



**VOZROZHDENIE
BANK**

THE BANK THAT IS ALWAYS WITH YOU

Annual Report 2007



WWW.VBANK.RU

Money doesn't build a bank, relationships do

We believe that close relationships with our clients are our most valuable assets.

We work in true partnership with our clients.

We are responsive, human, and dependable, the bank our clients can rely on in good and bad times. This closeness to our clients distinguishes us, today and in the future.

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Portrait of the Bank

Bank Vozrozhdenie is one of the major financial institutions in Russia; the Central Bank of the Russian Federation includes the Bank among the 30 major Russian banks. We are developing as a personal bank for corporate and individual customers.

We now serve about 1.2 million retail customers. The Bank has been for a number of years among the top 10 Russian banks by volume of savings deposits from individual customers and is included in the deposit insurance system. The Bank pays close attention to the balanced development of assets and funding sources. Over 40 percent of the Bank's assets are funded by deposits of individuals.

Bank Vozrozhdenie is focused on support and development of small and medium-sized businesses. Customers of the Bank include over 49 thousand enterprises operating in manufacturing and processing industries, construction, transportation, agriculture, and other fields. Last year we commissioned a study of clients' attitudes by the international marketing agency, Taylor Nelson Sofres (TNS), and found that Vozrozhdenie ranks equally with the top decile of major European banks in terms of customer loyalty: eighty-five percent of customers consider Vozrozhdenie important for their business and are loyal to us.

Bank Vozrozhdenie now has 169 sales offices in 20 regions of Russia and the network includes about 560 automated teller machines (ATMs). There are 6 specialized mortgage centers where clients can obtain all the necessary facilities to arrange a mortgage. In expanding the retail network the Bank's focus is on the Central, North-Western, and Southern regions of European Russia.

In November 2007 we issued our one-millionth bank card. Vozrozhdenie has been a principal member of both the Visa and MasterCard international payment systems since 1998 when we set up our own processing center. All of our Bank cards have embedded electronic chips which enhance security and services to the client. This infrastructure has allowed the Bank to provide payroll services to more than 5 thousand commercial customers and their employees. Over one hundred thousand card holders use "Your Account 7x24" service, which provides mobile phone (SMS) or on-line information on the account status and transactions on a real-time basis round-the-clock. Bank Vozrozhdenie serves 1,800 retail and service companies which accept bank cards for payments for goods and services.

Bank Vozrozhdenie is one of the few Russian banks whose shares are freely traded on Russian and foreign stock markets. In 2007 the Bank placed its 20th issue of shares, increasing the number outstanding to 25 million shares. As a result of this successful placement, equity capital of the Bank increased by 4.6 billion rubles to 11.9 billion rubles. We also issued our first corporate bonds in 2007: 3 billion rubles with a three year-term.

One aspect of the appeal for investors is our recognized transparency and good governance. In the opinion of Standard&Poor's, Bank Vozrozhdenie is the most transparent Russian bank from the perspective of shareholders. Reliability of Bank Vozrozhdenie was confirmed by Moody's Investors Service rating agency, which increased all previous ratings in 2007. The forecast for all ratings is "stable". The Bank has been publishing its financial statements according to International Financial Reporting Standards (IFRS) since 1991. The auditor of the Bank is ZAO PricewaterhouseCooper's Audit.

A Letter from the President of the Bank



Dear shareholders, partners, and colleagues!

In reviewing 2007, I would like to note first the contribution that each of us has made to the stability of Bank Vozrozhdenie and its sustainable growth in the adverse situation which has developed in international financial markets. Our conviction has again been reinforced that our long-term relationships built on trust are the Bank's most important assets, especially in difficult times. Working in the interests of our shareholders and customers, we consistently built up our business during 2007.

We were quite successful in all aspects of our business last year. The high regard from professional investors, both in Russia and abroad, allowed us to successfully place the 20th issue of our shares, raising 4.6 billion rubles in May. This helped almost double our equity capital to 11.9 billion rubles by year end. We maintained a balanced funding strategy and a careful risk management policy, and as we saw the uncertainty grow in the international markets, we were careful to minimize the possible adverse impact. Bank Vozrozhdenie did not experience any great effect of the negative market situation in the second half of the year. For the full year our assets grew by 52%, to 111.4 billion rubles, the credit portfolio grew by 49% to 78.1 billion rubles, and our net profit grew by 140% to 1.9 billion rubles.

Corporate clients are still the largest part of the Bank's business. Our loan portfolio to corporate customers grew by 41.4% to reach 64.2 billion rubles in 2007. This growth was due to active demand for classical loan products as well as for factoring and leasing services for small and medium businesses (SME), which are the key customer segment for the Bank. In 2008 we will complete the range of standardized business packages for medium, small, and micro businesses, which will simplify and speed up decision-making procedures for the benefit of SME clients.

We believe in the high potential of the retail banking services market. We will continue to develop actively this area of our business. The retail credit portfolio almost doubled last year, rising to 16.8 billion rubles by the beginning of 2008. Mortgage and consumer loans including bank cards remained the retail products most in demand in 2007. The credit cards loan portfolio more than doubled to over 2.7 billion rubles as of January 1, 2008.

We pay careful attention to the balance in terms of our funding and assets. According to results of the reported year, the overall amount of the funds attracted by the Bank was increased by 47% and exceeded 99.5 billion rubles. Almost half of the assets were supported by funds of individuals, which grew by 32%. In 2007 Bank Vozrozhdenie broadened the range of deposit services, improving our service quality and convenience to customers, resulting in improvements of measured customer satisfaction.

Bank Vozrozhdenie continues to develop our sales network, focused on regions where we already have a significant presence. In 2007 we added 21 net new sales offices and installed 80 ATMs.

We expect our rate of growth to slow somewhat under the influence of the global financial market uncertainty, although the Russian economy continues to develop strongly. The Bank has adopted a conservative plan for growth in 2008 in the light of market uncertainty. The reduction from very rapid growth of the banking sector in the past four years will allow us to focus on the improvement of our risk-management systems and business efficiency. We will also work on significantly improving our business practices and approach to customers. Our priorities for 2008 include new approaches and products for small-business clients, broadening the range of loan products for larger corporate customers, completing the implementation of our new operational and accounting platform, dynamic development in the retail segment, as well as strengthening the Bank's corporate governance.

I would like to thank our shareholders, partners, and customers for their support and trust. Warm relationships formed between us during years of cooperation give us confidence about our future and are the main incentive for the strong development of our business. We have a solid team of professionals working together to meet our customers' banking and business needs. I greatly appreciate their efforts and the resulting success, but there is still more to be done and we will not be satisfied with the results already achieved. We are ready to keep on working for the benefit of our customers and the greater success of the Bank.

Yours sincerely,
Dmitry L. Orlov
President, Bank Vozrozhdenie



Key Events of 2007

- The Bank now serves 49 thousand corporate customers, and the number of individual customers exceeded 1.15 million people.
- Successful placement of the 20th issue of shares, which added \$177 million to our capital, and our first bond issue raising 3 billion rubles.
- The Bank's international rating was raised to Ba3/NP by Moody's.
- In the active development of our regional network, the Bank opened 21 sales offices and added 80 ATMs to strengthen our position in 20 regions of Russia.
- Implementation of the Transact SM scoring module and its integration with the Bank's Customer Relationship Management (CRM) system; a technology platform for the development of services to small and medium businesses and improvement of the quality of the credit portfolio.
- Establishment of the Credit Risk Control Department, a special division providing independent supervision of the risk, valuation, and structure of the loan portfolio.
- Bank Vozrozhdenie was awarded the golden star, "For Highest Growth Rate", of Western Union services.

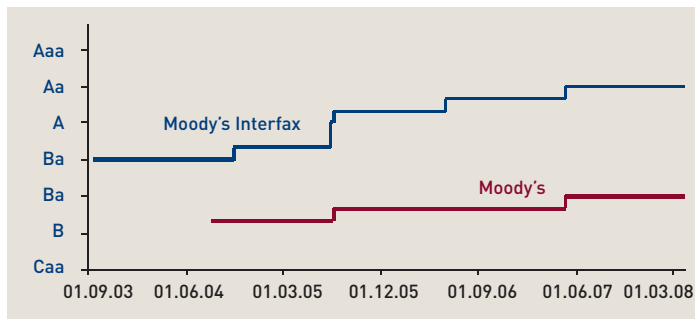
Vozrozhdenie's reputation in the Russian market

- Vozrozhdenie was recognized by Standard&Poor's for the third consecutive year as the most transparent financial institution from a shareholder's perspective.
- A Troika Dialog research study ranked Vozrozhdenie as one of the 5 best governed companies in Russia.
- The Bank received the "Big Money" award of "Itogi" magazine as the best domestic bank of medium capitalization and awarded "Company of the Year — 2007" in the "Reputation and Trust" category.
- Dmitry Orlov, president of the Bank, was included among the "Most Trusted Titans of Corporate Russia" by the Institutional Investor magazine.
- Bank Vozrozhdenie was among the top 5 Russian banks in terms of customers' most favorable impressions according to KPMG and Senteo.
- The best investor relations specialist in the financial sector is an employee of Bank Vozrozhdenie according to Interfax Business Services and Thomson Financial.

Ratings

Agency	Type of rating	Rating	Forecast
Moody's Investors Service	Foreign currency deposits	Ba3/NP	Stable
	Domestic currency deposits	Ba3/NP	Stable
	Financial strength	D-	Stable
Moody's Interfax	National scale long-term credit rating	Aa3.ru	Stable
NAUFOR	Rating of reliability	«A» (high reliability)	

Stronger credit ratings



Bank Vozrozhdenie's leading positions in the Russian market

- 7th – Bank cards services
- 8th – Deposits from individuals
- 13th – Number of mortgages issued
- 16th – Number of branches
- 19th – Volume of liquid assets
- 21st – Corporate credit portfolio

According to RBC ratings, CREDCARD

Banking sector development trends

According to previous year's results, the Russian banking system has continued steady growth. As per Bank of Russia data, in 2007 total assets of Russian banks have grown to RUB 20 trillion, while the growth rate was virtually the same as previous year (43% as compared to 44.1% in 2006).

The major trends in banking sector in 2007 were growth and consolidation of bank assets, strengthening of state banks, continued expansion of domestic credit institutions to regions and CIS countries, and same with foreign capital banks to Russian market.

Consolidation of banking sector in 2007 was caused by growth in number of public placements of shares, M&A, and withdrawal of licenses from small and medium-sized banks by the Bank of Russia. Credit institutions accounted for 68% of all public issues of Russian companies' shares.

One of the major factors that have affected the development of Russian banking sector last year was the crisis in international financial markets triggered by the mortgage-backed securities crisis in USA. Though in general the domestic banking system still remains relatively independent from foreign funding sources, "cheap" money from abroad had been a major source of financing for many Russian banks until August 2007. The current market environment and an unclear perspective of quick stabilization of the situation in foreign markets have squeezed liquidity for some Russian banks and forced them to review the funding policy and forms of borrowing. In this respect, actions of the Bank of Russia have become especially significant as it has granted substantial support to the domestic banking sector and increased confidence in regulators of the banking system.

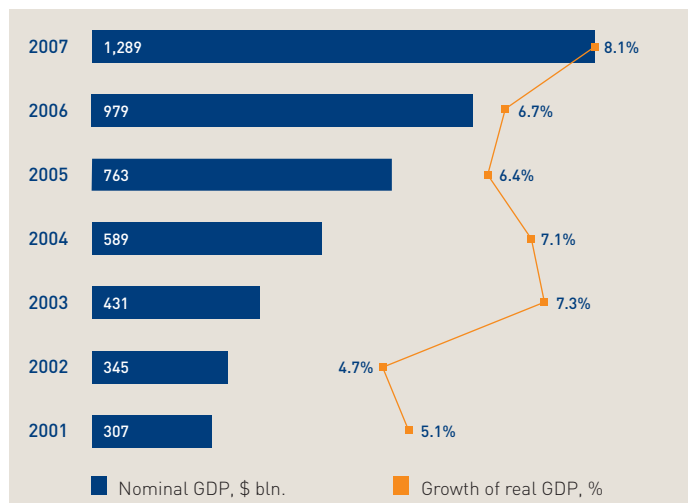
Product and credit policies of banks have undergone serious changes as well. Despite the forecasted trend to lower interest rates, the end of 2007 saw increases in interest rates both on deposits and loans. According to Bank of Russia estimates, banks attracted about RUB 1.33 trillion during the year, and total volume of deposits grew to RUB 5.12 trillion. This was greatly facilitated by the decision of the Deposit Insurance Agency to raise the limit of insurance for bank deposits to RUB 400,000. However, the growth rate in individuals' deposits has continued to slow down. The portion of deposits and securities saved from income of individuals reduced in 2007 to 6.6% compared to 6.8% the previous year. The drop of dollar rate has affected the attractiveness of foreign currency savings, for which 5.2% of income was allocated instead of 6.8% in 2006. Ruble strengthening against the dollar was 15% during the year.

In 2007 the banking system of Russia has made a record in issued loans: RUB 14.9 trillion, which was 70.5% of total bank assets. Loans to individuals have grown during the year by 57% to RUB 3.2 trillion. Loan portfolio of corporate sector increased mainly due to greater demand of small and medium-sized enterprises; by 90% compared to 2006, reaching approximately \$250 bn. However, the demand in this commercial sector still remains unsatisfied, and the number of market players grows rapidly. According to various estimates, today small and medium enterprises need at least three times more credit resources than banks are ready to make available, which provides wide opportunity for development of financial services in this market in future.

The mortgage market developed faster than other segments in 2007, with an increasing share of the regions. The liquidity crisis has changed alignment of forces in the mortgage loans sector and intensified specialization of banks in this area. Due to toughening of AHML requirements of quality of mortgages accepted for refinancing and hindrances in funding, many small regional players had to reduce significantly or even suspend mortgage programs. With continued expansion of federal players in the regional markets, it is very likely that competition will result in mortgage market redistribution in 2008.

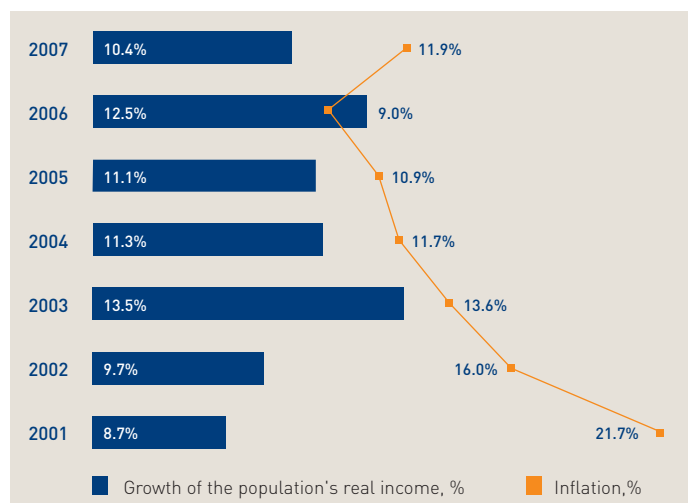
In general, in 2007 banks have faced the need to review assets policies for a more conservative approach. Despite the boom of consumer lending continuing in the domestic market, banks now are more careful in estimating the credit risk, and impose tougher requirements on borrowers. The share of non-performing loans in 2007 was 1.29%, while provisions for possible losses on loans were 3.73% of the total loan portfolio of the banking system of Russia as of January 1, 2008.

GDP growth



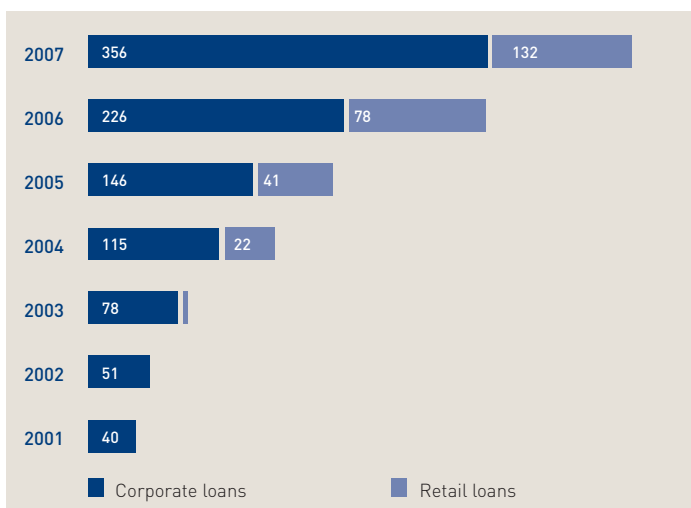
Source: FSSS (Rosstat)

Growth of the real income of the population



Source: FSSS (Rosstat)

Increasing loan volumes



Source: FSSS (Rosstat)

Perspectives

The major trends in the development of banking sector formed in 2007 will not undergo significant changes in 2008, and the domestic banking sector will continue its steady growth. According to Bank of Russia, predicted growth rate can be up to 25 percent.

One of the most significant factors for the growth of assets in the banking system will be the continued boom of consumer demand. Currently, retail lending segment has the best potential. It is especially relevant for the mortgage market, whose growth will be ensured by a greater demand for housing in Russian regions. Significant perspectives for the development of banking business we see in small and medium enterprises, whose funding needs are estimated three times the present offer. After adoption of state support for development in this commercial sector and formation of specialized funds at regional and municipal levels, we should expect new banking products and services for small and medium-sized enterprises.

ВОЗРОЖДЕНИЕ
БАНК



85% RECOGNITION OF VOZROZHDENIE'S BRAND

The brand, "Vozrozhdenie"

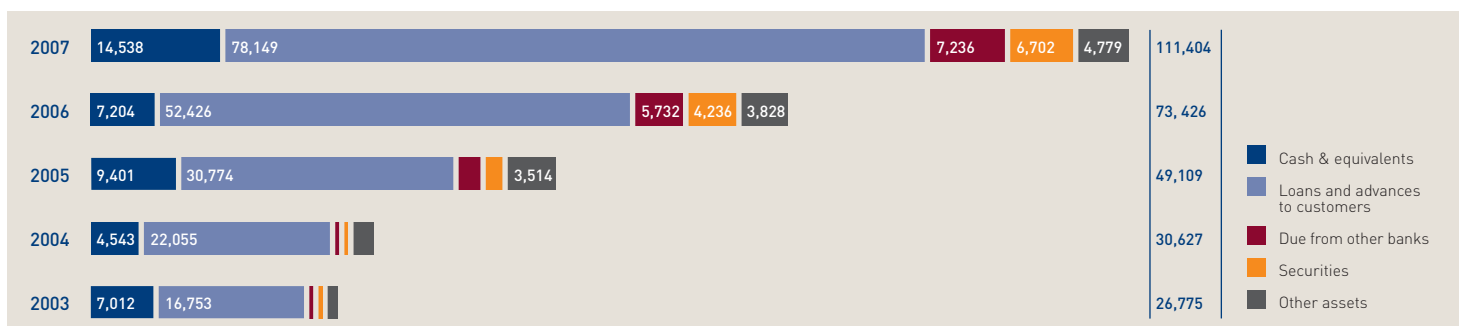
Our rebranding project completed its second year in 2007. In November and December we asked IPSOS, one of the largest international market research companies, to carry out a survey. The results showed recognition of Vozrozhdenie's brand at 85% in the regions where we have offices. The survey showed that the number of clients who would recommend us to their friends and family increased by one-third. The Bank is associated with a high level of service; efficiency, politeness, and competence in financial solutions. The survey showed that the strengths of the Bank are reputation and reliability. The work to improve our service quality is encouraged by this recognition.

Bank's Strategy

Bank Vozrozhdenie is developing rapidly. We possess the necessary financial, human, and technological resources, which we will focus on the most promising and profitable market segments for us. The Bank's management has a clear strategic vision of financial product types that we need to develop. There are five key strategic priorities for Bank Vozrozhdenie.

The priority of Bank Vozrozhdenie in its retail business development strategy is to expand its product line for individual clients in tandem with improving its quality of service. We view retail business as a key factor in the development of the Bank. Within the next 3 years, we plan to increase our market share in this segment, retaining our position in the top 10 Russian banks in respect to attracting household savings and providing mortgages, consumer credit, and payment services.

Dynamic asset growth, RUB millions



Developing long-term personal relationships with our clients is the first priority. The continuing improvement of our level of service and the quality of our banking products is the basis of the Bank's corporate client servicing strategy. By offering working capital finance, settlement, and cash services, as well as special bank programs to employees of corporate clients, we support business customers at every stage of their development and grow together with them. In the medium term, Bank Vozrozhdenie intends to increase its share in the corporate segment and strengthen its position among the top 20 largest Russian banks in respect to the volume of financing provided to corporations; primarily small and medium-sized businesses.

We believe that the Bank's use of technology is a major factor in enhancing our market competitiveness and improving our client services. For this reason, developing banking operations and systems technology is an important component of the Bank's strategy.

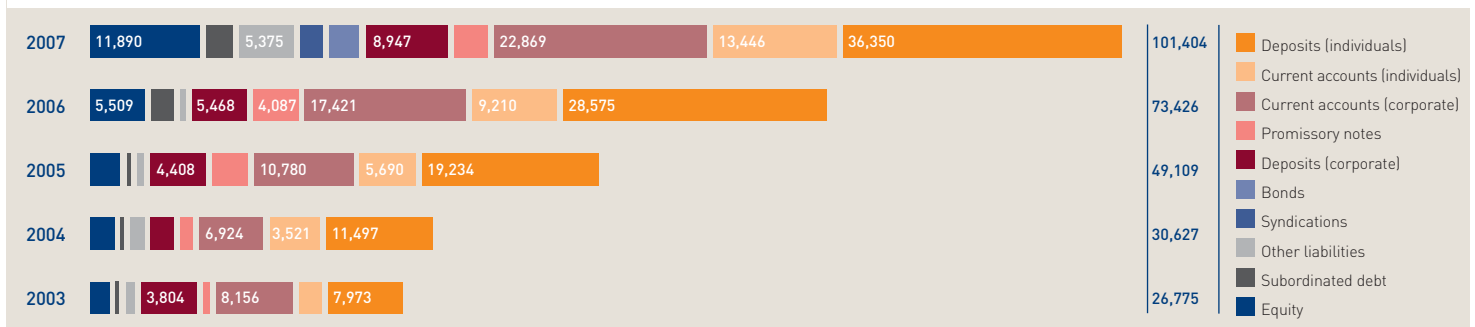
Within 2–3 years, Bank Vozrozhdenie intends to finalize the replacement of its core operational technology base. This is required by high retail and corporate business growth rates and new approaches to servicing the growing client needs. The Bank has already implemented an Automated Banking System (ABS) in a significant part of its branch network, and is working in a single information space of clients, banking products, accounts, and reference data.

In branches where the ABC is already implemented, it allows to centralize managing the Bank's product range, including establishing product parameters such as the terms, tariffs, interest schemes, and rates, and also the standard schemes of accounting entries and procedures of document circulation. ABS supports real-time integration with such external systems as the Bank's payment processing system, the corporate transactions "Bank-Client" system and the Bank's Processing Center.

pursues a development strategy aimed at ensuring Bank Vozrozhdenie's growing efficiency and value in the interests of all shareholders.

The Bank's public status demands a high level of corporate governance. According to international experts, such as Standard & Poor's, we demonstrate the most transparency amongst all Russian banks from a shareholder perspective. Bank Vozrozhdenie's

Stable funding structure, RUB millions



In order to improve client service quality and efficiency, we are working to complete implementation of an up-to-date Customer Relationship Management (CRM) system, and also the expanded-functional the software for working with our individual clients. This will provide benefits to clients as well as better risk control tools.

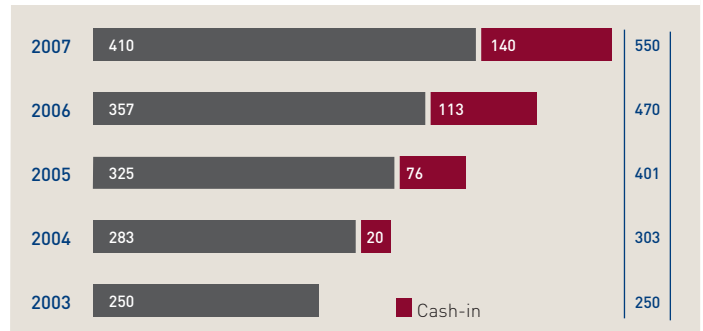
strategy foresees further improvement in our corporate governance to meet the best worldwide practices and protect the interests of all shareholders.

Bank Vozrozhdenie maintains high asset growth rates by attracting new capital from professional and individual investors. Since the day it was founded, the Bank has issued shares twenty times, and currently has the most public and diversified bank shareholder structure in the Russian financial market. The Bank intends to continue issuing additional shares, achieving an increasing diversification of investors. We are working to increase the liquidity of our shares on stock exchanges and our market capitalization. Our management continues to control a considerable proportion of the capital and

A centralized marketing and communication system is an integral part of our corporate strategy. The Bank carries out systematic researches of our clients' needs, develops new targeted product offers to provide reliable personal service and integrated marketing communications. The Bank will continue to pay special attention to brand management and to develop a client loyalty program in order to strengthen its position in the Russian banking market.

Due to a considerable improvement in the financial position of many Russians and their increasing involvement in the financial sector, one of the most important points of Bank Vozrozhdenie's strategy is enhancing the efficiency of our sales framework, providing a more convenient and easily accessible client sales office network. We are not trying to become active in as many regions of Russia as possible; instead, we are seeking to establish a network which is as diversified as possible in the regions where we are currently present. Today the Bank's network of branches comprises about 170 sales offices and more than 550 ATMs. Every year we open up to 20 new offices and install 50–70 ATMs capable of cash-in and payment transactions. Further development of Bank Vozrozhdenie will primarily take place in the European part of the country, in the regions which have a high economic potential. We do not plan on expanding beyond the boundaries of Russia.

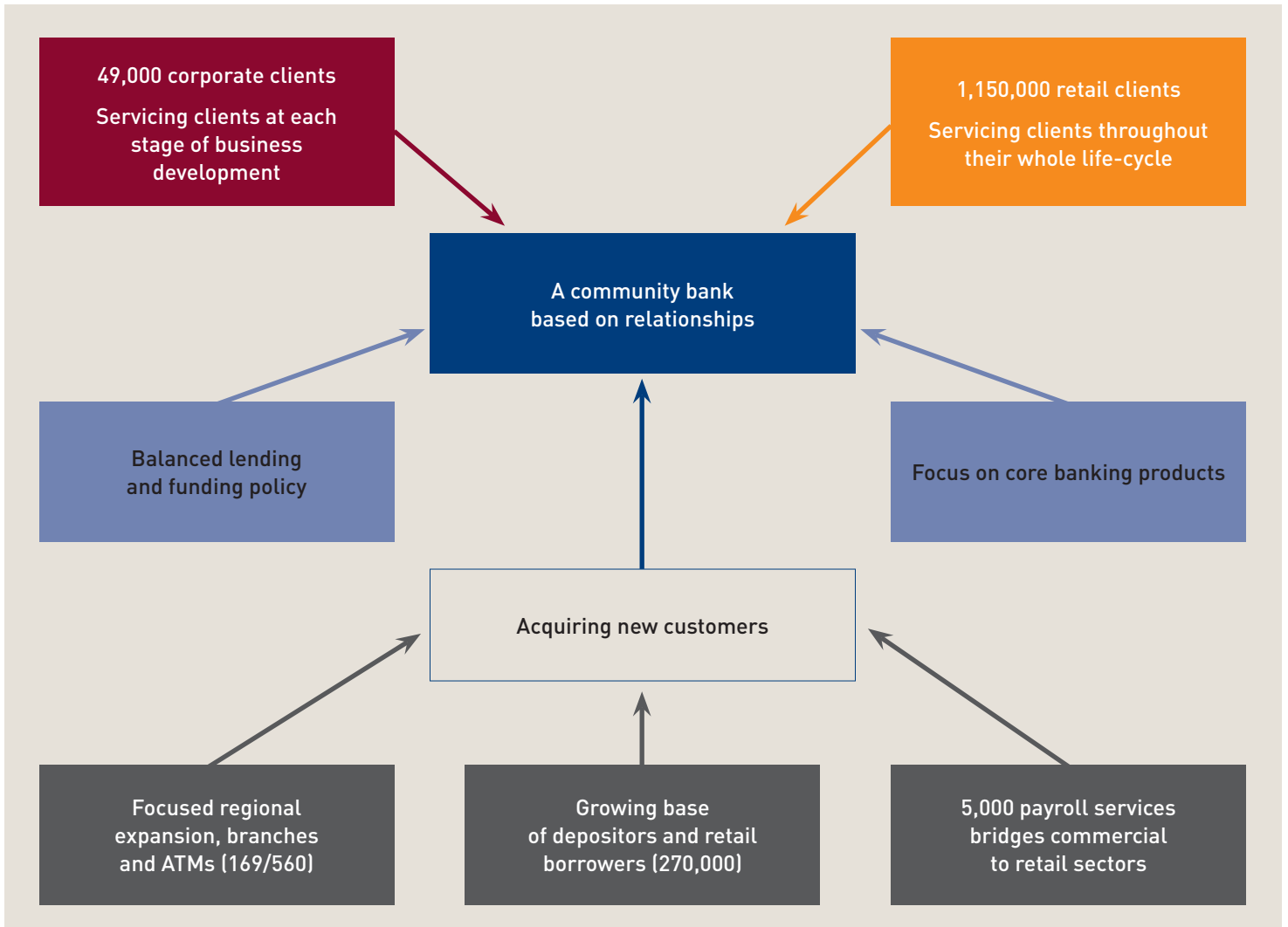
Development of ATM network



Development of the distribution network, offices



Market Strategy



Bank's Strategy



**ВОЗРОЖДЕНИЕ
БАНК**

БАНК, КОТОРЫЙ ВСЕГДА С ТОБОЙ



650 PERSONAL MANAGERS

Personal service

We are proud of our relationships with clients, which we count among our most important assets. Our success depends on a good understanding of the needs of our clients. We believe that only a personal manager can fully understand each customer's needs and bring the expertise of the bank to help satisfy them. Today 492 managers and leaders of our branches attend personally to their corporate clients and 1637 managers work with individuals. Competence and professionalism, friendliness and respect, responsibility, drive, and effectiveness: these are the strengths of the Bank, reflected in the character of our employees to warrant the confidence of our clients.

Performance Review

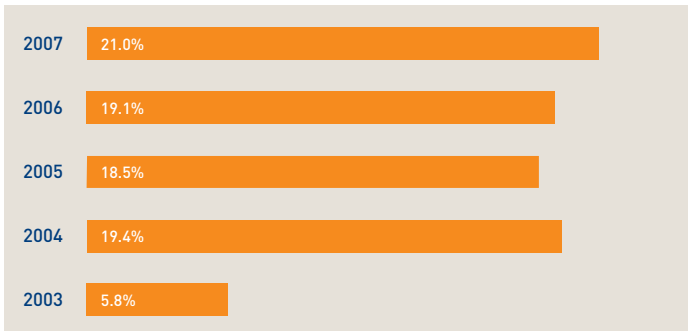
Financial Results

Good results for the fourth consecutive year confirm the success of the long-term strategy of our Bank and the professionalism of its management. The careful approach to business expansion, relationships, and real cooperation with our customers ensure stable non-interest and interest

income. A balanced approach to funding and strong liquidity management were the basis for good financial results in the second half of the year, while world markets became increasingly unstable. As planned, the Bank rolled over a syndicated loan for \$50 million on March 19, 2008, which was the only market loan maturing in 2008.

IFRS Results	RUB mln		
	2007	2006	2005
Assets (end of the year 2007)	111,404	73,426	49,109
Equity (end of the year 2007)	11,890	5,509	3,273
Net interest income	5,570	3 484	2,111
Expenses for provisions	885	393	247
Non-interest income	3,577	2,386	1,880
Operating expenses	5,732	4,243	3,037
Disposal and restructuring	0	-150	0
Profit before tax	2,530	1 084	707
Taxation	626	283	163
Net income	1,904	801	544
Earnings per share	80 RUB	39 RUB	28 RUB
Return on equity	21.0%	19.1%	18.5%
Return on assets	2.1%	1.4%	1.4%

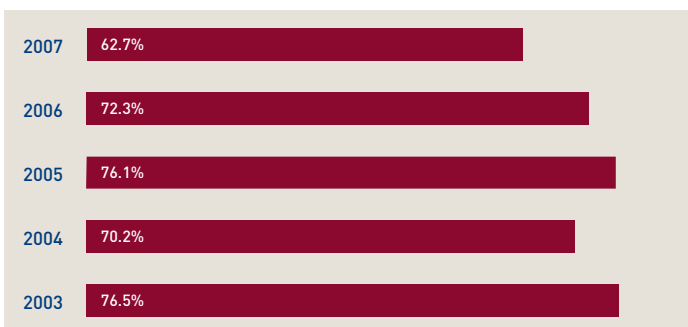
Return on equity, %



Return on assets, %



Cost-to-income ratio

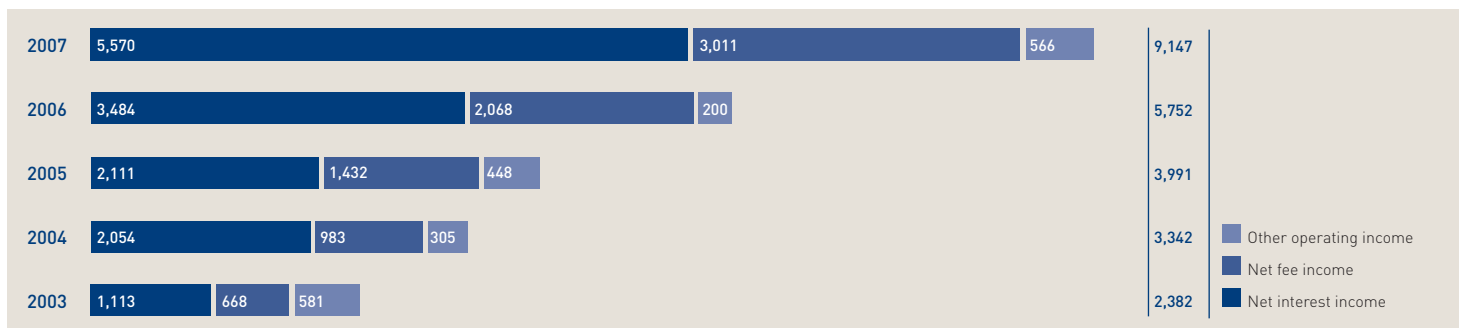


Assets of the Bank increased by 52% to RUB 111.4 billion (\$4.5 billion) during the year. The growth in the Bank's assets was funded primarily by the growth in customers' funds on deposit and in their transaction accounts. Vozrozhdenie is ranked 8th-largest Russian bank in terms of individual deposits. However, the Bank also accessed capital markets to raise RUB 3 billion in the domestic bond market and \$103 million in syndicated loans from international banks to support trade transactions of its clients. The loan-to-deposit ratio at the end of the year was a very conservative 96% and the Bank retained a significant proportion of liquid assets in Russian government securities.

Loans to customers increased by 49% to RUB 78.1 billion (\$3.2 billion). Retail lending programs, now in their fourth year, continued to grow rapidly of 87%, and by year end comprised 21% of the loan portfolio, up from 17% the previous year. Mortgages make up 53% of the retail loan portfolio, with very good credit experience. The Bank's traditionally strong support of commercial enterprises contributed more than 71% of the increase in our loan portfolio.

Loan portfolio quality continues to be very sound; the portion of impaired loans remained at 0.6%, unchanged from the previous year end. Unimpaired but past-due loans are an additional 1.9%, but these are generally collected over time. The provision for possible losses exceeded the level of past-due and impaired loans, and was a prudent 3.5% of the total portfolio or RUB 2.8 billion. Provisions for loan losses increased in line with loan growth.

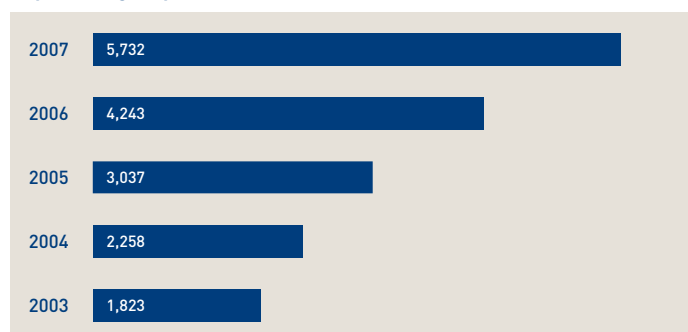
Operating income, RUB mln



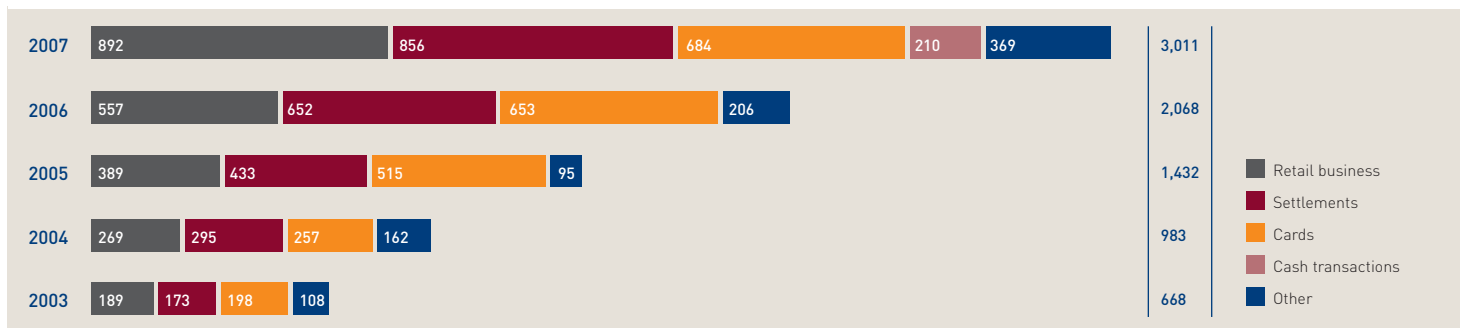
Net interest income increased 60% to RUB 5.6 billion as loans and deposits grew rapidly. Margins were up slightly due to good deposit inflows at competitive rates and increasing transaction account balances from individual and commercial customers. Although very liquid markets in the first half of the year brought pressure on margins, during the second half rates increased on both loans and deposits with a slight widening effect on margins.

Non-interest income grew 58% to RUB 3.6 billion. Revenue from card products and transaction services grew strongly as individuals and SME businesses used banking services more frequently. Non-interest income contributed 43% of operating income.

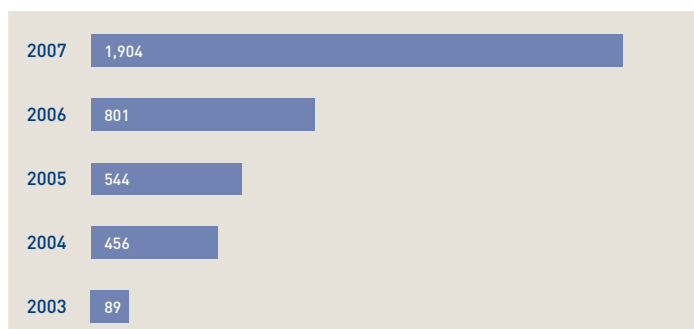
Operating expenses, RUB mln



Net fee income, RUB mln



Net profit, RUB mln



Operating expenses were up 35%, to RUB 5.7 billion, slower than the growth in assets and less than the growth in either interest income or fees and commissions. The Bank has expanded its delivery network by 21 new sales outlets and 80 ATMs in order to make services more accessible to SME and individual clients. Implementing the technology required to support present and future expansion has required significant investment. The Bank has 5,752 employees, a 13% increase from the previous year, with the largest effect being from the network expansion.

Pre-tax income in 2007 increased 133% to RUB 2.5 billion. Taxes paid by the bank on its net income increased 121% to RUB 626 million compared to RUB 283 million in 2006. Profits increased 138% to RUB 1,904 million from RUB 801 million. In dollar terms the increase was 155% to \$77.6 million.



94% CLIENTS CONSIDER VOZROZHDENIE THEIR MAIN FINANCIAL PARTNER

Partner relations

The main principles of our work are responsiveness, humanity, and reliability. We are proud of confidential relations with clients, which allow us both to grow together. Our clients say the same thing. According to TNS, one of the largest global marketing agencies, the loyalty index of Vozrozhdenie's corporate clients was 85% in 2007: 94% of corporate clients considered us their main bank and were willing to recommend us to friends and colleagues.

Operating Results

Corporate Business

As in the previous years, in 2007 Bank Vozrozhdenie has continued to develop its corporate client business, with special focus on small and medium-sized enterprises.

We consider greater customer loyalty, further development of cooperation with enterprises in regions of our presence, and dynamical growth of demand from small and medium businesses for banking services the most important development trends of corporate banking in 2007. The total number of corporate clients has exceeded 49 thousand companies. Over 37 thousand customers actively use our services and we have long-term and partner relations with them.

Since its foundation, our Bank has been very active in lending to enterprises and organizations. The share of such loans in bank assets is about 58%. Credit portfolio grew by 41.4% and has exceeded RUB 64 bn in 2007. The significant growth of lending was achieved mainly due to an increase in loans to small and medium businesses with majority of them made in Russian rubles.

A strategic objective of Bank Vozrozhdenie is to keep the quality of credit portfolio at a high level while maintaining intensive growth of loan volumes. Therefore, further diversification of credit portfolio by industries, regions and scale of business has continued in 2007. As before, in terms of industries, the dominant part of loans (70 percent) was granted to real economy businesses: industrial, construction, transportation, and agricultural enterprises and companies. The amount of loans provided in Moscow and Moscow region has grown by 36 percent to RUB 38.9 bn, while loans issued in other regions grew much faster — by 50.9 percent to RUB 25.2 bn.

To make servicing small and medium-sized businesses more efficient, we have completed development and put in operation a new scoring and monitoring system for this market segment, based on Transact SM module. As a result of employment of such a system in the middle of current year, our product range will expand with new products designed for specific needs of the most dynamically growing segment of Russian business.

Our Bank has continued to enhance deposit products and settlement services. In 2007 the number of accounts opened with the Bank has increased by 12 percent to 52.9 thousand. Total balances on current and deposit accounts of customers have grown by RUB 8.8 bn to RUB 31.6 bn.

We pay special attention to quality and operational efficiency of customer services. In the course of improvement we have continued development of remote settlement service technology. In 2007 we have completed introduction of BS-Client — a new-generation centralized remote banking service system. It has allowed our clients to manage their payments with greater operational efficiency right in their offices. Bank Vozrozhdenie was the first among Russian banks to introduce a system of this kind. We have finished introduction of “Internet-bank” system in 2007.

Over 60.5% of all customer payments are settled using "Client-bank" system, and this number grows every year.

For holdings and multi-branch companies with territorially scattered business, we have introduced a new product in 2007: "Corporation settlement center". This system allows customer headquarters to control budget administration and directly manage accounts of subdivisions. The fact that "Corporation settlement center" works as a whole with remote banking service system is a substantial technical advantage. The first client to use this product was the Russian Post. Later Rosgosstrakh and a number of other customers joined the system.

With a developed network of offices in 20 regions including Moscow region, we work with clients that have territorial divisions in regions of our presence. They include Mostransavto, SU-155, pharmacy network "36.6", MAIR Industrial Group. We offer these clients single tariffs for settlement services and single credit risk limits for all divisions and subsidiaries, which allows to grant loans to all divisions within established limit, control financial flows of subsidiaries within common budget, and provides a number of other opportunities. We are successfully developing our cooperation with the Russian Post. In 2007 we have concluded a centralized contract for salary payment to its employees using bank cards. This project was implemented using a unique technology designed by our Bank specifically for clients with developed agent network and with centralized payroll accounting. Money to employees' cards is transferred automatically and simultaneously in all bank offices, which service employees' accounts.

The wide range of banking products offered today allows our customers to make optimal financial decisions to attain the objectives of their businesses. Bank Vozrozhdenie professionally combines services to companies and retail clients. In 2007 our managers have boosted retail banking services to corporate clients and offered favorable mortgage programs to employees of such companies. Construction companies are a good example of this cooperation.

A new high-tech form of insurance indemnity payment using bank cards was launched in 2007. To implement this project, Bank Vozrozhdenie has developed a special product that allows insurance company employees to issue "instant" Visa Electron cards. Insurance payments are transferred to these payment cards on the day of transfer of insurance indemnity. Today this program is being carried out together with insurance companies in RGS-Stolitsa and VSK Insurance House and is unique in Moscow region.

Bank Vozrozhdenie attributes special importance to establishment of long-term partner relations with Russian regional and municipal administrations. Today our Bank has partner relations with 45 regional and territorial authorities. In late 2007 we have won a tender for placement of free funds to deposits, held by St. Petersburg department of finance.

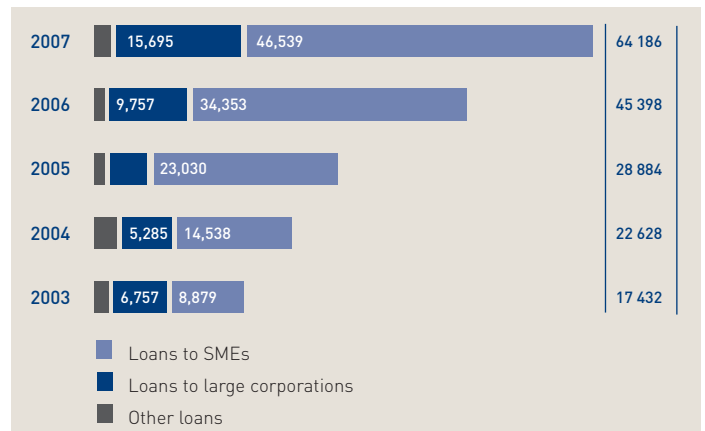
As an authorized bank of the Government of Moscow, we actively participate in implementation of several city programs. Within the framework of financing Moscow food security program we have granted loans to wholesale food suppliers of the city for the amount of RUB 512 mln and set up overdrafts with the limit of RUB 26 mln. In 2007 our Bank has financed road-maintenance organizations in the Moscow region in accordance with regional target program "Moscow region roads in 2004-2007" for the amount of over RUB 1 bn.

Today our Bank actively participates in the national project "Development of agricultural complex" in the South and Northeast regions of Russia, Moscow region, Republic of Mordovia and Altai Krai.

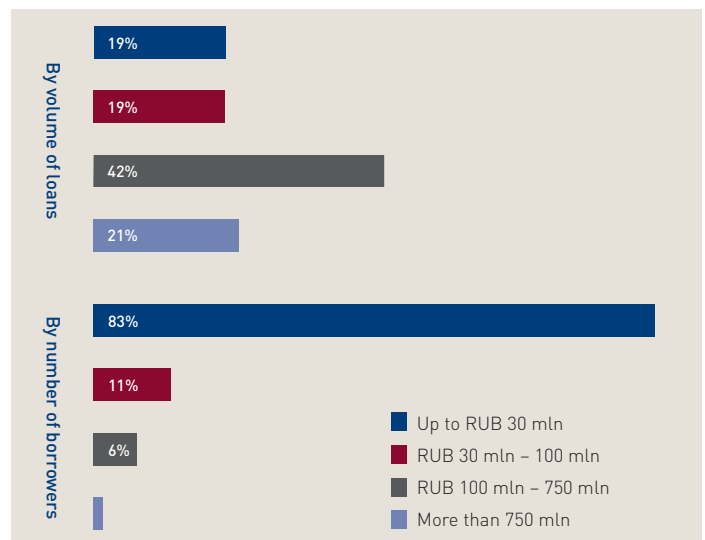
Bank Vozrozhdenie has many years of experience in cooperation with customs authorities, and acts as a reliable partner to its clients who perform foreign economic activities. In December 2007 our Bank was once again authorized by Federal Customs Service to act as guarantor to customs authorities and to guarantee payments of customs duties by its corporate customers. Starting from September 1, 2007, Federal Customs Service of Russia has increased the limit of guarantees that can be issued by our Bank in favor of customs authorities to RUB 1.7 bn.

High credit ratings of Bank Vozrozhdenie confirmed by independent rating agencies allow us to raise funds in foreign financial markets on favorable conditions. We use these advantages in favor of our clients and provide them with trade finance, letters of credit, guarantees, and support with export/import contracts. The number of the Bank's transactions in trade finance has increased almost twofold throughout the year. In 2007, in addition to the facilities to finance clients' import of equipment for their own use, our Bank has provided its customers with an opportunity to use resources from foreign financial institutions to purchase goods for further resale. In order to support trade finance operation the Bank attracted 2 syndicated loans for the total amount of \$103 mln in 2007.

Credit portfolio significant growth, RUB mln

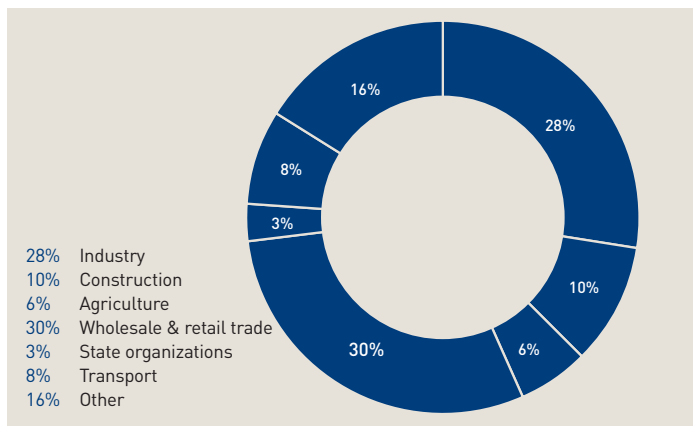


Corporate loan distribution by size



As at December 31, 2007

Diversified loan portfolio, %



As at 31 December, 2007

The key objective of Bank Vozrozhdenie in 2008 will be the ongoing diversification of clients and expanding operations with regional companies, as well as small and medium businesses. With further development of sales offices network and strengthening our positions in the markets of our presence, our Bank plans to widen the share of regional operations in the total volume of its assets.

In 2008 we will continue to enhance customer service quality and diversification of product range. Application of a new scoring system will provide wide opportunities to improve efficiency of operations with small and medium enterprises, and will ensure significant growth in volume of financing this sector of Russian business in the future.



96,000 CONSULTATIONS BY HOT LINE TELEPHONE

Information services

Personal conversation is the most effective way of interacting with clients, so our call center works 7 days a week. The call center provides a two-level response system. At the first stage, the call is answered by advisors who can answer simple questions, and if they understand that clients have more complex needs, they transfer them to the appropriate expert. Then the client can receive more detailed information on the products they are interested in and work directly with these managers. In 2007 the call-center advisors answered 96 thousand calls and spent more than 9 thousand hours in conversation with clients, with an average waiting time of only 18 seconds.

Retail Business

Bank Vozrozhdenie considers development of retail business as strategically important and increases the scope of operations with retail clients every year. Due to a personalized approach to each client and transparent conditions of all products we offer, we have gained a reputation of reliable, stable, and proved partner, whom you can trust.

The number of our retail clients reached 1 million in March 2007, and that was an important event for our Bank. It has grown further by another 150 thousand by the end of the year. This is a significant indicator of confidence in the Bank, which gives us an impulse to develop the range of retail products and services and constantly improve service quality.

In 2007 our Bank has adopted a strategy for creation of segmented market offers. As a result, a number of new programs was developed, which meet the needs of our clients more precisely. Successful implementation of this strategy together with expansion of operations in the regions allows our Bank to ensure leadership in key areas of servicing retail customers. According to specialized mass media and rating agencies, our Bank traditionally is among 10 largest credit institutions in terms of volume of individuals' funds, and ranks 13 by the number of issued mortgage loans.

The volume of retail funds placed with Bank Vozrozhdenie has grown by 32% to RUB 49.8 bn in 2007. In 2007 we have offered new types of deposits that allow to save or accumulate money and use additional services under favorable conditions as well. New deposits "Vozrozhdenie — Universal" with the term of 2 years with floating rate and "Vozrozhdenie — Dokhodny" (Profitable) with the term of 1 year with high interest rate were the most popular among individual depositors in 2007.

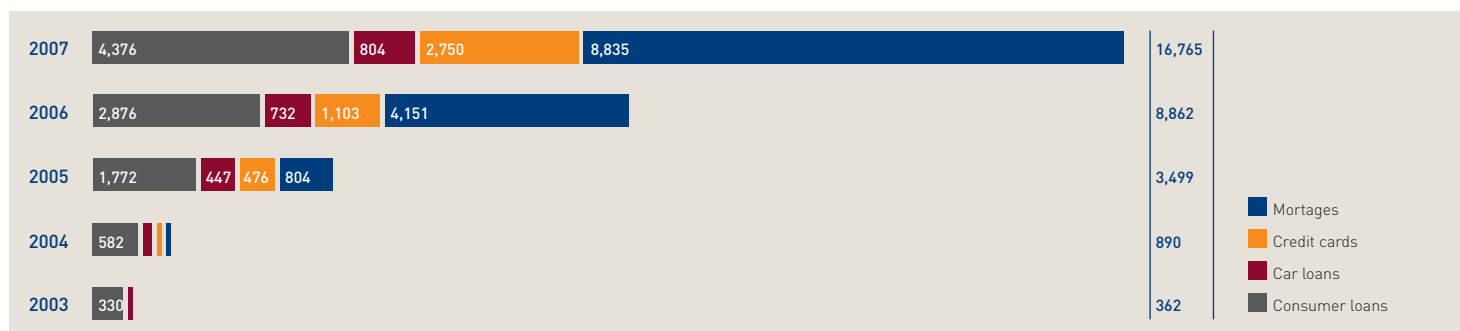
Today our Bank offers deposits with full range of services: payments by a bank transfer, direct deposit of salary and pension to an account, payments for purchases, transfers to relatives' accounts. We provide deposit prolongation, capitalization of interest, and multi-currency deposits that are increasingly popular among the customers.

Our clients have the opportunity to manage their money on deposits without visiting the bank's offices: using Bank Vozrozhdenie ATMs you can put money into deposit accounts, withdraw accrued interest, or withdraw entire deposit after expiration of a term, 24 hours a day. Our Bank has introduced a new technology, "Electronic cashier", which allows to carry out transactions and cash services in a "single window" format.

In 2007 the growth rate of our credit portfolio was 87%. At year end the total volume of loans to retail clients reached almost RUB 16.8 bn. The quality of credit portfolio remained high — the share of over-due loans was less than 1.2%. Due to balanced credit policy, our Bank provided consumer and car loans and continued mortgage lending despite the unfavorable environment.

We have paid special attention to development of mortgage loans. We have financed over 8 thousand transactions of real estate sales during a year, and the volume of issued loans has nearly doubled to RUB 8.8 bn as compared to 2006. Today mortgage loans are available in all our branches in 20 regions of Russia. Special mortgage centers offer the widest possible range of services that support mortgage transactions in Moscow, Barnaul, Volgograd, Volzhski, Stavropol, Taganrog, and in smaller cities near Moscow: Khimki, Electrostal, and Ramenskoe. Over 12 thousand families have improved their housing conditions using our loans.

Retail loan portfolio, RUB mln



Throughout 2007 our Bank continued to provide mortgage loans under the standards of Agency for Housing Mortgage Loans (AHML). Meanwhile market analysis revealed that the agency's products designed for purchase of ready housing are not sufficient to satisfy all customers' demands. Taking into account customers' needs, we have developed our own mortgage line and introduced new loan products in 2007. We offer loans for apartment renovations, individual construction and completion of construction, as well as for purchase of land plots. Meanwhile we have continued to lend money for acquisition of apartments in condominiums under construction by share participation in construction.

Our Bank actively participates in a number of social programs. Within the framework of special-purpose program aimed at support of young employees of healthcare and education institutions in Nizhny Novgorod region, our managers have provided about 500 mortgage loans. Our branches take part in the implementation of regional special-purpose programs within the framework of national project "Zhilishe (Housing) 2002-2010" in Murmansk, Tula, Kaliningrad, and Volgograd regions and Stavropol Krai. In 2007 our Bank has won a tender for servicing subsidies under "Providing housing for young families in Moscow region" sub-program.

Our mortgage programs are in high demand among our corporate clients' employees who enjoy favorable loan-access conditions. Under special mortgage projects, we work with such companies as Mostransavto, Russian Railways, NPO Energomash (Khimki), LukOil-Volgograd NIPIMorNeft, Tyazhpresmash (Ryazan), and many others.

As far as consumer and car loans are concerned, our Bank decided to divide all loan products by purpose and type of security. In April we have offered our clients a new line of consumer and car loans. Two tariff plans were introduced for each product, which allowed our clients to select the most convenient conditions of loan repayment. In 2007 Bank Vozrozhdenie was among the first banks in the market who launched loan programs for car purchases from individuals.

Despite the uncertain market situation in 4th quarter 2007, the new line of consumer and car loans allowed us to reach positive results: portfolio increased from RUB 3.7 mln to 5.2 bn and the number of loans exceeded 23 thousand.

In 2007 we continued to improve the quality of retail client services supported by modern software technology. We created a unified register of customers and retail products within the framework of introduction of Microsoft CRM system. It gives us an opportunity to activate cross sales and satisfy the needs of our clients more precisely and in a timely manner.

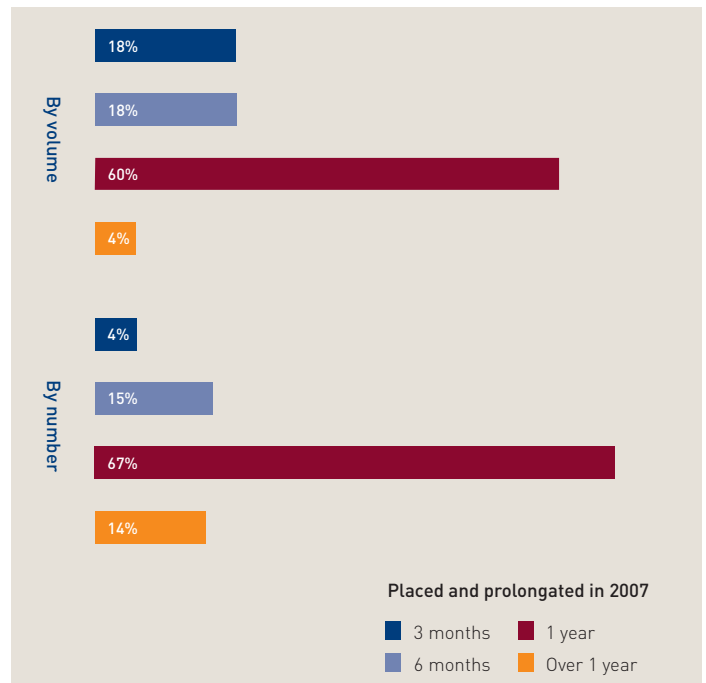
Microsoft CRM allowed to arrange the marketing of retail products, which is used for development of new services and for adaptation of existing services to the needs of our clients.

Our specialists have developed new scoring tables and introduced the scoring module Transact SM. The new scoring system helped us to reduce risk on our credit portfolio thus increasing profitability and portfolio liquidity, and to speed up credit decisions-making.

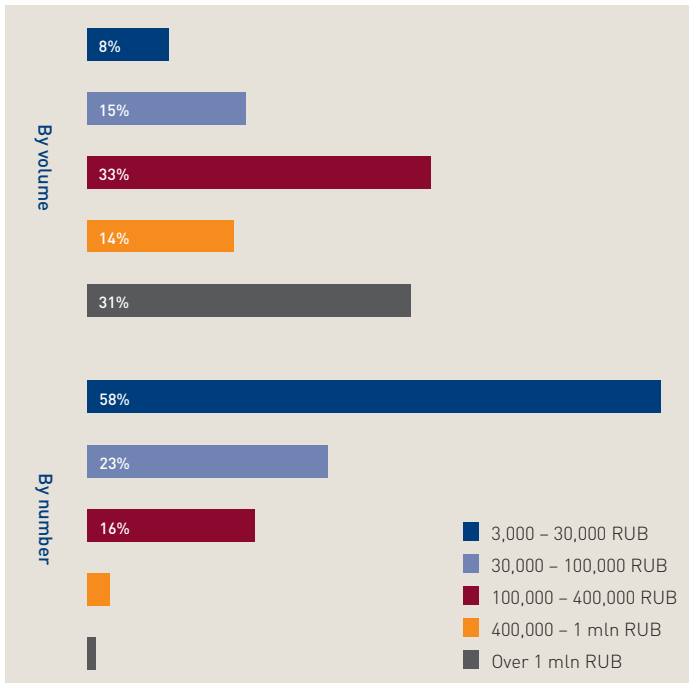
In 2007 our Bank continued developing money transfers. We cooperate with leading money transfer systems Western Union and Contact, and today we are among the Russian leaders by the number of service outlets. In 2007 both partners recognized the growth in transfers volume and service quality — our Bank was awarded by Contact and won the “Highest growth rate” prize at the 2nd international agents’ conference by Western Union. The total volume of transfers exceeded 4 billion rubles equivalent and the number of transfers was over 355 thousand.

For clients’ convenience we offer the service of “periodical payments”, allowing to make payments from our clients’ accounts on a regular basis without clients’ personal presence following a specified payment timetable. Using this new service our clients make their regular payments, replenish accounts of their relatives and make loan repayments.

Retail deposits by original term



Retail deposits by size



As at December 31, 2007

Traditionally, cash operations are one of the most common services for individuals. Our Bank signed contracts on transfer of payments to the largest beneficiaries in every region. The total number of transfers processed during the year exceeded 6.5 million with the volume of transfers processed over RUB 16.5 bn.

In 2007 we have standardized the regulations for Bank Vozrozhdenie's offices work, and set up a principle of sales managers' versatility. Now every bank manager can consult clients and sell any retail products to them. For our corporate payroll projects' customers we opened outlets on the premises of their employer.

At the beginning of 2008 we have adjusted the terms and conditions of mortgage loans and also offered our borrowers a new option in consumer lending — "Zalogovy plus (Pledge plus)" product. This year the residents of Moscow region can pay electricity bills without commission in any our office in Moscow and Moscow region.

In 2008 we will continue development of retail banking and expand the range of service while maintaining high growth rates. To achieve this goal our Bank plans to intensify retail banking products sales in regional branches and via cross-sales channel as well.

Maintaining the high quality of credit portfolio and reduction of operating expenses remain the key objectives for 2008. We intend to introduce new software solutions that would allow us to organize all information on retail customers into a single database while increasing the speed and quality of services significantly.

Агентства авиакомпаний
Airlines Representative Offices



560 ATMS WORK 24x7

Electronic services

We believe that our customers' access to the services of their bank shouldn't be limited by time or the working hours of their branch. Therefore, along with the development of service based on bank cards, we are improving our banking machine services so that customers can manage their money as and when they wish, gradually transforming our ATMs to provide round-the-clock self-service. Today our clients can make almost 90% of the types of retail operations they need without coming into a branch. Bank Vozrozhdenie's ATMs permit cash withdrawals, but also additions to savings deposits, paying for mobile phones, utilities or TV services, repaying loans, transferring and converting money between accounts. Our clients use the service to receive information on their mobile phones or through the Internet very actively. In 2007 our 24x7 service sent 4.2 million SMS messages to more than 100,000 clients.

Bank Card Business

Ten years ago Bank Vozrozhdenie started to develop the bank card business. Since that time we became one of the biggest issuers of bank smart cards on the Russian market. According to CredCard rating Bank Vozrozhdenie is among the 7 biggest banks in terms of turnover and services on payment cards in Russia. The Bank is the principal member of Visa and MasterCard payment systems. It has its own processing center offering the whole range of card products to our clients.

More than 1 million people use Bank Vozrozhdenie cards today and this number grows rapidly. The bank card business is one of the most important sources of the Bank's income — the fees on bank cards transactions accounted for over 27% of our total non-interest income.

Credit turnover on special card accounts in 2007 exceeded RUB 89.3 bn, total balances on special card accounts as of January 1, 2008 reached almost RUB 12.5 bn. The number of transactions with our Bank cards exceeded 30 million.

One of the major card activities of the Bank is servicing corporate clients on payroll projects. More than 5,000 corporate clients chose our Bank for payroll services.

The Bank proved that this product is beneficial for both the client and its employees. We offer a comprehensive approach and consider both the demands of a company as a corporate client and the needs of its employees as retail clients. Today this corporate product is an effective instrument of widening retail client base.

We consider credit cards a key tool for providing loans to retail clients. The portfolio of retail loans issued via bank cards increased 2.3 times by the end of 2007. We offer credit cards under fair conditions beneficial for clients: low interest rate, flexible repayment schedule, no hidden charges. Participants of the payroll projects are offered credit cards limits up to 5 monthly wages. The users of "premium" cards are able to get a limit up to 15 monthly wages.

In addition to credit cards employees of companies using payroll projects enjoy 24x7 service via ATMs. Today our ATM service offers a wide range of transactions: cash withdrawals, putting money into card accounts, repayment of mortgages, consumer, car, and credit card loans, term deposits, money transfer or payment of mobile operators, utilities or satellite TV bills. In 2007 we offered the service of money transfer between Visa cards to Visa cards of any Russian banks via Bank Vozrozhdenie ATMs.

In 2007 the Bank also started circulating the Visa Unembossed instant issue credit cards, developed for quick credit card issue at the moment of making credit decision.

The Bank always has developed its ATM network as the 24x7 service. In 2007 26% of ATM transactions were non-cash ones including bill payments, money transfers, and other operations.

At the moment Bank Vozrozhdenie has 565 own ATMs (340 of them installed in Moscow region), 140 of which are with cash-in feature. For the clients' convenience 99% of cash-in ATMs work 24x7 and are located in the offices of the Bank. More than half a million cash-in transactions were made via ATMs in 2007.

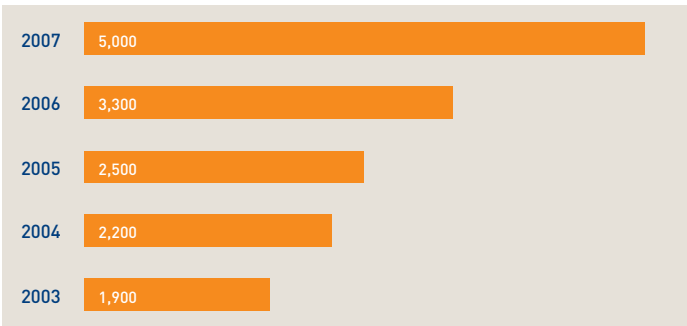
The Bank successfully develops the system of remote services. The number of clients using the “Your account 7x24” service doubled during the year and exceeded 100,000 people. This service allows to get online information regarding the account and transactions via SMS and Internet.

The Bank also progressed in development of acquiring services. By the end of 2007, 1800 companies involved in trade and servicing clients accepted bank cards for goods and services payment with the help of Bank Vozrozhdenie.

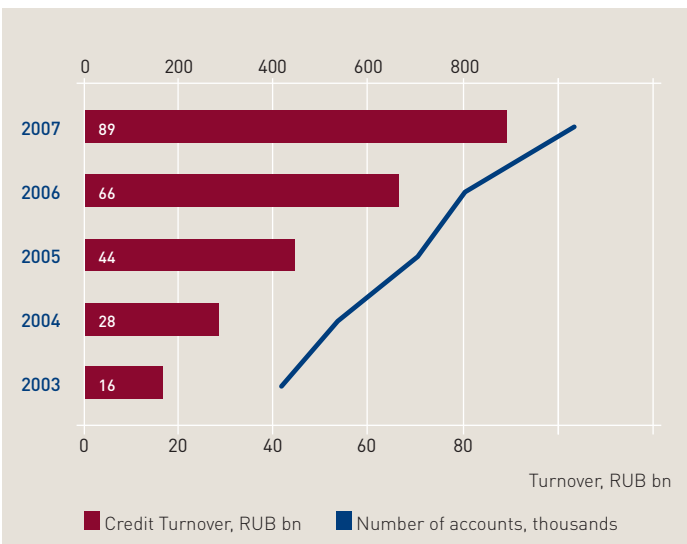
In 2007 payments via bank cards in the trade network grew by 70.5% and reached RUB 2.9 bn.

The growth of the client base, credit card holders’ number and the number of transactions via ATM network will be the most important lines of development in 2008. A further expansion of the ATM network is planned to stimulate the loyalty of clients.

Number of payroll corporate clients



Bank cards



Financial Markets Operations

Situation on the Russian inter-bank market in 2007 was determined by the high level of ruble liquidity in the first half of the year and its deficit in the second. The crisis on the world financial markets that followed the deterioration on US real estate market caused decrease in funds supply from Western banks. Many Russian banks faced difficulties with funding. Due to measures taken by the Bank of Russia to support ruble liquidity, as well as funds provided as inter-bank loans by state banks, the market avoided serious consequences.

In 2007 our Bank was an active participant in the inter-bank loan market and extended loans both in rubles and foreign currency. Inter-bank loans in rubles grew more than 4.5 times in 2007 and reached RUB 650 bn (more than 80% of the total amount of loans provided). Inter-bank loans were provided within limits set up for reliable banks and under the pledge of high-quality assets such as government securities, promissory notes and bonds of Bank Vozrozhdenie. Ruble funds raised on the inter-bank market in 2007 amounted to RUB 7.5 bn.

In the midst of liquidity crisis the major part of our operations with rubles bonds was transferred to the government securities sector (Bank of Russia bonds and Federal loan bonds) as these securities provide an optimal combination of profitability and liquidity. Securities transactions were made on the stock exchanges (MICEX, FB MICEX, RTS) as well as over-the-counter. In addition to traditional trading in Eurobonds, Bank of Russia bonds, Federal Loan Bonds (OFZ), and State Foreign Currency Bonds (OGVZ) we have traded on the market of sub-federal and municipal bonds. Also the bank traded on the market of Russian corporate bonds, preferring instruments of "quazi-sovereign debt" such as FSK RAO UES and the Russian Railways.

In order to earn additional income and reduce the risk of operations with assets, we have increased the volume of REPO transactions. Deals were made for the periods from 1 day to 2 weeks. As instruments for operations we used both basic issues of federal, subfederal, and municipal bonds, and Russian Railways and UES bonds as well. In 2007 the turnover in REPO transactions with government securities was RUB 51.5 bn (+85% to 2006 indicator), in REPO transactions with subfederal, municipal, and Russian Railways and FSK UES bonds at FB MICEX — RUB 58.3 bn (+90% to 2006 indicator). In 2007 our Bank was among the leaders of REPO market operators on MICEX.

In 2008 Bank Vozrozhdenie will diversify securities portfolio to maintain sufficient liquidity, reduce risks, and increase return on assets. We will continue operations with state securities, including subfederal and municipal bonds and bonds of the Bank of Russia.

Funding in capital markets

In order to support the rapid growth of Bank Vozrozhdenie's assets we decided to diversify the sources of funding. In 2007 we have entered into debt markets and have successfully implemented three transactions of fund raising — 2 syndicated loans and a debut bond issue. In total in 2007 we raised \$103 mln and RUB 3 bn. Despite the degradation of market conditions we succeeded in implementation of all programs on beneficial terms. The interest rate of 1-year syndicated loan received by our Bank in March was LIBOR+1,8%, and in September we attracted a two-year syndicated loan at LIBOR+1,2%. Coupon rate of the 3-year bond issue placed by our Bank in March 2007 was 8.95% per annum. At the moment of issue this was one of the lowest coupon rates in Russia among the issues of similar structure and duration placed by banks with B1 "positive" credit rating (Moody's).

Raised funds were used for financing foreign trade transactions of our customers and expansion of our Bank operations — in particular, for lending to small and medium-sized enterprises, consumer loans, and mortgages.

In case of favorable market conditions in 2008, we are going to continue borrowing from the debt market via bond issues and syndicated loans.

Банкира 2007



RECOGNITION

Reputation in the business community

We have always tried to adhere to high standards in our work with clients, partners, and colleagues.

Never satisfied, we continue to press forward. In 2007 the quality of management was recognized by the Russian business community. Bank Vozrozhdenie was awarded the prize “Big Money” as the best domestic bank of mid-sized capitalization and the prize “Company of the Year” in the nomination for “Reputation and Trust.” Dmitry Orlov, president of the Bank, was recognized by the Institutional Investor magazine as a “Titan of Corporate Russia,” as well as “The Best Banker of Russia-2007” in a ranking supported by the Audit Chamber. Such prestigious prizes and awards recognizing our work make us proud and give us strong incentive for further improvements.

Bank's Stock

Authorized Capital Structure

The authorized capital of Bank Vozrozhdenie totals 220,431,990 rubles and consists of 23,748,694 ordinary shares (94.8% of the Bank's rate of capital) and 1,294,505 preferred shares with the fixed rate of dividend (5.2% of the authorized capital), each having a face value of 10 rubles.

On May 16, 2007, Bank Vozrozhdenie successfully completed the placement of its 20th issue of shares for 3 million shares. As a result of the issue, we attracted 4.6 billion rubles or \$177 million; the number of shares in circulation was increased by 13.6% to 25 million shares, and equity capital grew by 82%. About 20% of the issue was acquired by Russian private and professional investors. Preemptive rights of purchase were used by 36 shareholders, who purchased 9% of the total issue.

About 2.3% of ordinary shares (550,000 shares) are included in a 1st-level ADR (american depositary receipts) program.

Today the Bank has a diversified structure of shareholders. As of January 1, 2008, 7,310 shareholders were registered in the share register, including 862 legal entities and 6,448 individuals. About 30% of the authorized capital was held by foreign institutional investors. The share of state bodies comprises 0.23%.

The Bank's shares are traded on the MICEX Stock Exchange and RTS Stock Exchange (ticker symbol VZRZ). In 2007 the ordinary shares were included in the "A2" listings at both stock exchanges. A small portion of shares trades on Frankfurt, Berlin, and Stuttgart Stock Exchanges in the form of ADRs.

In total the volume of Bank Vozrozhdenie's shares traded grew from 740 thousand shares in 2006 to over 17 million shares in 2007, trading with volume of 26.6 billion rubles. Bank Vozrozhdenie's market capitalization based on MICEX price at year end grew to 40.1 billion rubles or \$1.5 billion.

We are interested in creation of the most public, open, and diversified capital structure. For this purpose, the Bank is planning a further increase of the number of shares in free circulation and improvement of their liquidity. We are not planning to attract strategic investors who might affect the current strategy or the brand. The Bank Vozrozhdenie's strategic task is to increase the share price and improve the efficiency of its activities in the interests of all groups of shareholders.

Equity of the Bank, million RUB (according to the IFRS)	11,890
Price of the last deal with ordinary non-documentary registered shares of the Bank on 28.12.2007 (last trading day of 2007), RUB per 1 share (according to the information of Closed Joint-Stock Company "Moscow Interbank Currency Exchange")	1,670.00
Total number of shares	25,043,199
Book value per share, RUB (equity / total number of shares)	474.78
Market price / book value, times	3.52
Market capitalization of the Bank, thousand RUB (according to the information of Closed Joint-Stock Company "Moscow Interbank Currency Exchange" as of 28.12.2007)	40,902,996
including	
Market capitalization in the part of ordinary shares, thousand RUB	39,819,198
Market capitalization in the part of preferred shares, thousand RUB	1,083,798

Information on shareholders of Bank Vozrozhdenie holding not less than 5 percent of its authorized capital as of 01.01.2008

Full company or individual name of the shareholder	Share in the authorized capital, %
Orlov, Dmitry Lvovich	30.70
Closed Joint-Stock Company "Depository Clearing Company"*	12.31
Not-for-Profit Partnership "The National Depository Center"*	12.25
Burlington Trading Co Limited	12.19
"ING Bank (Eurasia) ZAO" (Closed Joint Stock Company)*	6.67
Commercial Bank "J.P. Morgan Bank International" (Limited Liability Company)*	5.04

*nominees

Dividends

The Bank Vozrozhdenie's dividend policy protects the inalienable right of shareholders to receive a part of the net profit in the form of dividends. According to the Regulations on the Dividend Policy of Bank Vozrozhdenie¹, the dividend payment may not exceed 10% of Bank Vozrozhdenie's net profit for the previous financial year. The amount of dividends on preferred registered non-documentary shares of the Bank shall be 20% of their nominal value. On one hand, the regulations fully protect shareholders' rights, and on the other hand, it takes into account the capital needs of continuing rapid development of Bank Vozrozhdenie.

In 2007 the General Meeting of Shareholders (minutes No.1 of 29.06.2007) resolved to allocate 12.9 million rubles out of the Bank Vozrozhdenie's net profit for 2006 for payment of dividends on ordinary and preferred shares. Shareholders listed in the shareholders' register of Bank Vozrozhdenie as of May 10, 2007 (10:00 A.M. Moscow time) were entitled to receive annual dividends. Payment of dividends was made starting from August 20, 2007, by direct deposit in accordance with the banking details contained in the shareholders register. In the event of absence of banking details, the payment to individual shareholders was made through the Bank's offices.

¹ The text of the Regulations on the Dividend Policy is posted on the Bank Vozrozhdenie's website www.vbank.ru/en in the section titled "Investor Relations — Corporate Governance — Internal Documents".

Share price changes on MICEX Stock Exchange



Volume of trading in Bank Vozrozhdenie ordinary shares

	2005	2006	2007
MICEX (since 1/8/2005)	186,347	349,130	2,050,384
RTS Stock Exchange	174,238	167,152	380,851
OTC *	-	-	14,790,607
ADR	481,939	227,539	234,059
Total	842,524	743,821	17,455,901

*according to info of stock exchanges disclosed from 23.01.2007 as per Federal Services on Financial Markets "On providing information about deals conclusion" (FSFM Order №06/67/пз-н of 22.06.2006)

Report on dividends declared and accrued on the shares of the Bank for 2006

	Declared and accrued dividends on shares, % of the share's face value	Amount of declared and accrued dividends, thousand rubles
Common non-documentary registered shares	5	10,374
Preferred non-documentary registered shares with fixed dividends	20	2,589
Total		12,963

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THE MOST TRANSPARENT BANK IN RUSSIA

Transparency from a shareholder's perspective

The Bank's relations with its shareholders are built on principles of trust and transparency. The Bank believes that transparency, providing appropriate information to investors, partners, and clients, is important for our business reputation. In addition to the obligatory disclosure of information, we pay significant attention to direct relations with the investment community. Julia Vinogradova, the head of the Bank's Investor Relations Division, was recognized as the best expert in the area of investor relations in the financial sector in 2007 by Interfax and Thomson Financial survey. For the third consecutive year, Bank Vozrozhdenie was the leader in transparency from a shareholder's perspective according to Standard & Poor's.

Corporate Governance

Over the years, Vozrozhdenie has earned a reputation as one of the most transparent banks in Russia and a leader in the sphere of corporate governance. Since adopting a Corporate Governance Code¹ in 2004, our Bank was consistently developing a governance and a risk control system at all levels and formed a transparent and responsible business model based on the protection of rights and interests of its shareholders, clients, and other stakeholders.

Bank Vozrozhdenie is a public company with a diversified shareholder structure: as of January 1, 2008, over 60% of its shares were freely traded. In this regard, the improvement of transparency and efficiency of work of executive bodies has particular importance for securing long-term growth of the Bank's shareholder value.

In 2007 Bank Vozrozhdenie's policy of corporate governance improvement was focused on increasing the efficiency of risk management procedures and supervision of financial and business activity.

Bank Vozrozhdenie's corporate governance structure consists of the following levels:

- General Shareholders' Meeting
- Board of Directors
- Chairman of the Management Board (President)
- Management Board

Bank's Governing Bodies

General Shareholders' Meeting

The General Shareholders' Meeting is Bank Vozrozhdenie's highest level management body. The Bank provides for equal participation of all its shareholders in the meeting, the timely notification that it is taking place, and the submission of the information required for making decisions relating to issues on the agenda.

Once a year Bank Vozrozhdenie holds an annual General Shareholders' Meeting dedicated to the results of the fiscal year. The meeting is designed to allow all the shareholders to review and discuss the Bank's operating results. During the periods between the general shareholders' meetings, extraordinary shareholders' meetings can be held. The decision to hold such a meeting may be made by the Board of Directors on its own initiative, by the request of the Audit Commission, auditor, or holders of at least 10% of the Bank's voting shares.

Bank Vozrozhdenie provides its shareholders a genuine chance to participate in the management of its business. Holders of more than 2% of voting shares may bring forward proposals to the agenda of the Shareholders' Meeting and nominate members to the Bank's Board of Directors. In order to ensure that the decision-making process is as efficient as possible, the Bank provides shareholders with the opportunity to review documents and information on the items on the agenda of the Shareholder's Meeting during 30 days preceding the holding of the meeting.

¹ The text of the Corporate Governance Code is posted on the Bank Vozrozhdenie's website www.vbank.ru/en in the section called "Investor Relations – Corporate Governance – Internal Documents".

Board of Directors

The Board of Directors carries out the general management duties of the Bank between shareholders' meetings except for the issues attributed to exclusive capacity of the General Shareholders' Meeting.

Its duties include determining the strategic directions of the Bank's operations, supervising its financial and economic activities, establishing and operating an efficient internal control system, ensuring the protection of shareholder rights, as well as supervising the activities of executive bodies.

The Board of Directors of Bank Vozrozhdenie includes 12 members. They are elected by cumulative voting during the annual General Shareholders' Meeting, or an extraordinary General Shareholders' Meeting, on whose agenda the election of new members of the Board of Directors is included.

On June 29, 2007, the General Shareholders' Meeting of Bank Vozrozhdenie elected the Board of Directors. In compliance with provisions of the Corporate Governance Code, four independent members were included into the Board of Directors to ensure the objective nature of resolutions taken and to keep a balance between the interests of various groups of shareholders.

Board of Directors of Vozrozhdenie Bank

Name, year of birth	Positions at the bank and other organizations	Share in the authorized capital	Education
Yury M. Marinichev, 1937	Chairman of the Board of Directors of the Bank; chairman of the Moscow Regional Union of consumers Cooperation	0.23	Higher, Moscow Transport Institute, Moscow S. Ordzhonikidze Institute of Economics
Dmitry L. Orlov, 1943	President of the Bank; Chairman of the Bank's Management Board	30.70	Higher, Moscow Finance Institute
Lyudmila A. Goncharova, 1958	Deputy chairman of the Management Board, member of the Management Board; member of Council, Non-state pension fund "Harmonia"; member of the Board of Directors, limited liability company "The Baltic resort"; member of the Supervisory Council, closed joint-stock company "Bank of International Trade and Investments"; chairman of the Board of Directors, closed joint-stock company "V-Registr"; chairman of the Board of Directors, open joint-stock company "Yunost"	1.41	Ternopol School of Finance and Economics
Aleksander V. Dolgoplov, 1961	Deputy chairman of the Management Board, member of the Management Board; member of the Board of Directors, open joint-stock company "Special registrar "Avista"; member of Council, Non-state pension fund "Harmonia"	0.45	Higher, Moscow G.V. Plekhanov Institute of National Economy
Nikolai Y. Demin, 1936	General director, closed joint-stock company "Joint-stock Foreign Economic Company "Eksima"; General director, closed joint-stock company "Mikoyanovskiy Meat Processing Plant"; member of the Management Board, closed joint-stock company "Mikoyanovskiy Meat Processing Plant"; member of the Supervisory Council, closed joint-stock company "Makeyevo"; member of the Board of Directors, agricultural closed joint-stock company "Leninskoye"; member of the Board of Directors, closed joint-stock company "Agro-Industriya"; member of the Board of Directors, closed joint-stock company on pig breeding "Vladimirskoye"; member of the Board of Directors, limited liability company "Trosnyanskiy bacon"; member of the Board of Directors, limited liability company "Znamenskiy SGC"	-	Higher, Moscow K.A. Timiryazev Academy of Agriculture
Alexander N. Zhizhaev, 1946	General Director of GUP MO Mostransavto	-	Higher, Moscow Auto-mechanical Institute

Name, year of birth	Positions at the bank and other organizations	Share in the authorized capital	Education
Valery P. Zhigulich, 1952	General director, member of the Board of Directors of Federal Scientific Manufacturing Company "S.A. Zverev Krasnogorsk Plant"	0.002	Higher, Sverdlovsk Institute of National Economy
Nikolay S. Zatsepin, 1951	General director, closed joint-stock company "Mozhaysk Wholesale and Retail Business"; executive director, limited liability company "Buharaagroimport"	0.16	Higher, Moscow Institute of Civil Aviation Engineers
Valentina M. Kabanova, 1937		0.01	Higher, National Corresponding Financial and Economic Institute
Otar L. Margania, 1959	Senior vice-president, OJSC Bank VTB	0.22	Higher, Leningrad State University
Nikita S. Mikhalkov, 1945	Chairman of the Management Board, limited liability company "Studia TRITE"; president of the Russian Cultural Fund; chairman of the Union of Russian Cinematographers	-	Higher, All-Russia State Institute of Cinematography
Rustam M. Usmanov, 1949	Vice-president, "Diamond Chamber of Russia"; member of the Board of Directors, closed joint-stock company "Almacom"; member of the Board of Directors, Corporation "Russian Diamond Club", USA; chairman of the Board of Directors, closed joint-stock company "Arkhangelsk diamonds"; general director, Federal State Unitary Enterprise Foreign Economic Association "Almazjuvelirexport"	-	Higher, Moscow State Institute of International Relations MFA of the Russian

Board of Directors' Report

The Bank's Board of Directors elected at the annual General Shareholders' Meeting held 5 sessions in 2007, and planned to hold 6 more sessions during the period prior to the annual General Shareholders' Meeting in 2008.

The Bank's Board of Directors considered over 50 issues during the year, among which were the issues of public borrowings in the Russian and foreign debt markets, increasing share capital, status and improvement of the internal control system, issues of approval and making amendments to company internal regulations.

Their most important resolutions were as follows:

- Resolution on placement of bonds.
- Resolution on formation of the Audit Committee of the Bank's Board of Directors.
- Resolution on approval and making amendments No. 2-5 to the Articles of Association of the Bank.

The Bank's Board of Directors approved a number of amendments to the Bank's company internal regulations:

- Alteration No.1 to "Regulations on the procedure of writing off the bad loans, loan indebtedness and similar indebtedness" at the expense of the "Provisions for possible credit losses and interest on it in Bank Vozrozhdenie".

- Alteration No. 3 to "Regulations on the procedure of making large deals, non-arm's length transactions, and transactions on granting loans to related parties in Bank Vozrozhdenie".

In 2007 the Board of Directors of Bank Vozrozhdenie continued its work on minimizing the risk of the management system. Members of the Board analyzed all the potential risks of the Bank and approved approaches to its management. As a result, the Board of Directors adopted "Provisions on organization of the risk of business reputation loss and strategic risk management". The Board of Directors also approved the "List of measures decreasing risks related to activity of Bank Vozrozhdenie on the securities market".

Audit Committee

In order to improve the system of the Bank's financial activity supervision and audit, the Audit Committee was formed in 2007. Three non-executive members of the Board of Directors were included into the Committee for the purpose of optimum protection of shareholders' interests. An independent member of the Bank's Board of Directors heads the Committee.

Board of Directors' Audit Committee

Name	Positions at the bank and other organizations	Education
Alexander N. Zhizhaev	General director of GUP MO Mostransauto	Higher, Moscow Auto-mechanical Institute
Nikolai S. Zatsepin	General director, closed joint-stock company "Mozhaysk Wholesale and Retail Business"; executive director, limited liability company "Bukharaagroimport"	Higher, Moscow Institute of Civil Aviation Engineers
Valentina M. Kabanova		Higher, National Corresponding Financial and Economic Institute

The Audit Committee is the consulting body of the Board of Directors. The major purpose of creating of the Committee was to ensure the effective work of the Board of Directors on solving the major issues of strategic management and supervision of the Bank's financial and business activity.

The Audit Committee submits its recommendations for selection of independent and qualified external auditors, assists the Board of Directors in controlling the activity of the Internal Control and Audit Service and securing the quality and completeness of financial reporting and accounting of the Bank¹.

In 2007 the Committee held four sessions, during which the report on activity of the Internal Control and Audit Service was preliminarily reviewed, quarterly reports of the Bank Vozrozhdenie's controller were considered, and analysis of materials of inspections held by the Bank of Russia's institutions was conducted.

During these sessions, recommendations for the scope of auditor's procedures and approaches to conducting the audit of 2007 were worked out according to current needs of the Bank. The inspection plan of Bank Vozrozhdenie's Internal Control and Audit Service for 2008 was preliminarily reviewed as well. The Audit Committee submitted the report on its work in 2007 to the Board of Directors.

It is planned to hold three more sessions of the Audit Committee during the period prior to holding the annual General Shareholders' Meeting in 2008.

President and the Management Board of the Bank

The chairman of the Management Board, or president, is in charge of current activity management in compliance with the powers provided to him by the Articles of Association and General Shareholders' Meeting.

Dmitry Orlov is Bank Vozrozhdenie's president. He was born in 1943. He graduated from Moscow Financial Institute with a specialty in "Finance and Credit". Dmitry Orlov has worked in banking for over 35 years. He has worked in the Bank since its founding. He is the chairman of the Board of Trustees of the Finance Academy of the Government of the Russian Federation, a member of the Board of the Association of Russian Banks, a member of the Board of Representatives of banks authorized by the Mayor of Moscow.

Dmitry Orlov's share in Bank Vozrozhdenie's authorized capital is 30.7 percent.

In order to ensure efficient operational management of the Bank's activities, the Board of Directors elects a joint executive body, the Management Board. Its responsibilities include solving the most complicated issues related to managing the current activities of the Bank and requiring corporate approval.

11 members are included in the Management Board.

¹ The capacities of the Audit Committee are specified in detail in the Regulations on the Audit Committee, which are posted on the Bank Vozrozhdenie's website www.vbank.ru/en in the section titled "Investor Relations — Corporate Governance — Structure — Board of Directors".

President and the Management Board of the Bank



Dmitry Orlov

Chairman
of the Management Board
(president)



Dmitry Strashok

Deputy chairman
of the Management Board

Yury Novikov

Deputy chairman
of the Management Board, head
of the North-West Regional
Center

Alexander Bolvinov

Head of the Human Resources
Department

Tatiana Gavrilkina

Deputy chairwoman
of the Management Board,
head of the Financial
Department



Mark Nakhmanovich
Deputy chairman
of the Management Board

Lyudmila Goncharova
Deputy chairwoman
of the Management Board

Alexander Dolgopolo
Deputy chairman
of the Management Board



Rushan Abdullin
Head of Banking Technologies
Department

Andrei Shalimov
Head of Treasury

Alla Novikova
Chief accountant

Management Board of Bank Vozrozhdenie

Name, year of birth	Positions at the bank and other organizations	Share in the authorized capital	Education
Dmitry L. Orlov, 1943	President of the Bank; chairman of the Bank's Management Board; member of the Bank's Board of Directors	30.70	Higher, Moscow Finance Institute
Lyudmila A. Goncharova, 1958	Deputy chairwoman of the Management Board, member of the Board of Directors; member of Council, Non-state pension fund "Harmonia"; member of the Board of Directors, limited liability company "The Baltic resort"; member of the Supervisory Council, closed joint-stock company "Bank of International Trade and Investments"; chairman of the Board of Directors, closed joint-stock company "V-Registr"; chairman of the Board of Directors, open joint-stock company "Yunost"	1.41	Ternopol School of Finance and Economics
Aleksander V. Dolgoplov, 1961	Deputy chairman of the Management Board, member of the Board of Directors; member of the Board of Directors, open joint-stock company "Special registrar "Avista"; member of Council, Non-state pension fund "Harmonia"	0.45	Higher, Moscow G.V. Plekhanov Institute of National Economy
Mark M. Nakhmanovich, 1957	Deputy chairman of the Management Board	0.45	Higher, Moscow K.A. Timiryazev Academy of Agriculture
Jury I. Novikov, 1962	Deputy chairman of the Management Board, head of the Bank's North-Western Inter-Regional center (representative office of the Bank in the North-Western federal district and economic area)	-	Higher, Leningrad State University
Dmitry A. Strashok, 1951	Deputy chairman of the Management Board; chairman of the Board of Directors, limited liability company "Baltiyskiy Kurort"	0.24	Higher, All-USSR Agricultural Correspondence Institute
Tatyana F. Gavrilkina, 1959	Deputy chairwoman of the Management Board; head of the Financial Department	0.23	Higher, Moscow Financial Institute
Rushan A. Abdullin, 1968	Head of the Department of Banking Technologies	-	Higher, Financial Academy under the Government of the Russian Federation
Alexander A. Bolvinov, 1962	Head of the Human Resources Department; member of Council, Non-state pension fund "Harmonia"	-	Higher, Moscow State Institute of International Relations MFA of the Russian
Alla A. Novikova, 1957	Chief accountant	0.002	Higher, Moscow Institute of Railway Engineers
Andrei A. Shalimov, 1973	Head of Treasury	0.00002	Higher, Finance Academy under the Government of the Russian Federation

Remuneration of Bank Vozrozhdenie's Governance Bodies' Members

The amount of remuneration paid to members of the Bank's Management Board in accordance with results of 2007 comprised 246,878 thousand rubles.

No resolutions on reimbursement of expenses of members of the Board of Directors related to fulfillment of their functions were taken by the annual General Shareholders' Meeting in 2007. No payments related to 2007 and associated with participation of members in the Board of Directors were made.

The Bank's Internal Control System

Bank Vozrozhdenie has an internal system to supervise its financial and business activity to protect the rights and lawful interests of shareholders and investors. It includes bodies and services that prevent or limit financial and operational risks, reveal shortcomings in work, as well as develop consulting materials and recommendations.

The internal control system is governed by the "Regulations on Bank Vozrozhdenie's Internal Control and Audit Service", "Regulations on organization of Bank Vozrozhdenie's Internal Control System", as well as by a number of documents defining the procedures for interaction among the Bank's divisions. Internal control system monitoring is within the Board of Directors' and executive bodies' authorities.

The main responsibilities are:

- Supervision of the Bank's management bodies over the Bank's activity in compliance with the law "On Joint-Stock Companies" and articles of association.
- Supervision over functioning of banking risks management and evaluation system.
- Supervision over distribution of powers in the course of implementation of banking transactions.
- Supervision over management of information and security of information.
- Supervision over functioning of the anti-money-laundering system.

- Supervision over compliance of the activities of the Bank as a professional participant of securities markets with the requirements of the law and statutory legal acts of the Federal Financial Markets Service.
- Monitoring of the internal control system.

Internal Control and Audit Service

The Internal Control and Audit Service (ICAS) is a main element of the Bank's internal Control system. It works in compliance with requirements of the Central Bank of Russia, and in order to assist Bank Vozrozhdenie's management bodies in ensuring the effective functioning of the Bank.

ICAS acts under the "Regulation on the Internal Control and Audit Service" and must comply with the Bank's articles of association, the Bank's internal regulations, and the statutory acts of the Central Bank of Russia that regulate ICAS's operations.

The ICAS's duties are aimed at supervision of the following:

- efficiency and productivity of the Bank's financial and business activity and processes of banking and other transactions execution, efficiency of asset and liability management, including ensuring safety of assets and management of bank risks;
- fairness, completeness, and timeliness of compiling and submitting financial reporting, accounting and other statements;
- compliance with statutory legal acts of the Russian Federation and the Bank's constituent and internal documents;
- exclusion of involvement of the Bank and participation of its employees in unlawful activities including money laundering and funding of terrorism, as well as ensuring timely submission of information to government authorities and the Bank of Russia in compliance with the applicable laws of the Russian Federation;

The ICAS's activity is based upon the principles of continuity, independence, and impartiality.

Supervision of the Bank's Financial and Business Activity

Audit Commission

The Audit Commission is elected by the General Shareholders' Meeting and must number at least three persons who hold office for the period until the next ordinary General Shareholders' Meeting. Members of the Audit Commission may not simultaneously be members of the Bank's Board of Directors or the Bank's Management Board.

The Audit Commission¹ is empowered to audit the Bank's financial and business activity, to monitor the compliance of transactions with the financial and business plans, to evaluate financial position, to inspect compliance with the established norms and limits, and to inspect the internal control system and risk management system.

The Audit Commission audits the correctness of profit distribution and fairness of financial information, and inspects the facts of usage of insider information.

Bank Vozrozhdenie's Audit Commission

Name, year of birth	Positions at the bank and other organizations	Share in the authorized capital	Education
Victor A. Afonin, 1956	Chairman of the Audit Commission; deputy general director, state unitary enterprise Foreign Economic Association "Almazjuvelirexport"	–	Higher, Moscow Financial Institute
Tamara N. Lapinskaya, 1954	Member of the Audit Commission, head of Financial Department on planning and analyzing operations in Bank Vozrozhdenie	0.004	Higher, Moscow Financial Institute
Svetlana A. Markina, 1952	Member of the Audit Commission, head of the division of accounting of intrabank transactions of the Department of Accounting and Reporting in Bank Vozrozhdenie	0.0004	USSR Technical School of Distant Education in Accounting and Credit of USSR State Bank
Galina N. Krukova, 1981	Member of the Audit Commission	–	Higher, Russian G.V. Plekhanov Economic Academy, State University of Management

¹ The capacities of the Audit Commission are specified in detail in the "Regulations on the Audit Commission", which are posted on the Bank Vozrozhdenie's website www.vbank.ru/en in the section titled "Investor Relations — Corporate Governance — Structure — Audit Commission".

The Bank's Audit Commission conducted the audit of the Bank's financial and business activity according to the annual results. Within the scope of the audit, inspection of compliance of the implemented transactions to the financial and business plan approved by the Board of Directors was conducted, as well as the inspection of the correctness and completeness of bookkeeping and submission of financial statements. The Audit Commission conducted the analysis of the Bank's financial position, implementation of established norms and limits, functioning of the internal control system and risk management system. The Audit Commission confirmed the fairness of data contained in the annual report, annual accounting statement, and other Bank's financial documents. There were no extraordinary audits held in accordance with resolutions of the General Shareholders' Meetings, Board of Directors, or upon shareholders' request.

Auditor

For annual audit and confirmation of fairness of financial and accounting statements the Bank hired an auditor independent of the Bank and its shareholders. Results of review of the auditor's opinion are prepared by the Audit Committee, approved by the Bank's Board of Directors and presented to the annual General Shareholders' Meeting.

Since the date of the Bank's foundation ZAO PricewaterhouseCoopers Audit (before 1999, its predecessor, ZAO Coopers & Lybrand) has been the Bank's auditor.

License for implementation of auditor's activity

No. E 000376

Date of license issue: May 20, 2002

The license expires on: May 20, 2012

The licensing authority: Ministry of Finance of the Russian Federation.

Information on Related-Party Transactions

According to the resolution of the General Shareholders' Meeting (Minutes №1, 29.06.2007), the Bank entered into transactions (granting loans, guarantees, attracting deposits, acquisition of rights, and other transaction within the scope of banking licenses), where stakeholders were the members of the Board of Directors and executive bodies (according to Article 81 of federal law №208-FZZ "On Joint-Stock Companies").

All such transactions were entered by the Bank in the course of its ordinary business. The significant terms of related-party transactions entered by the Bank were not different from the terms of other similar transactions of the Bank.

The amount of each transaction concluded by the Bank for each individual related party did not exceed the upper limit (4,000,000 thousand rubles), approved by the Bank Vozrozhdenie's annual General Shareholders' Meeting.

Large Transactions Information

In 2007 Bank Vozrozhdenie did not enter into any large transactions as determined by Article 78 of federal law No.208-FZ "On Joint-Stock Companies".

Information Disclosure Policy

The goal of Bank Vozrozhdenie's information policy is the greatest possible satisfaction of the needs of all stakeholders for fair information on the Bank and its activity. The Information Policy¹ is aimed at ensuring shareholders' rights to receive information relevant for their investment and management decisions.

In compliance with requirements of the applicable Russian law, Bank Vozrozhdenie discloses information in the form of statements of material facts affecting its financial and economic activity and statements of events which could significantly affect the price of its securities. Such statements are published on the news wires of information agencies authorized by the Federal Financial Markets Service of Russia, on the Bank's website, and are sent to the Bank of Russia. Fifty-seven statements, subject to mandatory disclosure, were published in 2007. In addition the Bank publishes on the website and on specialized Internet resources, the information and financial documents, such as organizational documents, annual statements, quarterly financial statements, reports of securities' issuer, data on the affiliated persons, etc.

The Bank provides copies of documents requested by shareholders within 7 days after the receipt of the request. Such documents are available both at the head office of Bank Vozrozhdenie and in its branches.

In addition to distributing of the information subject to mandatory disclosure, Bank Vozrozhdenie provides a lot of additional information on financial results, business activity, and other events. Bank Vozrozhdenie's investor relations and public relations services work to support their target audiences with information of high value in a timely manner. The Bank regularly holds meetings with investors and the media in the format of business breakfasts and conferences dedicated to banking sector problems.

¹ The full text of the Regulations on Information Policy is posted on the Bank Vozrozhdenie's website www.vbank.ru/en in the section titled "Investor Relations — Corporate Governance — Internal Documents".

The high quality of the Bank's policy, transparency, and disclosure of information has been recognized by the business society. In 2007 Standard&Poor's ranked Bank Vozrozhdenie as the most transparent Russian bank from the shareholders' perspective, and the head of the Investors Relations Department, Yulia Vinogradova, was recognized by Interfax and Thomson Financial as the best IR professional in the financial sector in a survey of leading international and domestic investment companies and professionals.

Information on complying with the requirements of the Corporate Conduct Code recommended for use by the Federal Commission's on Securities Instruction No. 421/p, April 4, 2002, is posted on Bank Vozrozhdenie's website www.vbank.ru/en in the section titled "Reports — Annual Reports".

Risk Management

Bank Vozrozhdenie's risk-management system takes due care on a solid liquidity reserve to protect the interests of our shareholders, investors, and customers in an environment of rapid growth. The effectiveness of our risk management was confirmed in the second half of 2007, when many Russian banks faced a critical deficit of liquidity. Due to high-quality risk management, our Bank experienced no losses, achieving high growth rates in all business results for the year.

The Bank's risk management policies are aimed at risk avoidance or minimization, as well as mitigation of unavoidable risks. Bank Vozrozhdenie approved regulations for a risk evaluation and management system, which defines the goals, objectives and principles of the risk evaluation and management system, as well as risks classification. In the context of these regulations, a number of internal documents have been developed describing risk management methods in the Bank's divisions.

Low currency risk



Credit risk is the main risk taken by Bank Vozrozhdenie in its operations as the Bank's main asset category is loans. In order to minimize credit risk, the Bank's credit portfolio is diversified based on the location and industry of the borrowers. The Bank closely monitors the compliance with credit risk limits per borrower or group of related borrowers. In order to ensure effective credit risk management, the Bank carries out mandatory estimates of the borrowers' financial situation, the economic viability of the activities or projects for which loans are given, as well as evaluation of liquidity and adequacy of the proposed loan security and its insurance with accredited insurance companies.

The Bank keeps balanced policies relating to reserves for possible losses on loans and equivalent credit exposures. Appropriate reserves are maintained at branches and at Head Office, and oversight is provided by the Internal Control and Audit Service.

For improvement of the internal credit risk supervision system, the Credit Risk Control Department was created in January 2008, whose main objectives are prevention, unveiling, and minimizing the losses, which might be incurred as a result of credit risk. The Department controls an aggregate credit risk on all financial instruments and makes its forecasts in order to promptly inform the Bank's management for ensuring proper and timely management decisions.

Liquidity risk is one of the main risks potentially affecting the Bank's ability to fulfill its obligations to clients in a timely manner. Bank Vozrozhdenie has developed a liquidity management system and created a well-defined distribution of authority between its controlling bodies and liquidity management departments. Liquidity risk control is carried out in the framework of the "Bank Liquidity Management and Valuation Policy", which defines the main management methods, ways of valuation, and allocation of duties in the area of liquidity management.

General management of liquidity risk is taken by the Bank's Management Board, which delegates certain functions to the Asset and Liability Management Committee.

Management of this risk includes balancing maturity terms of assets and liabilities of the Bank. Depending on changes in the credit and financial markets conditions, we use different instruments including inter-bank loans, transactions with highly liquid securities, and REPOs.

We maintain a level of liquidity sufficient for the timely fulfillment of all of the Bank's obligations as well as meeting the requirements of the Bank of Russia concerning the norms of momentary, current, and long-term liquidity established by Instruction of the Bank of Russia No.110-I of January 16, 2004 "On Mandatory Norms of Banks".

The Bank continually monitors **interest-rate risk** because market fluctuations in interest rates may significantly affect its profitability level. Bank Vozrozhdenie's current interest-rate risk is insignificant, since most agreements it enters into provide for the possibility of periodic rate revision depending on market rate fluctuations. This relates to commercial loans, deposits from businesses and organizations, and day-to-day funds. The Bank is able to quickly and effectively react to changes in the general interest rate level in order to protect net interest income by correcting the applicable base rates on the resources attracted and funds placed.

Base rates on the resources attracted are determined in quarterly "Regulations for the Basic Principles of Bank Vozrozhdenie's Resources Management" approved by the Bank's Management Board. Within a quarter, rates can be corrected depending on changes of the interest rate of the Bank of Russia and rates in financial markets. Interest-rate risk is calculated and evaluated in compliance with the "Regulations on the Procedure of Interest-Rate Risk Calculation in Bank Vozrozhdenie". The level of interest-rate risk on financial instruments calculated in accordance with the method of the Central Bank of the Russian Federation does not significantly affect the financial indicators of the Bank's activity.

Bank Vozrozhdenie manages its **currency risks** in strict compliance with the requirements set forth in the instructions and procedures of the Central Bank of Russia. The quality of assets, especially the credit portfolio, denominated in each currency is considered in the course of currency risk evaluation.

Control over the acceptable level of currency risk is centralized in a Head Office Department that determines currency position limits for all branches and monitors their observance. The limits are approved by a member of the Management Board.

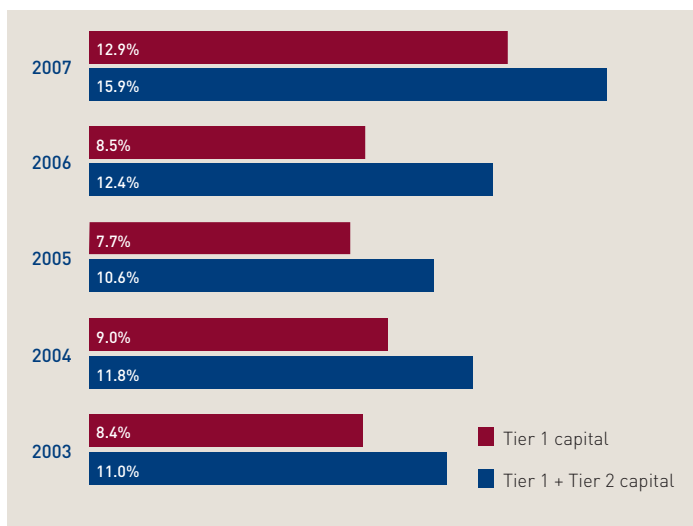
Market risk is managed by the Asset and Liability Management Committee. It determines the volume and structure of the securities portfolio, based on the valuation of the securities' profitability and contribution to required liquidity. The volume of the market risk is calculated in accordance with the "Regulations on Market Risk Calculation Procedure of Bank Vozrozhdenie".

As the consolidated book value of the Bank's trading portfolio exceeded 6 percent of the assets as of the previous accounting date, the consolidated value of market risk determined in compliance with Regulation of the Bank of Russia No.89-P of September 24, 1999 "On the Procedure of Calculation of the Market Risk Value by Credit Institutions" was included into the calculation of the capital sufficiency norm (H1) concerning the values of the interest-rate, funding, and currency risk.

In order to minimize **technology risks** and risks of introduction of new products and technologies, all technological solutions developed and applied in the Bank shall be documented. All new technology, software, and hardware undergo a control procedure and mandatory preliminary testing, which is documented and complies with internal and external requirements for information protection and security.

The software complexes applied in the Bank shall be subject to registration, and account in the Bank's fund of technological processes. We have a policy of not using unregistered software or hardware, or untested technological solutions.

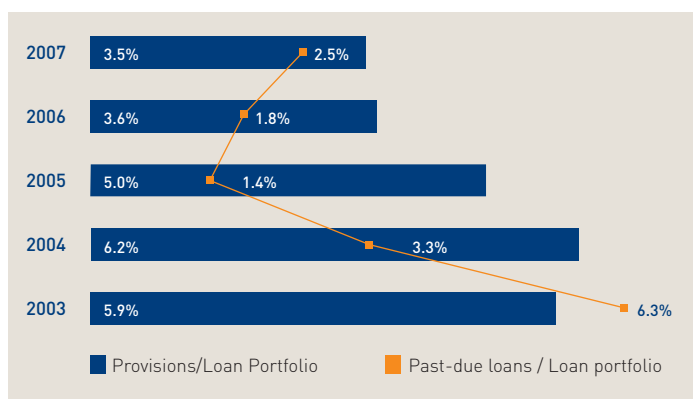
Capital Adequacy



Inefficiency risk may be caused by an inconsistency between the Bank's income and expense. In order to minimize this risk a budgeting system has been implemented, which allows the Bank to determine excessively expensive or inefficient operations at the planning stage, correct its tariff policies, and determine the priorities in its client policies. These measures have allowed Bank Vozrozhdenie to maintain an increase in growth of non-interest incomes over that of non-interest expenses.

In 2008 Bank Vozrozhdenie will continue to improve its risk-management system and evaluation methods. Our priority will be at increasing of the risk-management system's effectiveness and its development in compliance with changing market conditions, as well as with new requirements of the International Financial Reporting Standards (IFRS) for disclosure of information about risks. More complete disclosure of details is available in the notes to the IFRS-audited financial report on the Bank's web-site at www.vbank.ru/en/ in the section titled "Investor Relations — Financial Reports".

Sound approach to provisions





Розничный бизнес

Рост розничного кредитного портфеля



Фокус на ипотеку

- 11-ое место по количеству и 20-ое место по выданным ипотечным кредитам
- Средняя сумма ипотечного кредита – \$40
- Фиксированной процентной ставкой
- Секторный рост кредитования (фокус)
- Валовый прирост
- В...



SERVICE QUALITY IMPROVEMENTS ARE BASED ON QUALIFIED EMPLOYEES

Internal training

High-quality products and services, efficient risk control, strategic plans; these all affect our success and, certainly, the success of our clients. But all these things depend on people whose professionalism and motivation is of utmost importance. We aspire to be the best employer in the market and ensure that our employees receive opportunities for professional and career growth. Continuing education plays an important role in this. About 2,000 bank employees have participated in internal corporate training programs to improve their professional skills.

Social Policy

Personnel

We believe that one of the main competitive advantages of Bank Vozrozhdenie is the professional and united group of professionals. More than 6 thousand people now work in the Bank, and we try to be a preferred employer with corporate values which are consistent with personal values of our staff.

We organize programs and activities aimed at increasing staff efficiency. This includes competitions in branches in achieving business goals, in cross-sales of bank products, and for the title of the best manager of different functions. We try to make a comfortable operating environment for every member of the team. In 2007 we organized a photo contest "The Beauty That Is Always with You," a cooking contest and a children's drawing contest "My Mother Works in the Bank" for personnel and their families.

Our newspaper "Vozrozhdenie's World" is the important means of internal communications for the group. This gives staff members the opportunity to learn about the main events in the bank, about the work of their colleagues in the branches and helps personnel working in different departments feel being a part of a single team with common purpose. The Bank's intranet portal is another means of effective internal communications, where the personnel can find not only any documents and materials necessary for their work, but also useful information about different directions of the Bank's business.

We provide the Bank's personnel with a wide range of opportunities for professional training and development, not only in Moscow but in the regions as well. In 2007 1,950 employees of the central office and branches passed qualification upgrade courses in the directions which are important for the Bank: bank products, sales techniques, the practice of the negotiation, and management control. The Bank pays special attention to training of employees who work in regional offices of the Bank. Nearly 400 employees from Rostov, Volgograd, Khabarovsk, Novorossiysk, Barnaul, Stavropol, and Krasnodar participated in the Bank's training programs.

An important development for personnel was the new program "Implementation of Organizational Changes" for office managers. In 2007 the programs were developed specially for managers and their deputies, such as "Management of Change" and "Budgeting and Business Planning." Over 60 branch management staff members completed this training, and in 2008 we will continue the implementation of this program for an additional 120 managers of regional offices of Bank Vozrozhdenie.

In order to increase the quality of professional training of employees, we cooperate with the leading educational institutions of Moscow and the regions. The Bank works with the International Moscow Finance and Banking School, the Institute of Banking of the Association of Russian Banks, the International Center for Financial and Economic Development, the Training Center "Informzaschita", and the Training Center for Economics and Law. 350 Bank's employees took courses in these educational institutions in different areas: economics, finance, law, bank technologies, security, and business accounting.

The future of the Bank depends on attracting talented young professionals. The Bank cooperates with Russian financial education institutions to invite the most talented students in financial professions for training periods. We have solid partnership relationships with 5 leading professional institutions of higher education: the Finance Academy under the Government of the Russian Federation, the Plekhanov Russian Academy of Economics, Bauman Moscow State Technical University, Lomonosov Moscow State University, and the State University of Management. In addition, we work with special schools of general education, among which are the Moscow Bank School of the Central Bank of the Russian Federation and the State Educational Institution High School No.1518.

Starting from their third year, students do practical internships in our Bank. The program for special probation periods includes participation in seminars, business games, work in offices, and discussions of practical knowledge. On completion of the practical work, all students get a manager's commentary, with an assessment of the probationer's competence and recommendations for further professional development. This practical work provides a good opportunity to demonstrate their capabilities and receive a job offer on graduation.

We try to provide comfortable conditions not only for our work, but also for relaxation. Our mini-football team participates in different inter-bank tournaments and has achieved high recognition.

In our plans for 2008 there is a further development of opportunities for professional development and incentive programs for employees, as well as active attraction of young professionals. A remote electronic training system (SRET) will be implemented, which will allow us to double the number of the training program participants and to increase the effectiveness of training at lower cost. In 2008 10 training courses will be implemented within SRET, providing training for almost 900 bank staffmembers.

Social Responsibility

Bank Vozrozhdenie has a social responsibility policy. We hold a great number of charity and sponsorship programs in cultural, social development, sports, and educational fields. We consider this not as an homage to fashion, but as the continuation of the principles which we adhere to in conducting our business; the principles of attentive and sensitive attitude to our customers and partners. We consecutively implement social projects in the regions where we are present, extending our activities every year.

Currently, programs supporting talented youth and veterans are implemented with the support of the Bank in each of the 20 regions of Russia where we have offices. We also support educational, sports, and cultural projects organized by local communities, and acts as the initiator of different social programs. In 2007 the Volgograd office of Bank Vozrozhdenie was the general sponsor of the annual awards "Volgograd Olymp" — one of the most prestigious business awards of Southern Russia which has been conferred in Volgograd since 2003.

The support of the national culture is an important aspect of the Bank's social activities. In 2007 Bank Vozrozhdenie sponsored the production of the opera "Carmen", directed by Ivan Popovski, a talented graduate of the Piotr Fomenko's studio. Each year the Bank sponsors the Easter festival comprising more than 120 concerts in 25 cities of Russia. We pay special attention to the support of young gifted persons. The Volgograd office of Bank Vozrozhdenie provided support to a young accordionist, Vladislav Samokhin, who represented Volgograd at the prestigious all-Russian festival of children's artistic work, "The Eaglets of Russia". Vladislav won the first laureate as a soloist on folk instruments.

We are concerned about the development of the national education system and do our best to help schools and higher-education institutions. The Bank's regional offices participate in children's Olympiads and competitions for schoolchildren and kindergarten students. But we pay special attention to supporting Russian higher-education institutions. In 2007 Bank Vozrozhdenie was the official sponsor of the Plekhanov Russian Academy's celebrations of the centenary of economics and held a competition for Finance Academy students to "Invent a Bank Product for Students!" with a financial prize and the opportunity for an internship at the Bank.

Another aspect of the Bank's social action is support of sport activities. In 2007 the Bank was the sponsor of the Russian figure-skating championship and a general sponsor of the World Dance Cup.

The Bank also provides support to socially disadvantaged people: orphans, children without parental care, and those who are in need of medical care. Last year the Domodedovskoye branch supported the local orphanage, and Sergiyev-Posad branch — the local St. Sergei boarding school. The Bank provided financial support to schools, boarding schools and children's homes in Istra, Krasnodar, Solnechnogorsk, and other cities. Employees of Barnaul and Murmansk branches helped two little children to find the hope for their medical recovery by gathering funds to get high-quality medical service including complicated and expensive operations.

This year we are acting as organizers of a new a social project "Creative Olympiad: Children to Children!" with our sponsor partner, Rosgosstrakh Stolitsa. This joint social program of the Bank and the insurance company is devoted to the development of creative abilities and theatrical talents for foster children of social establishments and residencies of the Moscow region. The purpose of the project is to help professional teachers to inculcate the love of Russian culture and traditional values, creativity in children, and to show that success in any activity is the result of hard work.

Bank Vozrozhdenie's Financial Results

prepared according to International Financial Reporting Standards

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and the Board of Directors of Vozrozhdenie Bank:

The accompanying summarized financial statements have been derived from the financial statements of Vozrozhdenie Bank (hereinafter — "the Bank") for the year ended December 31, 2007, prepared in accordance with International Financial Reporting Standards.

Management's Responsibility for the Summarized Financial Statements

These summarized financial statements are the responsibility of the Bank's management.

Auditor's Responsibility

Our responsibility is to express an opinion on whether these summarized financial statements are consistent, in all material respects, with the financial statements from which they were derived.

We have audited the financial statements of the Bank for the year ended December 31, 2007, from which these summarized financial statements were derived, in accordance with International Standards on Auditing. In our report dated March 28, 2008, we expressed an unqualified opinion on the financial statements from which the summarized financial statements were derived.

Opinion

In our opinion, the accompanying summarized financial statements are consistent, in all material respects, with the financial statements from which they were derived. For a better understanding of the Bank's financial position and the results of its operations for the period and of the scope of our audit, the summarized financial statements should be read in conjunction with the financial statements from which the summarized financial statements were derived and our audit report thereon



March 28, 2008

Moscow, Russian Federation

Full IFRS financial statements are available on the Bank Vozrozhdenie web-site www.vbank.ru/en/reports/

SUMMARIZED INTERNATIONAL FINANCIAL REPORTING STANDARDS FINANCIAL STATEMENTS DERIVED
FROM THE AUDITED INTERNATIONAL FINANCIAL REPORTING STANDARDS FINANCIAL STATEMENTS

BALANCE SHEET


In millions of Russian roubles	December 31, 2007	December 31, 2006
ASSETS		
Cash and cash equivalents	13,233	6,105
Mandatory cash balances with the Central Bank of the Russian Federation	1,305	1,099
Trading securities	6,702	4,236
Due from other banks	7,236	5,732
Loans and advances to customers	78,149	52,426
Premises, equipment, and intangible assets	2,992	2,597
Other financial assets	1,493	986
Other assets	294	245
TOTAL ASSETS	111,404	73,426
LIABILITIES		
Due to other banks	4,845	418
Customer accounts	81,612	60,674
Debt securities in issue	7,103	4,087
Subordinated loans	2,874	2,467
Syndicated loans	2,550	–
Other financial liabilities	316	198
Other liabilities	214	73
TOTAL LIABILITIES	99,514	67,917
EQUITY		
Share capital	250	4,397
Share premium	7,306	3,162
Retained earnings/(accumulated deficit)	4,334	(2,050)
TOTAL EQUITY	11,890	5,509
TOTAL LIABILITIES AND EQUITY	111,404	73,426

Approved for issue and signed on behalf of the Board of Directors on March 28, 2008.

D.L. Orlov
President



A.A. Novikova
Chief Accountant



For a better understanding of the Bank's financial position and the results of its operations for the year, and of the scope of our audit, these summarised financial statements should be read in conjunction with the financial statements, from which these summarised financial statements have been derived, and audit report thereon. Copies of audited financial statements can be obtained from Vozrozhdenie Bank.

**SUMMARIZED INTERNATIONAL FINANCIAL REPORTING STANDARDS FINANCIAL STATEMENTS DERIVED
FROM THE AUDITED INTERNATIONAL FINANCIAL REPORTING STANDARDS FINANCIAL STATEMENTS**

INCOME STATEMENT

In millions of Russian roubles	2007	2006
Interest income	9,745	6,278
Interest expense	(4,175)	(2,794)
Net interest income	5,570	3,484
Provision for loan impairment	(885)	(393)
Net interest income after provision for loan impairment	4,685	3,091
Gains less losses from trading securities	95	24
Gains less losses from trading in foreign currencies	310	105
Foreign exchange translation (losses net of gains)/gains less losses	(60)	102
Fee and commission income	3,202	2,197
Fee and commission expense	(191)	(129)
Losses from disposal of loans and advances to customers	–	(118)
Dividend income	3	13
Other operating income	225	77
Losses on initial recognition of assets at rates below market	(7)	(3)
Operating income	8,262	5,359
Administrative and other operating expenses	(5,732)	(4,243)
Loss from an associate	–	(32)
Profit before tax	2,530	1,084
Income tax expense	(626)	(283)
Profit for the year	1,904	801
Earnings per share for profit attributable to the equity holders of the Bank, basic and diluted (expressed in RUB per share)		
Ordinary shares	80	39
Preference shares with fixed dividend	78	38

For a better understanding of the Bank's financial position and the results of its operations for the year, and of the scope of our audit, these summarised financial statements should be read in conjunction with the financial statements, from which these summarised financial statements have been derived, and audit report thereon. Copies of audited financial statements can be obtained from Vozrozhdenie Bank.

SUMMARIZED INTERNATIONAL FINANCIAL REPORTING STANDARDS FINANCIAL STATEMENTS DERIVED
FROM THE AUDITED INTERNATIONAL FINANCIAL REPORTING STANDARDS FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

In millions of Russian Roubles	Share capital	Share premium	(Accumulated deficit)/ Retained earnings	Total
Balance at December 31, 2005	4,377	1,735	(2,839)	3,273
Profit for the year	-	-	801	801
Total recognised income for 2006	-	-	801	801
Share issue	20	1,427	-	1,447
Dividends declared	-	-	(12)	(12)
Balance at December 31, 2006	4,397	3,162	(2,050)	5,509
Profit for the year	-	-	1,904	1,904
Total recognised income for 2007	-	-	1,904	1,904
Elimination of adjustments for hyperinflation	(4,177)	(316)	4,493	-
Share issue	30	4,460	-	4,490
Dividends declared	-	-	(13)	(13)
Balance at December 31, 2007	250	7,306	4,334	11,890

For a better understanding of the Bank's financial position and the results of its operations for the year, and of the scope of our audit, these summarised financial statements should be read in conjunction with the financial statements, from which these summarised financial statements have been derived, and audit report thereon. Copies of audited financial statements can be obtained from Vozrozhdenie Bank.

**SUMMARIZED INTERNATIONAL FINANCIAL REPORTING STANDARDS FINANCIAL STATEMENTS DERIVED
FROM THE AUDITED INTERNATIONAL FINANCIAL REPORTING STANDARDS FINANCIAL STATEMENTS**

STATEMENT OF CASH FLOWS

In millions of Russian roubles	2007	2006
Cash flows from operating activities		
Interest received	9,638	6,250
Interest paid	(3,763)	(2,443)
Net income received from trading in trading securities	95	35
Net income received from trading in foreign currencies	310	105
Fees and commissions received	3,290	2,274
Fees and commissions paid	(214)	(129)
Other operating income received	224	61
Administrative and other operating expenses paid	(5,249)	(3,933)
Income tax paid	(481)	(281)
Cash flows from operating activities before changes in operating assets and liabilities	3,850	1,939
Changes in operating assets and liabilities		
Net increase in mandatory cash balances with the Central Bank of the Russian Federation	(206)	(176)
Net increase in trading securities	(2,582)	(1,976)
Net increase in due from other banks	(1,562)	(2,800)
Net increase in loans and advances to customers	(27,274)	(22,846)
Net increase in other financial assets	(2)	(276)
Net increase in other assets	(152)	(28)
Net increase in due to other banks	4,524	317
Net increase in customer accounts	21,079	21,051
Net increase in debt securities in issue (net of bonds)	86	64
Net increase in other financial liabilities	119	15
Net decrease in other liabilities	(26)	(39)
Net cash used in operating activities	(2,146)	(4,755)

For a better understanding of the Bank's financial position and the results of its operations for the year, and of the scope of our audit, these summarised financial statements should be read in conjunction with the financial statements, from which these summarised financial statements have been derived, and audit report thereon. Copies of audited financial statements can be obtained from Vozrozhdenie Bank."

In millions of Russian roubles	2007	2006
Cash flows from investing activities		
Acquisition of investment securities available for sale	(485)	–
Proceeds from disposal of investment securities available for sale	–	466
Proceeds from an associate	–	75
Acquisition of premises, equipment, and intangible assets	(800)	(889)
Proceeds from disposal of premises, equipment, and intangible assets	65	42
Dividend income received	3	13
Net cash used in investing activities	(1,217)	(293)
Cash flows from financing activities		
Receipt of subordinated loans	604	1,372
Receipt of syndicated loans	2,529	–
Issue of bonds	3,000	–
Issue of ordinary shares	4,490	1,447
Dividends paid	(13)	(12)
Net cash from financing activities	10,610	2,807
Effect of exchange rate changes on cash and cash equivalents	(119)	(132)
Net increase in cash and cash equivalents	7,128	(2,373)
Cash and cash equivalents at the beginning of the year	6,105	8,478
Cash and cash equivalents at the end of the year	13,233	6,105

For a better understanding of the Bank's financial position and the results of its operations for the year, and of the scope of our audit, these summarised financial statements should be read in conjunction with the financial statements, from which these summarised financial statements have been derived, and audit report thereon. Copies of audited financial statements can be obtained from Vozrozhdenie Bank.

Bank Vozrozhdenie's offices in Russia



Bank Vozrozhdenie offices in Moscow Region



- | | | |
|---------------------|----------------------|-------------------|
| 1 Moscow | 19 Elektrostal | 37 Serpukhov |
| 2 Khimki | 20 Pavlovsky Posad | 38 Chekhov |
| 3 Krasnogorsk | 21 Orekhovo-Zuevo | 39 Mozhaisk |
| 4 Golyevo | 22 Roshal | 40 Zvenigorod |
| 5 Odintsovo | 23 Kurovskoye | 41 Ruza |
| 6 Aprelevka | 24 Shatura | 42 Shakhovskaya |
| 7 Naro-Fominsk | 25 Egoryevsk | 43 Volokolamsk |
| 8 Podolsk | 26 Voskresensk | 44 Lotoshino |
| 9 Domodedovo | 27 Kolomna | 45 Klin |
| 10 Vidnoye | 28 Lukhovitsy | 46 Istra |
| 11 Ramenskoye | 29 Zaraisk | 47 Solnechnogorsk |
| 12 Zhukovsky | 30 Serebrianie Prudi | 48 Dmitrov |
| 13 Lyubertsy | 31 Kashira | 49 Dubna |
| 14 Zheleznodorozhny | 32 Stupino | 50 Taldom |
| 15 Balashikha | 33 Malino | 51 Sergiev Posad |
| 16 Schyolkovo | 34 Mikhnevo | 52 Pravdinsky |
| 17 Mitishi | 34 Puschino | 53 Pushkino |
| 18 Noginsk | 35 Bronnitsk | 54 Ivanteevka |

Offices of Bank Vozrozhdenie

Offices in Moscow City

Central Branch

7/4, bldg. 1, Luchnikov
Pereulok, GSP, Moscow,
101990

Ms. Natalia V. Barkhotkina

Ilyinsky

3, bldg. 1, Ostryakova Street,
Moscow, 125067

Mr. Vakhtang Y. Djariani

Ulyanovsky

33, bldg. 4, Vesiolaya Street,
Moscow, 115516

Ms. Tatiana B. Sukhotskaya

Additional Offices:

50, Sovetskaya Street, flat 1,
Vidnoye 142700, Leninsk
District, Moscow Region

78, Leninskogo Komsomola
Pr-t, Vidnoye, 142700,
Leninsk District,
Moscow Region

Sovkhos im. Lenina, Leninsk

District, Moscow Region,
142715

Additional Offices of Puschino branch:

2, Maliy Mogiltsevskiy Per.,
Moscow, 119002

50 a/8, bldg. 3, Zemlyanoy
Val, Moscow, 109028

Offices in Moscow Region

Balashikha

45, Prospekt Lenina,
Balashikha, 143900

Ms. Lyubov N. Yukhareva

Additional Office:

4, bldg. 2, Savvinskoye

Shosse, Zheleznodorozhniy,
143980

19/10, office VII, Lenina
Street, Reutov, 143960

Bronnitsy

52, Novo-Bronnitskaya
Street, Bronnitsy, 140170

Ms. Zinaida N. Shepeleva

Additional Offices:

5, office 130, Pionersky
Pereulok, Bronnitsy,

Retail office:

53, bldg. 1, Komsomolskiy
Per., Bronnitsy 140170

Chekhov

22, Chekhova Street,
Chekhov, 142300

Ms. Raisa P. Petrykina

Additional Office:

1, Molodyozhnaya, Street,
Chekhov, 142300

Retail office:

8, Vishnioviy Boulevard,
Chekhov, 142300

Dmitrov

1, Sovetskaya Pl., Dmitrov,
141800

Mr. Vitaly M. Soloviov

Additional Offices:

25, Bogolubova Prospekt,
Dubna, 141980

17, Karla Marksa Pl.,
Taldom, 141900

Domodedovo

54a, Kashirskoye Shosse,
Domodedovo, 142000

Ms. Tatiana A. Fomicheva

Retail office:

der. Zaborje, 142072,
Domodedovo District

Egorievsk

106/5, Sovetskaya Street,
Egorievsk, 140300

Ms. Lyudmila V. Baykova

Elektrostal

16, Pobedy Street,
Elektrostal, 144007

Ms. Natalia A. Gnedkova

Additional Offices:

22, Karla Marksa Street,
Elektrostal, 144001

21, Krasnaya Street,
Elektrostal, 144005

10, Krasnaya Street,
Elektrostal, 144002

Istra

81, Lenina Street, Istra,
143500

Ms. Vera A. Ulitina

Additional Office:

19, Yubileynaya Street, Istra,
143500

Retail office:

47a, Moskovskaya Street,
Istra, 143500

1 Pobedi Street, Dedovsk,
143530

Kashira

12, Sovetskaya Street,
Kashira, 142900

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Khimki

22/1, Moskovskaya Street,
Khimki, 141400

Ms. Natalia I. Shabunina

Additional Offices:

1 Bulvar Stroiteley,

Krasnogorsk, 143407

2, Moskovskaya Street,
Mikrorayon Podrezkovo,
Khimki, 141431

16, Bibliotechnaya Street,
Khimki, 141406

13, bldg. 1, office 9,
Lavochkina Street, Khimki,
141400

Retail office:

22/1, Mosakovskaya Street,
Khimki, 141400

12a, Lavochkina Street,
Khimki, 141400 (payments

to address of Motor

Licensing and Inspection
Department)

20a, Mayakovskogo Street,
Khimki, 141400 (office

to make settlements for
companies)

40, Yubileyniy Prospekt,
Khimki, 141400

Klin

8a, Karla Marksa Street,
Klin, 141600

Ms. Olga N. Kalenova

Kolomna

340, Oktyabrskoy Revolutsii
Street, Kolomna, 140408

Mr. Mikhail M. Kostenevich

Additional Office:

15, Kirova Proezd,
Kolomna, 140411

4, Gorkogo Street,
Lukhovitsy, 140500

39, Kudryavtseva Street,
Ryazan', 390000

Krasnogorsk

38b, Lenina Street,
Krasnogorsk, 143400

Ms. Irina L. Zlenko

Additional Offices:

der. Goljevo, 143400,

Krasnogorsk-5

8, Rechnaya Street,

Krasnogorsk, 143400

Retail office:

21a, Lenina Street,

Krasnogorsk, 143400

GIBDD, Raitsentr-3,

Krasnogorsk, 143400

26, Zavodskaya Street,

Krasnogorsk, 143400

Tel: (495) 562-8863

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Lyubertsy, 140005

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Additional Office:

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Dzerzhinskiy, 140091

Mikhnevo

1, Gorkogo Street,

Mikhnevo, 142840

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Mitishi, 141008

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Additional Office:

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141006

Mozhaysk

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9, Marshala Zhukova Street,
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Proezd, Pavlovsky Posad,
142500

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142403

1, Revsobraniy Street,
Noginsk, 142412

Odintsovo

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Street, Odintsovo, 143000

Ms. Elena I. Oreshnikova

Additional Office:

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Odintsovo, 143000

Podolsk

11, Kirova Street, Podolsk,
142100

Ms. Valentina A. Rylkova

Retail office:

38, Pravdy Street, Podolsk,
142115

1, Oktyabrskaya Pl.,

Klimovsk, 142080

Puschino

Mikrorayon G, Puschino,
142290

Ms. Olga P. Beletskaya

Additional Offices:

located in Moscow

Retail office:

20, Mikrorayon G,
Puschino, 142290

2, Mikrorayon V, Pushchino
142290 (office. UZhKH)

Pushkino

11, Moskovsky Prospekt,
Pushkino, 141200

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Ivanteyevka, 141250

17, Sadovaya Street,

Pravdinsky, 141260

Ramenskoye

3, Krasnoarmeyskaya
Street, Ramenskoye, 140100

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Zhukovskiy, 140180

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131, Mikhlevicha Street,
Ramenskoye, 140100

Ruza

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Street, Ruza, 143100

Ms. Irina G. Potapova

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Serpukhov, 142200

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Shatura, 140700

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Schiolkovo

5, Lenina Pl., Schiolkovo,
141100

Mr. Sergei N. Nikolaev

Retail office:

9a, Polevaya Street,
Fryazino, 141120

1a, Talsinskaja Street,
Schiolkovo, 141100

2, Tsiolkovskogo Street,
Schiolkovo-3, 141100

Solnechnogorsk

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Solnechnogorsk, 141500
Ms. Nina P. Aksionova
Retail office:
63th km of Leningradskoe
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141500

Stupino

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Stupino, 142800
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Street, Malino, 142850,
Stupino District
26, Pobedy Prospekt,
Stupino, 142800
Retail office:
21, Andropova Street,
Stupino, 142800

Volokolamsk

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Volokolamsk, 143600
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Shakhovskaya, 143700
2, Pochtovaya Street,
Lotoshino, 143800
Retail office:
6, Nerudnaya Street,
Sychevo, Volokolamsk
District, 143611

Voskresensk

34, Pobedy Street,
Voskresensk, 140205
Ms. Irina A. Chichurina

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Beloozersky, 140250,
Voskresensk District
14, Kolomenskaya Street,
Voskresensk-3, 140200
Retail office:
JSC Voskresensk-Lada
premises, Novlyansky Block,
Voskresensk, 140200

Zaraisk

1, Uritskogo Pl., Zaraisk,
140600
Ms. Galina N. Shmatkova
Additional Office:
4, Yubileyny Mikrorayon,
Serebrjaniye Prudy, 142970

Zvenigorod

10, Pochtovaya Street,
Zvenigorod, 143180
Ms. Tamara N. Starostina

**Bank offices in other
regions of Russia****Barnaul**

43a, Avtotransportnaya
Street, Barnaul, 656064,
Altai Krai
Ms. Tatiana V. Malakhova
Additional Office:
14, Brestskaya Street,
Barnaul, 656015,
Altai Krai
40a, Shumakova Street,
Barnaul, 656064,
Altai Krai

Kaliningrad

12, Sovestky Prospekt,
Kaliningrad, 236000
Ms. Tamara N. Konoplina

Khabarovsk

10, Dikopoltseva Street,
Khabarovsk, 680013
Mr. Gleb E. Klimenko
Additional Offices:
210, Prospekt 60 Let
Oktyabrya, Khabarovsk,
680014
19, Molodogvardeyskaja,
Komsomolsk-on-Amur,
681000
Retail office:
43, Dzerzhinskogo Street,
Khabarovsk, 680000

Krasnodar

324, Severnaya Street,
Krasnodar, 350000
Ms. Irina G. Chudinova

Magadan

3, Portovaya Street,
Magadan, 685024
Ms. Aleksandra A. Usacheva

Makhachkala

4, Pushkina Street,
Makhachkala, 367012,
Dagestan Republic
Ms. Natalia B. Pavlova

Murmansk

110a, Kolsky Prospekt,
Murmansk, 183008
Mr. Valery F. Lysenkov
Additional Office:
23, Knipovicha Street,
Murmansk, 183039

Nizhny Novgorod

106a, Belinskogo Street,
Nizhny Novgorod, 603006
Ms. Natalya V. Morozova

Additional Offices:

1, Efremova Street, Nizhny
Novgorod, 603003
1b, Vedenyapina Street,
Nizhny Novgorod, 603016
106b, Belinskogo Street,
Nizhny Novgorod, 603016

Novorossiysk

32, Engel'sa Street,
Novorossiysk, 353900,
Krasnodarsk Krai
Mr. Alexandr N. Metelitsa

Petrozavodsk

P.O. Box 29, 15, Andropova
Street, Petrozavodsk,
185028, Republic of Karelia
Mr. Igor P. Sachuk

Rostov-on-Don

97/243, Budionovsky
Prospekt, Rostov-on-Don,
344011
Ms. Jana V. Gamaley
Additional Offices:
1, Gagrinskaya Street,
Oktyabrsky Region,
Rostov-on-Don, 344016
30, Kommunisticheskiy
Prospekt, Rostov-on-Don,
344091
12v, Instrumentalnaya
Street, Taganrog, 347923

Saransk

14, L. Tolstogo Street,
Saransk, 430005,
Republic of Mordovia
Mr. Sergey V. Naumkin

Additional Office:
33/1, Kommunisticheskaya
Street, Leninsky District,
Saransk, 430000, Republic
of Mordovia

St. Petersburg

60, 9th Liniya Vasilievskogo
Ostrova, St. Petersburg,
199004

Mr. Igor I. Kaplenov

Additional Offices:

189, liter A, office 20n,
Moskovsky Prospekt,
St. Petersburg, 196066

21, liter A, office 11n,
Prospekt Slavy, St.

Petersburg, 192239

29, liter A, Nekrasova Street,
St. Petersburg, 191014

17, bldg 1, liter A, office 69n,
Komendantskiy Prospekt,
St. Petersburg, 197372

39/39, liter A,
Konyushennaya Street,
Pushkin, 196601

Stavropol

3/1a, Karla Marksa
Prospekt, Stavropol, 355008
Ms. Tatiana N. Adamenko

Additional Offices:

Railway Station, 357600,
Essentuki

43, Dzerzhinskogo Prospekt,
Kislovodsk, 357003

45, Prospekt Kirova,
Pyatigorsk, 357500

26a Yunosti Prospekt,

Stavropol, 355044
119, Prospekt Kalinina,
Pyatigorsk, 357500
18b, 50 Let VLKSM Street,
Stavropol, 355040
464, Lenina Street,
Stavropol, 355029
42, Prospekt 22 Syezda,
Mineralnye Vody, 357202

Operational Cash Desk:

10/12, Oktjabrskoy

Revolutsii Prospekt,
Stavropol, 355000

58, Komsomolskaya Street,
Stavropol, 355012

35, Nizyaeva Street,
Nevinnomyssk, 357030

14, Oranzhereyniy Proezd,
Pyatigorsk, 357502

Tula

5a, Revolutsii Street, Tula,
300034

Svetlana V. Fokina
(Deputy Branch Manager)

Volgodonsk

38a, Velikoy Pobedy
Boulevard, Volgodonsk,
347371, Rostov Region

Mr. Alexey D. Petrakov

Additional Offices:

96, Lenina Street,
Volgodonsk, 347360

131/1 Lenina Street,
Semikarakorsk, 346630,
Rostov Region

33b, Sovetskaya Street,
Tsimlyansk, 347320,
Rostov Region

Volgograd

11, Nevskaya Street,
Volgograd, 400087

Ms. Sofia B. Zhilina

Additional Offices:

20, Prospekt im. V. I. Lenina,
Volgograd, 400131

9, Engelsa Bulvar,
Volgograd, 400112

97, Lenina Prospekt,
Volzhsky, 404120,

Volgograd Region

(8443) 27-6036

62, Mira Street, Volzhsky,

404105, Volgograd Region

46, Street im. Generala

Shtemenko, Volgograd,

400105

21, Mira Street, Volgograd,

400131

Yaroslavl

2, bldg. 2, Pushkina Street,
Yaroslavl, 150000

Mr. Aleksander S. Khabarin

Representative Office in Kaluga

1, Kirova Street, Kaluga,
248001

Ms. Valentina V. Tsarapkina

North-West regional Center

80, Bolshoy Prospekt

Vasilievskogo Ostrova,
St. Petersburg, 119106

Mr. Jury I. Novikov

Bank Vozrozhdenie details:

Bank identification code (BIC): 044525181

Identification number of taxpayer (INN): 5000001042

Correspondent account with OPERU (Operational Department) of Moscow GTU (Main Territorial Division) of the Bank of Russia № 30101810900000000181.

Call-center:

+7-495-777-0-888

8-800-200-9-800 (calls within Russia are toll-free)

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Website: <http://www.vbank.ru/en>

Wap: wap.vbank.ru

SWIFT: VBNKRUMM

REUTER DEALING: VOZM