

**International Audit Company PricewaterhouseCoopers has performed an audit of the Bank's financial statements for the year 2002 and confirmed that they are prepared in accordance with IAS.**

**To the Supervisory Council of Vozrozhdeniye Bank:**

1. We have audited the accompanying balance sheet of Vozrozhdeniye Bank (the "Bank") as at 31 December 2002, and the related statements of income, of cash flows and of changes in shareholders' equity for the year then ended. These financial statements are the responsibility of the Bank's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2002 and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

**PricewaterhouseCoopers  
Moscow, Russia  
28 April 2003**

**Balance Sheet as at 31 December 2002**

(in millions of Russian Roubles expressed in terms of the purchasing power of the Russian Rouble at 31 December 2002 unless otherwise stated)

<b>Assets</b>	
Cash and cash equivalents	1 452
Mandatory cash balances with the Central Bank of the Russian Federation	987
Trading securities	1 298
Due from other banks	1 324
Loans and advances to customers	8 694
Investment securities available for sale	184
Investment securities held to maturity	983
Accrued interest income and other assets	262
Premises and equipment	1 398
<b>Total assets</b>	<b>16 582</b>
<b>Liabilities</b>	
Due to other banks	1 078
Customer accounts	10 882
Other borrowed funds	2 722
Accrued interest expense and other liabilities	384
	<b>15 066</b>
Long-term subordinated loans	492
Exchangeable convertible preference shares recorded as liabilities	112
<b>Total liabilities</b>	<b>15 670</b>
<b>Shareholders' equity</b>	
Share capital	4 316
Share premium	675
Accumulated deficit	(4 079)
<b>Total shareholders' equity</b>	<b>912</b>
<b>Total liabilities and shareholders' equity</b>	<b>16 582</b>

Signed on behalf of the Board of Directors on 28 April 2003.

**President Orlov D.L.**  
**Chief Accountant Novikova A.A.**

**Statement of Income for the Year Ended 31 December 2002**

(in millions of Russian Roubles expressed in terms of the purchasing power of the Russian Rouble at 31 December 2002 unless otherwise stated)

Interest income	1 567
Interest expense	(1 036)
<b>Net interest income</b>	<b>531</b>
Release of provision/(provision) for loan impairment	454
<b>Net interest income after provision for loan impairment</b>	<b>985</b>
Gains less losses arising from trading securities	175
Gains less losses/(losses less gains) arising from investment securities available for sale	45
Gains less losses arising from dealing in foreign currencies	87
Foreign exchange translation gains less losses	24
Fee and commission income	490
Fee and commission expense	(29)
Recovery of provision for losses on credit related commitments	3
Other operating income	55
<b>Operating income</b>	<b>1 835</b>
Operating expenses	(1 589)
Monetary gain	166
Gains resulting from restructuring of other borrowed funds	162
<b>Profit before taxation</b>	<b>574</b>
Taxation	(1)
<b>Net profit</b>	<b>573</b>
<b>Earnings per share (expressed in RR per share)</b>	
Basic	51
Diluted	43