	-	-	(740)	(740)	-	(740)
Contributions by and distributions to shareholders	-	-	-	-	-	(740)	(740)	-	(740)
Dividends to equity holders	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to shareholders	-	-	-	-	-	(740)	(740)	-	(740)
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-
Disposal of subsidiary	-	-	-	-	-	(740)	(740)	(1,145)	(1,145)
Total transactions with shareholders	-	-	-	-	-	(740)	(740)	(1,145)	(1,885)
Balance at 31 December 2009	99,420	(5,554)	417	3,780	260,735	(170,327)	188,472	16,411	204,883

'000 USD*

	Attributable to equity holders of the Company							Total equity
	Share capital	Treasury shares	Reserve for own shares	Translation reserve	Property, plant and equipment revaluation reserve	Retained earnings	Total	
Balance at 1 January 2010	99,420	(5,554)	417	3,780	260,735	(170,327)	188,472	204,883
Total comprehensive income for the year	-	-	-	-	-	18,960	18,960	19,980
Profit for the year	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	(413)	-	-	(413)	(147)
Foreign currency translation differences	-	-	-	-	-	-	-	-
Realisation of property, plant and equipment revaluation reserve	-	-	-	-	(5,262)	7,624	2,362	2,362
Income tax on other comprehensive income	-	-	-	-	-	-	-	-
Total other comprehensive income	-	-	-	(413)	(5,262)	7,624	1,949	2,215
Total comprehensive income for the year	-	-	-	(413)	(5,262)	26,584	20,909	20,155
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-
Contributions by and distributions to shareholders	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-
Total contributions by and distributions to shareholders	-	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-
Disposal of subsidiary	-	-	-	-	-	-	-	-
Total transactions with shareholders	-	-	-	-	-	-	-	-
Balance at 30 June 2010	99,420	(5,554)	417	3,367	255,473	(143,743)	209,381	225,038

'000 USD*