



VTB Group 9M'10 Results

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Some of the information in this presentation may contain projections or other forward-looking statements regarding future events or the future financial performance of JSC VTB ("VTB") and its subsidiaries (together with VTB, the "Group"). Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. We caution you that these statements are not guarantees of future performance and involve risks, uncertainties and other important factors that we cannot predict with certainty. Accordingly, our actual outcomes and results may differ materially from what we have expressed or forecasted in the forward-looking statements. These forward-looking statements speak only as at the date of this presentation and are subject to change without notice. We do not intend to update these statements to make them conform with actual results.

9M'2010 Highlights

- **Record net profit in 9M'2010 – RUB 38.8 bn**
- **Corporate Banking posts a solid 9M'2010 – RUB 30.4 bn pre-tax profit as compared to RUB 51.4 bn loss in 9M'2009**
- **Substantial contribution from Retail and Investment Banking – 9M'2010 pre-tax profit of RUB 16.6 bn and RUB 16.0 bn, respectively**
- **Double digit growth of operating income before provisions – 32% y-o-y to RUB 160.7 bn**
- **Strong net interest margin at 5.2% in 9M'2010**
- **Net fee and commission income up 21% y-o-y to RUB 17.8 bn**
- **Declining cost of risk – provision charge at 2.0%, down from 6.1% in 9M'2009**
- **Solid capital position with BIS ratio at 18.8%**

9M'2010 Financial Highlights

<i>(in RUB bn)</i>	9M'10	9M'09	y-o-y	3Q'10	2Q'10	1Q'10	q-o-q
Net interest income before provisions	129.5	107.4	20.6%	43.1	44.4	42.0	(2.9%)
Net fee and commission income	17.8	14.7	21.1%	6.0	6.7	5.1	(10.4%)
Net result from financial instruments	7.9	(13.9)	n/a	5.1	(5.6)	8.4	n/a
Operating income before provisions	160.7	121.8	31.9%	55.3	47.3	58.1	16.9%
Provision charge for loan impairment	(40.3)	(126.4)	(68.1%)	(13.1)	(11.7)	(15.5)	12.0%
Staff costs and administrative expenses	(68.0)	(52.5)	29.5%	(24.1)	(21.7)	(22.2)	11.1%
Net profit / (loss)	38.8	(45.5)	n/a	13.7	9.8	15.3	39.8%
Net interest margin	5.2%	4.3%	90 bps	5.1%	5.5%	5.2%	(40 bps)
Provision charge for loan impairment / Average gross loan portfolio	2.0%	6.1%	(410 bps)	1.8%	1.7%	2.5%	10 bps
Cost / Income ratio ⁽¹⁾	42.3%	43.1%	(80 bps)	43.6%	45.9%	38.2%	(230 bps)
ROE	9.9%	(14.6%)	n/a	10.2%	7.5%	11.9%	270 bps
EPS (in kopecks)	0.4	(0.72)	n/a	0.14	0.11	0.15	27.3%

<i>(in RUB bn)</i>	30-Sep-10	30-Jun-10	31-Mar-10	31-Dec-09	q-o-q	YTD
Customer loans (gross)	2,796.7	2,815.5	2,540.0	2,544.8	(0.7%)	9.9%
Total assets	3,753.3	3,627.8	3,362.0	3,610.8	3.5%	3.9%
Customer deposits	1,839.3	1,688.8	1,554.5	1,568.8	8.9%	17.2%
Total equity	545.4	524.1	520.5	504.9	4.1%	8.0%
Allowance for loan impairment / Total gross loans	9.6%	9.3%	9.8%	9.2%	30 bps	40 bps
NPL ratio ⁽²⁾	9.5%	9.5%	10.2%	9.8%	0 bps	(30 bps)
Total BIS ratio	18.8%	19.3%	22.2%	20.7%	(50 bps)	(190 bps)

(1) Calculated before provision charge for impairment and recovery of / (provision charge for) impairment of other assets and credit related commitments

(2) Non-performing loans (NPLs) represent impaired loans with repayments overdue by over 90 days. NPLs are calculated including the entire principal and interest payments. Ratio is calculated to total gross loans



Strategy Update

Priority Strategy Initiatives

Initiatives

Description

- | | |
|---|--|
| 1 Building transactional bank | <ul style="list-style-type: none">• Strengthening of product proposition and business processes• Developing relevant sales competencies• Improvement of technology and infrastructure |
| 2 Transformation of CIB | <ul style="list-style-type: none">• Growing TOP-Clients share-of-wallet• Increasing market share in the lower segment of large and medium-sized clients• Improving effectiveness of management of the regional network |
| 3 Reform of lending procedure | <ul style="list-style-type: none">• Streamlining the lending process• Segmentation and standardisation of credit products and processes• Distribution of functions and development of system of authority allocation• Optimisation of credit methodology and development of motivation system |
| 4 Strong growth of Retail Business | <ul style="list-style-type: none">• Enhancing distribution through branch network expansion and development of alternative channels• Increasing service quality• Strengthening segment orientated approach• Expanding retail business in CIS markets via VTB24 platform |
| 5 Reform of Group management system | <ul style="list-style-type: none">• Strengthening the role of business lines• Revision of the Group's governance model (org. structure, target distribution of functions, legal and management procedures)• Review of the composition and powers of executive bodies• Management accounting and motivation system |
| 6 Transformation of financial management | <ul style="list-style-type: none">• Transition to management of business lines based on economic profit, economic added value, total cost and capital allocation• Developing segment based reporting for the Group• Implementation of the new dividend policy and funding strategy |
| 7 IT efficiency improvement | <ul style="list-style-type: none">• Introducing a new system of resource planning and project prioritisation• Managing projects and applications' life-cycle• IT department internal processes optimisation• Optimising management of vendor relations |

Key Events in 3Q'10

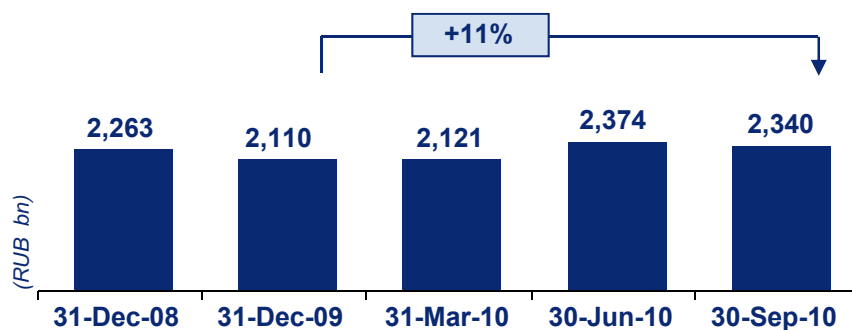
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- Approval of strategy implementation plan by Management Board – 7 key strategic initiatives were identified
 - Launch of Project Management Office
 - Approval of new corporate business structure, creation of Corporate Products Department
 - Employment of a new head of corporate business
 - Establishment of Corporate Investment Department, building the team, hiring new client managers
 - Performed in-depth analysis of the existing lending procedures, transformational measures approved and implementation started
 - Completed analysis of transactional banking implementation requirements; defined the key milestones of the project realisation
 - Launch of new electronic banking platform for corporate clients with functionality for transactional banking services and improved internet banking – 25% of clients migrated to date
 - Analysed the internationally acknowledged models of group management structures – new model for VTB being developed
 - Evaluated the efficiency of the current IT structure and determined main development avenues
 - Launch of small business segment service platform by VTB24
 - VTB24 named best quality service provider according to independent study
 - 27 new retail branches opened in 3Q'10



Business Update

Corporate Banking: Focus on Efficiency

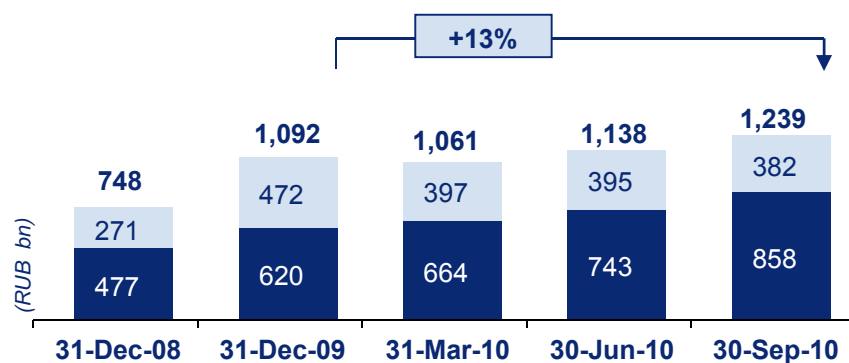
Corporate Loans (Gross)



Financial Highlights ⁽¹⁾

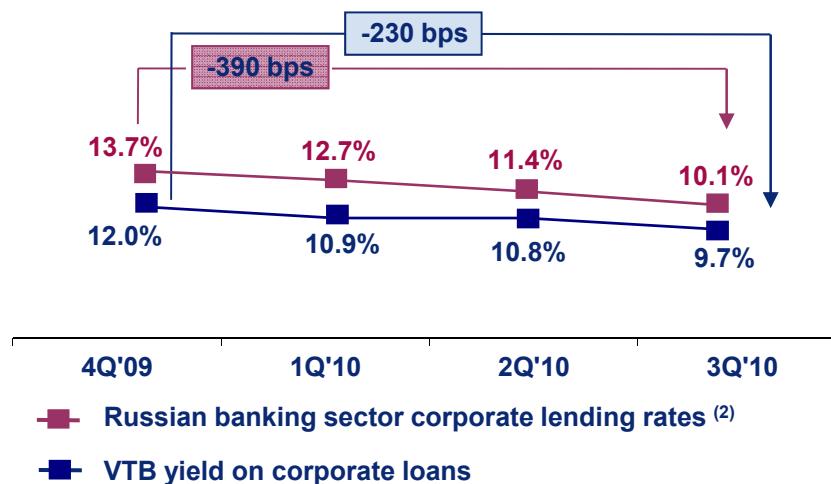
(in RUB bn)	9M'10	9M'09	y-o-y
Net interest income	84.2	72.2	16.6%
Net fee and commission income	7.8	8.2	(4.9%)
Operating income before provisions	85.3	66.3	28.7%
Profit / (loss) before tax	30.4	(51.4)	n/a

Corporate Deposits



■ Current deposits ■ Term deposits

Yield on Corporate Loans

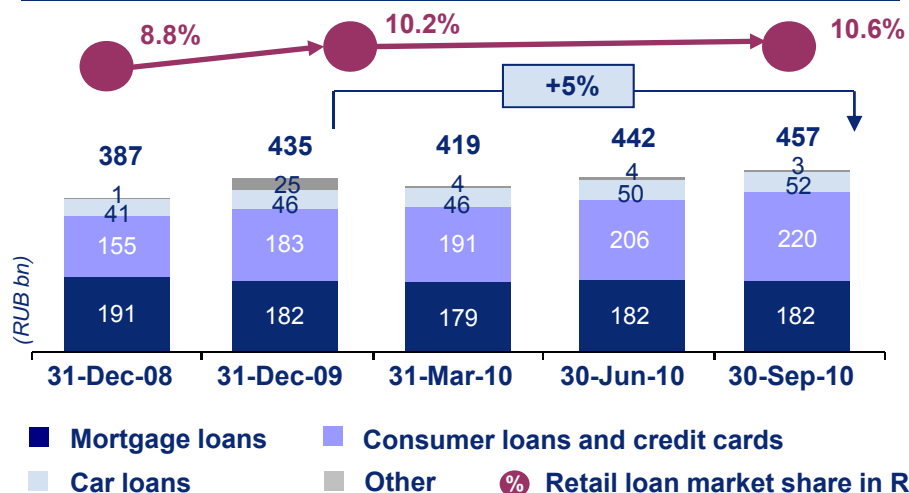


(1) Data presented as reported in VTB 9M'10 financial statements for the segment Corporate Business

(2) CBR; monthly blended rates based on Russian credit institutions' operations for all terms up to 1 year (excl Sberbank)

Retail Banking: Growing Ahead of the Market

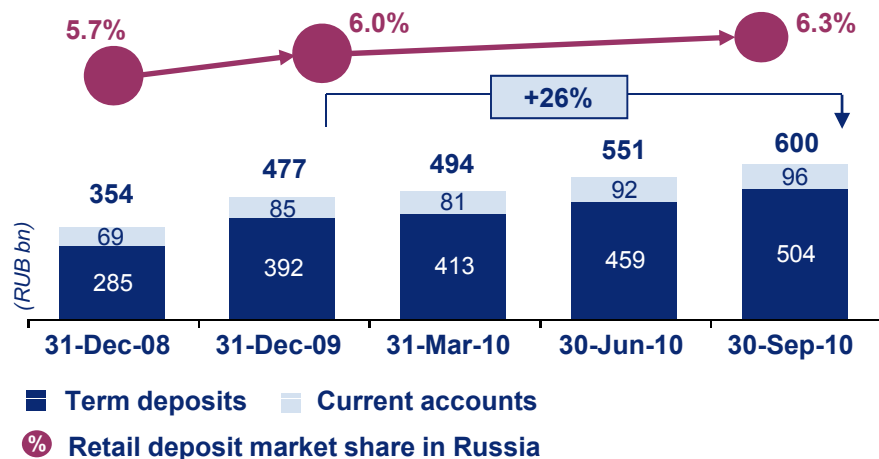
Loans to Individuals (Gross)



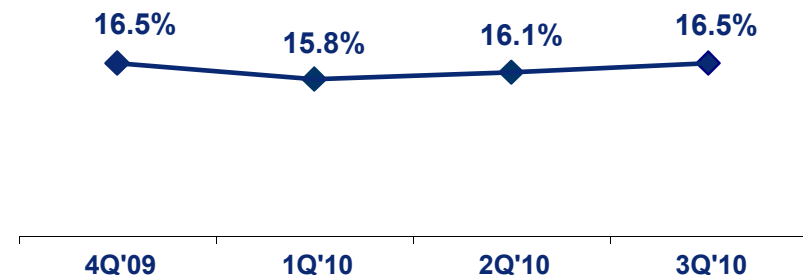
Financial Highlights (1)

(in RUB bn)	9M'10	9M'09	y-o-y
Net interest income	39.0	30.5	27.9%
Net fee and commission income	7.1	4.9	44.9%
Operating income before provisions	47.8	36.1	32.4%
Profit / (loss) before tax	16.6	(0.5)	n/a

Retail Deposits



Yield on Loans to Individuals



(1) Data presented as reported in VTB 9M'10 financial statements for the segment Retail Business

Investment Banking: Another Strong Quarter

Global Banking

Russia-related international DCM

#	Lead Manager	Amount, USD mln	# of issues	Share, %
1	VTB Capital	3,670	12	11.9
2	Barclays Capital	3,467	11	11.3
3	Citi	3,450	9	11.2
4	Credit Suisse	3,179	10	10.3
5	JP Morgan	3,025	11	9.8

Bloomberg

Domestic DCM



#	Lead Manager	Amount RUB mln	# of issues	# of clients
1	VTB Capital	124,833	31	19.7
2	Troika Dialog	85,583	26	13.5
3	MosFinAgency	61,997	5	9.8
4	Raiffeisenbank	47,816	13	7.6
5	TCB capital	37,870	21	6.0

Russian ECM



#	Lead Manager	Amount, USD mln	# of issues	Share, %
1	Renaissance Capital	766	8	14.6
2	VTB Capital	747	6	14.3
3	Bank of Moscow	465	1	8.9
4	UBS	421	3	8.0
5	Sberbank	380	2	7.3

Best Russian Equity and Best Russian Debt House award by the Euromoney Awards for Excellence 2010

Major Deals

- ▶ Arranger for Ukraine sovereign Eurobond issue (USD 2 bn)
- ▶ Arranger for VTB Bank Eurobond issues in CHF (400 mln) and SGD (400 mln)
- ▶ Arranger of 31 Ruble bond placement for a total consideration of RUR 125 bn
- ▶ Bookrunner for SPO of Synergy (USD 104 m)

Financial highlights (1)

(in RUB bn)	9M'10	9M'09	y-o-y
Net fee and commission income	2.3	1.3	76.9%
Operating income before provisions	28.8	21.9	31.5%
Profit before tax	16.0	10.3	55.3%

Global Markets

- ▶ IB loans to CIB clients granted at the amount of RUB 87 bn in 3Q'10
- ▶ Receipt of membership on XETRA (Frankfurt Stock Exchange) in August
- ▶ Start of securitised products operations and mortgage bonds trading

Investment Management

- ▶ Open-End Investment Fund "VTB-BRIC" launched bringing the total amount of AuM to RUB 16.9 bn
- ▶ Most successful Russian Federation pension fund asset manager with a return of 23.97% for 9M'10

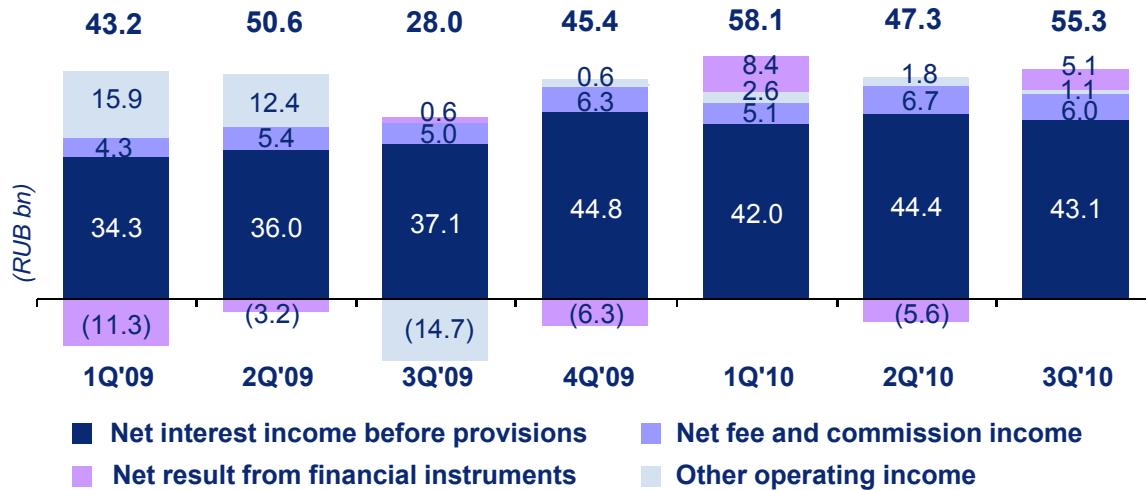
(1) Data presented as reported in VTB 9M'10 financial statements for the segment Investment Business

A low-angle, upward-looking photograph of a modern skyscraper with a glass facade. The building's grid-like structure of windows and dark frames is prominent, creating a strong sense of height and architectural scale. The sky is a clear, vibrant blue. The text "Financial Update" is overlaid on the upper portion of the image.

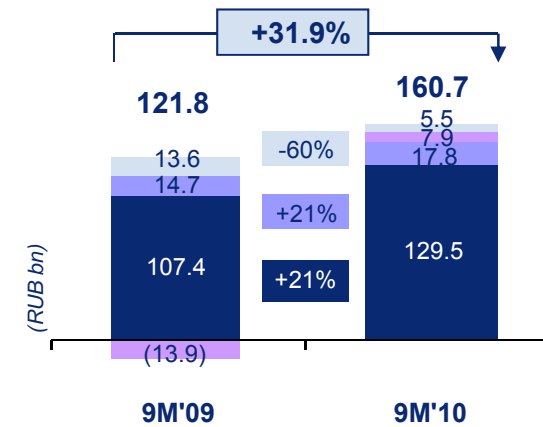
Financial Update

Double-Digit Operating Income Growth Driven by Strong Margin

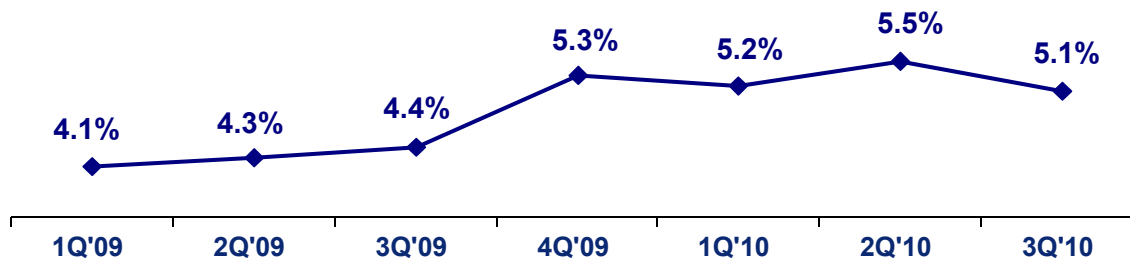
Operating Income before Provisions



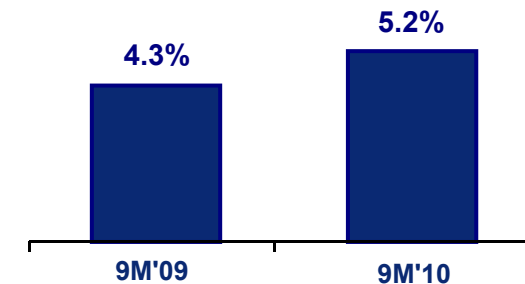
Operating Income before Provisions, y-o-y



Quarterly NIM (1)



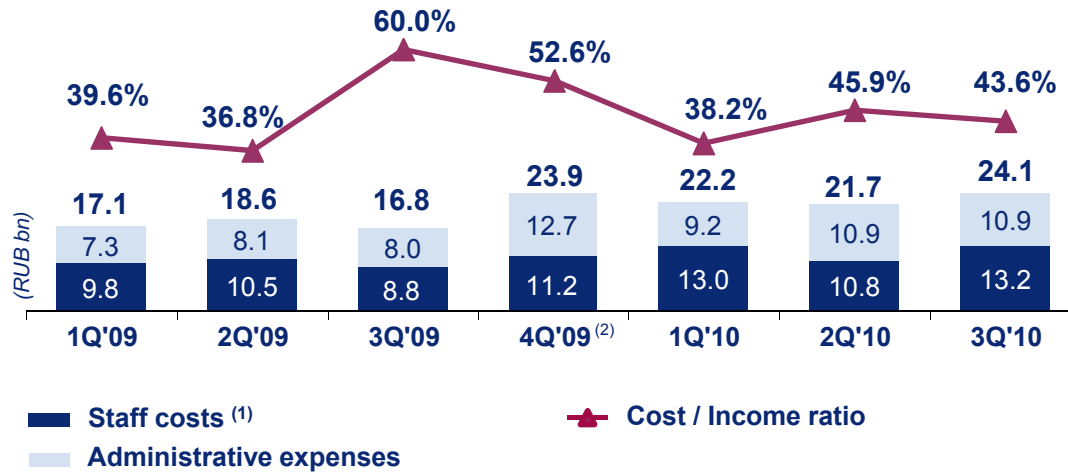
NIM, y-o-y



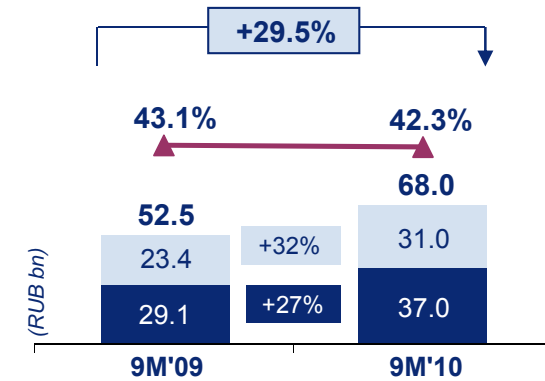
(1) Net interest income divided by average interest earning assets, which include gross loans and advances to customers, due from other banks (gross), debt securities and correspondent accounts with other banks

Costs Remain under Control

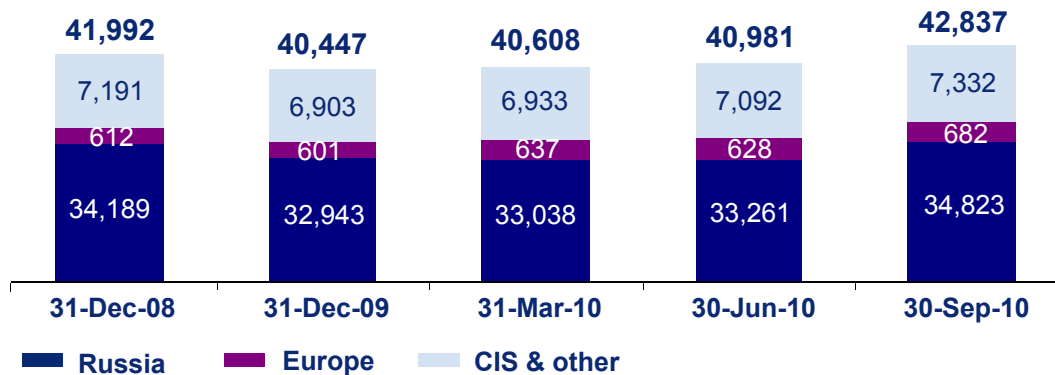
Staff and Administrative Expenses



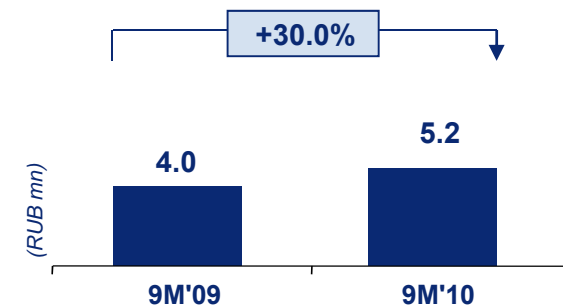
Staff and Adm. Expenses, y-o-y



Number of Employees (Period End)



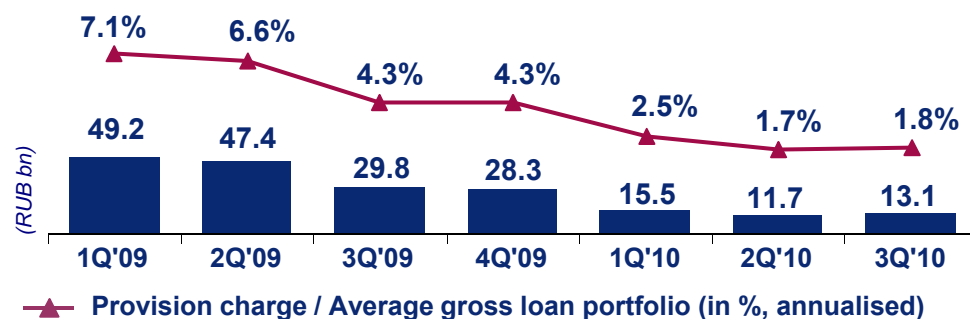
Operating Income per Employee (3)



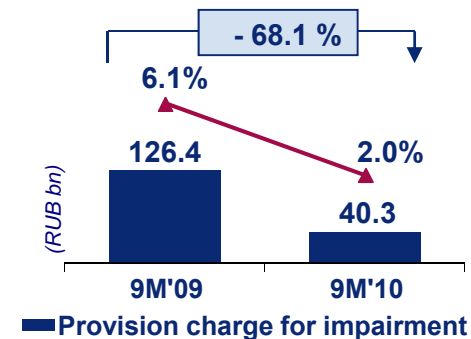
(1) Including pensions
 (2) Including effect of negative revaluation of premises of RUB 1.9 bn
 (3) Operating income calculated before provisions. Operating income per employee is annualised

Cost of Risk – Reaching Normalised Level

Quarterly P&L Provision Charge



Provision Charge, y-o-y



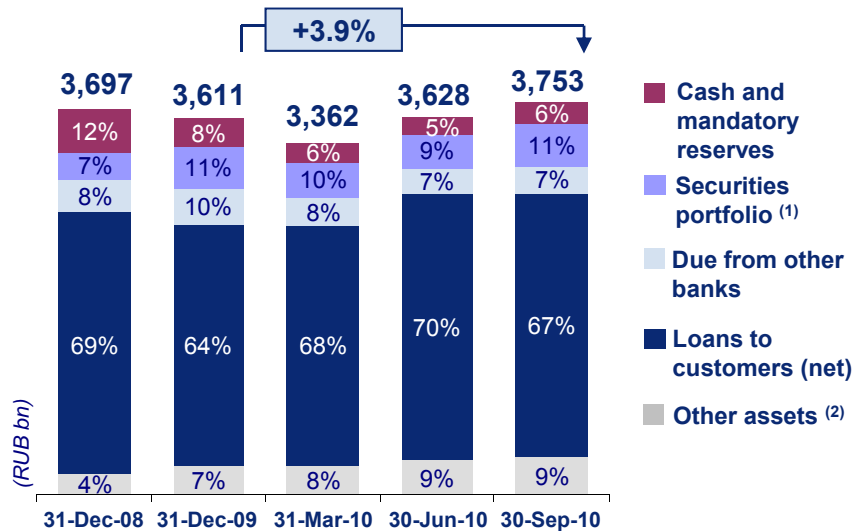
Asset Quality	30-Sep-10	30-Jun-10	31-Mar-10	31-Dec-09	Change YTD	31-Dec-08
NPL ratio (90+ days) ⁽¹⁾	9.5%	9.5%	10.2%	9.8%	(30 bps)	1.9%
- corporate	9.6%	9.5%	10.5%	10.3%	(70 bps)	1.6%
- individuals	8.8%	9.2%	8.6%	7.4%	140 bps	3.7%
Allowance for loan impairment ratio	9.6%	9.3%	9.8%	9.2%	40 bps	3.6%
- corporate	10.0%	9.7%	10.2%	9.7%	30 bps	3.6%
- individuals	7.5%	7.4%	7.7%	6.8%	70 bps	3.7%
Allowance for loan impairment / NPLs	101.5%	98.3%	96.1%	94.5%	700 bps	183.9%
- corporate	104.5%	101.3%	97.2%	94.8%	970 bps	215.7%
- individuals	85.2%	81.1%	89.0%	92.5%	(730 bps)	100.6%

Renegotiated Loans (in RUB bn)	30-Sep-10	30-Jun-10	31-Mar-10	31-Dec-09	Change YTD	31-Dec-08
Renegotiated loans	306.5	302.1	327.1	300.5	2.0%	16.3
- corporate	291.0	285.3	309.0	283.7	2.6%	14.8
- individuals	15.5	16.8	18.1	16.8	(7.7%)	1.5
Renegotiated loans / Total gross loans	11.0%	10.7%	12.9%	11.8%	(80 bps)	0.6%
- corporate	12.4%	12.0%	14.6%	13.4%	(100 bps)	0.7%
- individuals	3.4%	3.8%	4.3%	3.9%	(50 bps)	0.4%

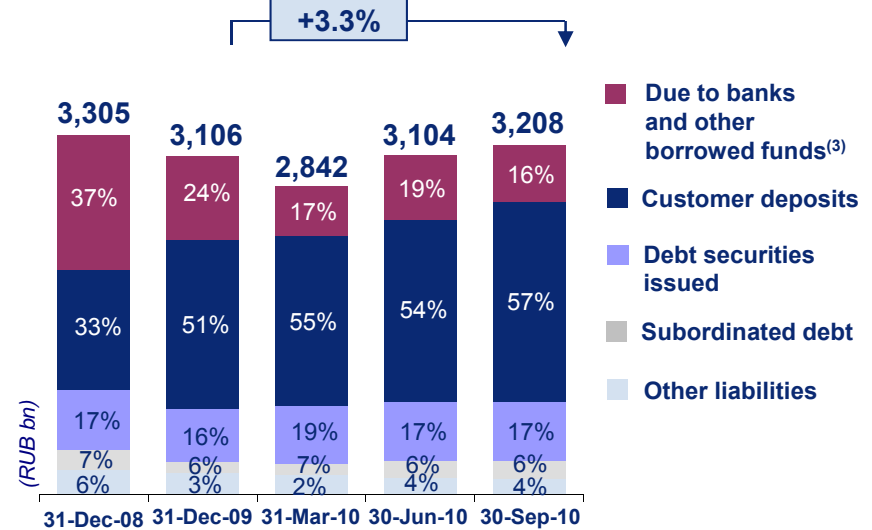
(1) Non-performing loans (NPLs) represent impaired loans with repayments overdue by over 90 days. NPLs are calculated including the entire principal and interest payments. Ratio is calculated to total gross loans

Healthy Balance Sheet Structure and Strong Capital Base

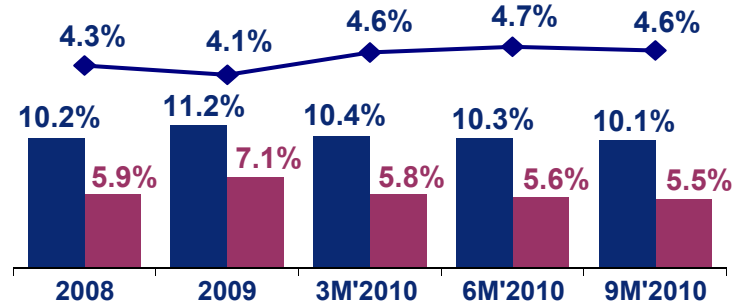
Assets Structure



Liabilities Structure

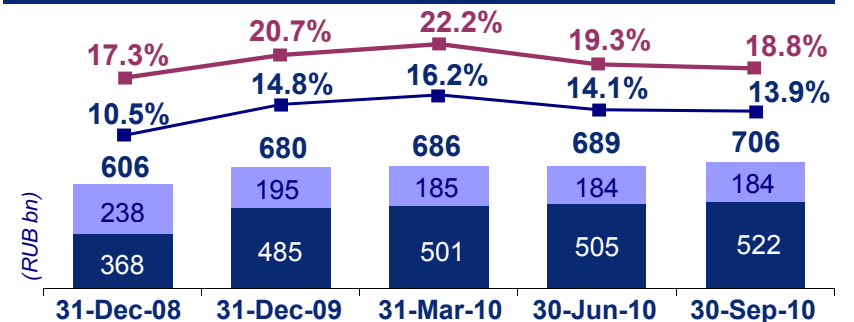


Net Interest Spread (◆)



■ Yield on total average interest earning assets
■ Cost of total average interest bearing liabilities

BIS Group Capital



■ Tier I
■ Tier II less deductions
■ Total Capital Adequacy Ratio
■ Tier I ratio

- (1) Includes debt and equity securities, assets pledged under REPO, securities classified as due from other banks and loans to customers, and derivatives
(2) Includes investment in associates, premises and equipment, investment property, intangible assets and goodwill, deferred tax assets and others
(3) Other borrowed funds include bilateral and syndicated bank loans, secured and unsecured financing from central banks



Appendix

VTB Group Public Debt Instruments

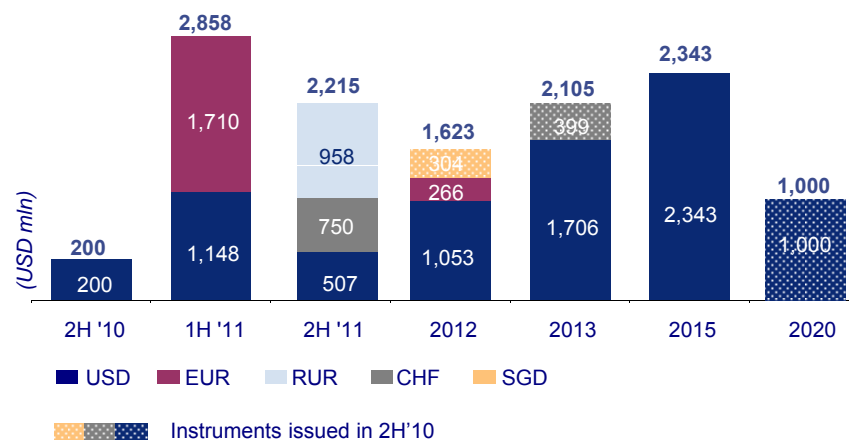
VTB Group Public Debt Instruments Outstanding

Borrower	Equivalent amount (USD, mln) ⁽¹⁾	Instrument	Maturity Date/Put or Call Option	Coupon
2010				
Members of VTB Group	200	Loans repayment / amortisation	During 2010	
Subtotal	200			
2011				
VTB	515	Series 9 EUR EMTN 1 (put option)	February 2011	4.25%
VTB	1,195	Series 5 EUR EMTN 2	June 2011	8.25%
VTB	750	Series 6 CHF EMTN 2	August 2011	7.5%
VTB	450	Series 4 EMTN 1	October 2011	7.5%
VTB	958	Series 3 RUB EMTN 2 (put option)	November 2011	6.85%
Members of VTB Group	1,205	Loans repayment / amortisation	During 2011	
Subtotal	5,073			
2012				
VTB	304	Series 8 SGD EMTN 2	August 2012	4.2%
VTB	1,053	Series 1 EMTN 2	October 2012	6.609%
Members of VTB Group	266	Loans repayment / amortisation	During 2012	
Subtotal	1,623			
2013				
VTB	1,706	Series 4 EMTN 2 (put option)	May 2013	6.875%
VTB	399	Series 9 CHF EMTN 2	August 2013	4.0%
Subtotal	2,105			
2015				
VTB	1,250	Series 7 EMTN 2	March 2015	6.465%
VTB	693	Series 6 EMTN 1 (put option)	June 2015	6.25%
VTB N-W	400	Subordinated Debt	Sep 2015	6.2%
Subtotal	2,343			
2020				
VTB	1,000	Series 10 EMTN 2	October 2020	6.551%
Subtotal	1,000			
Total	12,344			

Public Debt Repaid in 2010 ⁽¹⁾

Borrower	Amount (mln) ⁽¹⁾	Instrument	Repayment Date	Coupon
VTB	USD 750	Subordinated debt instruments	February 2010 (call option)	6.315%
VTB	GBP 234	Series 12 under EMTN programme No.1	March 2010	6.332%
Members of VTB Group	USD 345	Loans repayment / amortisation	January - November 2010	
Subtotal	USD 1,461			

VTB Group Debt Maturity Profile ⁽¹⁾



(1) Exchange rates are as of November 30, 2010. CBR data

Note: In addition to international debt, VTB Group currently has RUB 138 bn outstanding domestic bonds

VTB Group Public Debt Instruments Issued in 2010 Overview

Borrower	Date of issue	Amount (mln)	Instrument	Maturity date	Coupon
VTB	March 2010	USD 1,250	Series 7 EMTN 2	March 2015	6.465%
VTB	March 2010	RUB 5,000 RUB 5,000 RUB 10,000	Domestic Stock Exchange Bonds	March 2013	7.6%
VTB	August 2010	SGD 400	Series 8 EMTN 2	August 2012	4.2%
VTB	August 2010	CHF 400	Series 9 EMTN 2	August 2013	4%
VTB-Leasing	August 2010	RUB 5,000	Amortising domestic bond	August 2017 (1.5 year put option)	7.05%
VTB-Leasing	August 2010	RUB 5,000	Amortising domestic bond	August 2017 (1 year put option)	6.65%
VTB	October 2010	USD 1,000	Series 10 EMTN 2	October 2020	6.551%
Total (USD equivalent)⁽¹⁾		USD 3,910			

⁽¹⁾ Exchange rates are as of November 30, 2010. CBR data