



# **BANK URALSIB 2007 Financial Results under IFRS**

**Analysts meeting**

*Moscow, June 5, 2008*

The statements and financial information of OJSC "BANK URALSIB" (including, for avoidance of doubt, OJSC "BANK URALSIB" as well as its predecessor banks, including but not limited to Avtobank-NIKoil Bank, NIKoil IBG Bank, Bryansky Narodny Bank, Kuzbassugolbank, Ural-Siberian Bank), have been derived from audited and/or un-audited consolidated and unconsolidated accounts for BANK URALSIB, as these were available at the time of preparation of this document. Quarterly updates are based on management accounts.

Some statements and/or other information included in this document may be deemed to be "forward looking" within the meaning of United States federal securities laws. Forward looking statements include statements concerning BANK URALSIB's plans, objectives, goals, strategies, and future operations and performance, and the assumptions underlying these forward looking statements. Sometimes these statements will use words such as "anticipates", "estimates", "expects", "believes", "intends", "plans", "may", "will", "should", and other similar expressions. These forward looking statements are used widely in this presentation, especially in the sections that include plans, outlook, projections, trends and forecasts. These statements are not guarantees of our future performance. BANK URALSIB has based these forward looking statements on the view of its management only as of the date that they initially were made with respect to future events and financial performance. These views reflect the best judgment of the BANK URALSIB's management but involve uncertainties and are subject to certain risks and uncertainties, the occurrence of which could cause the actual results to differ materially from those projected in the BANK URALSIB's forward-looking statements. Factors that could cause actual results to differ materially from current expectations include, without limitation, the BANK URALSIB's ability to implement its strategic initiatives, economic, political and market conditions, government regulation, interest rate risk and competition. Given these uncertainties, you should not rely on forward-looking statements. BANK URALSIB expressly disclaims a duty to provide updates to any forward-looking statements, and the estimates and assumptions associated with them, to reflect events or circumstances or changes in expectations or the occurrence of anticipated events after the date they initially were made. The financial information contained herein has been derived from un-audited [consolidated and unconsolidated] accounts for OJSC "BANK URALSIB" (the "Bank") as prepared independently by the Bank, as these were available at the time of preparation of this document

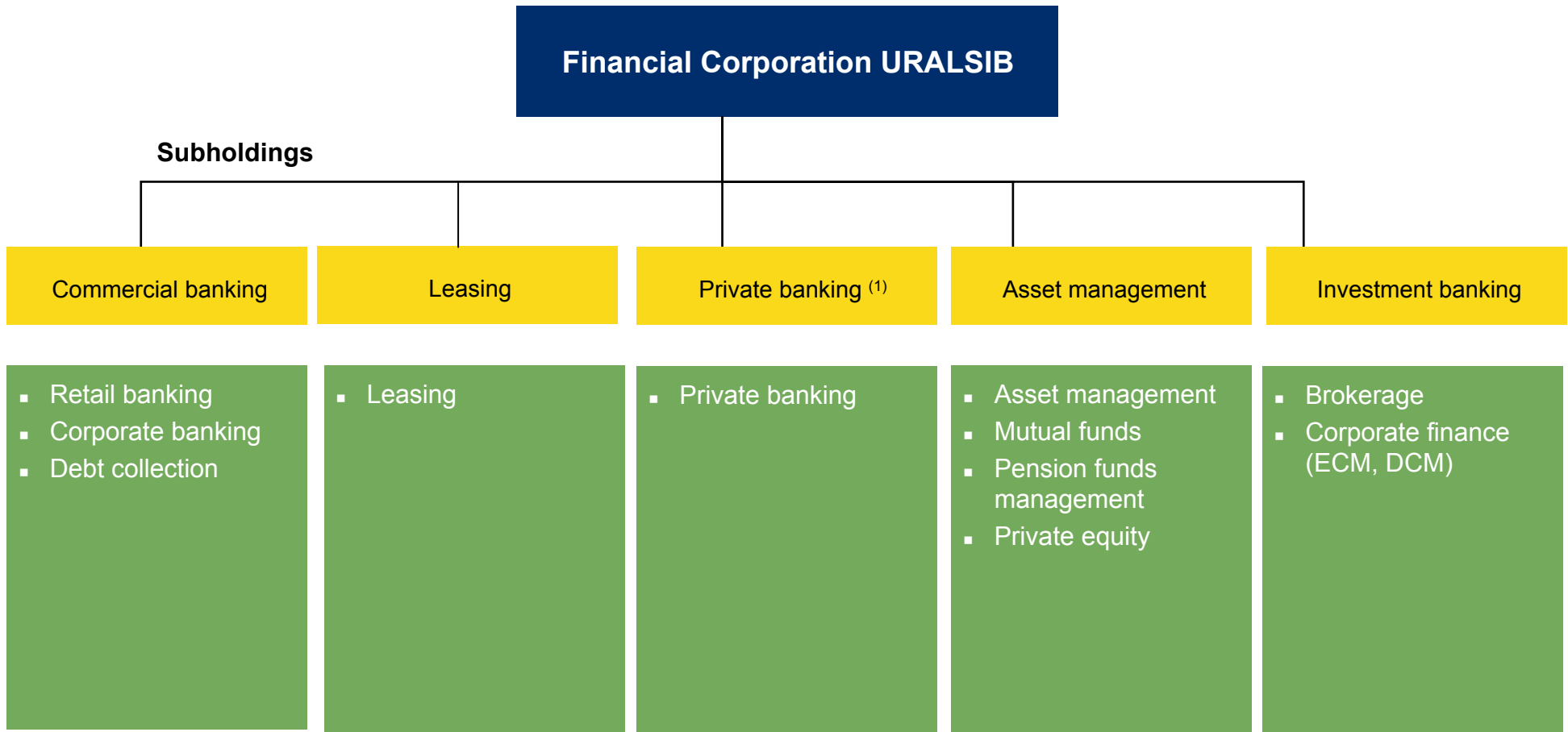
"URALSIB" means the group comprising OJSC "Financial Corporation URALSIB" and each of its subsidiaries.

Financial Corporation URALSIB. Profile

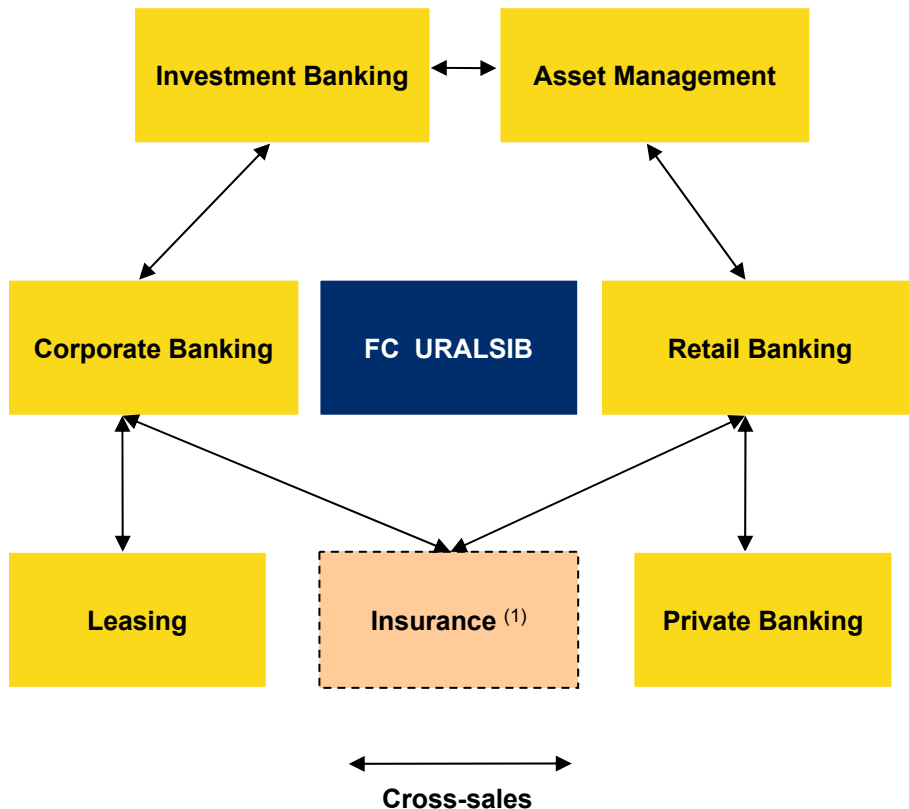
BANK URALSIB. Profile

BANK URALSIB 2007 financial results under IFRS

Appendix



*Note: <sup>(1)</sup> allocated as separate subholding in 2008*



- FC URALSIB today: more than 3.3 mln customers, 623 sales points, 17.3 th employees
- Strong brand recognition both domestically and internationally
- FC URALSIB provides a wide range of financial services including retail and corporate banking, investment banking, leasing, insurance, brokerage and custody services, asset and wealth management
- FC URALSIB has strong positions on all key activities among the leading companies

Financial Corporation URALSIB. Profile

**BANK URALSIB. Profile**

BANK URALSIB 2007 financial results

Appendix

Financial Reporting Standards	IFRS
Auditor	Ernst & Young
Reporting Currency	Russian Rubles
Annual Financial Statements	from 2004
Interim (semi-annual) Financial Statements	from 2007
Interim (quarterly) Financial Statements	from 2009

Company	Ownership, %	Country	Date of incorporation	Date of receiving control
<b>OJSC «BANK URALSIB»</b>				
OJCS AKB «Stroyvestbank»	91.5%	Russia	24.01.1992	28.09.2001 <sup>(1)</sup>
LLC «Uralsib Leasing Company»	87.61%	Russia	09.10.1990	22.11.2006
LLC «Region Leasing Ufa»	86.73%	Russia	10.11.2000	22.11.2006
LLC «Region Leasing Consult»	86.73%	Russia	12.11.2001	22.11.2006
NIKOIL Leasing company LLC	100%	Azerbaijan	11.12.2007	11.11.2007

Note: <sup>(1)</sup> August, 2007, witnessed the completion of the reorganization in the form of 6 regional banks unification on the basis of OJSC AKB «Stroyvestbank» (OJSC «Bank Dorozhnik», OJSC AKB «Evrazia», OJSC «Tumenprofbank», OJSC «Volgoinvestbank» and OJSC AKB «Dzerjinsky»)

## Financials

As of Jan 1, 2008

	<i>bln. rub.</i>
Assets	374.7
Equity	47.8
Credit portfolio <sup>(1)</sup>	229.1
Customer accounts <sup>(2)</sup>	215.0
Net interest income	16.7
Net fee and commission income	5.0
Net income	2.2

## Infrastructure

Sales points <sup>(3)</sup>	555
ATMs <sup>(4)</sup>	1,650
Payment terminals	8,408
Credit cards (mln.)	3.1
Personnel (th.) <sup>(3)</sup>	14.8

## Credit ratings

<b>Standard &amp; Poor's</b>	<b>BB-, outlook «Stable»</b>	<b>upgraded 15.05.2008r.</b>
Fitch Ratings	B+, outlook «Stable»	confirmed 21.11.2007
Moody's	Ba3, outlook «Positive»	upgraded 04.05.2007

BANK URALSIB is one of the Russian leading national financial institutions. It consolidates 12 banks.

- Established on September 20, 2005, through the merging of 5 banks : OJSC "UralSib", OJSC JSCB "AVTOBANK-NIKOIL", CB "Bryanskiy Narodny Bank" (OJSC), IBG NIKoil (OJSC), OJSC JSCB "Kusbassugolbank"

- OJSC "JSCB Stroyvestbank" established through integration of 6 regional banks in 2001-2007.

- Establishment of mono-product mortgage bank OJSC "Bashprombank" together with the Bashkortostan Republic.

- Headquarters in Moscow, distant office in Ufa.

- Full product range for retail and corporate customers.

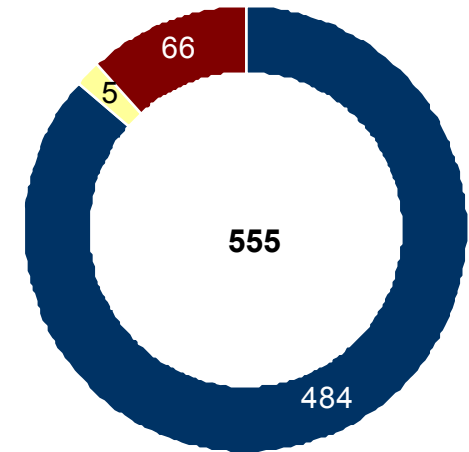
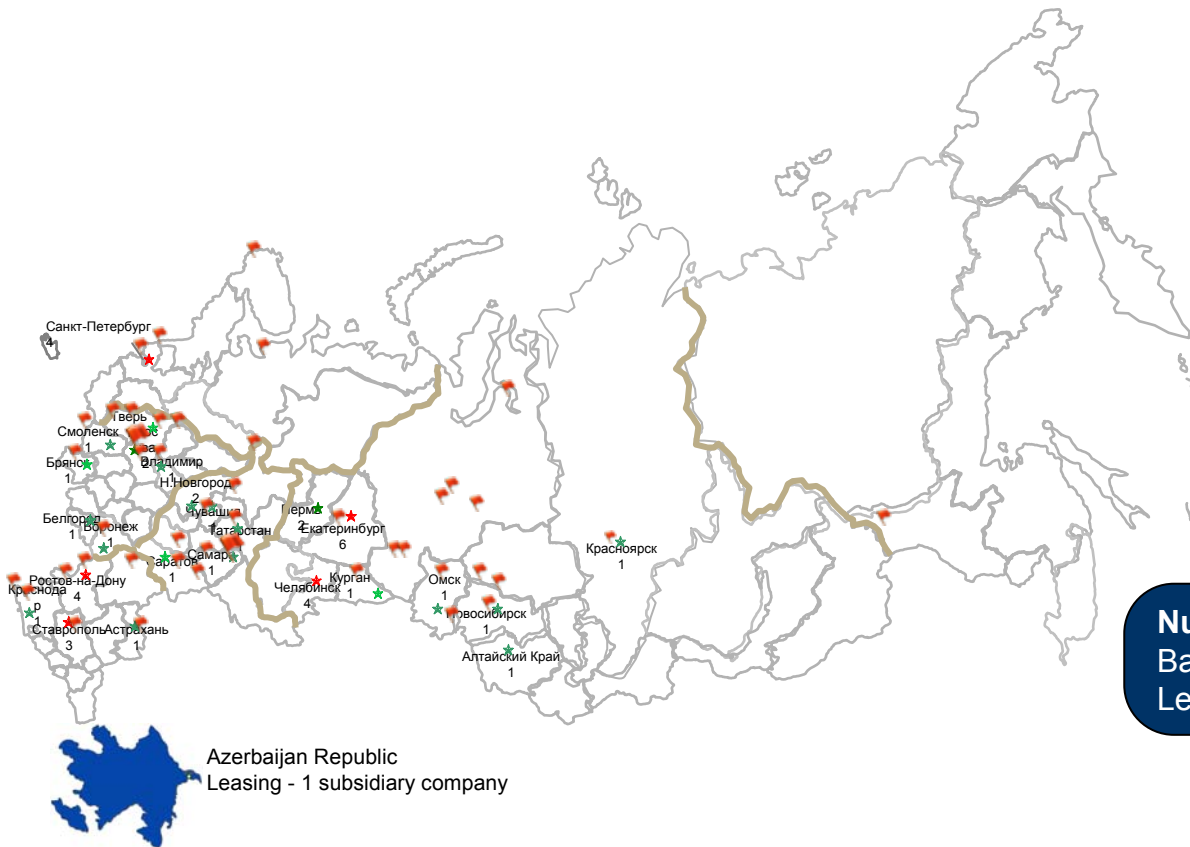
- Participation in the largest regional social projects.





47 regions, 11 time zones  
№3 in Russia by sales network

Sales network <sup>(1)</sup>



■ OJSC "BANK URALSIB" ■ OJCS AKB «Stroyestbank» ■ Leasing

**Number of sales points opened in 2007:**  
Bank - 45  
Leasing company - 37

★ Branches as of the beginning of 2007    ☆ Branches opened in 2007

*Note: as of January 01, 2008, exclusive of currency exchange*

- Feb**
  - \$US 50 mln. loan facility signed (Canadian Bank Export Development)
  - BANK URALSIB signs a one-year \$US 50 mln. Asia-focused syndicated loan facility (organizer - The Bank of Tokyo-Mitsubishi)
- Mar**
  - BANK URALSIB signed a one-year \$US 290 mln. international syndicated loan facility (organizers - Emirates Bank International and ICICI Bank)
  - Andrey Donskikh is appointed the Chairman of the Management Board
- Apr**
  - BANK URALSIB wins Global Finance Award as the Best Regional Bank in 2007
- May**
  - The Moody's Investors Service upgrades the outlook on all of BANK URALSIB ratings from "Stable" to "Positive"
- Jun**
  - According to Institutional Investor the URALSIB analysts team gained the highest rating
- Jul**
  - BANK URALSIB signed a two-year \$US 404 mln. syndicated term loan facility (organizers - The Bank of Tokyo-Mitsubishi, Commerzbank, Raiffeisen Zentralbank, Societe Generale and Sumitomo Mitsui Banking Corporation Europe)
- Nov**
  - Fitch Ratings confirmed credit rating "B+", outlook "Stable" for BANK URALSIB
- Dec**
  - BANK URALSIB secured \$US 137 mln. one-year international syndicated loan facility (organizers - Dresdner Kleinwort and ING Bank)
  - The EGM elected new Supervisory Board
  - BANK URALSIB increased its share in OJSC AKB "Stroyvestbank" from 54.97% to 91.49%

- Jan**           • Establishment of affiliated LLC “Uralsib Leasing company” in Azerbaijan Republic
- Feb**           • BANK URALSIB forwarded a mandatory tender offer for OJSC AKB “Stroyvestbank” shares.
- Mar**           • BANK URALSIB presented 2007 financial results under RAS.  
                  • URALSIB analysts team was included into top-10 best analysts by Institutional Investor.
  
- Apr**           ■ BANK URALSIB presented 1Q2008 financial results under RAS.
- May**           • Standard & Poor’s Services upgraded BANK URALSIB’s credit rating up to «BB-», outlook “Stable”.  
                  • OJSC «BANK URALSIB» Supervisory Board fixed the date of the AGM – June 27, 2008.

Financial Corporation URALSIB. Profile

BANK URALSIB. Profile

BANK URALSIB 2007 financial results

Appendix

- 1 Growth in core banking income
- 2 Lowering dependence on volatile financial instruments
- 3 Financial improvement in 2H07vs1H07
- 4 Administrative and operating expense control
- 5 Change in assets structure, credit portfolio and customer accounts growth

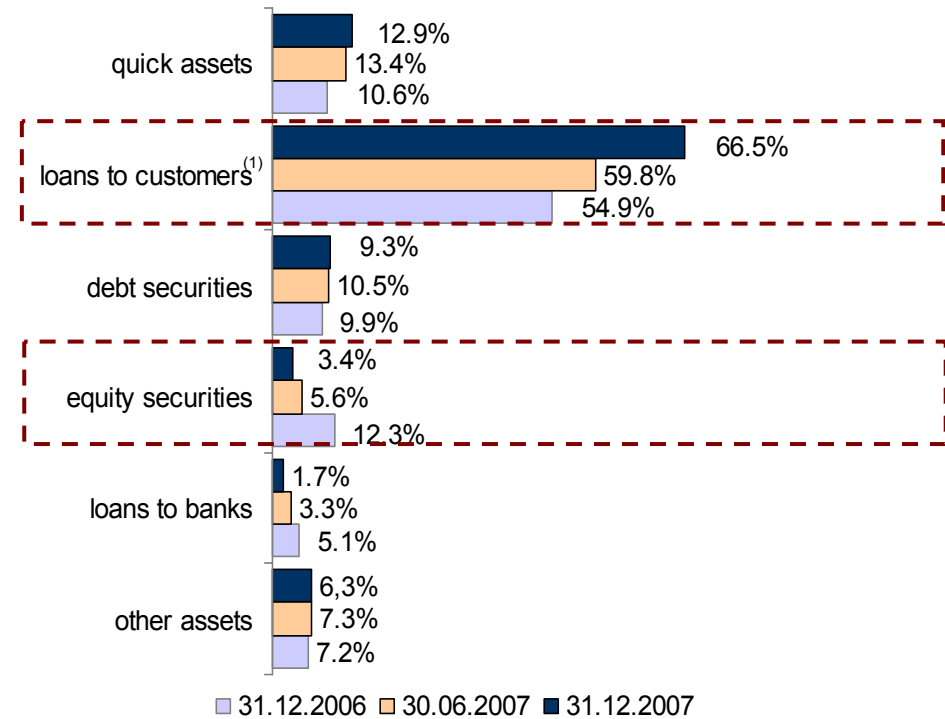
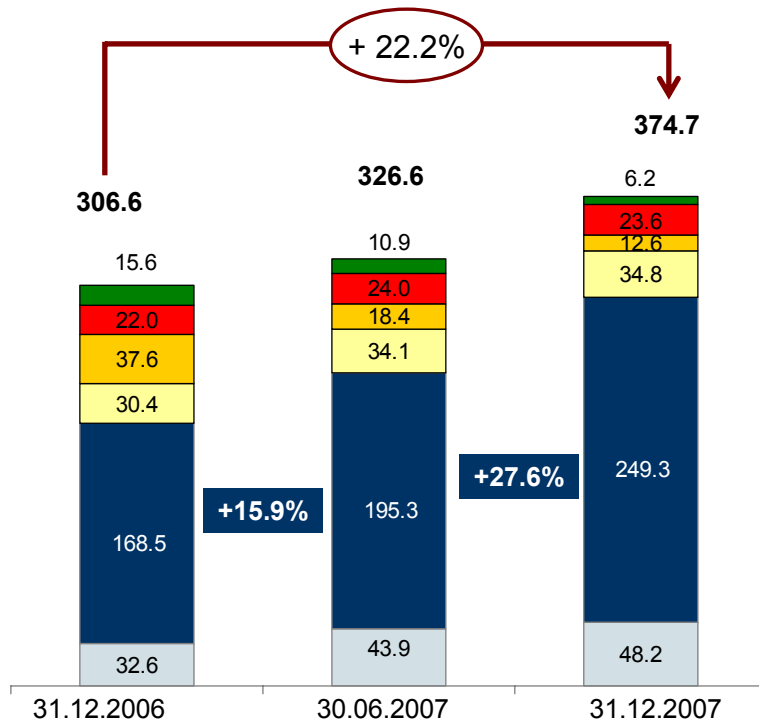
<i>Mln.rubles</i>	2007	2006	Change, %
<b>Income Statement</b>			
Income before tax expense	3,616	5,705	-37%
Net income	2,197	4,180	-47%
Operating income	20,716	19,025	9%
<i>net interest income after allowance for impairment</i>	15,549	7,116	119%
<i>net fee and commission income</i>	4,992	3,888	28%
<i>gains less losses from securities, foreign currencies and precious metals</i>	-1,015	7,119	-114%
<i>net other non interest income</i>	1,190	822	45%
Operating expenses	17,100	13,320	28%
<b>Balance sheet</b>			
Assets	374,714	306,645	22%
Equity	47,799	45,988	4%
Loan portfolio <sup>(1)</sup>	239,404	167,272	43%
<i>loans to individuals</i>	175,588	130,518	35%
<i>corporate loans</i>	63,816	36,754	74%
Securities portfolio	47,379	68,014	-30%
<i>debt securities</i>	34,787	30,442	14%
<i>equity securities</i>	12,592	37,572	-67%
Customer accounts	215,012	182,952	18%
<i>corporate accounts</i>	144,377	120,420	20%
<i>individuals accounts</i>	70,635	62,532	13%

Note: <sup>(1)</sup> before allowance for impairment (gross)

	2007	2006
<b>Profitability</b>		
Return-on-Assets (RoA)	0.6%	1.5%
Return-on-Equity (RoE)	4.7%	9.5%
Cost/Income (C/I)	78.3%	57.1%
Core banking income/operating expenses	120.1%	82.6%
Net interest margin (NIM)	4.1%	3.0%
<b>Assets quality</b>		
Overdue loans/loan portfolio	4.2%	4.6%
Allowance for impairment/overdue loans	102%	127%
Effective loan portfolio rate	11.8%	11.9%
<b>Capital adequacy</b>		
Capital adequacy ratio	11.9%	11.4%
Basel ratio	13.4%	13.1%

## Assets (bln. rubles)

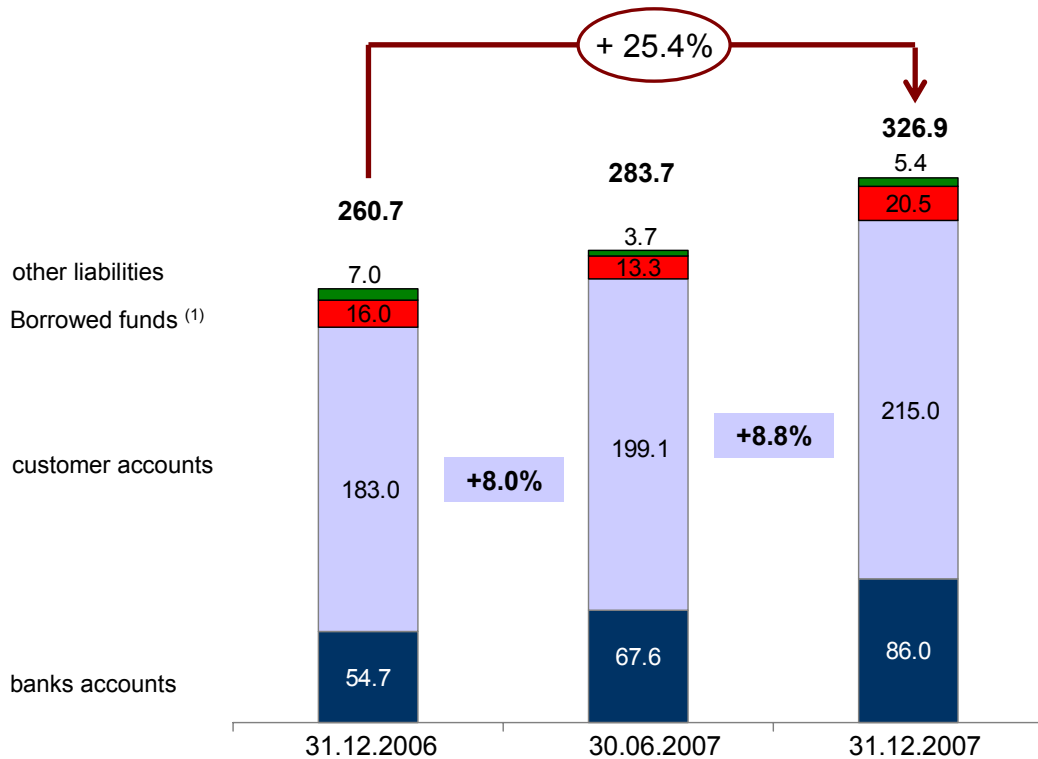
## Assets structure



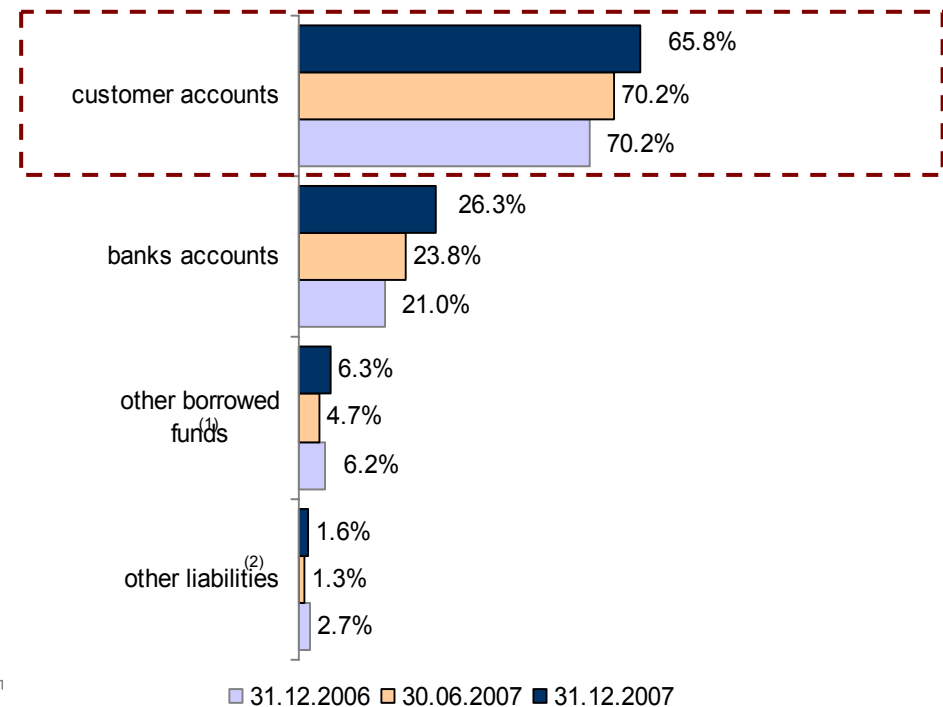
Note: <sup>(1)</sup> loans to customers include retail and corporate loans, as well as investments in finance leases



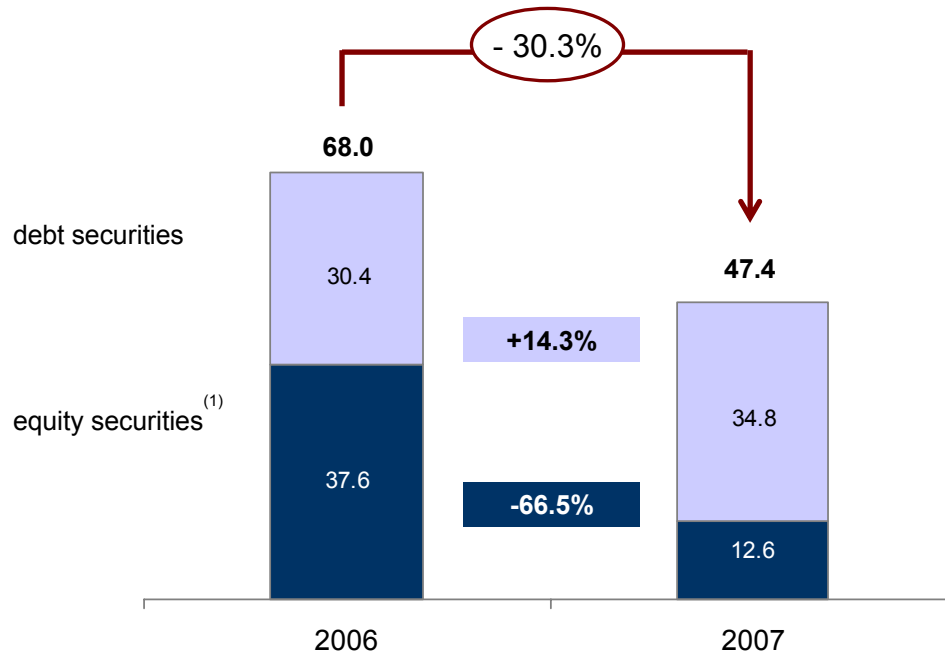
## Liabilities (bln. rubles)



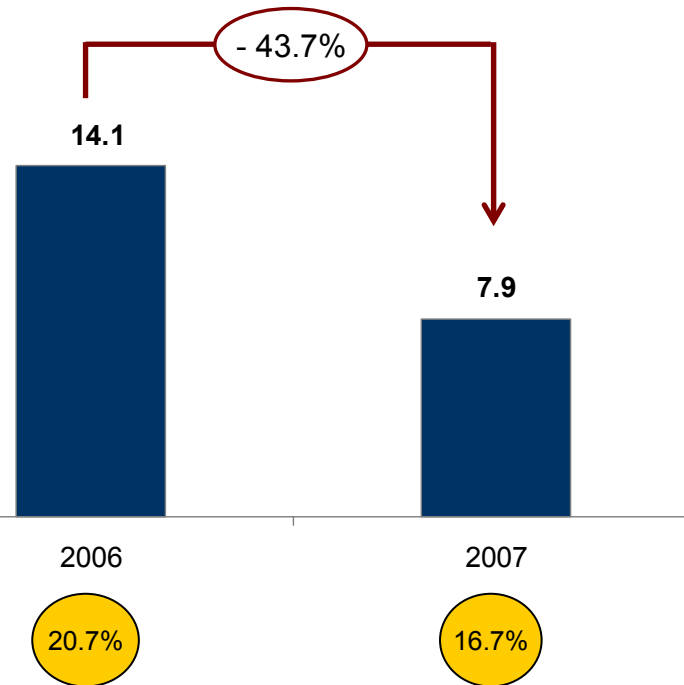
## Liabilities structure



Securities portfolio (bln. rubles) <sup>(1)</sup>



OJSC "NK "Lukoil" shares in securities portfolio (bln.rubles)



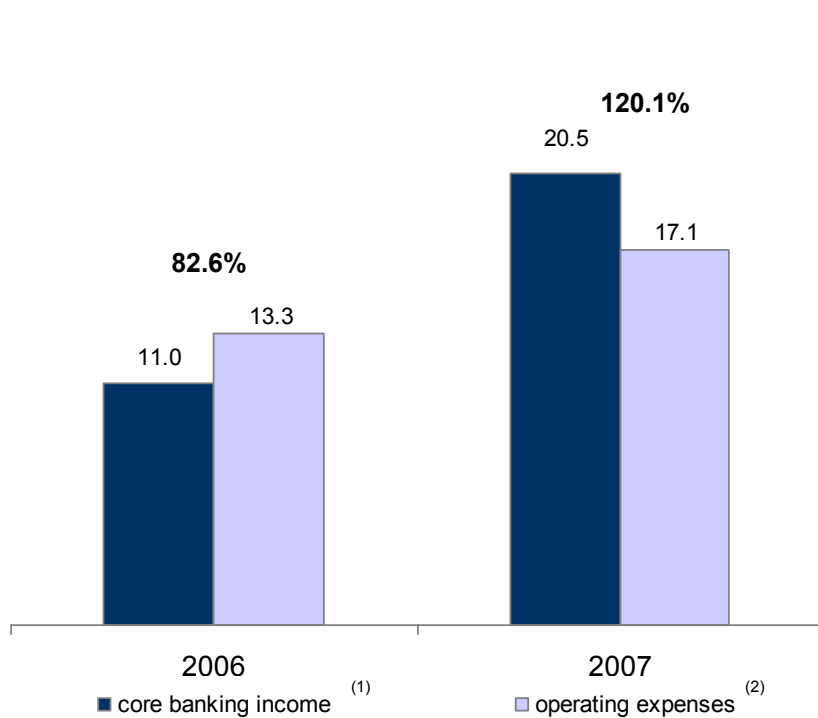
20.7%

16.7%

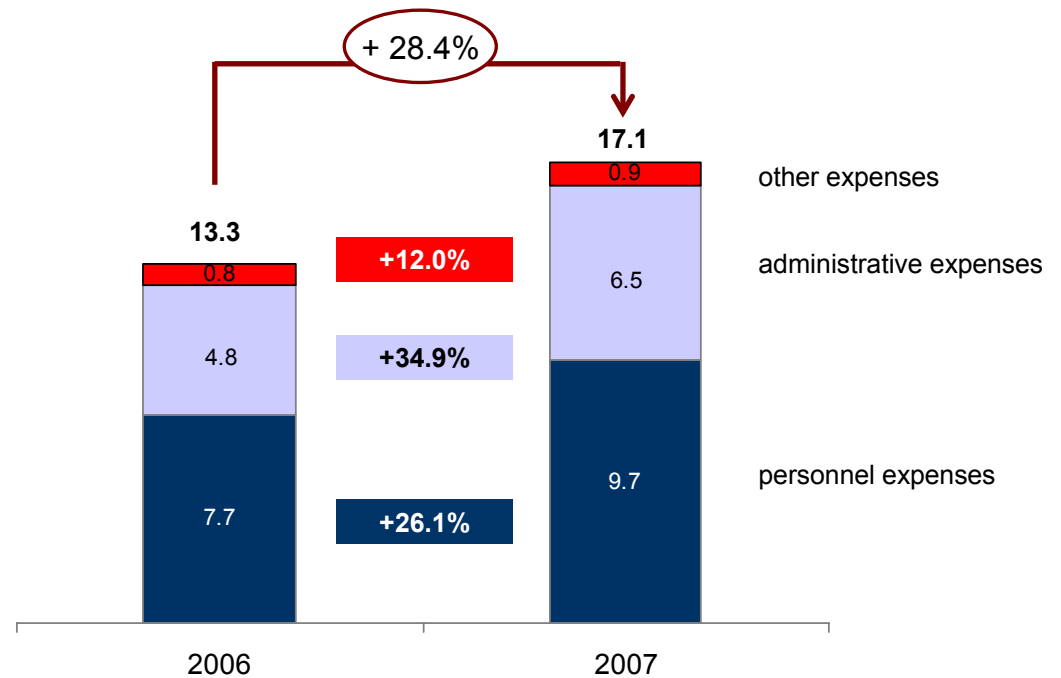
Share in securities portfolio

*Note: <sup>(1)</sup> equity securities include share participation in limited liability companies, as well as equity and closed unit investment funds*

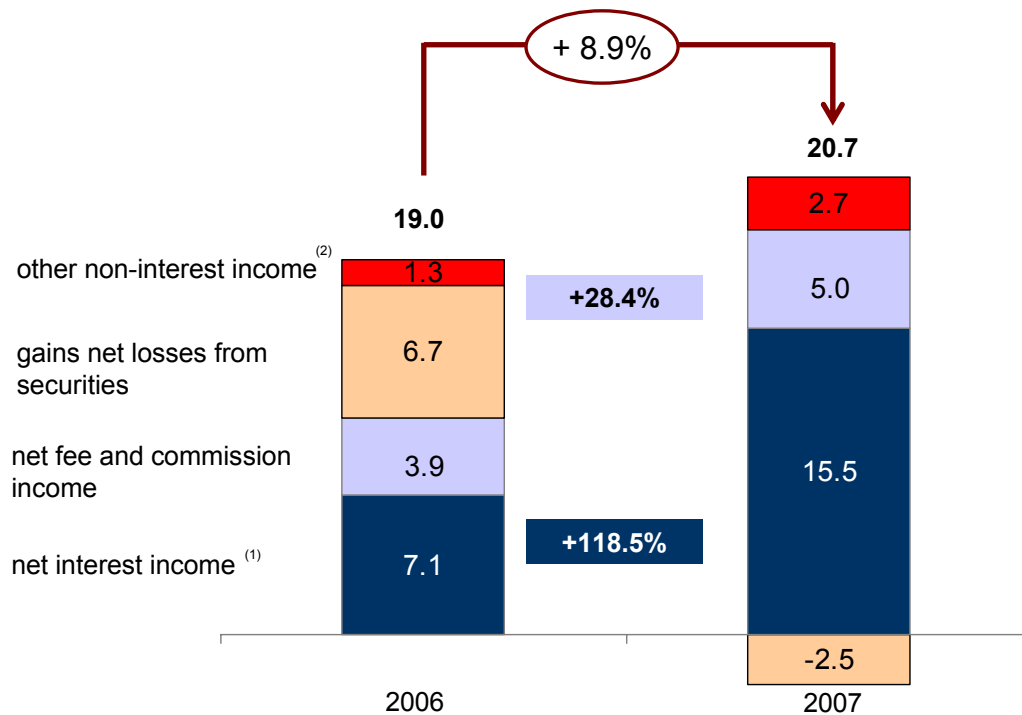
## Core banking income covers operating expenses (bln. rubles)



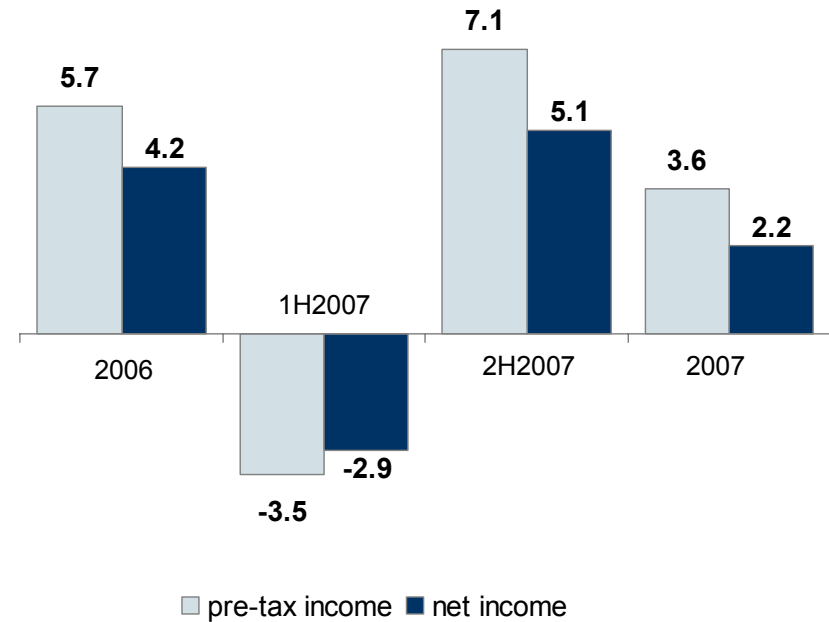
## Operating expenses structure <sup>(2)</sup> (bln. rubles)



## Operating income structure (bln.rubles)

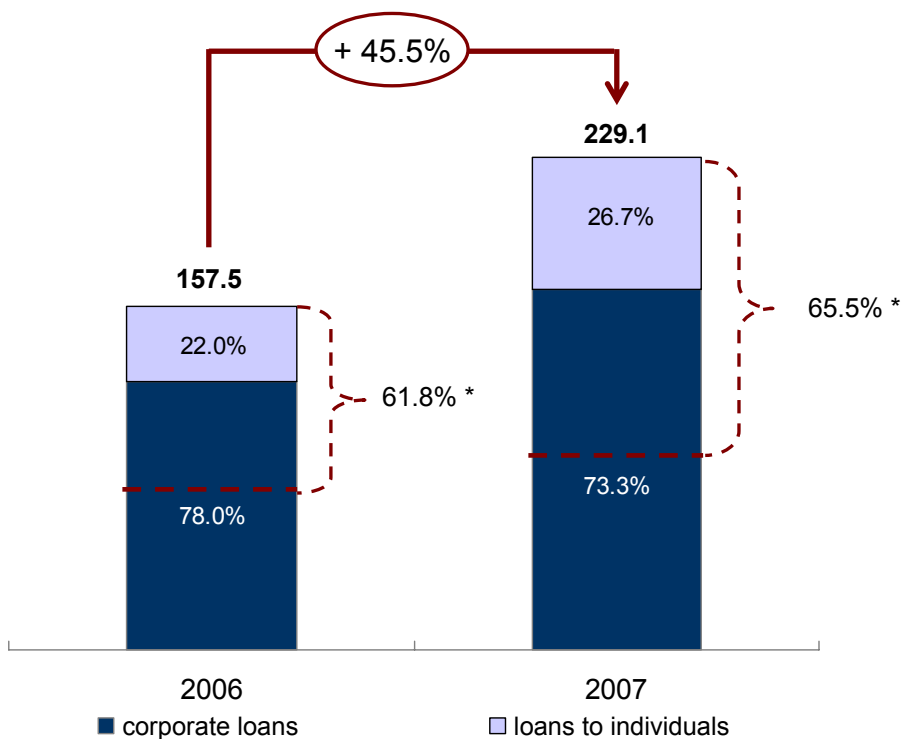


## Net income (bln.rubles.)



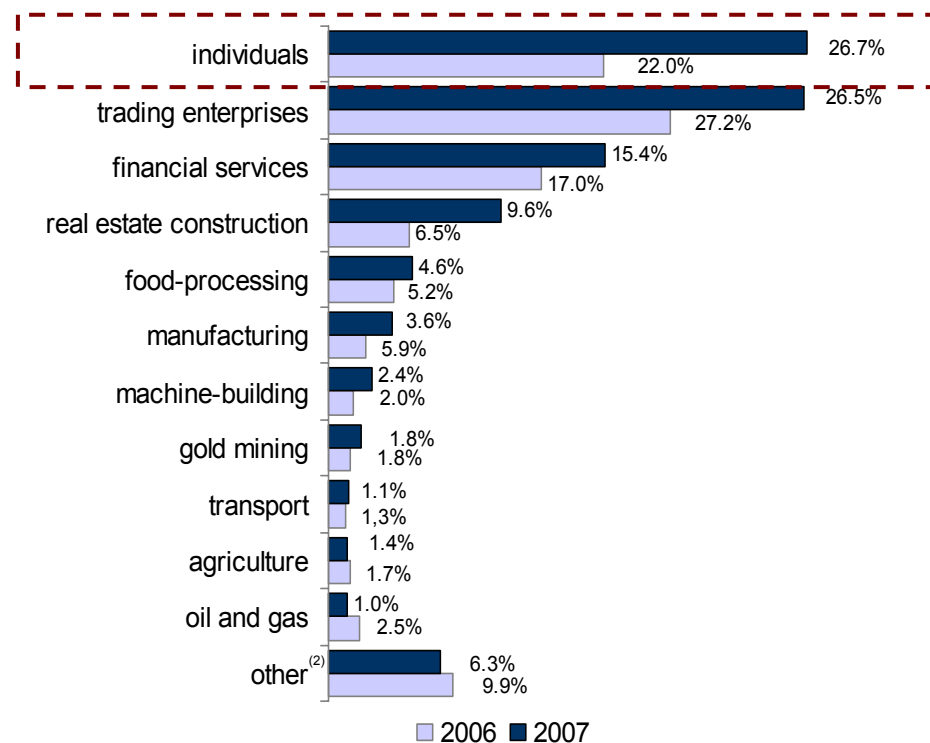
as % of average assets	2007	2006
Net interest income	4.56%	2.60%
Allowance for impairment	-0.33%	-0.41%
Net fee and commission income	1.47%	1.42%
<b>Core banking income</b>	<b>5.70%</b>	<b>3.61%</b>
Operating income	-5.02%	-4.87%
<b>Net core banking income</b>	<b>0.68%</b>	<b>-1.26%</b>
Gains/(losses) from trading securities	-0.73%	2.45%
Other volatile income	0.79%	0.49%
<b>Pre-tax income</b>	<b>0.73%</b>	<b>1.67%</b>
Income tax	-0.42%	-0.56%
<b>Net income</b>	<b>0.31%</b>	<b>1.11%</b>

## Credit portfolio (bln.rubles)



\* Share of loans to individuals + SME in credit portfolio

## Credit portfolio structure

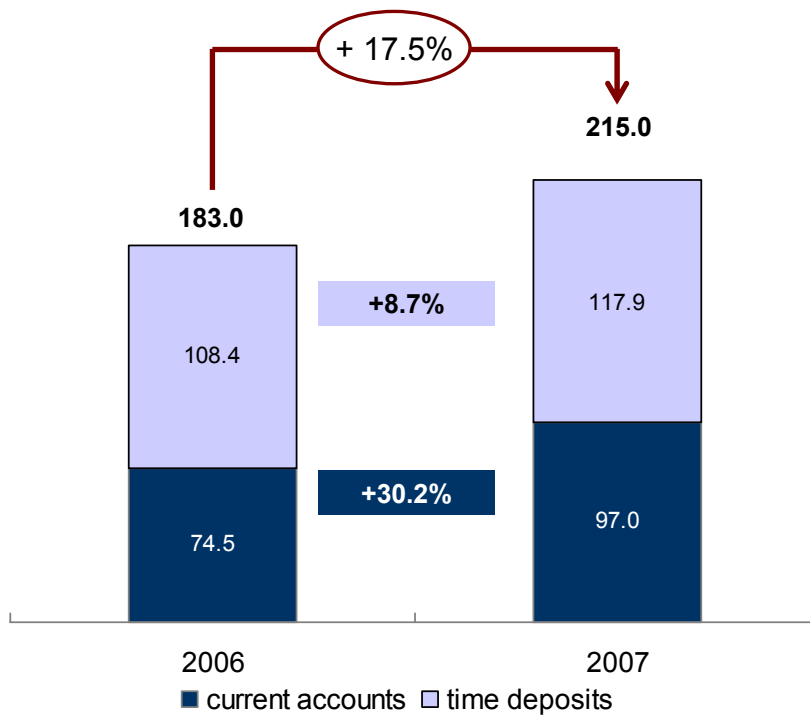


8%

6%

share of 10 largest third-party borrowers in credit portfolio

## Customer accounts (bln. rubles)

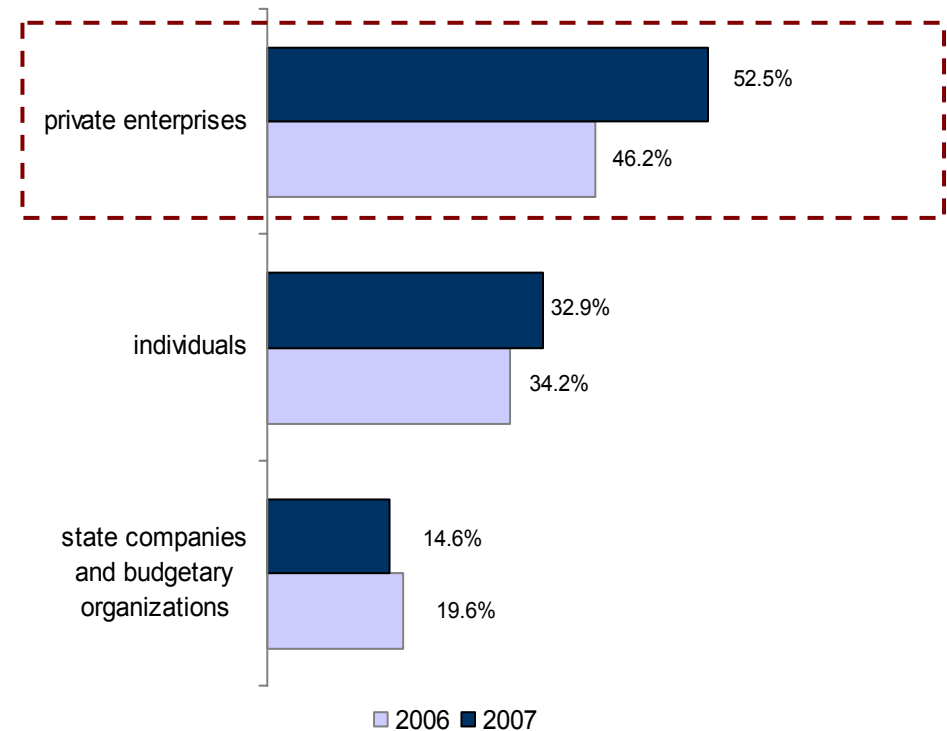


15%

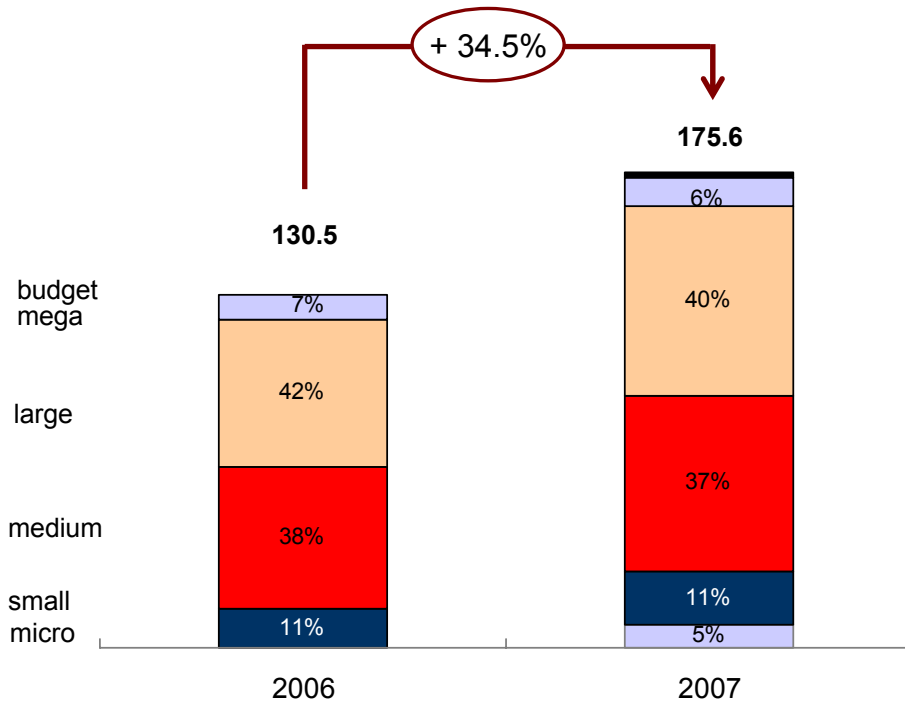
12%

Share of 10 largest customers in total customer accounts

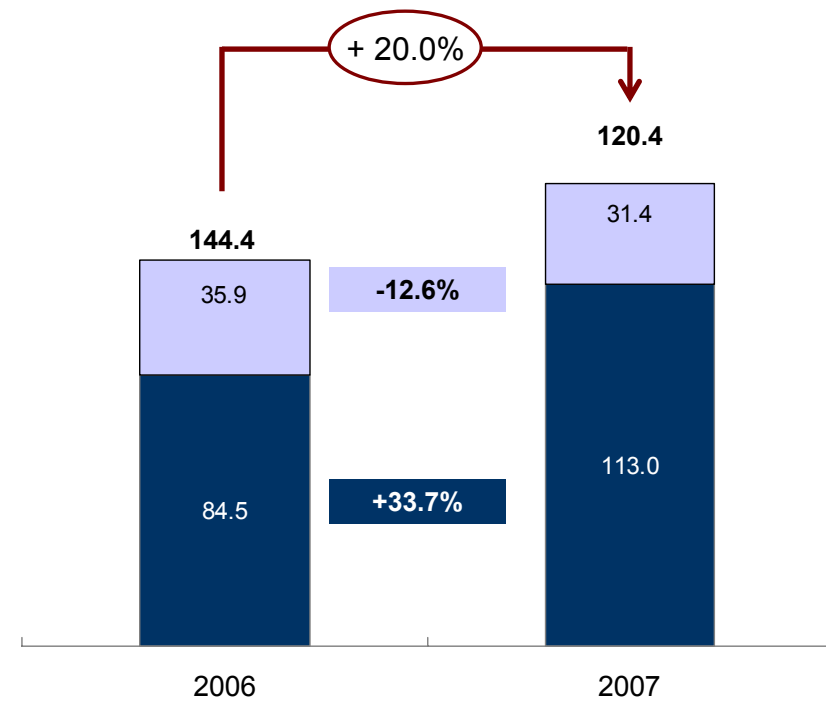
## Customer accounts structure



## Corporate customers (bln.rubles) <sup>(1)</sup>



## Corporate accounts (bln.rubles)



61% Share of standard credit products in small business loan portfolio

№10 Loans to corporate customers <sup>(2)</sup>

№4 Loans to small business <sup>(2)</sup>

■ private companies □ state companies and budget

48% 51%

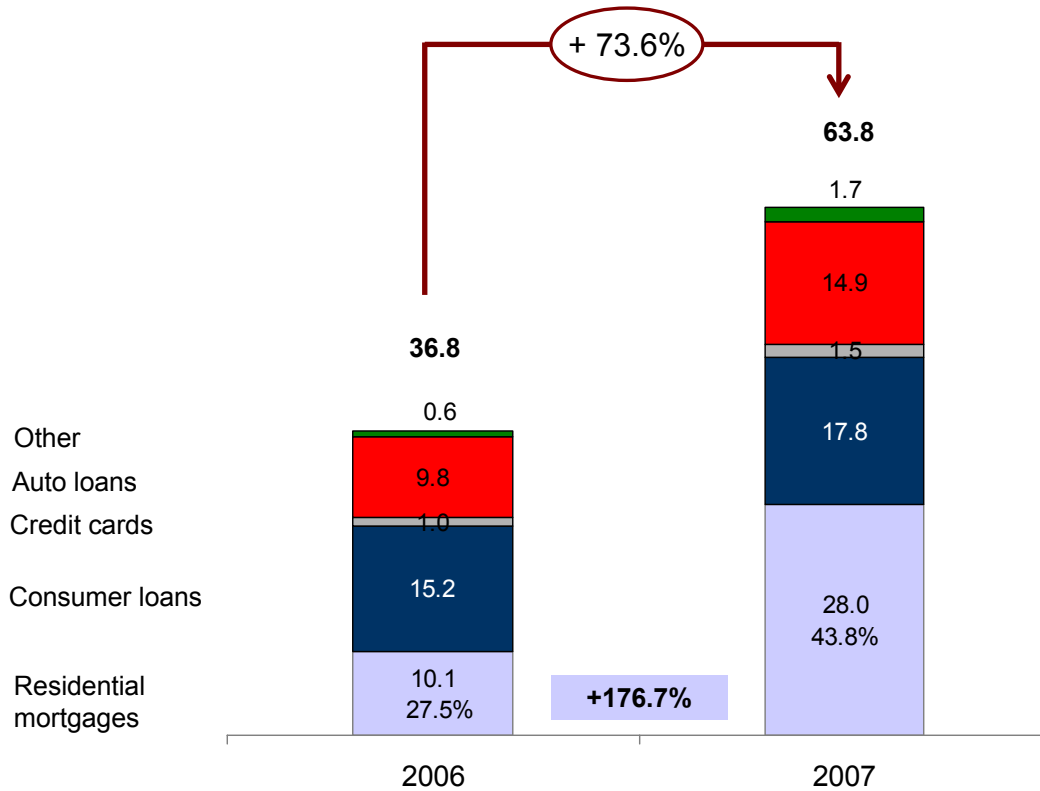
Current accounts in total corporate accounts

№8 Corporate time deposits <sup>(2)</sup>

Примечание: <sup>(1)</sup> after allowance for impairment <sup>(2)</sup> according to www.rbc.ru in 2007



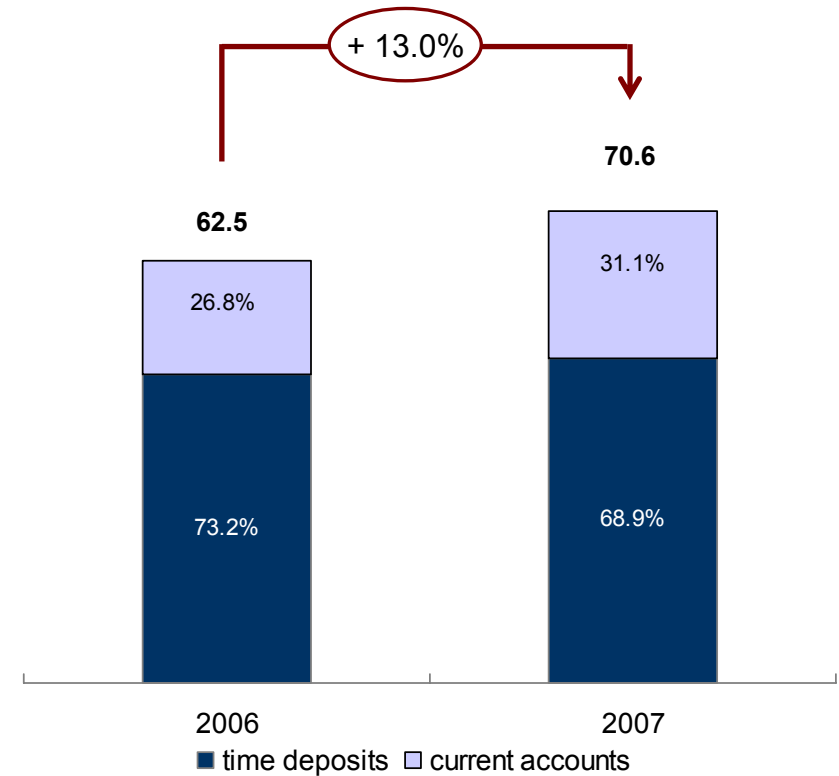
## Loans to individuals (bln.rubles) <sup>(1)</sup>



№7 Loans to individuals <sup>(2)</sup>

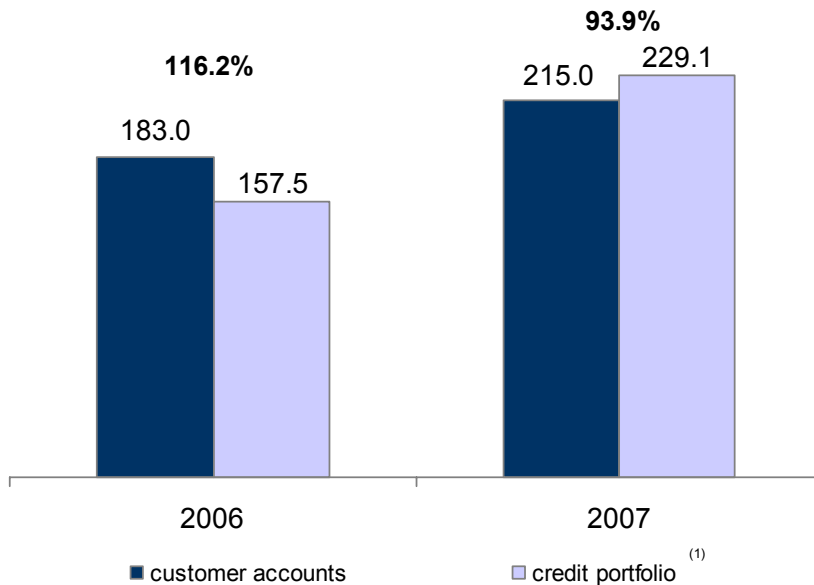
№5 Residential mortgages loans <sup>(2)</sup>

## Individual accounts (bln.rubles)

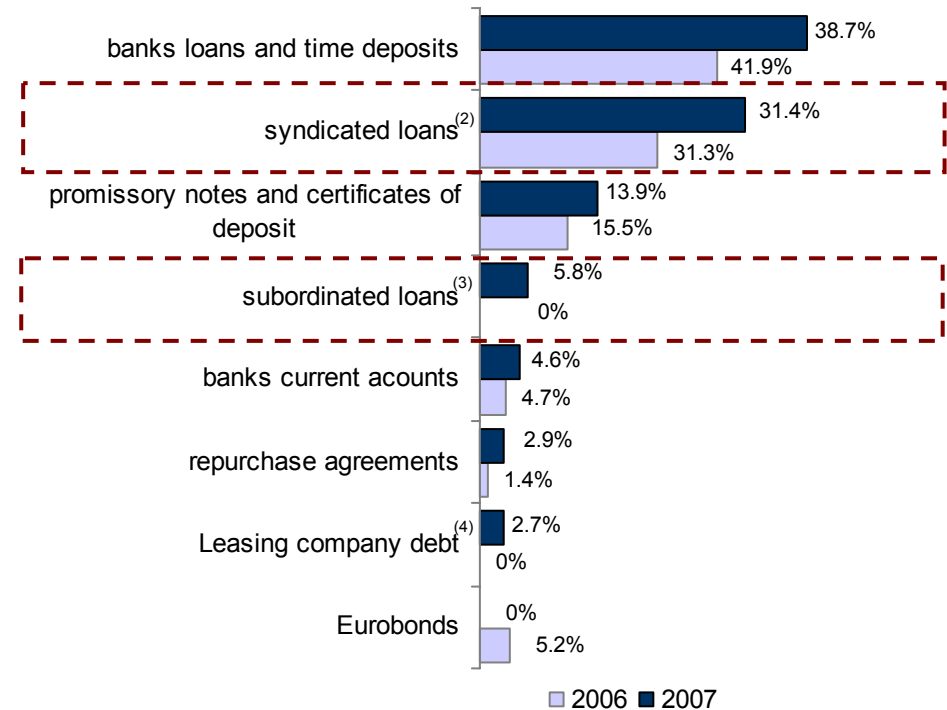


№7 Time deposits <sup>(2)</sup>

## Credit portfolio coverage by customer accounts (bln.rubles)



## Funding structure <sup>(4)</sup> (bln.rubles)



*Note: <sup>(1)</sup> after allowance for impairment <sup>(2)</sup> including loans to Russian, OECD and other countries' banks and non-credit institutions <sup>(3)</sup> \$US 250 mln. at par value <sup>(4)</sup> Ruble bonds and CLNs <sup>(4)</sup> excluding customer accounts*

Financial Corporation URALSIB. Profile

BANK URALSIB. Profile

BANK URALSIB 2007 financial results

Appendix

<i>mln. rubles</i>	2007	2006	Change, 2007/2006, %
Interest income	29,852	21,707	38%
Interest expenses	13,172	10,291	28%
<b>Net interest income</b>	<b>16,680</b>	<b>11,416</b>	<b>46%</b>
<b>Net interest income after allowance for impairment</b>	<b>15,549</b>	<b>7,116</b>	<b>119%</b>
Fee and commission income	6,046	4,755	27%
Fee and commission expenses	1,054	867	22%
<b>Net fee and commission income</b>	<b>4,992</b>	<b>3,888</b>	<b>28%</b>
Net gains from securities, foreign currencies and precious metals	- 1,015	7,119	-114%
Other net operating expenses	1,190	822	45%
<b>Total other non-interest income</b>	<b>175</b>	<b>8,021</b>	<b>-98%</b>
<b>Operating income</b>	<b>20,716</b>	<b>19,025</b>	<b>9%</b>
<b>Operating expenses</b>	<b>17,100</b>	<b>13,320</b>	<b>28%</b>
<i>Personnel expenses</i>	9,740	7,727	26%
<i>Administrative expenses</i>	6,642	4,791	35%
<i>Other expenses</i>	898	802	12%
<b>Income before tax</b>	<b>3,616</b>	<b>5,705</b>	<b>-37%</b>
Income tax	1,419	1,525	-7%
<b>Net income</b>	<b>2,197</b>	<b>4,180</b>	<b>-47%</b>

<i>mln.rubles</i>	01.01.2008	01.01.2007	Change, 2007/2006, %
<b>Assets</b>			
Quick assets	48,204	32,559	48%
Credit institutions accounts	6,192	15,619	-60%
Securities portfolio	47,379	68,014	-30%
<i>Debt securities</i>	34,787	30,442	14%
<i>Equity securities</i>	12,592	37,572	-67%
Derivatives	1,130	41	2,656%
Loans to customers	229,101	157,495	46%
<i>Corporate lending</i>	175,588	130,518	35%
<i>Consumer lending</i>	63,816	36,754	74%
<i>Less – Allowance for impairment</i>	-10,303	-9,777	5%
Investment in finance leases	20,150	10,980	84%
Other assets	22,58	21,837	3%
<b>Total assets</b>	<b>374,714</b>	<b>306,645</b>	<b>22%</b>
<b>Equity</b>			
Amounts due to customers	215,012	182,952	18%
<i>Amounts due to corporate customers</i>	144,377	120,420	20%
<i>Amounts due to individuals</i>	70,635	62,532	13%
Amounts due to banks	85,966	54,678	57%
Other borrowed funds	19,713	15,995	23%
Other liabilities	5,388	6,994	-23%
Total liabilities	326,915	260,657	25%
Equity	47,799	45,988	4%
<b>Total equity</b>	<b>374,714</b>	<b>306,645</b>	<b>22%</b>

**Head of Investor Relations**

Albert Avetikov

Tel. +7 495 705 90 39

E-mail: [AvetikovAM@uralsib.ru](mailto:AvetikovAM@uralsib.ru)