

# **NOMOS-BANK**

## **ANNUAL REPORT 2001**

### **Foreword by the Chairman of the Supervisory Board**

In 2001 NOMOS-BANK remained true to its traditions laid down in the course of nine years of fruitful work. It actively worked in all directions and strengthened its positions on the Russian and foreign financial markets. The Bank achieved a substantial growth of capital and assets, enlarged its regional presence, enhanced the scope of active operations and, consequently, consolidated its client base. As in the past, priority attention was given to cooperating with the real economic sector combined with further improvement of services provided to clients.

Life has again proved that NOMOS-BANK has every reason to be reckoned in the group of the strongest Russian banks forming the basis of the national financial system. The last year has confirmed the right choice and the efficiency of the Bank's policy targeted at increasing its sustainability, flexible and prompt adaptation to external changes, stable income generation, high-quality services provision to clients of any industry sector, scope of operations or property form.

Reasonable conservatism in addressing the problems faced by the Bank, active search for adequate forms of working with clients that would meet their requirements, together with a broad use of the latest banking instruments and techniques help to secure the competitive positions of the Bank. NOMOS-BANK has every right to be distinguished as one of the most advanced and reliable lending and financial institutions in this country.

High performance results strengthened the authority of NOMOS-BANK, contributed to the growth of trust towards the Bank on the part of international business community and Russian business circles. The year 2001 was marked by significant positive changes in the relationships between NOMOS-BANK and its foreign partners, which not only further developed, but took new forms.

There is no doubt that the Bank largely owes its achievements to the managers who succeeded in adhering to the delineated strategy, manifested responsibility and professionalism in securing both short- and long-term objectives. The staff of the Bank has been united into a strong team of high-class specialists sharing the same corporate outlooks and tested by years of joint work. The management of the Bank, while being completely independent in the course of practical business, invariably succeeds in maintaining good relations with the shareholders, and takes their interests into account when making or implementing any of its decisions.

Today the NOMOS-BANK disposes of a necessary financial, organizational, intellectual and technological potential for achieving progress and success in future.

Victor Tochilkin,  
Chairman of the Supervisory Board

## **Review of financial activity in 2001**

The 2001 performance results brought the Bank in terms of equity into the group of the 15 largest financial institutions operating on the Russian territory, including state-owned and foreign banks, and also into the group of the top 20 in terms of assets. As at January 1, 2002, the number clients of NOMOS-BANK totaled over 4,200 legal entities and individuals from 65 Russian regions. The client base remained stable with a tendency to extension. As in the past years, the core of the client base is formed by defense industry enterprises, establishments within the system of the Ministry of Atomic Industry, shipbuilders and aircraft-manufacturers, mining companies, insurance, commerce and publishing business.

The key financial results of NOMOS-BANK in 2001 demonstrated a quarter-by-quarter equity growth and breaking even throughout the whole year. The equity grew by 1,727 mln roubles\* and amounted to 4,257 mln roubles (USD 141.3 mln), as at January 1, 2002, thus marking a 68% increase.

This result was achieved through two share issues and profit capitalization. The charter capital of the Bank increased over the year from 1.175 to 1.885 bln roubles. The shares of the 13th and 14th issues were wholly placed among the shareholders at a price exceeding the par value thereof by several times.

The capital adequacy ratio varied in the course of 2001 from 20.8% to 35.5%, and thus was considerably higher than the standard ratio established by the Bank of Russia (11%) or generally accepted in international practice (8%). Therefore, the Bank disposed and disposes of sufficient equity in order to discharge its liabilities and sufficient resources in order to attract funds and intensify active operations.

The total asset and liability balance of the Bank increased from 10,677 to 17,190 mln roubles. The assets grew from 10,460 mln roubles at the year beginning to 16,476 mln roubles at the year-end.

In 2001 NOMOS-BANK generated 109.9 mln roubles as net profit, which is by 49.2 mln roubles, or 1.8-fold more than in 2000. The aggregate profit raised on banking operations enables the Bank to finance reasonable administrative expenses, to form sufficient reserves for active operations, and also to make allocations for equity increasing.

It is worth to be noted that in 2001 the administrative expenses of the Bank grew by 20.6% as compared to 2000, while the number of staff augmented by 26.5%. The annual inflation rate, according to the RF State Committee for Statistics, was 18.8%. The aforesaid leads to the conclusion that the growth in the volume of operations did not entail a commensurate increase of administrative expenses.

The growth of operation volumes resulted in several changes in the structure of assets and liabilities of the Bank. It concerned, in particular, the correlation between fixed-term and floating assets, which changed in favor of the former. The share of the income-bearing assets within the structure of total assets of the Bank is constantly high, which is another proof of the high-quality financial management in the Bank.

The liability structure was also subject to some insignificant alterations in the course of 2001. It was marked, in particular, by a growing share of customer settlement accounts,

correspondent accounts of banks and deposits placed by legal entities. Noteworthy was the stable structure of the funds borrowed by the Bank. During 2001 fixed-term liabilities almost always exceeded the value of call liabilities by two times. This circumstance enabled the Bank to invest into longer-term and more profitable assets.

In the reported year the assets and liabilities of the Bank were well-balanced judging by their repayment terms, thus ensuring high-liquidity of the balance. The liquidity ratios reported by the Bank were remarkably higher than the control objectives established by the Bank of Russia. As at January 1, 2002, the instantaneous liquidity ratio was fixed at 106.8%, and the current liquidity ratio amounted to 126.1%, compared to 20% and 70%, respectively, required by the Bank of Russia.

As before, the fundamental principle of NOMOS-BANK consisted in strict compliance with the banking legislation and the norms set out by the Bank of Russia. In the reported year the Bank submitted, on a timely basis, all the required accounts and reports, and observed all the standard ratios set for banks.

In the course of 2001 the Bank underwent several check examinations by the RF Central Bank, Federal Treasury, Assay Chamber of the Russian Ministry of Finance, Inspectorate of the Russian Ministry for Taxes and Duties, which covered different issues and areas of the Bank's activities. All the checks ended positively, without any substantial objections or remarks on the part of the examiners.

## **Lending Operations**

In 2001 the credit portfolio of the Bank increased by one third and amounted to 8.344 bln roubles by the year-end. Total value of loans granted in the reported year augmented 1.4-fold in comparison with 2000 and equaled 19.6 bln roubles. The breakdown of the Bank's credit portfolio per economic sectors shows that the most important areas of lending by NOMOS-BANK in 2001 were the following:

- Defense industry complex;
- Gold mining companies;
- Enterprises subordinate to the RF Ministry of Atomic Industry.

Total investments into the defense industry complex increased 1.6-fold as compared to the year 2000 and approximated 140 mln US dollars. The borrowers of the Bank in 2001 were such defense establishments, as:

- Baltiysky Zavod (Baltic Shipyard) JSC,
- Irkutsk Aircraft Manufacturing Association JSC,
- Vympel Toropov Federal State Unitary Enterprise,
- Ulan-Udensky Aircraft Factory JSC,
- Region State Scientific & Research Enterprise,
- Dolgoprudnenskoye Scientific & Production Enterprise JSC,
- Typhoon Kaluzhsky Instrument Manufacturing Plant JSC,
- AK Tulamashzavod JSC,
- Chkalov Novosibirsk Aircraft Manufacturing Association State Unitary Enterprise,
- Ramenskoye Instrument Design Bureau JSC,
- Novosibirsk Plant of Low-Voltage Equipment JSC,
- Ramensky Instrument Manufacturing Plant JSC.

Credits were granted, in the first run, for realization of export contracts with foreign states, such as India, People's Republic of China, Egypt, Iran, Algeria, Cuba. In the course of 2001 NOMOS-BANK lent several credit facilities to Rosoboronexport Federal State Unitary Enterprise for the total value of 19 mln US dollars.

Further expanded were the activities of NOMOS-BANK related to credits and advance payments to its clients out of the number of gold mining companies. For these purposes more than 73.5 mln dollars were allocated in 2001, which marked a 3.2-fold increase as compared to 2000. The recipients of the funds included:

- Gold-Mining Artel Vitim CJSC,
- Buryat-Zoloto JSC,
- Gazimur LLC,
- Ruda CJSC,
- Lenskaya Mining Company CJSC,
- Northern Ore Technologies CJSC,
- Khergu CJSC,
- Zoloto Severnogo Urala CJSC,
- Svetly CJSC,
- Chukotka Gold-Mining Artel Production Cooperative,
- Neyva Gold-mining Artel Production Cooperative,
- Okhotskaya Mining & Prospecting Company JSC,
- Poisk Gold-Mining Artel Production Cooperative,
- Silver Territories CJSC,
- Amga Gold-Mining Artel Production Cooperative,
- Nirungan LLC,
- Zun Khada CJSC,
- Agat LLC.

In 2001 NOMOS-BANK considerably extended the volume of credits provided to the enterprises subordinate to the RF Ministry of Atomic Industry, which totaled 20.9 mln US dollars and 1 bln roubles. The borrowers included:

- Techsnabexport JSC,
- Siberian Chemical Combine Federal State Unitary Enterprise,
- Academician Zababakhin RFYaTs-VNIITF State Enterprise,
- Priargunskoye Production Mining & Chemical Association JSC,
- Novosibirsk Plant of Chemical Concentrates JSC,
- Sever State Enterprise Production Association,
- All-Russia Scientific & Research Institute of Automation Federal State Unitary Enterprise.

A new impetus was given to crediting the fuel and energy complex (Gazprom CJSC - 4.2 bln roubles), leasing companies (Turboleasing Leasing Company CJSC, Incas-Service CJSC, North-Western Leasing Company LLC), companies involved in commercial agency operations, capital construction companies, non-ferrous metallurgical enterprises (Sredneuralsky Copper Smelting Plant JSC), municipal formations (Department of Finance and Tax Policy of the Novosibirsk Municipality - 200 mln roubles), food industry establishments (Trade House Preobrazhensky JSC, Cornet JSC, Technomol Food Products CJSC), newspaper and magazine publishers.

The income generated by the Bank in the reported year as interest on loans extended to legal entities and individuals totaled 1.4 bln roubles, which is 2.2 times more than in 2000.

NOMOS-BANK is constantly testing and applying new financial instruments in order to make customer services more convenient. In 2001 the Bank began to use a new form of lending by overdraft, which provides larger and more flexible options for clients in addressing on-going issues related to current finance management of an enterprise. The Bank also started to actively promote a new service on the market - factoring, or customer financing secured by assignment of the customer's monetary claims to debtor purchasers, arising in the course of execution of delivery contracts.

### **International Partnership Relations**

A stable position at the financial market and high financial performance figures of NOMOS-BANK enabled the international credit rating agency Fitch in October 2001 to upgrade the short-term and long-term credit ratings of the Bank up to B and B-, respectively. Fitch experts regard the assigned ratings as an adequate reflection of stable performance results, solid capitalization and further improvement of operating environment. At the moment of rating assignment thereof NOMOS-BANK was yielding the palm of a higher long-term credit rating only to three other Russian banks, all of which were financial institutions with state-owned stakes.

Business relations development with foreign financial establishments, and an increasing level of trust displayed by global business community enabled the Bank to more actively engage in different forms of international cooperation for the benefit of clients.

At the end of 2001 NOMOS-BANK attracted a syndicated loan facility from a group of European banks for 17 mln US dollars repayable in a year. The arranger, agent and the main syndicate participant was Standard Bank London Ltd., the largest operator on the international market of precious metals, which signed the credit agreement with the Bank on behalf of other contracting parties.

This credit facility was used by the Bank to finance its clients in the gold-mining sector. NOMOS-BANK became the first Russian bank to apply the aforesaid scheme for financing Russian gold-mining industry.

Syndicated loan provision by European banks is a mark of obvious success on the international financial market and a spring-board for developing new forms of cooperation with the Russian industry. It is also significant as an important element of trust displayed towards the Bank by foreign business community, as a sign of recognition of the Bank's sustainable development, stability and efficiency.

Given the forecasts for a growing demand on the part of its strategic partners for new techniques and technical means, NOMOS-BANK has proceeded to developing banking services, that would enable the clients to use economically beneficial schemes consisting in payment by installments or deferred payment, financial leasing and other project financing schemes, which are quite common in the West.

Based on an impeccable international reputation, the Bank has established good working contacts with a number of foreign banks, export credit agencies, investment, insurance and leasing companies for the purpose of financing purchases of imported

equipment by its clients. In particular, NOMOS-BANK has entered into business relationships with Export-Import Bank (USA), Commerzbank AG (Germany), Dresdner Bank AG (Germany), Standard Bank London Ltd. (Great Britain), Bankgesellschaft Berlin AG (Germany), Bayerische Hypo- und Vereinsbank AG (Germany), Hermes AG (Germany), Nordleas (Germany), DaimlerChrysler Services GmbH (Germany), EGAP (Czech Republic) and KUKA (Poland). These relationships open up such new options for the Bank's clients importing foreign-made goods and technologies, as issue of letters of credit without surety provision, payment deferral secured by NOMOS-BANK guarantee, long-term schemes for payments by installments, including through lease.

Last year NOMOS-BANK acted as the initiator and the guarantor for a leasing contract for machinery supply by the renowned American company Caterpillar to the gold-mining enterprise Gazimur (Chita Region). For the first time in the national banking practice the guarantees by NOMOS-BANK were accepted for structuring of a large-scale international project providing a Russian gold-mining company, on a lease basis, with mining equipment. According to the contract, which involved Wagner as the machinery supplier and the official dealer of the American party, Gazimur leased the equipment for the total value exceeding one million US dollars.

Moreover, and also for the first time in Russian business practice, NOMOS-BANK succeeded in raising financial resources from China for realization of an export contract for delivery of Russian high-tech goods to the country which was secured by the Bank's guarantees. In September 2001 the Bank of China (ELOS) and NOMOS-BANK proceeded to the implementation of an agreement on a syndicated facility provision to Dolgoprudnenskoye Scientific & Production Enterprise within the scope of a contract for Russian industry equipment supply to China, to which this Enterprise is a party.

With due regard to the necessity to satisfy the demand of its clients involved in export/import operations, NOMOS-BANK maintains correspondent relations with 30 leading foreign banks in the main global financial centers. In 2001 the Bank had credit lines opened with, guarantees accepted and letters of credit confirmed without surety by the largest banks in Germany (Commerzbank AG, Dresdner Bank AG, Bankgesellschaft Berlin AG), Austria (Raiffeisen Zentralbank O.ö. sterreich AG), as well as several Asian countries.

In 2001 the Bank opened 263 passports for export deals and 293 passports for import deals that were proceeded thereby at the instruction of clients. The overall value of export contracts which passed through NOMOS-BANK approximated 800 mln US dollars by the year-end, and the overall value of import contracts totaled 156 mln US dollars.

In the course of the reported year the Bank was actively involved in services provision to clients supplying humanitarian goods to Iraq under UN-Program "Oil in Exchange for Food". For this purpose special EURO accounts were opened with the branch of ABN AMRO BANK in New York, and also US dollar accounts with Dresdner Bank AG (Germany).

Last year the Bank acted as a guarantor in respect of foreign trade transactions, and as a guarantor for the RF State Customs Committee. In total issued were 35 banking guarantees for the overall value of 37.6 mln dollars, 500 thousand euros and 45.5 mln roubles.

## **Operations with Precious Metals**

In 2001 the Bank consolidated its position as one of the key operators on the domestic market of precious metals. The 2001 results show that NOMOS-BANK bought from the miners and realized on the domestic and foreign markets 25 tons of gold and 120 tons of silver (as compared to 15 and 120 tons in 2000, respectively), which accounted for 18 and 20 percent of the total production volume of those precious metals in Russia.

Among the clients and partners of NOMOS-BANK on the market of precious metals are more than 20 gold-mining companies, 7 refining factories, nearly 30 jewelry manufacturers, as well as Russian and foreign banks. The largest counterparties of NOMOS-BANK on the gold market are Credit Swiss First Boston and Standard Bank London Ltd.

Last year was also marked by a dynamic partnership relations development between NOMOS-BANK and Russian jewelry-making associations, including Almaz-Holding, Adamas Group of Companies, Alt-Group, Moscow Experimental Jewelry Factory, Moscow Plant for Special Alloys Treatment, jewelry factories Alfa, Gringor, Sadko, Henry Mozer, Golden Time, Master-Russia, Diamond World, and also Moscow and Saint-Petersburg Mints of Goznak (Association of State Enterprises for Production of National Currency Units). The Bank has sold jewelry companies circa 4 tons of gold and over 32 tons of silver.

In the reported year the Bank retained its leading positions on the Russian market of precious metal coins through selling up to 107 thousand coins to individuals and legal entities with the total weight exceeding three tons.

## **Financial Market Operations**

In 2001 operations on the securities market remained one of the most important areas of the Bank's activities. Russia's Federal Commission for the Securities Market listed NOMOS-BANK as one of top twenty largest operators on the securities market.

The 2001 results raised NOMOS-BANK to the number of the top ten most active participants at the MICEX stock section with the annual turnover of up to 32.458 bln roubles. NOMOS-BANK is also among the largest operators on the market of government securities on MICEX and among the leading traders on the Moscow Stock Exchange and St. Petersburg Stock Exchange.

In October 2001 the Board of Directors of RTS Stock Exchange registered NOMOS-BANK as a settlement firm for the Futures and Options market on RTS Stock Exchange (FORTS). Already by the year-end the Bank proved to be one of the most active operators in this sector having succeeded in transacting nearly 30 mln roubles. The volume of the Bank's operations with stocks and corporate bonds of Russian issuers on the RTS traditional market and over-the-counter market exceeded 19.46 bln roubles over the year.

Experts estimate that among Russian stock market operators NOMOS-BANK rates the 9th bank in terms of securities and debentures acquisition. It also rates the 8th among the banks having issued the maximum number of proper securities.

NOMOS-BANK is one of the leading operators on the market of Russian "eurobonds" and Russian Ministry of Finance bonds. The volume of deals with domestic currency bonds totaled 4.665 bln US dollars in 2001. The turnover on foreign currency bonds (eurobonds) exceeded 1.38 bln US dollars over the same time period.

The volume of sale/purchase operations with rouble-denominated promissory notes issued by banks and corporate entities in 2001 amounted to 26 bln roubles. For the same instruments denominated in foreign currencies the figure was 523 mln US dollars.

One of the sources of borrowed funds for the Bank proceeded from offering of proper non-emitted securities. In 2001 the Bank placed proper foreign-currency-denominated promissory notes for the value of 143 mln US dollars, rouble-denominated promissory notes for the value of 41.1 bln roubles and certificates of deposit for the value of 4.4 bln roubles.

Last February NOMOS-BANK placed through an auction at MICEX the fifth bonds issue for the value of 500 mln roubles with a one-year circulation period. All of the bonds were repaid in due time (February 2002) and in strict compliance with the undertaken obligations. NOMOS-BANK bonds have been included into the list of the most liquid Russian-issued securities and enjoyed high quotations at the secondary market. Bonds offering is regarded by the Bank as a supplementary source of financing for large-scale industrial projects, and as a promising field for further development.

Last year NOMOS-BANK considerably enlarged the scope of services related to corporate financing arrangement for its clients. It currently includes issue organization and placement of securities for clients, financing arrangement (underwriting), and also different forms of syndication, including cross-border syndication.

Within the framework of providing brokerage services provision on the securities market NOMOS-BANK made a new option available to its clients - now they can operate through the Internet. The new service enables the clients to obtain on-line access to trade sessions on the main Russian market places.

A growing client base and leading operator position were the fundamental prerequisites for NOMOS-BANK not only to begin to cut down its tariffs in 2001, but also to start providing free-of-charge services, such as related to broking operations (internet-trading, depositary services).

According to SRO PARTAD the NOMOS-BANK Depositary joined the number of the four largest Russian depositaries in terms of deposited securities market value. The market value of assets in custody in the Depositary of NOMOS-BANK at end-2001 exceeded 11 bln roubles.

At the same time the Bank started to provide sub-broker services, which make it possible for professional securities market participants, who are not accredited to a particular exchange establishment, to have access thereto by transacting via NOMOS-BANK.

In 2001 the Bank enlarged the number of its partners and strengthened its connections on the market of interbank deposits. NOMOS-BANK maintains relations with more than 230 permanent partners-contractors. Out of that number 73 banks representing Siberia, North-West of Russia, the Urals, Far East, other Russian regions and CIS countries,

became our partners in the last year. Total volume of transactions on the interbank monetary market exceeded 123 bln roubles, 3.75 bln US dollars and 32 mln euros.

### Services Provision to Clients

Highest quality of services and moderate tariff policy, as well as stable position and sustainable development, attracted new clients to the Bank out of the number of legal entities and individuals. As at January 1, 2002, 4,200 corporate accounts were held with NOMOS-BANK, which is 27% more compared to the year before. The number of demand deposit accounts opened by individual clients increased by 48% over the reported year and reached 2,240, while the number of fixed-term deposits grew 118% up to 763.

The average balance on customer accounts also augmented in 2001:

corporate accounts in Russian Roubles - by 18% up to 800 mln roubles;

on individual accounts in Russian Roubles - by 42.7% up to 200 mln roubles;

on individual accounts in foreign currencies - by 54.5% up to 100 mln roubles.

In order to further improve the quality of banking, NOMOS-BANK has launched a new service for its clients - Internet-banking, which makes it possible to control the cash flow and to effectively operate the account via Internet. By the year-end this services has been ordered by nearly 450 legal entities and 150 individual clients from many Russia's regions.

In 2001 the Bank made a strong push into the plastic cards market. As at January 1, 2002 NOMOS-BANK issued more than 25 thousand international and local cards. During the reported year over 350 thousand transactions were performed on card accounts. The volume of card operations exceeded 750 mln roubles.

Last year NOMOS-BANK was granted the status of a principal member of the cross-border payment system EUROPAY International and completed certification of its proper processing center within the international payment system VISA International, which was set up on the basis of the software developed by Russian company Compass+.

In December 2001, as a result of certification, NOMOS-BANK proceeded to issue plastic cards existing in the VISA International payment system, such as VISA Electron, VISA Classic, VISA Business and VISA Gold, and also to provide cash services, including cash withdrawal from the Bank's ATMs.

Creation of a proper certified processing center enabled the Bank to enlarge the network of ATMs. As at the beginning of 2002 54 ATMs and about 100 POS terminals have been installed by NOMOS-BANK.

In 2001 NOMOS-BANK continued to expand its regional network. By the year end approximately 550 corporate and 3,800 individual clients were provided services by branches and offices of the Bank.

The year 2001 become another year of fruitful and successful work of our branch in Novosibirsk. As at January 1, 2002 the branch operated accounts for 329 legal entities and about 3,200 individuals. The volume of operations on customer accounts increased 1.6-fold, and the borrowed funds value augmented 2.5-fold.

Novosibirsk branch continued to develop the system of settlements through Golden Crown plastic cards. Over the past year the branch issued up to 3 thousand cards within this payment system. In 2001 NOMOS-BANK installed 9 ATMs and 14 e-terminals in Novosibirsk, which accept both international cards and Golden Crown cards.

In June 2001 NOMOS-BANK opened a new branch in Saint-Petersburg with a focus on services provision to the already existing clients and a search for new clients out of the number of industrial enterprises in the North-Western Region. Inaugurated were also a new "Sokol" branch and a "Tushino" office in Moscow. Active preparations were made to set up Nishegorodsky Branch, which opened its doors to customers in February 2002.

### **Auditor's report**

The audited accounts have been prepared in all material aspects in compliance with the legislation and normative acts regulating the procedure for accounts maintaining and preparation, and in compliance with the accounting principles accepted in the Russian Federation.

The accuracy of the balance sheet, profit and loss statement, cash flow statement, and statement of compliance with the main requirements established by regulations of the Bank of Russia has been confirmed.

More detailed information on the accuracy of accounts and reports, including those appearing above, that have been provided by the audited financial institution, is available in the audit report on the accuracy of this financial institution's accounts as at January 1, 2002.

License for audit performance in the sphere of banking audit No. 0070 issued pursuant to decision of the Bank of Russia dated November 10, 2000, valid for 3 (three) years.

General Director,  
Deloitte and Touche CIS  
Dan Collinson Koch

### **Financial Statements as of January 1, 2001**

**Balance sheet**  
**as at January 1, 2002**  
**(in thousand roubles)**

		1.01.2002
<b>ASSETS</b>		
1.	Cash and accounts with the Bank of Russia	512.873
2.	Government debt securities	3.638.153
3.	Funds with financial institutions	2.230.879
4.	Net investment in securities for resale (difference of 4.1 - 4.2)	296.681
4.1.	Securities for resale (book value)	297.694
4.2.	Provisions for depreciation of securities	1.013
5.	Loans repayable and similar indebtedness	8.343.632
6.	Interest accrued (incl. overdue)	54.628
7.	Leased-out funds	0
8.	Provisions for possible losses	1.969.137
9.	Net loans repayable (difference of 5 - 8)	6.374.495
10.	Fixed and intangible assets, maintenance, expendables and consumables	102.007
11.	Net long-term investments in securities and stakes (difference of 11.1 - 11.2)	1.058
11.1.	Long-term investments in securities and stakes (book value)	1.066
11.2.	Provisions for securities and stakes depreciation	8
12.	Deferred expenses for other operations	5.427
13.	Other assets	916.193
14.	Total assets (sum of 1 + 2 + 3 + 4 + 6 + 7 + 9 + 10 + 11 + 12 + 13)	14.132.394
<b>LIABILITIES</b>		
15.	Credits received by lending institutions from the Bank of Russia	0
16.	Deposits from financial institutions	3.329.063
17.	Customer accounts	2.780.432
17.1.	incl. individual deposits	417.843
18.	Deferred income on other operations	18
19.	Issued debentures	3.916.681
20.	Other liabilities	334.915
21.	Provisions for possible losses on settlements with debtors, risks and liabilities	7.653
22.	Total liabilities (sum of 15 + 16 + 17 + 18 + 19 + 20 + 21)	10.368.762
<b>EQUITY</b>		
23.	Legal capital (shareholders'/members' funds) (sum of 23.1 + 23.2 + 23.3), incl.:	1.885.000

		1.01.2002
<b>ASSETS</b>		
23.1.	Registered ordinary shares and stakes	1.875.000
23.2.	Registered preferred shares	10.000
23.3.	Non-registered legal capital of non-joint-stock banks	0
24.	Proper shares (stakes) redeemed from shareholders (members)	0
25.	Proceeds from share issue	2.025.681
26.	Funds and profit retained by lending institution, difference between charter capital and equity (equity capital)	120.414
27.	Fixed assets revaluation	312
28.	Profit (loss) in accounting period	136.245
29.	Dividend paid from accounting year profit	0
30.	Allocated profit (excl. dividend)	26.404
31.	Retained profit (difference of 28 - 29 - 30)*	109.841
32.	Expenditures and risks affecting equity	377.616
33.	Total equity (balance of 23 - 23.3 - 24 + 25 + 26 + 27 + 31 - 32)	3.763.632
34.	Total liabilities (sum of 22 + 23.3 + 33)	14.132.394
<b>OFF-BALANCE LIABILITIES</b>		
35	Irrevocable liabilities of financial institution	10.189.613
36	Guarantees issued by financial institution	1.193.663

*\* Items 29,30,31 are to be filled in only by profit-making financial institutions*

**Fiduciary accounts  
as at January 1, 2002  
(in thousand roubles)**

		1.01.2002
<b>ACTIVE ACCOUNTS</b>		
1.	Cash	0
2.	Securities in fiduciary management	137
3.	Precious metals	0
4.	Credits granted	0
5.	Funds used for other purposes	0
6.	Fiduciary management settlements	0
7.	Accrued interest (coupon yield) paid on interest-bearing (coupon) debentures	0
8.	Current accounts	0
9.	Fiduciary management costs	0

		1.01.2002
<b>ACTIVE ACCOUNTS</b>		
10.	Losses on fiduciary management	0
<b>INACTIVE ACCOUNTS</b>		
11.	Capital in fiduciary management	137
12.	Fiduciary management settlements	0
13.	Accrued interest (coupon yield) received on interest-bearing (coupon) debentures	0
14.	Proceeds from fiduciary management	0
15.	Profit on fiduciary management	0

**Profit and Loss Statement  
for the year 2001  
(in thousand roubles)**

		1.01.2002
<b>Interest received and similar income from:</b>		
1.	Funds placed with banks as credits, deposits, loans and on accounts with other banks	136.809
2.	Loans to other clients	1.446.871
3.	Leased-out funds	0
4.	Fixed-income securities	161.863
5.	Other sources	60
6.	Total interest received and similar income (sum of 1 + 2 + 3 + 4 + 5)	1.745.603
<b>Interest paid and similar expenses for:</b>		
7.	Funds from banks, incl. loans and deposits	156.635
8.	Funds from other clients, incl. loans and deposits	51.861
9.	Issued debentures	393.525
10.	Rent	13.403
11.	Total interest paid and similar expenses (sum of 7 + 8 + 9 + 10)	615.424
12.	Net interest and similar income (difference of 6 - 11)	1.130.179
13.	Fee and commission income	100.471
14.	Fee and commission expenses	30.719
15.	Net gain on fees and commissions (difference of 13 - 14)	69.752
<b>Other operating income:</b>		
16.	Income from forex operations and other operations with valuables denominated in foreign currencies, incl. translation differences	1.387.481
17.	Income from operations with precious metals, securities and other valuable items, positive revaluation of precious metals, securities and other valuable items	1.381.311

		1.01.2002
<b>Interest received and similar income from:</b>		
18.	Dividend income	1.826
19.	ДOther current income	16.204
20.	Total other operating income (sum of 16 + 17 + 18 + 19)	2.786.822
21.	Current income (sum of 12 + 15 + 20)	3.986.753
<b>Other operational expenses:</b>		
22.	Staff costs	5.659
23.	Maintenance expenses	76.956
24.	Expenses for forex operations and other operations with valuables denominated in foreign currencies, incl. differences in exchange rates	1.441.563
25.	Expenses for operations with precious metals, securities and other valuable items, negative revaluation of precious metals, securities and other valuable items	901.416
26.	Other current expenses	62.740
27.	Total other operating expenses (sum of 22 + 23 + 24 + 25 + 26)	2.488.334
28.	Net current income before provisions and without extraordinary income/expenses (difference of 21 - 27)	1.498.419
29.	Changes in provisions for possible losses on loans	1.357.047
30.	Changes in provisions for securities depreciation	607
31.	Changes in other provisions	5.734
32.	Net current income without extraordinary income/expenses (difference of 28 - 29 - 30 - 31)	136.245
33.	Extraordinary income less extraordinary expenses	0
34.	Net current income after extraordinary income/expenses (sum of 32 + 33)	136.245
35.	Profit tax*	25.660
36.	Deferred profit tax	0
36a.	Extraordinary expenses after taxes	0
37.	Profit (loss) for the accounting period (difference of 34 - 36 - 36a)	136.245

*\* Sum of taxes paid out of profit (35) is specified in the profit and loss statement for reference purposes only and is not excluded from profit (loss) assessment for accounting period posted in item 37.*

**Statement of Compliance with the Main Requirements Established by Regulations of the Bank of Russia  
as at January 1, 2002**

**Cash flow Statement  
for the year 2001  
(in thousand roubles)**

**Changes in current assets**

## Changes in current liabilities

1.	Actual capital adequacy ratio (standard ratio H1, in %)	34,5%
2.	Estimated provisions for possible losses on loans calculated on the basis of requirements established in the Bank of Russia's regulations (in thousand roubles)	1.969.137
3.	Actual provisions for possible losses on loans (in thousand roubles)	1.969.137
4.	Estimated provisions for securities depreciation calculated on the basis of requirements established in the Bank of Russia's regulations (in thousand roubles)	1.021
5.	Actual provisions for securities depreciation (in thousand roubles)	1.021
6.	Estimated provisions for possible losses calculated on the basis of requirements established in the Bank of Russia's regulations (in thousand roubles) beginning	5.280 c 01.10.01 - 20% of estimated provisions amount c 01.04.02 - 50% of estimated provisions amount c 01.01.02 - 100% of estimated provisions amount
7.	Actual provisions for possible losses (in thousand roubles)	7.084
<b>I. Cash flow from operating ACTIVITIES</b>		
1.	Interest income	1.745.603
2.	Interest expenses	615.424
3.	Fee and commission income	100.471
4.	Fee and commission expenses	30.719
5.	Gain on forex operations and other operations with valuables denominated in foreign currencies	15.475
6.	Gain on operations with precious metals, securities and other valuable items	1.323.714
7.	Expenses for forex operations and operations with other valuables denominated in foreign currencies	117.872
8.	Expenses for operations with precious metals, securities and other valuable items	901.063
9.	Dividend income	1.826
10.	Other operating income	16.204
11.	Other operating expenses	145.355
12.	Extraordinary expenses after taxation	0
13.	Total income/expenses (sum of 13.1 + 13.2), incl.	1.306.155

1.	Actual capital adequacy ratio (standard ratio H1, in %)	34,5%
13.1	Income/expenses (balance of 1 - 2 + 3 - 4 + 5 + 6 - 7 - 8 + 9 + 10 - 11 - 12)	1.392.860
13.2	Changes in income/expenses	86.705
14.	Profit allocations to budget, charity and for other purposes	423
15.	Cash flow from operations before changes in current assets/liabilities (sum of 13 + 14)	1.305.732
16.	Government debt securities	2.240.389
17.	Funds with financial institutions	495.996
18.	Securities for resale (book value)	121.536
19.	Loans repayable and similar indebtedness	2.048.963
20.	Leased-out funds	0
21.	Other assets	474.137
22.	Credits received by banks from the Bank of Russia	0
23.	Deposits from financial institutions	1.588.568
24.	Customer accounts	509,502
25.	Other liabilities	104,566
26.	Net cash inflow/outflow from current operations (sum of 16 + 17 + 18 + 19 + 20 + 21 + 22 + 23 + 24 + 25)	3.178.385
27.	Net cash inflow/outflow from operating activities (sum of 15 + 26)	1.872.653
<b>II. Cash flow from investing ACTIVITIES</b>		
28.	Fixed and intangible assets, maintenance, expendables and consumables	51.328
29.	Long-term investments in securities and stakes (book value)	12
30.	Net cash inflow/outflow from investment (sum of 28 + 29)	51.340
<b>III. Cash flow from financing activities</b>		
31.	Legal capital (shareholders'/members' funds)	710.000
32.	Proper shares (stakes) redeemed from shareholders/members	0
33.	Profit from share issue	1.200.000
34.	Funds and profit retained by financial institution	55.373
35.	Dividend paid from accounting year profit	0
36.	Debt securities issued	574.521
37.	Net cash inflow/outflow from financing activities (sum of 31 + 32 + 33 + 34 + 35 + 36)	2.539.894
38.	Positive/negative results of revaluation of foreign currencies, valuables denominated in foreign currencies, precious metals and securities; fixed assets revaluation; accrued and other funds not included in financials	202.700
39.	Net inflow/outflow of cash and cash equivalents (sum of 27 + 30 + 37 + 38)	413.201
40.	Cash and cash equivalents at beginning of accounting period	521.159

1.	Actual capital adequacy ratio (standard ratio H1, in %)	34,5%
41.	Cash and cash equivalents at end of accounting period (sum of 39 + 40)	934.360