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# Yes!

Bank SLAVIA has demonstrated growth of the key financial indicators in 2010

Goroshkov  
Victor Vladimirovich,  
Chairman of the Board

## Message from the Chairman of the Board

Dear friends!

2010 was a successful year for SLAVIA Bank in many ways. Our principles – always see the target, unconditionally thrive towards the best result, seek objectification of the plans. And we can proudly state – the plans are completed, we have achieved the targets and made a step forward.

As a client orientated bank, we continued with our policy of individual approach to each customer and maintained high standard of service while we have increased the spectrum of services throughout the year. For example, we have implemented a new service – remote banking account access for legal entities.

In 2010 an additional office in “Lyublino” was opened, which produces a full range of banking services available to individual and legal entities, with “Kievskaya” being a cash office which allows the customers to perform currency exchange operations, make quick money transfers and ability to buy coins made from precious metals.

We have partnered with international money transfer systems “CONTACT” and “Golden Crown transfers”.

The Bank has entered into the customs payment system “Green corridor”, internet-banking payment system “HandyBank” and also became a member of the trading system “Reuters Dealing”.

Bank has demonstrated a confident and significant financial growth, which is greatly reflected inside the annual report.

Our successes in 2010 – merit of our cohesive, highly professional and energetic team. The bank is aiming towards an active growth and development, and we are amongst the fastest growing commercial banks in Russian Federation.

SLAVIA Bank is striving towards mutually beneficial relationships with clients and partners.

We highly appreciate your trust and would happily welcome an opportunity to reassure you of our exceptional service quality.

Chairman of the board, V.V. Goroshkov

# Bank of today

The Joint Stock Commercial Bank "SLAVIA" (closed joint stock company)\* is one of the most stable and dynamically developing commercial banks in Russia.

The Bank, which was founded at the initiative of the group of Russian and foreign investors, has been acting from 1994.

The Bank SLAVIA has the license of the Bank of Russia No. 2664 for making of operations in Russian roubles and foreign currency with legal entities and individuals.

The Bank is the member of the deposits obligatory insurance system (on September 7, 2005 it was included into the register of member-banks under No. 892).

By the resolution of the Federal Customs Service the Bank was included into the register of banks and other lending organizations, which may act as the guarantor to the customs authorities.

The Bank SLAVIA is the effective member of the Russian Banks Association and Moscow Banking Union.

Currently the Bank is the universal financial-lending institution, specializing on service to corporate and private customers, rendering a wide range of banking products and services.

The Bank possesses up-to-date suite of tools for making of interbank settlements in the national and foreign currencies, including through use of S.W.I.F.T. system.

The Bank SLAVIA is connected to the trading system Reuters Dealing negotiating and transacting at the interbank market.

The Bank issues and serves customs cards, VISA and MasterCard international payment system cards, is the acquirer-bank of MasterCard Int. and Visa Inc, makes money remittances in Anelik, Allure, Fast Post, MoneyGram, Interexpress, Asia-Express, Leaser, Unistream, Western Union, Golden Crown systems.

From May 1, 2010 the Bank has introduced the new service for its customers – remote banking service of the legal entities' accounts, which enables the Bank's customers to operate their accounts via Internet adequately.

The Bank makes money remittances, credit-deposit and currency exchange operations, securities operations, cash collection of money, sells memorable coins of precious metals, leases individual banking safes and makes other banking operations.

The rating agency "Expert RA" has confirmed the solvency rating of the Bank at the level B++ "Acceptable level of solvency". The main factor, which positively affects the Bank SLAVIA's solvency, is the high level of the equity adequacy.

The long-term experience of the Bank's efficient work helps it to hold steady positions at the financial services market, justifying the hopes of customers and preserving its unstained reputation.

# 2010 in events

**January** – the Bank SLAVIA took the 47th place in the TOP-100 most active operators of the Delta trading system of Moscow International Currency Association (MICA) on amount of transactions made in RUB-O/N instrument.

**March** – the additional office "Lyublino" was opened, where the full spectrum of banking services for individuals and legal entities is rendered.

**April** – the cash office outside the cash centre "Kievskaya" was opened. COOCC "Kievskaya" provides the Bank's customers with the opportunity to make currency exchange operations, make termed money remittances, purchase coins of precious metals.

**May** – the Bank SLAVIA introduced the new service for its customers – remote banking service of the legal entities' accounts.

The annual General Meeting of the Bank SLAVIA Shareholders took place. The Bank's net profit for the financial year of 2009, upon resolution of the General Meeting of Shareholders, was directed to form the reserve fund.

**June** – the Bank SLAVIA signed the agreement with JSCB "RUSSLAVBANK" (CJSC), clearing centre of the International money remittances and payments system CONTACT to make money remittances within the correspondent network.

**August** – the Bank SLAVIA became the member of the customs payment system "Green Corridor" proposing to those legal entities and individual enterprisers, engaged in the foreign economic activity, to use the services of the payment system on customs duties, taxes and customs charges through micro-processing bank cards.

The Bank SLAVIA became the partner of the system "Colden Crown – Money Remittances" for execution of instant money remittances.

**September** – the rating agency "Expert RA" has confirmed the solvency rating of the Bank SLAVIA at the level B++ "Acceptable level of solvency".

**October** – the Bank SLAVIA expanded the network of appliances for free-of-charge withdrawal of cash money. The cash withdrawal is free of any fee in ATMs and POSs – Bank's terminals – of the partner OJSC "Promsvyazbank" from the cards of the Bank SLAVIA.

The cash office outside the cash centre "Tomilino" was opened. It renders the full spectrum of banking services for individuals.

**November** – the Bank SLAVIA connected to the internet-banking payment system HandyBank. Retail customers of the Bank SLAVIA got access to a perfect and needed service of the remote banking service.

The Bank SLAVIA became the member of the trading system Reuters Dealing, allowing to have online negotiations and transactions at the money and currency markets with the correspondent banks.

**December** – the Bank SLAVIA and the Open Joint Stock Company "Russian Bank of Development" entered into the Loan Agreement for financing of small- and medium-size enterprises in the amount of RUR 100 (one hundred) million.

The Bank SLAVIA took part in the 2nd international forum on intellectual property "Expriority' 2010".

The Bank SLAVIA continued the cooperation with the World Wild-life Fund (WWF) and made the charity contribution, which was directed on preservation of Amur tigers in Russia.



# Yes!

Bank SLAVIA aspires towards creating and conserving our cohesive team of professionals.

Hramov Dmitriy  
Aleksyevich,  
Head of Human Resources



## Corporate governance and human resources policy

The management process in the Bank SLAVIA is based on general standards of corporate governance, acceptable for the Russian Federation lending organizations.

The supreme managerial body of the Bank is the general meeting of shareholders, which elects the Members of the Bank's Board of Directors on the annual basis. The Bank's Board of Directors undertakes the solution of issues regarding the general management of the Bank's activity.

Management over the current activity of the Bank is carried out by the Bank's Board – a collegial executive body of the Bank, which is headed by the Chairman of the Board, being the sole executive body of the Bank. Each member of the Bank SLAVIA's Board is the real professional in banking, having a great experience of successful work.

The Bank has a staff structure, comprising of Departments, Services, Divisions and Sections, which is built for execution of the resolutions of the Bank's management and control bodies. The Chairman of the Board and each Deputy Chairman of the Board of the Bank heads or supervises one or several structural units of the Bank.

Availability of the highly qualified staff is the foundation for the long-term success in the Bank's strategy implementation.

The Bank SLAVIA intends to create and preserve the united team of professionals. The Bank's balanced human resources policy makes it possible to form the composition of employees out of the most prospective and well-trained specialists.

If compared with 2009 the quantity of employees in the Bank grew for 8.7 % and as of 01.01.2011 they were 224 persons.

Understanding that achievement of the raised goals is impossible without a high quality progress of qualification and professionalism of staff, the Bank SLAVIA takes care about the training of its employees and makes it possible for them to actualize themselves.

There is a continuous work at improvement of the staff motivation and incentive system.

Great attention is paid in the Bank to the corporate culture as focused on each employee to form the sense of involvement to the Bank's achievement of high showings, as well as to create the team of like-minded persons, united by common aims and objectives.

## Risk Management

Modern standards of banking risk management.

Organization of the Bank SLAVIA's activity on risk control and management is based on the conventional for the world practice principles and approaches. One of the major strategic tasks of the Bank lies in provision of the optimal balance between the profitability and risk.

The risk management system, allowing to take risks into account both at the stage of managerial decision-making and in the course of banking, functions in the Bank. This system is based on timely revelation of potential risks, their identification and classification, analysis, measurement and estimation of items under risk, as well as on application of certain methods to manage the Bank's risks.

The Bank's activity in the area of risk management lies in detection, estimation, monitoring and minimization of risks.

The basic risks, which the Bank bears in its activity as an economic entity, include undoubtedly the credit risk and the risk of the liquidity loss.

The credit risk management is understood as the mechanism to manage the Bank's operations aiming at reduction of losses (damages) in the result of the debtor's failure to execute, untimely or partial execution of financial liabilities pursuant to the agreement's terms and conditions.

Estimation and analysis of credit risks are the main essence of the Bank's operation during the lending to individuals and legal entities, and cover all the stages of such operation – from analysis of the credit application of the potential borrower until completion of settlements and consideration over the possibility to resume lending.

Credit risk measuring, monitoring and control are carried out at the virtue of the Bank's Credit Policy, which establishes the Bank's major strategy in the area of crediting, according to the approved internal provisions of the Bank. The credit risk management mechanism is the limits, set by the Bank in respect to a single borrower or a group of related borrowers, compliance of limits on risks for individual and joint borrowers, established by the Bank of Russia.

The Bank's limitation policy, setting various restrictions and structural limits as per the amounts of risks, delegation of liability and authorities on decision-making is the integral element of the credit risk management system.

The liquidity risk management is based on development and functioning of the continuous mechanism to restrict the risk that the Bank would fail to execute its own liabilities in full and on time, as well as the limitation of the potential losses' value, connected with the necessity of urgent sale of assets in view of inconsistency of terms to demand (repay) the assets and liabilities.

Subject to internal documents as developed in accordance with recommendations of the Bank of Russia, control and management over the risk of the liquidity loss are carried out in the Bank SLAVIA.

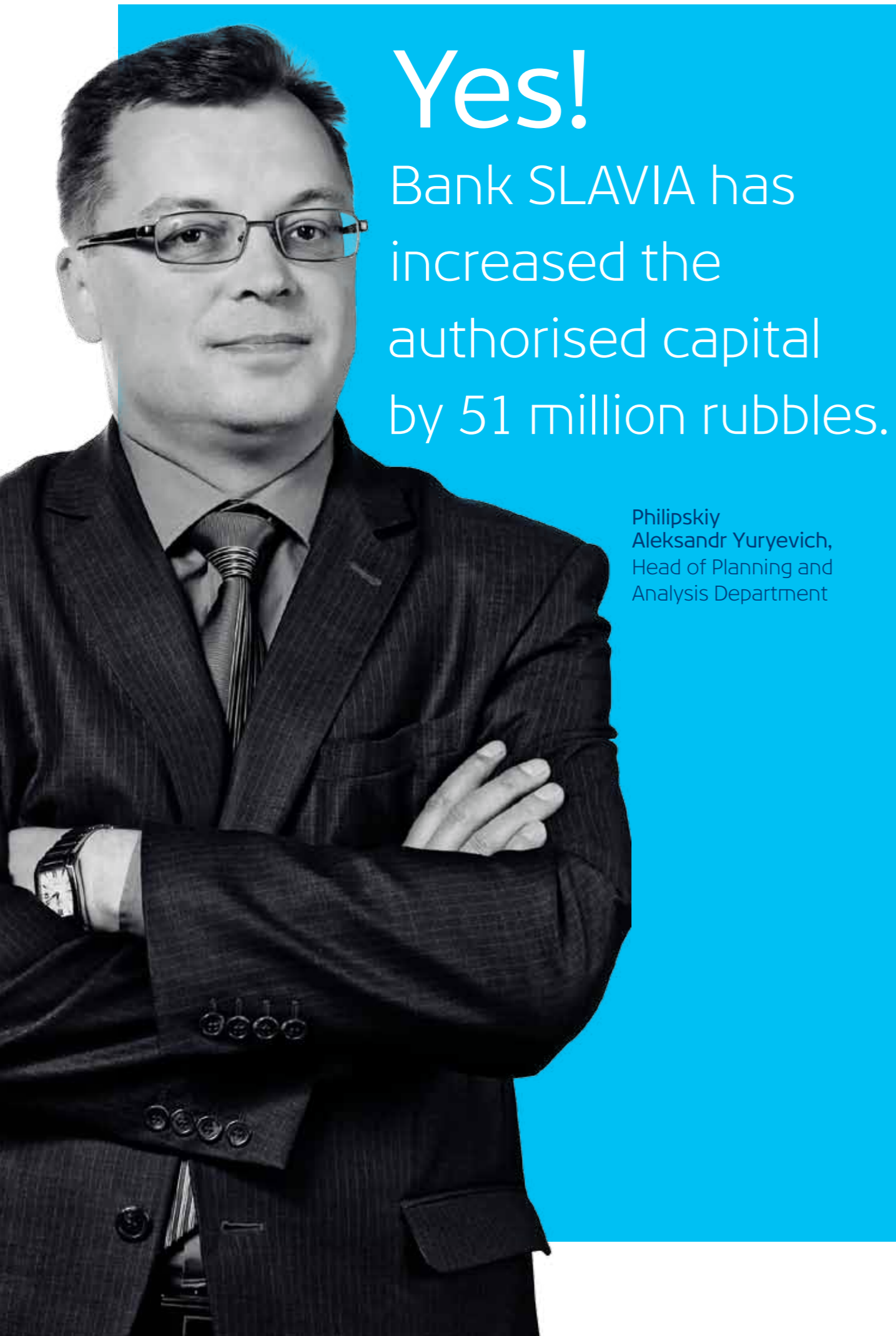
The liquidity regulation is made in terms of the limited values of the liquidity excess (deficiency) ratios and the obligatory economic standards of liquidity introduced by the Bank of Russia.

Specification of optimal liquidity parameters includes both the researches and forecasts of the growth characteristics and resource base mobility, and the necessity to raise the profitability of operations.

In order to sustain the optimal liquidity, the Bank make respective adjustments into the planning of the operations on assets and liabilities, thus, restructuring the demands and obligations as broken by maturities of repayment and demand. The Bank uses procedures of interbank lending, conversion transactions, concluded within the open currency position, aimed at preservation of the permanent solvency and reduction of lost benefit in the result of the emerged excess of liquidity.

The risk control and management system is constantly under improvement. Subject to recommendations of the international banking community, new methods to estimate the risks, procedures to manage certain types of risks and aggregate risk as whole are continuously developed in the Bank.

Yes,  
Bank  
SLAVIA  
is able to  
minimize  
the risks



**Yes!**  
 Bank SLAVIA has increased the authorised capital by 51 million rubbles.

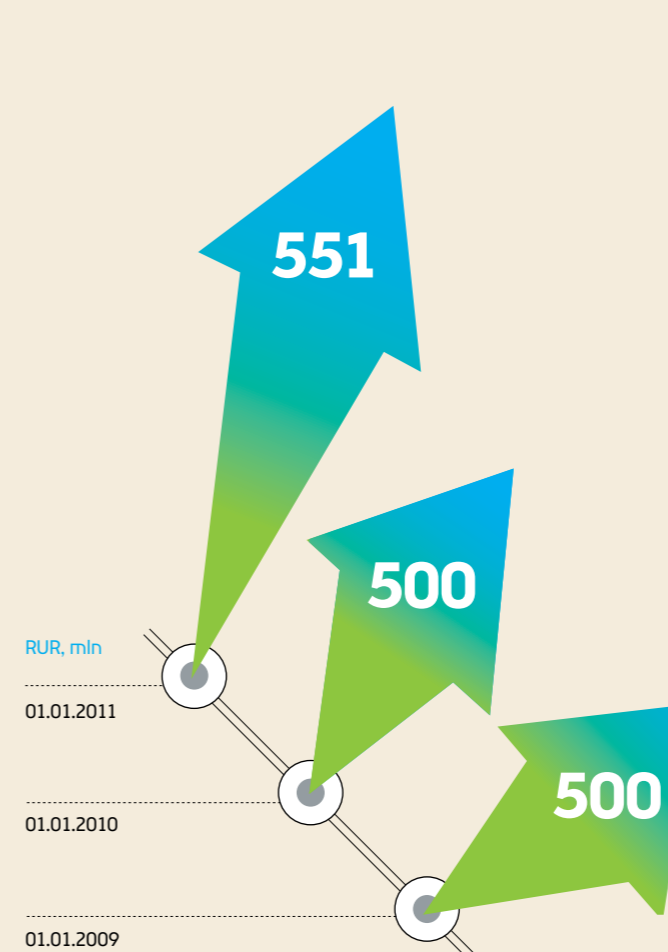
PhilipSKIY Aleksandr Yuryevich,  
 Head of Planning and Analysis Department

## General financial parameters

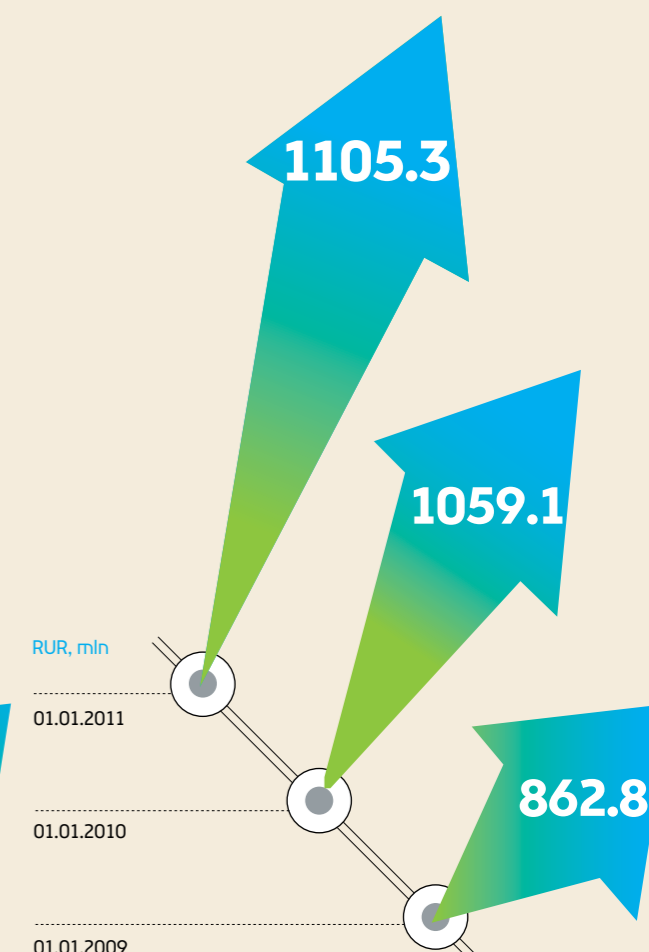
### Bank capital

In October 2010 the Bank's authorized capital was increased for **RUR 51.0 mln.**  
 The amount of the Bank's own funds (equity) grew for **RUR 46.2 mln.** or by 4.4% in 2010.

Authorized capital



Bank's equity

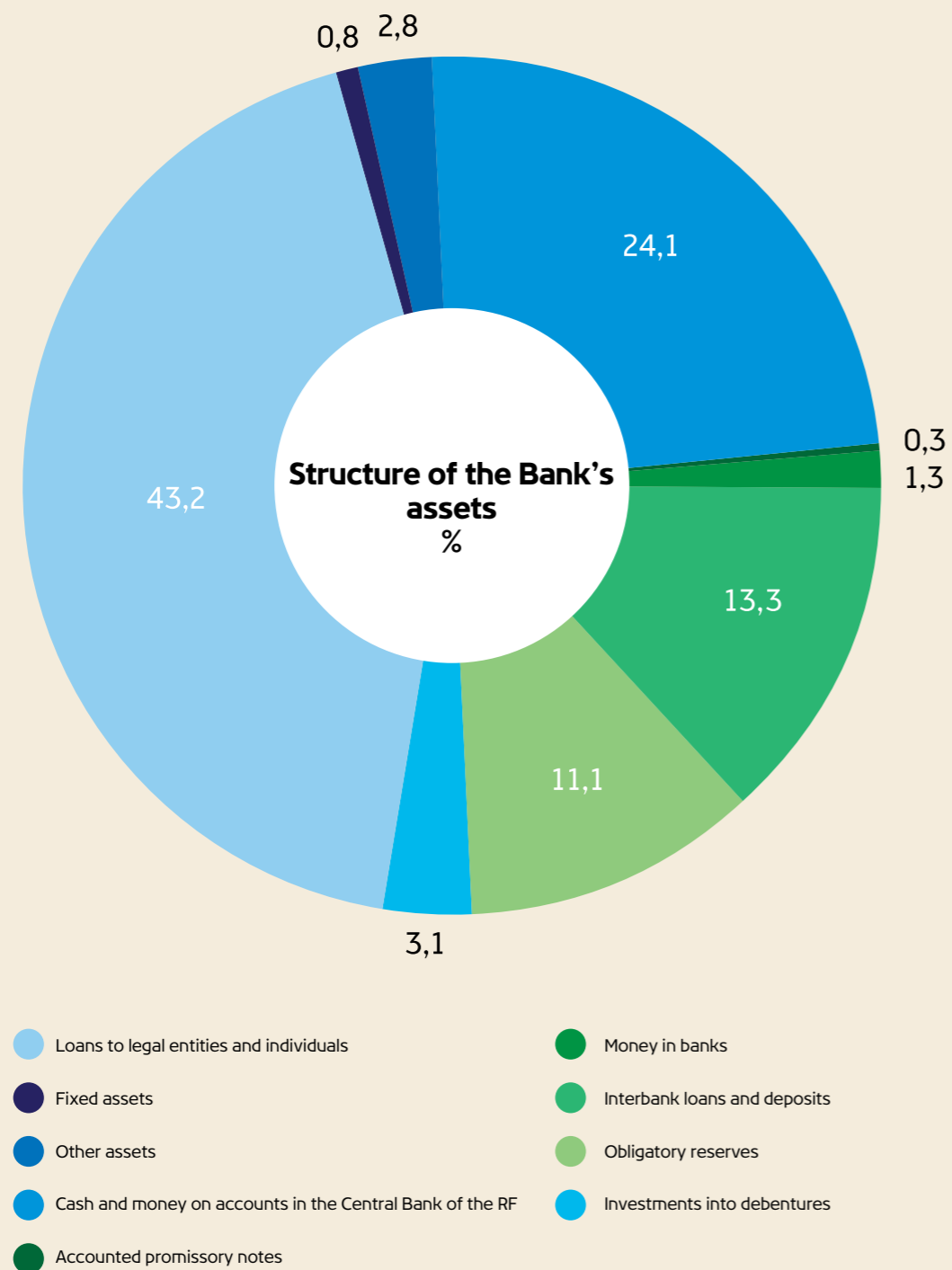




# Assets and liabilities of the Bank

## Assets

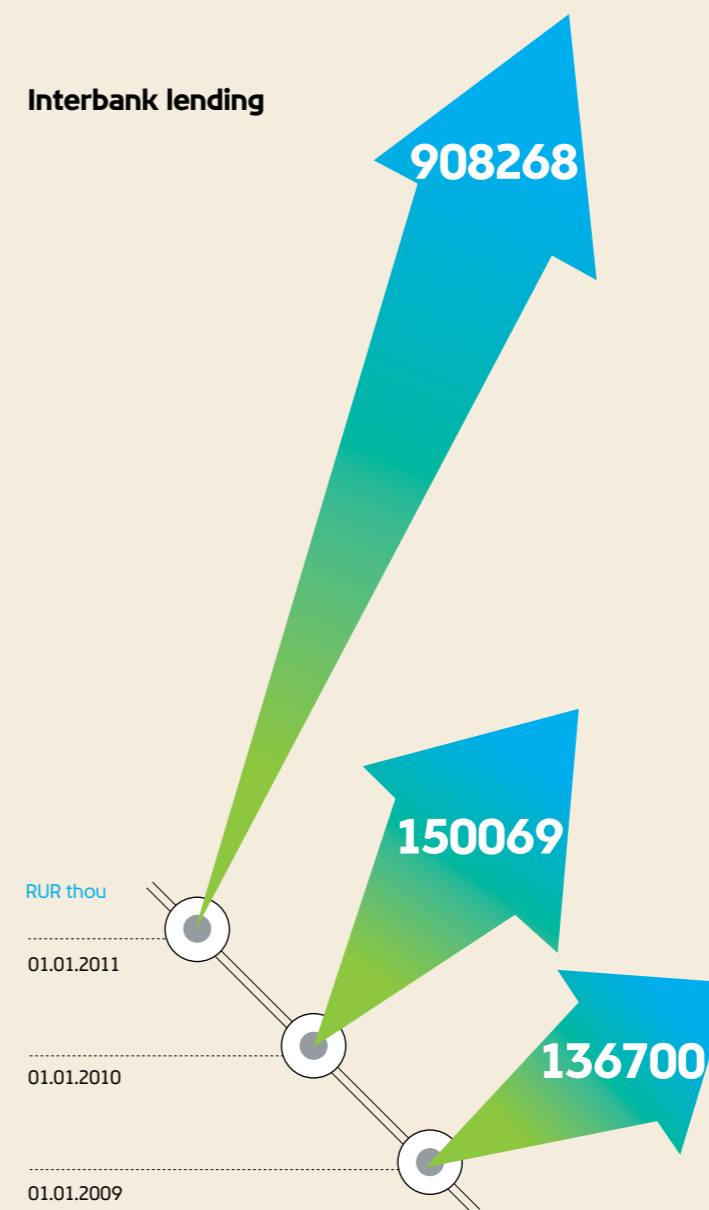
The Bank's assets if compared with the beginning of the year grew by **RUR 3457.4 mln** that is more than twice and made **RUR 6824.9 mln**.



## Assets

The allocation of the temporarily free funds at the interbank market went up in 6.1 folds

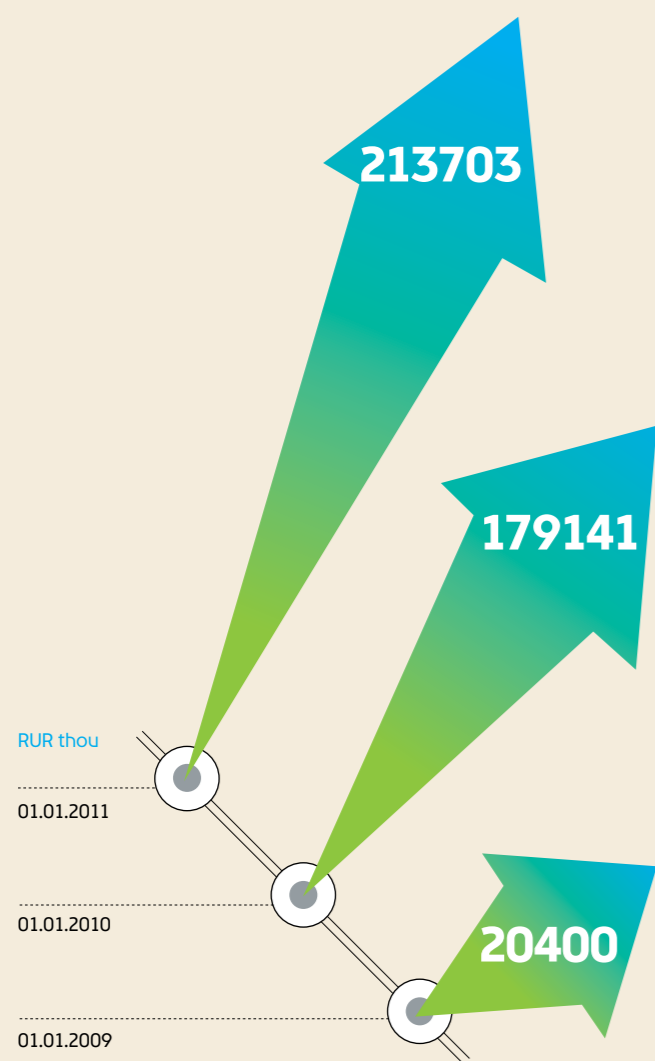
### Interbank lending



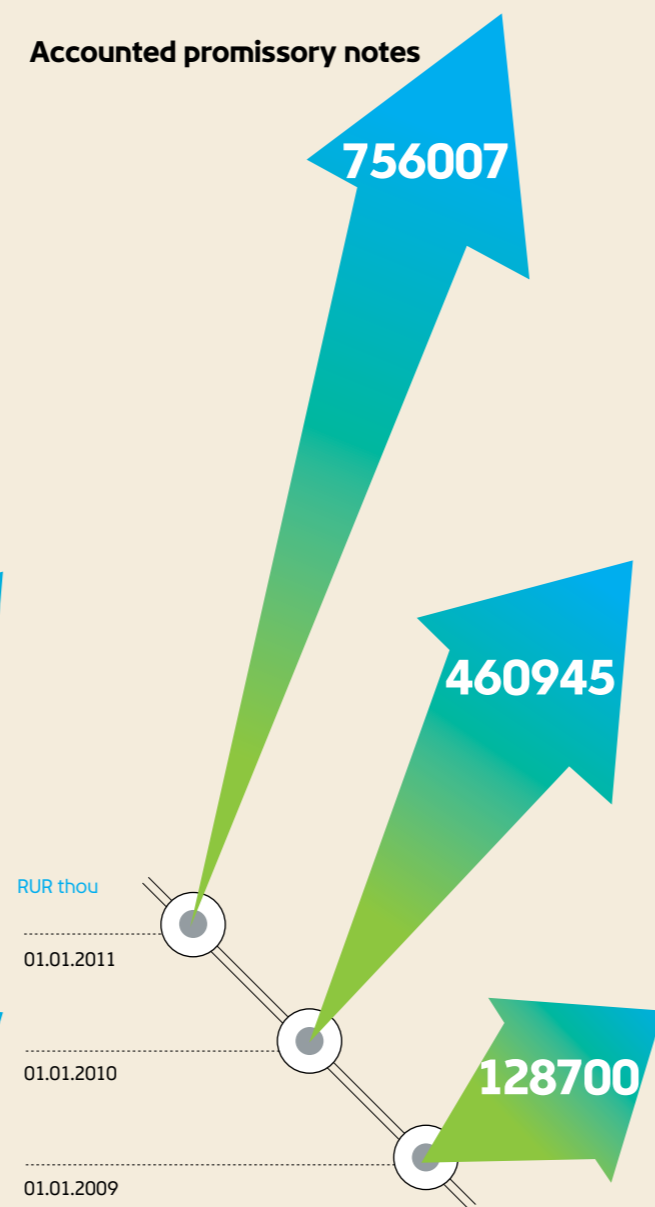
## Assets

The investments into the debentures - **RUR 34.6 mln** or 19.3%.  
 The growth of the accounted promissory notes portfolio constituted **RUR 295.1 mln** or 64.0%

### Investments into debentures



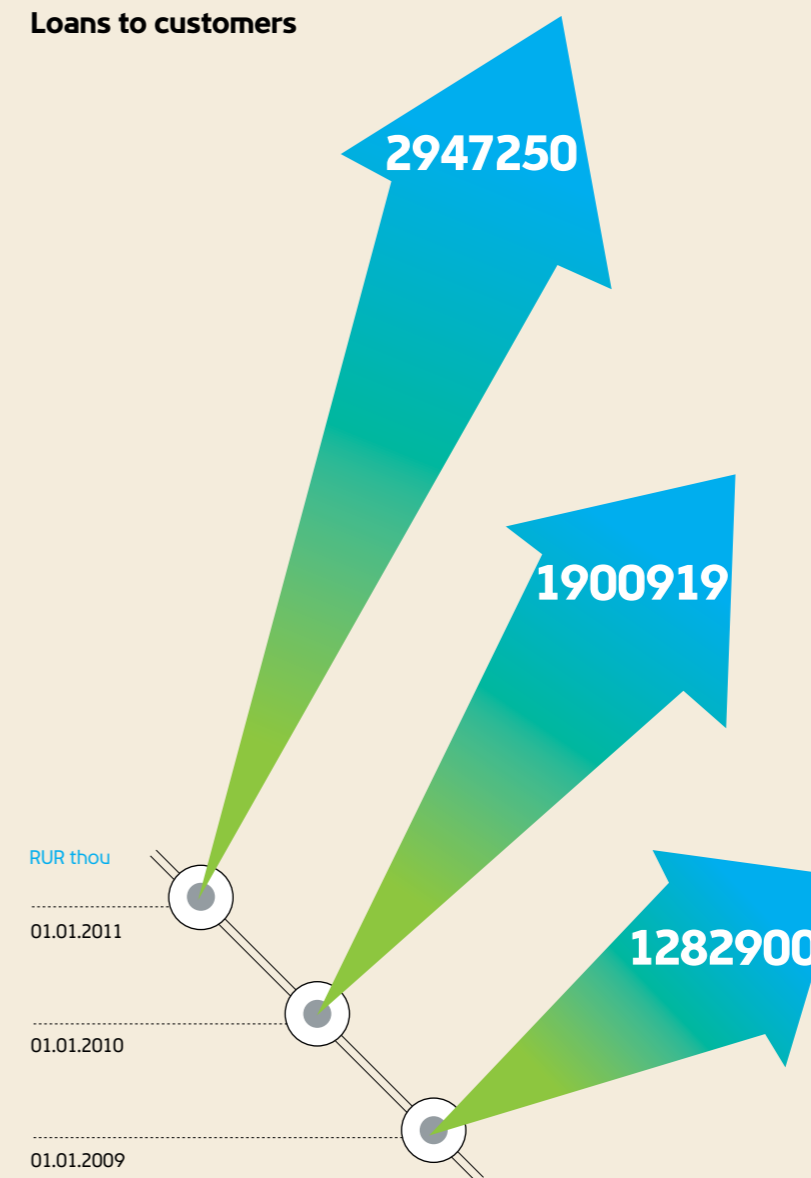
### Accounted promissory notes



## Assets

The Bank's loan portfolio increased for **RUR 1046.3 mln** or by 55.0% and made **RUR 2947.3 mln.**

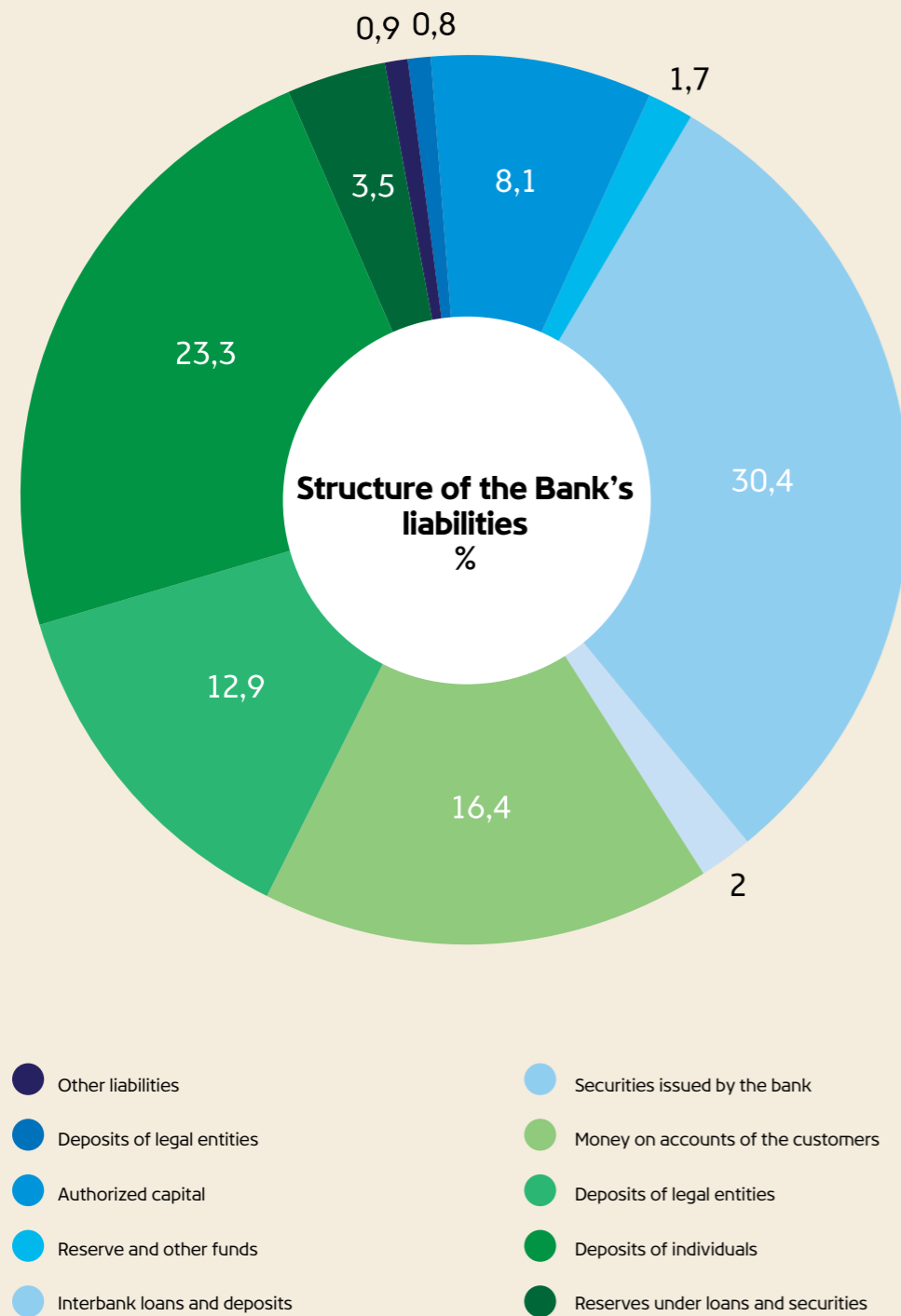
### Loans to customers





## Liabilities

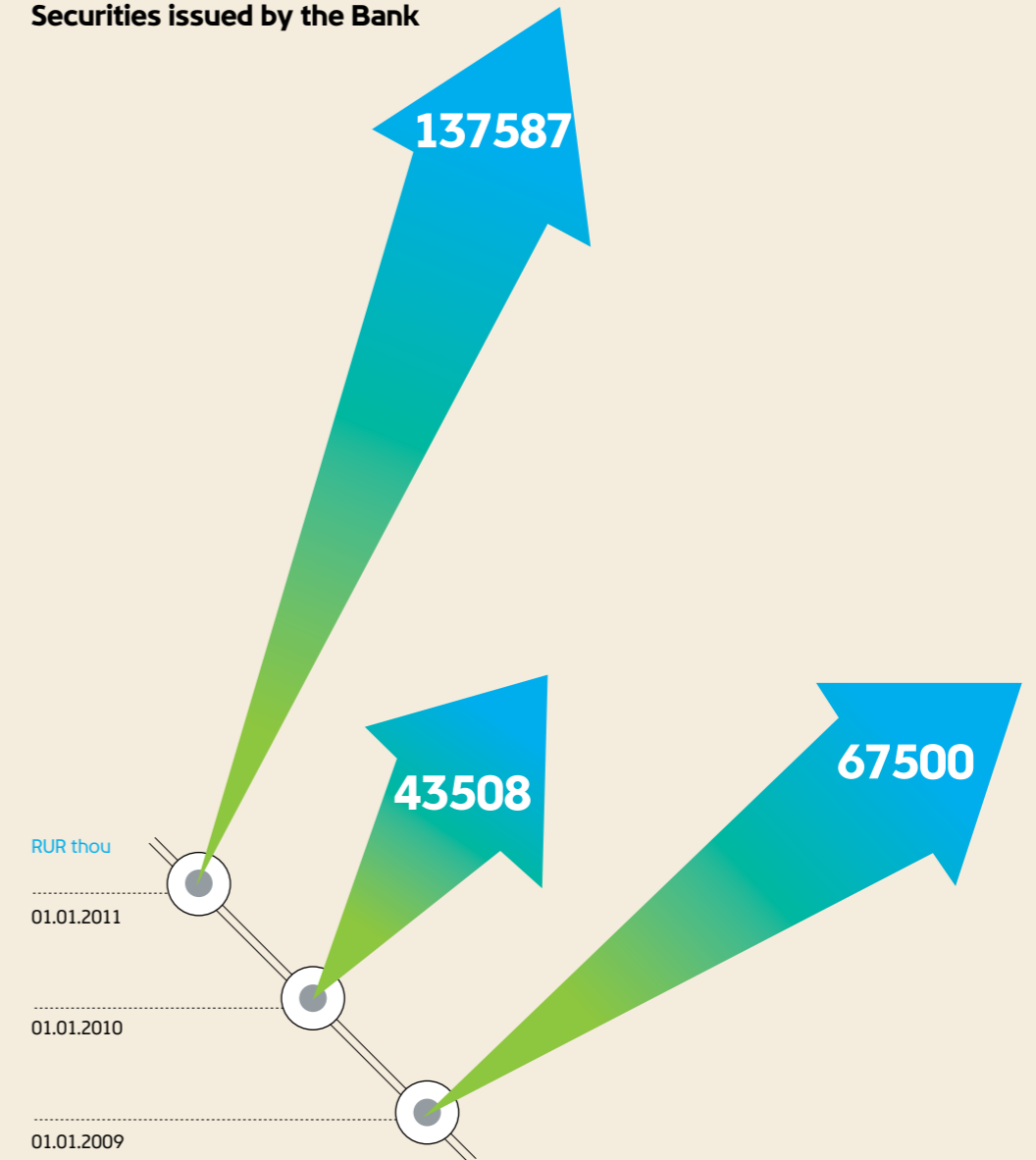
The Bank's liabilities growth within the year under report was facilitated by the increase of the authorized capital by **RUR 51 mln**, expansion of the client base of legal entities and individuals, as well as due to additional attraction of long-term resources, both at the Russian and international interbank markets.



## Liabilities

If compared with the beginning of the year, the amount of the attracted interbank loans augmented for **RUR 1684.6 mln** or in 5.3 folds. The balance of funds on the customers' accounts grew by **RUR 642.4 mln** or 135.4%.

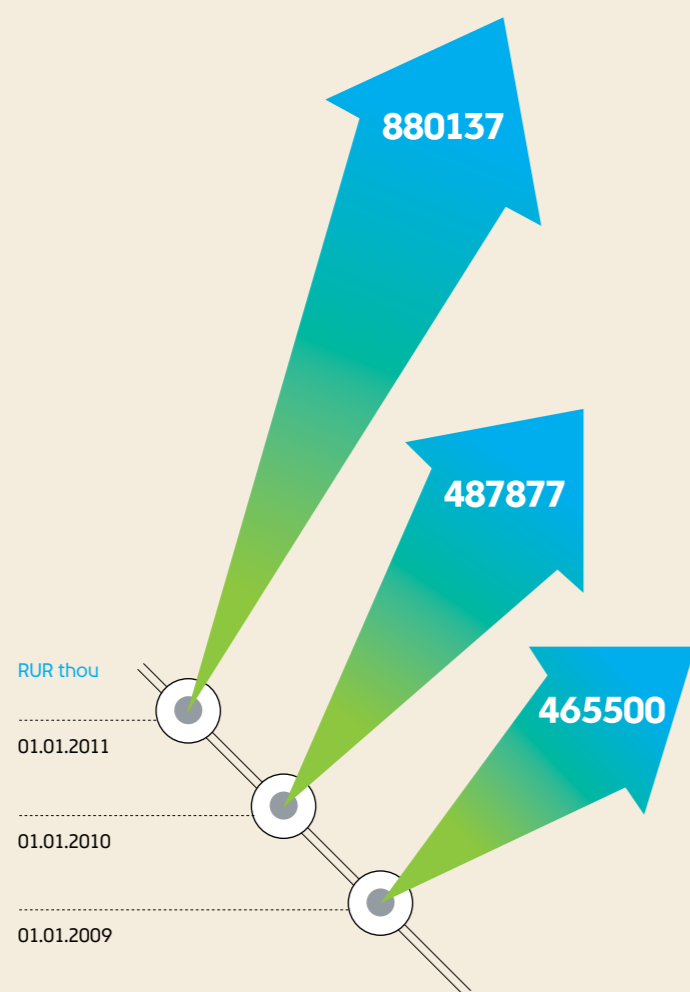
### Securities issued by the Bank



## Liabilities

Deposits of legal entities - by **RUR 392.3 mln** or by 80.4%

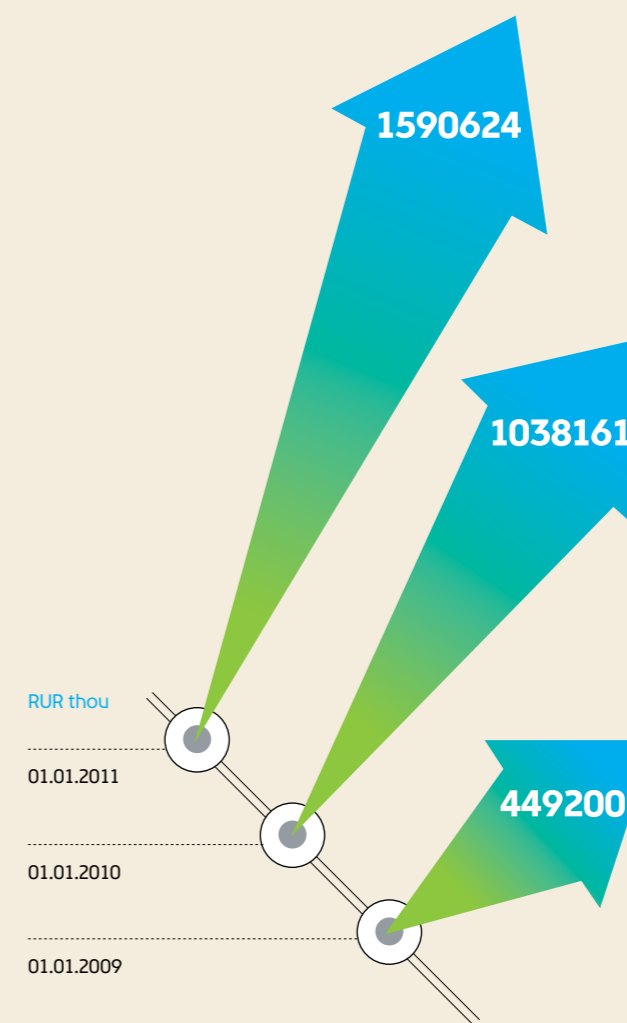
### Deposits of legal entities



## Liabilities

Deposits of individuals - by **RUR 552.5 mln** or 53.2 %

### Deposits of individuals

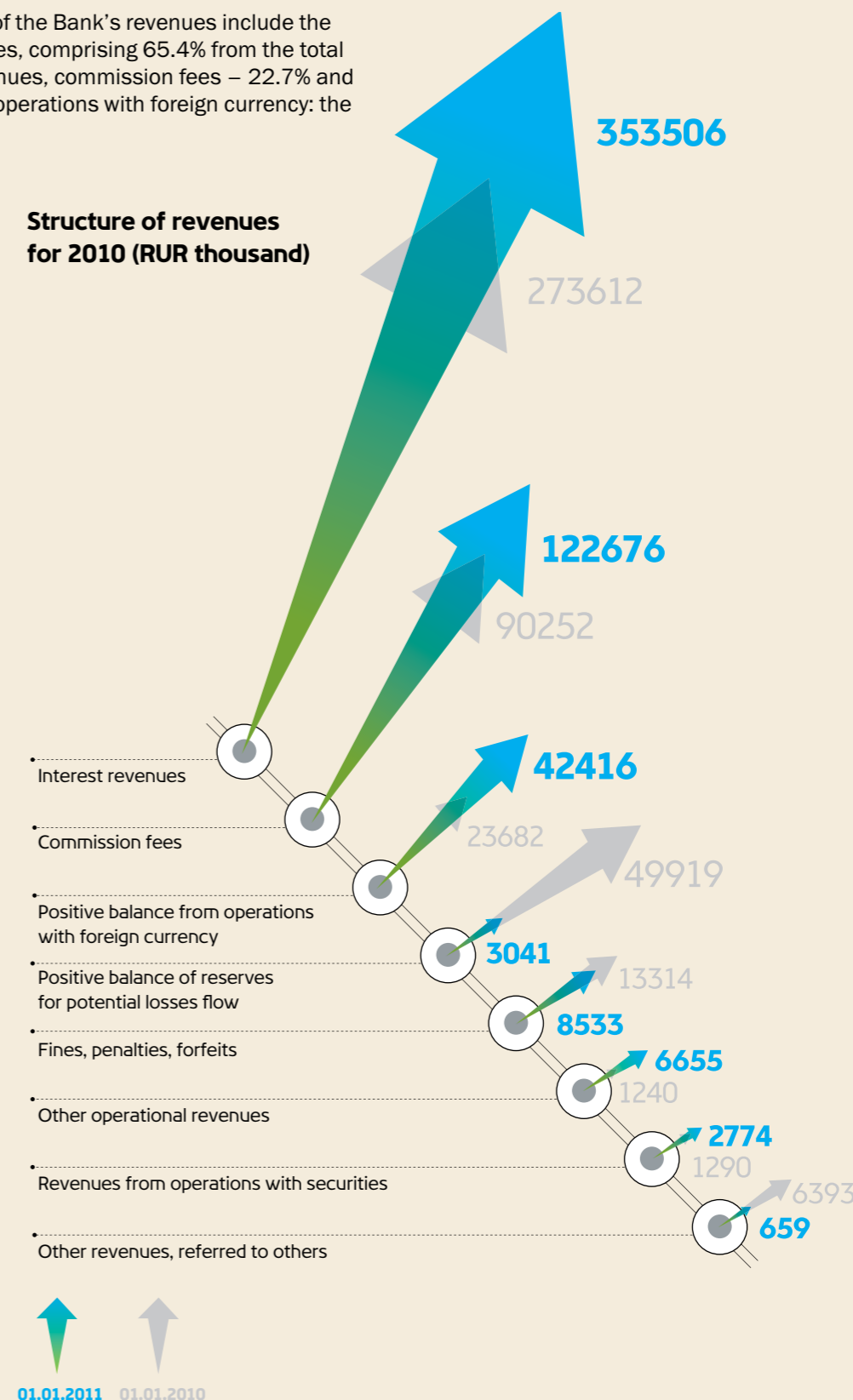


# Revenues and expenses of the Bank

## Revenues

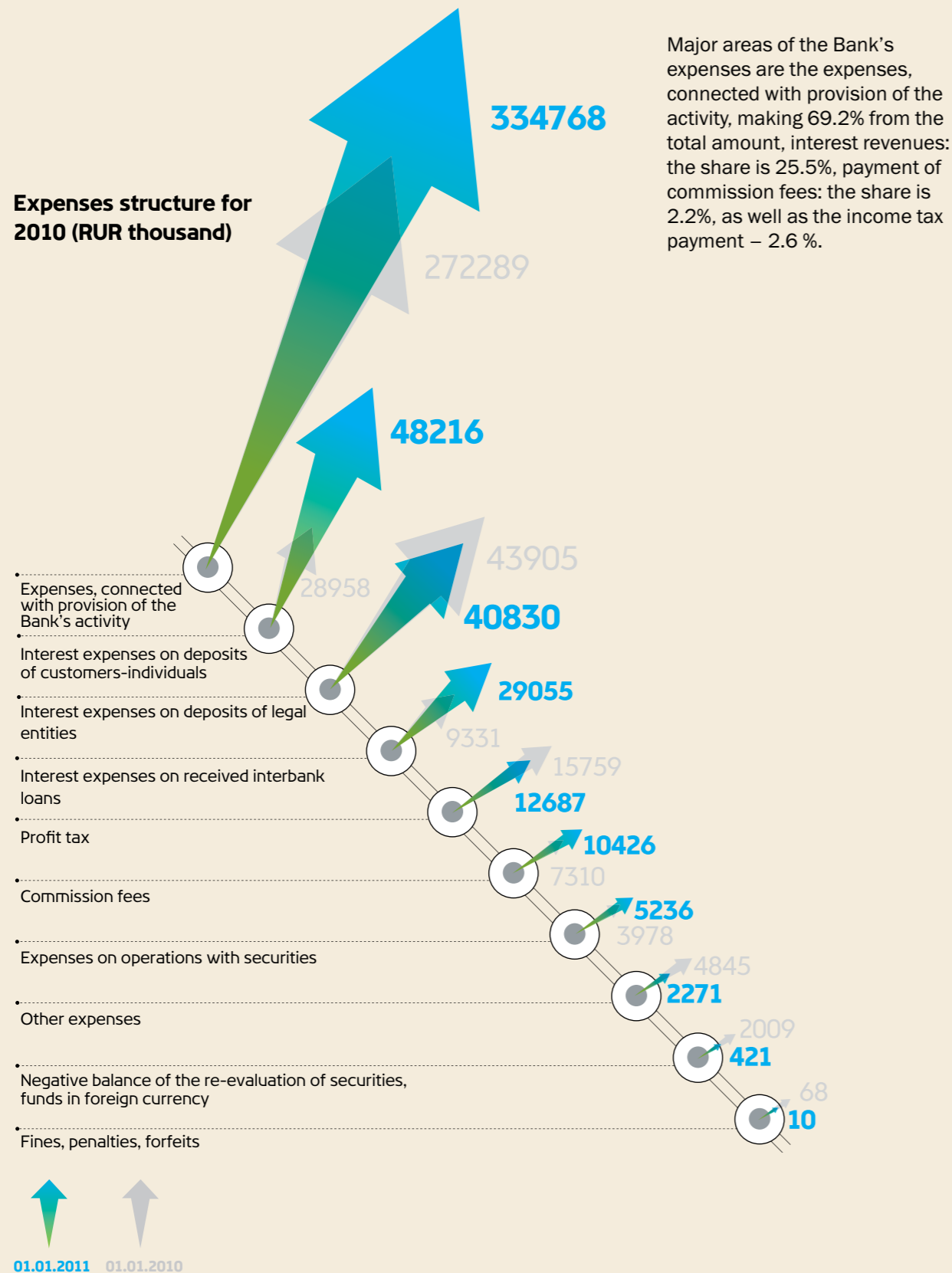
Major sources of the Bank's revenues include the interest revenues, comprising 65.4% from the total amount of revenues, commission fees – 22.7% and revenues from operations with foreign currency: the share is 7.9 %.

Structure of revenues for 2010 (RUR thousand)



Yes,  
Bank  
SLAVIA  
grows and  
develops  
actively

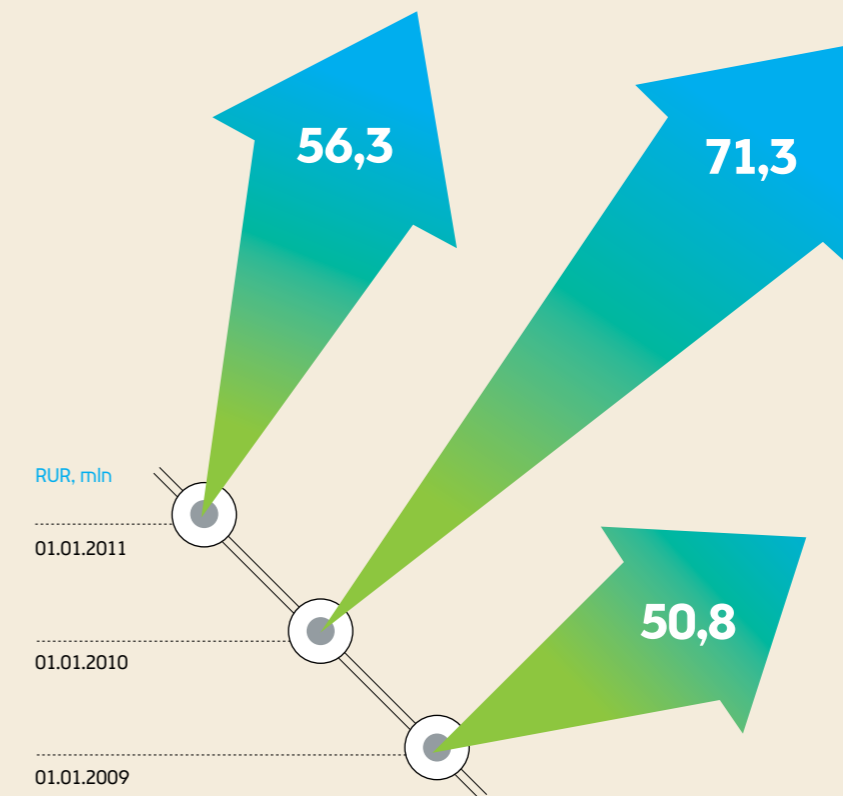
## Expenses



## Profit of the Bank

If compared with 2009 the profit of 2010 went down by RUR 14.9 mln and made **RUR 56.3 mln**. The reduction of the gained profit's amount is stipulated into the Bank's further business development, as well as by additional formation of reserves under potential losses on investments into the assets, which have made it possible to minimize the credit and other risks of the Bank to a large degree.

### Book profit





# Yes!

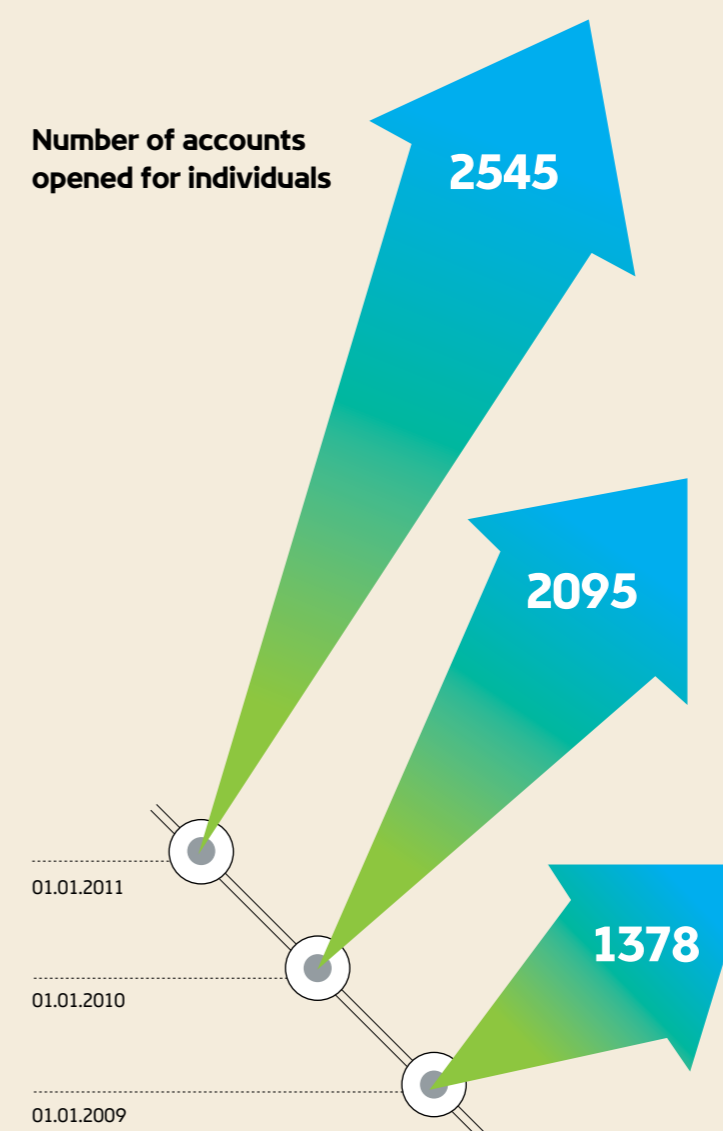
Bank SLAVIA is expanding its range of facilities and provides quality service.

Malishev  
Andrey Gennadyevich,  
Head of Customer Service



## Customer oriented approach

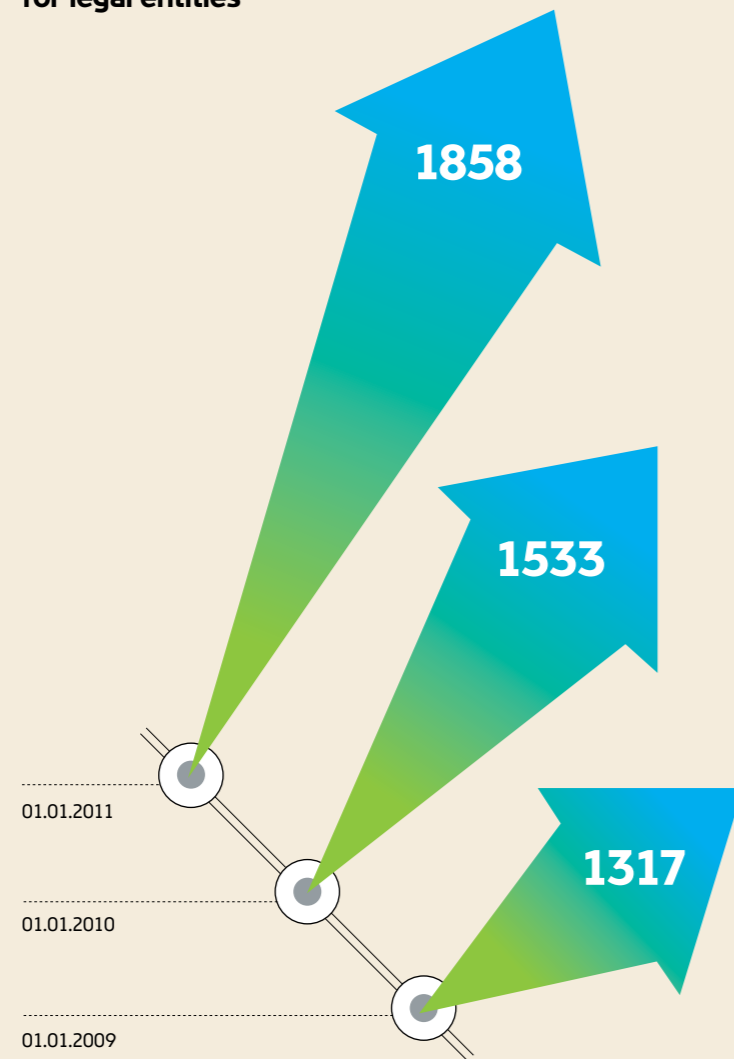
The Bank SLAVIA builds relationships with its customers, focusing on offering the attractive in financial view services to the customers, expansion of their range and rendering of high quality service, which provides the maximal comfort and convenience when making any banking operations.



## Customer oriented approach

The balanced customer-oriented policy has enabled the Bank to attract a considerable number of new customers: if compared with 2009 the number of accounts opened for legal entities grew by more than 17 %. The number of accounts opened for individuals also manifests a stable growth – in 2010 its increase was 18 % if compared with 2009.

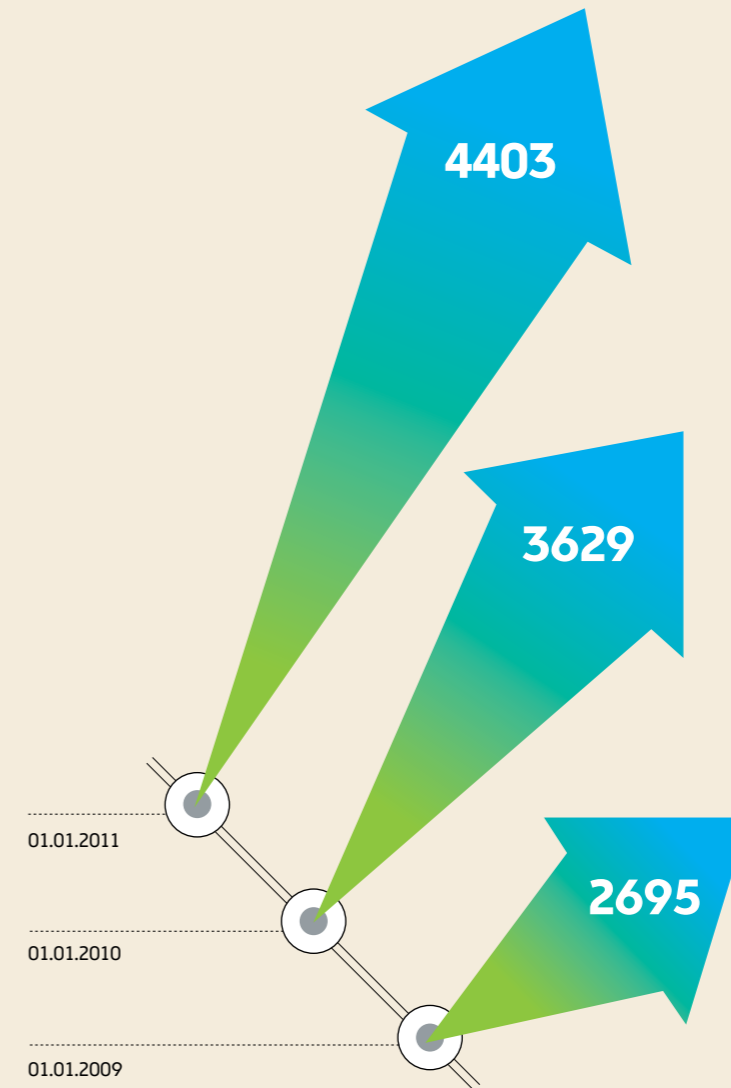
**Number of accounts opened for legal entities**



## Customer oriented approach

Subject to the data as of 01.01.2011 the total growth of the opened account's quantity was 18 %

**Total**





# Yes!

Bank SLAVIA has increased its credit portfolio by 55% due to reasonable policies.

Ozerov  
Dmitriy Vitalyevich,  
Head of Credit  
Department

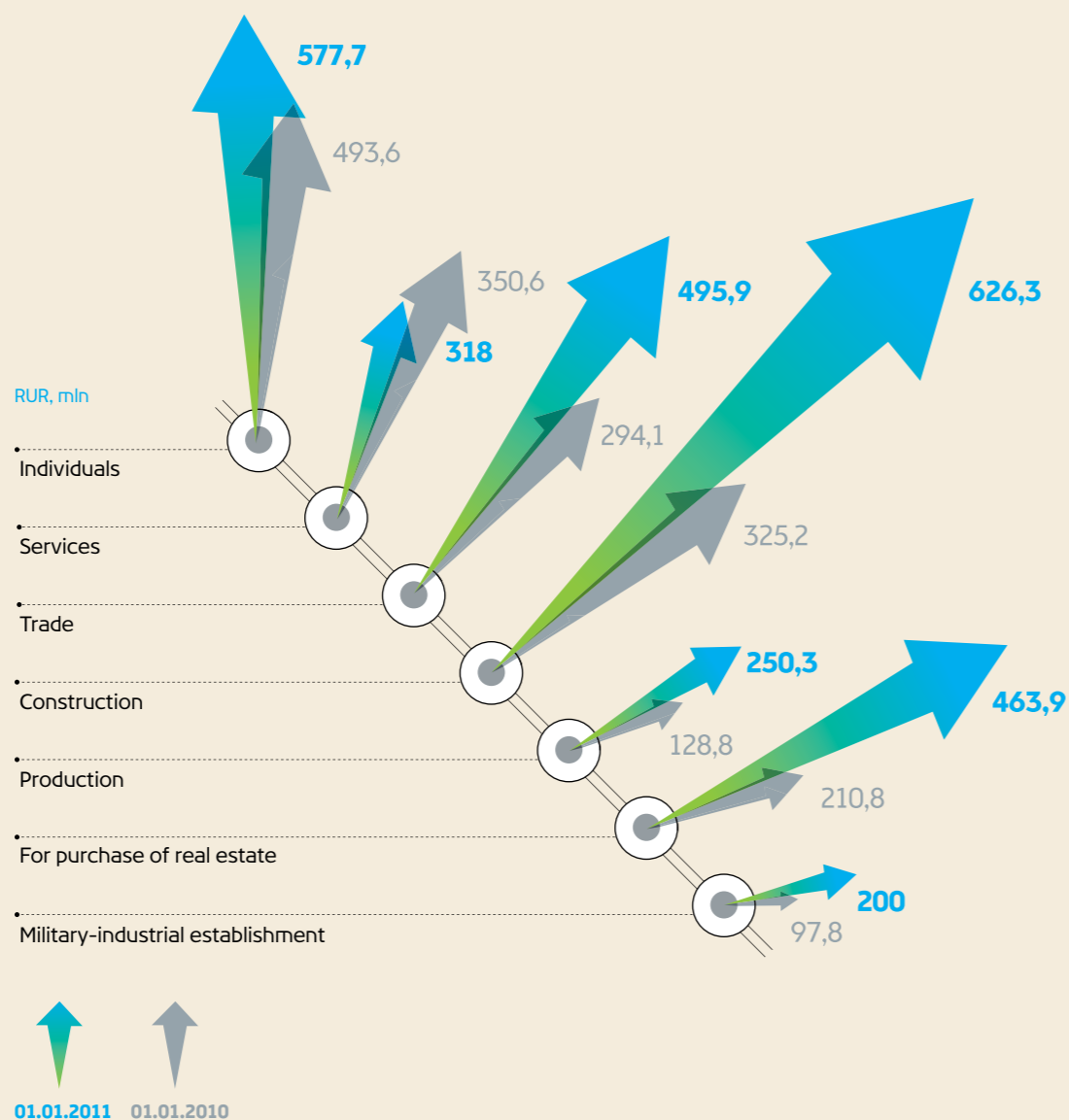
Yes,  
Bank  
SLAVIA of-  
fers various  
types of  
credit  
products.

# Loan Portfolio

Granting of loans is one of the most important areas of the Bank SLAVIA's activity. Crediting is carried out both in the head office and in the affiliates in the town of Lyubertsy in Moscow Region and in the city of Pskov.

The loans are given to companies of various ownership forms and economy branch to replenish the current capital, expand the activity area, purchase of equipment or real estate objects, finance the foreign trade activity and for other purposes. Alongside the Bank does not rely on serving for one industry or industrial group — it is the multi-profile customer bank.

### Dynamics and structure of the loan portfolio for 2009-2010



## Loan Portfolio

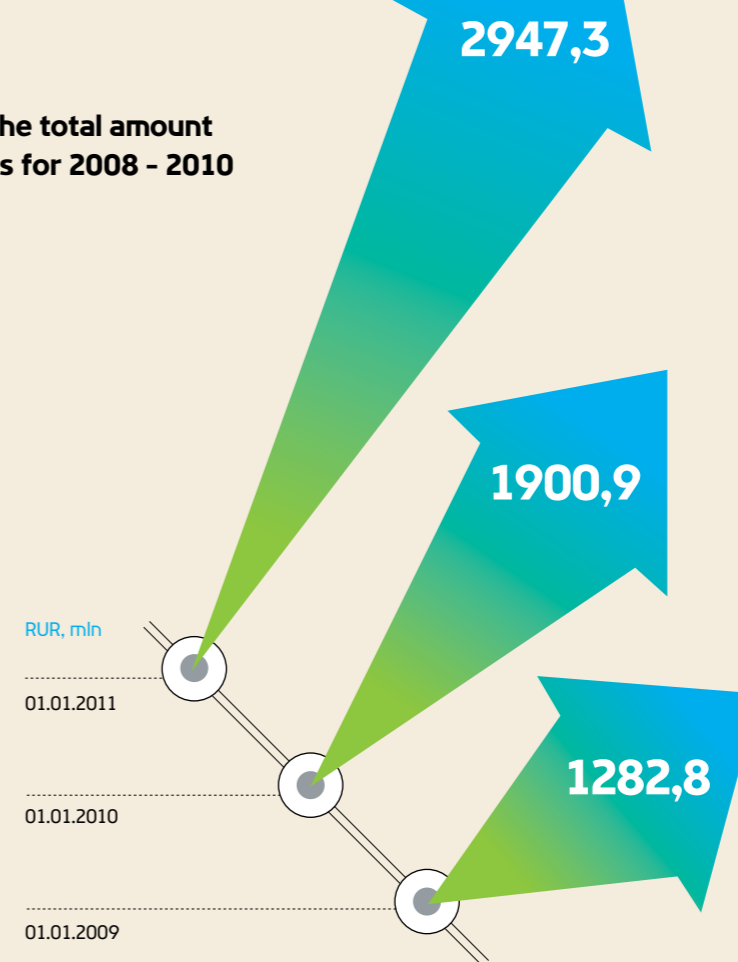
The Bank renders various types of credit products, both with the fixed and variable interest rate, which is tied to the unified conventional indicator. The loans are granted both in roubles and in the foreign currency depending on the payment currency, which will be made at the cost of the borrowed resource, and the currency of its repayment.

The Bank carries out lending to entities of small- and medium-size enterprising, including at the cost of target resources of the open joint stock company "Russian Bank of Development".

Within the entire history of its own, the Bank SLAVIA has been actively working with individuals. Alongside the significant share of retail customers was represented by the employees of the companies, which were the Bank's corporate clients.

Upon results of work for 2010 the Bank's loan portfolio grew for 55 % and made **RUR 2 947.3 mln.**

### Dynamics of the total amount of issued loans for 2008 - 2010

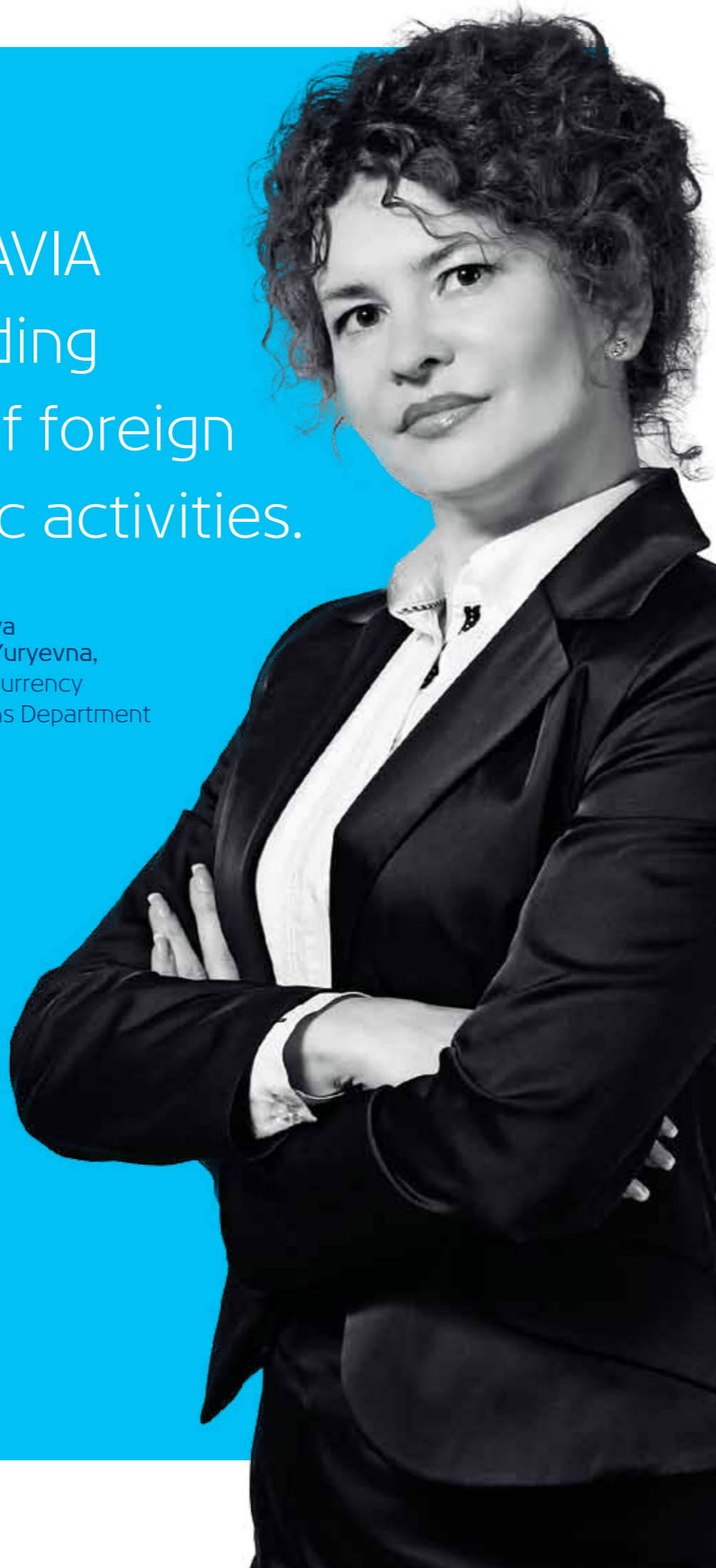




# Yes!

Bank SLAVIA  
is expanding  
service of foreign  
economic activities.

Krasnikova  
Tatyana Yuryevna,  
Head of Currency  
Operations Department



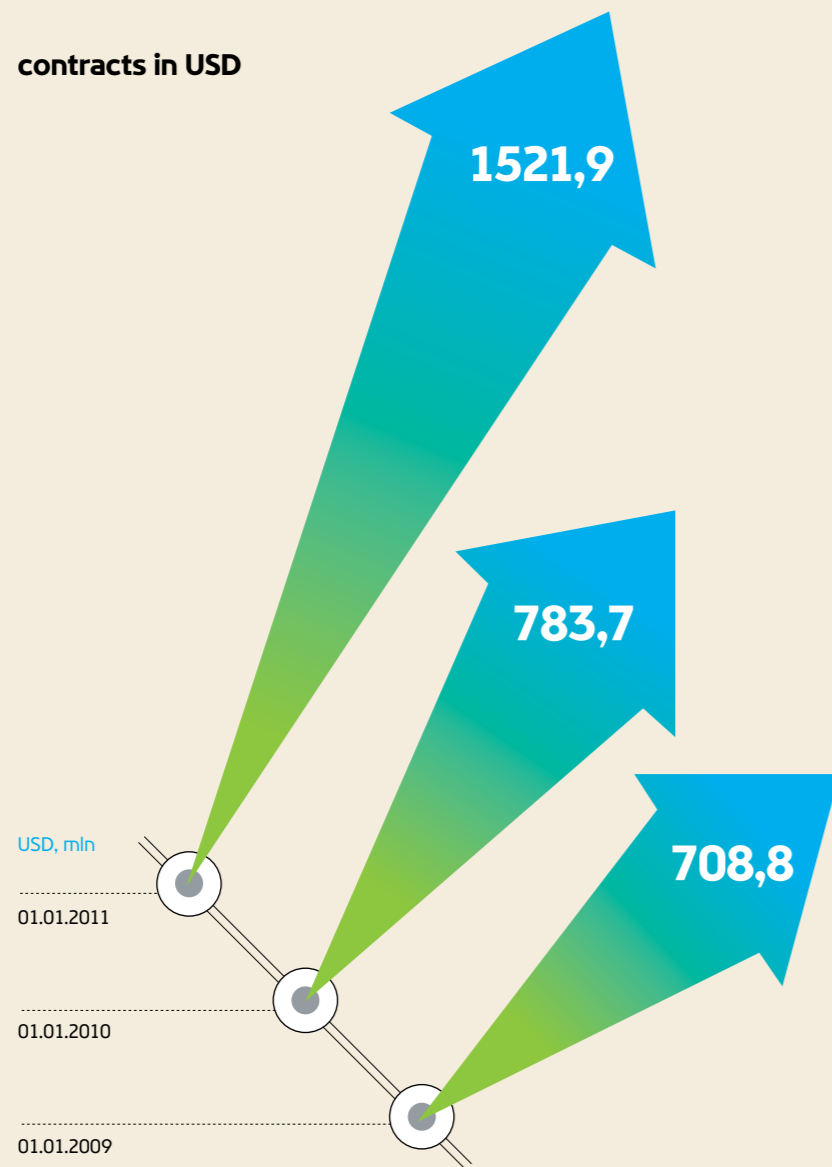
Yes,  
total sum  
of active  
FEA client  
contracts  
has in-  
creased  
3,7 times

# Currency operations

Currency contracts' amounts (pcs, mln)

Upon results of 2010 the Bank SLAVIA has fixed the growth of the total amount of existing contracts on three main currencies: RUR, USD and EUR.

contracts in USD

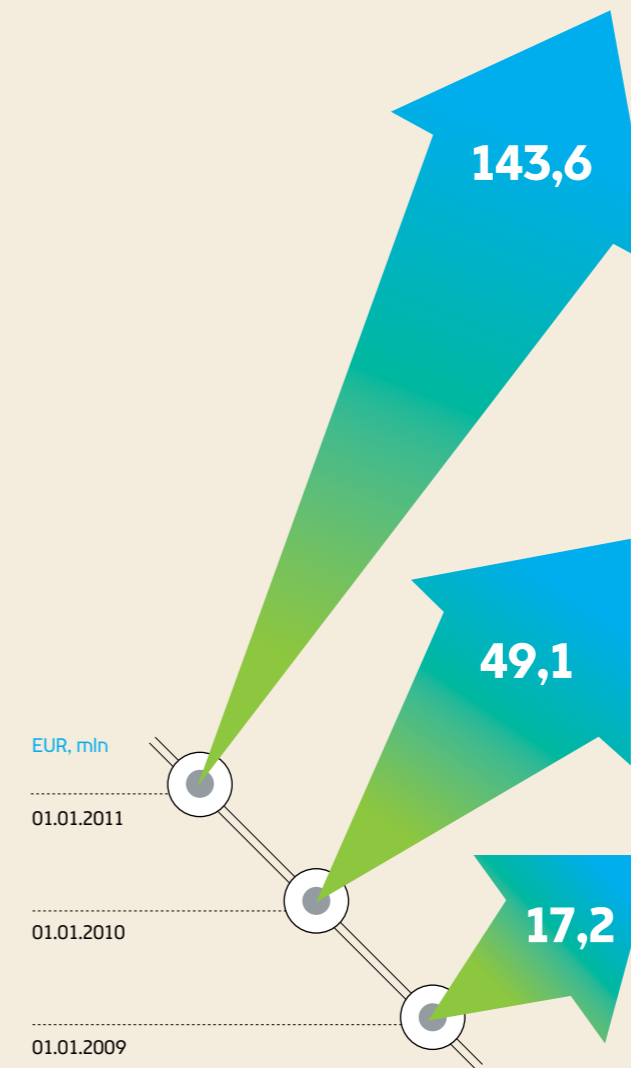


Currency operations

Currency contracts' amounts (pcs, mln)

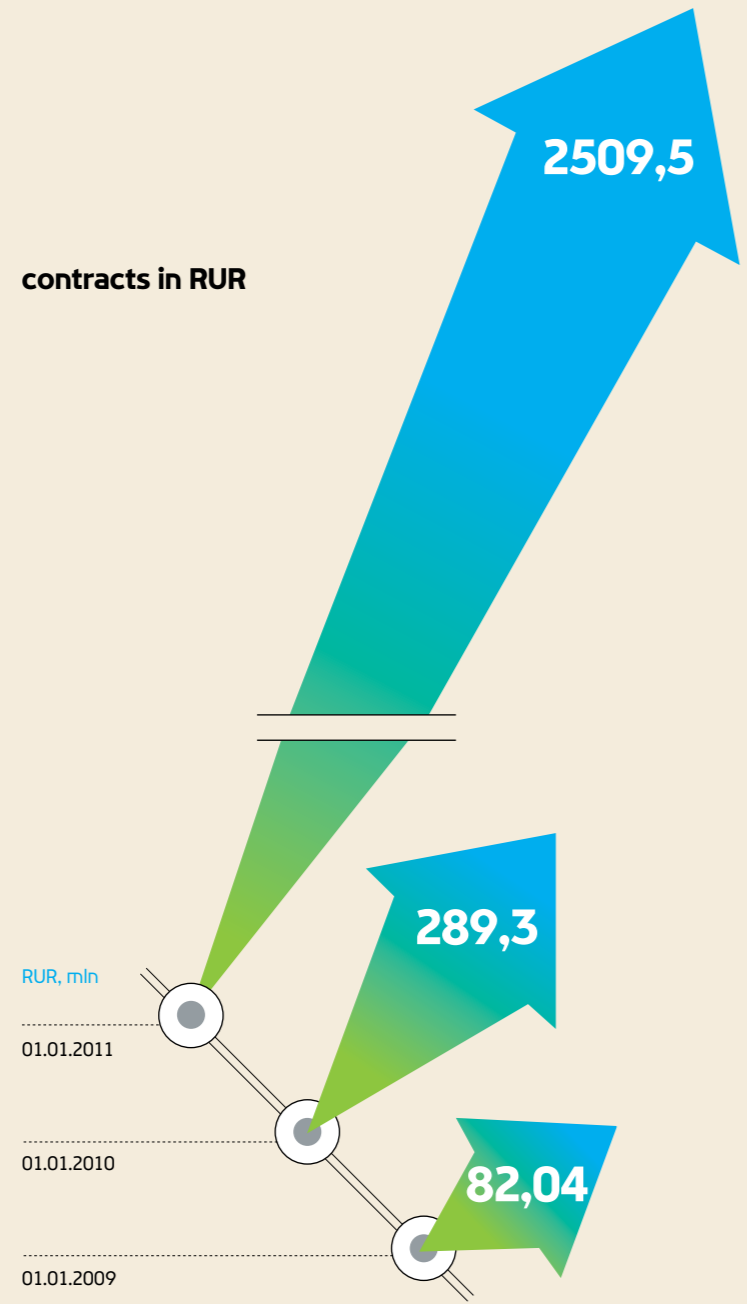
If compared with parameters of 2009 the total amount of contracts, accepted to service in the Bank, has grown on average in 3.7 folds. It is connected with both the increase of the Bank's customer base and improvement of the macro-economic situation as a whole, overcoming of crisis events, which has facilitated the expansion of the foreign trade activity of Russian companies.

contracts in EUR



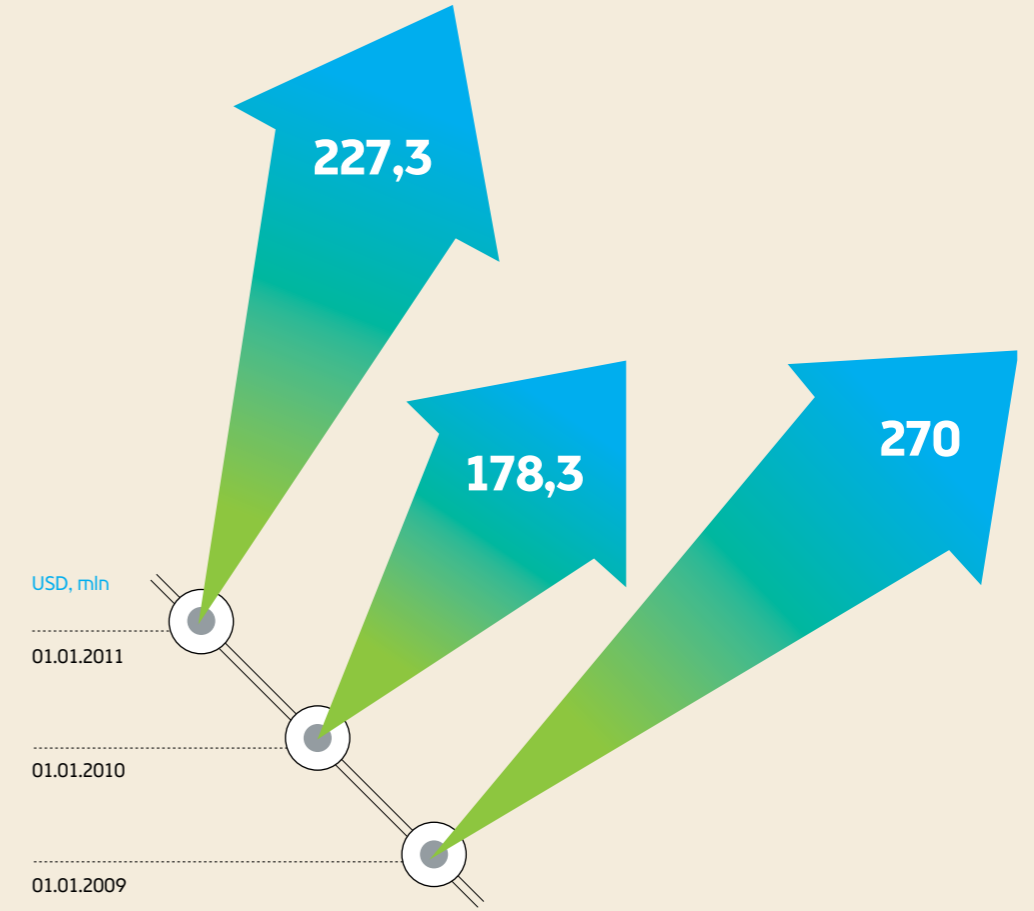
Currency operations  
Currency contracts' amounts (pcs, mln)

Currency operations  
Amounts of currency payments (pcs, mln)



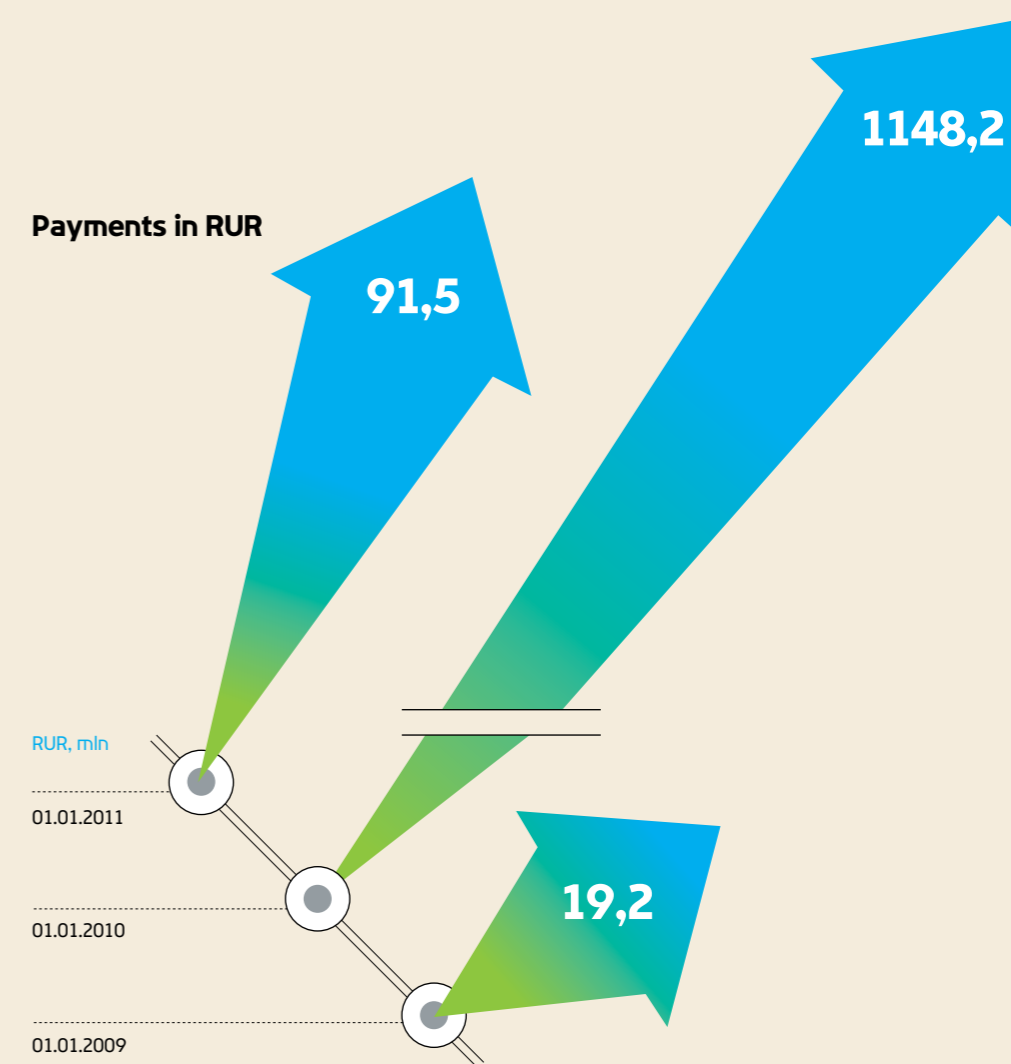
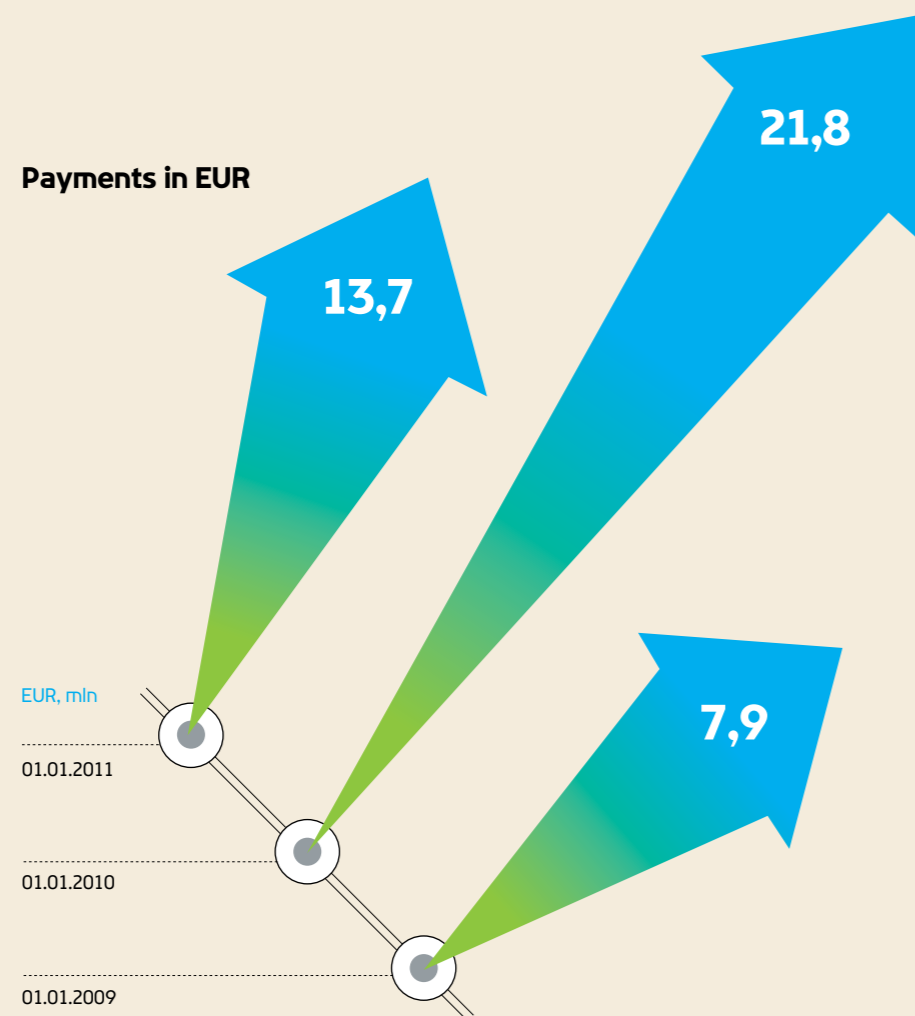
Quality and prompt customer service, a comprehensive package of services for foreign trade, provided by the bank, will greatly increase the volume of payments, carried out under the Foreign Economic Activity.

**Payments in USD**



Currency operations  
Amounts of currency payments (pcs, mln)

Currency operations  
Amounts of currency payments (pcs, mln)







# Yes!

Bank SLAVIA  
has increased its  
securities portfolio  
by 360%.

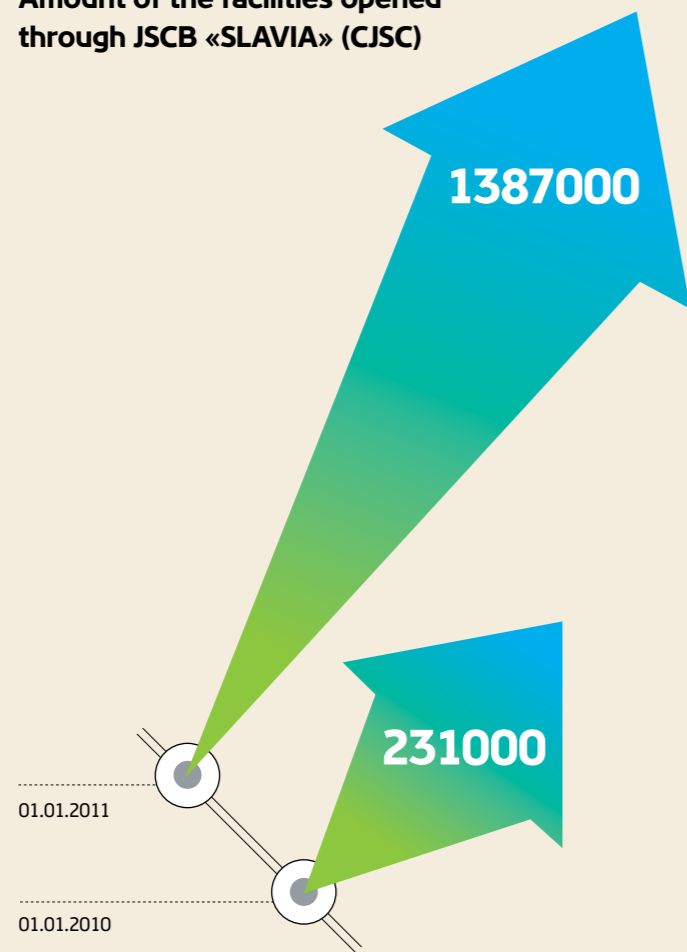
Manukalov  
Sergey Sergeevich,  
Head of Securities  
Department

Yes, Bank  
SLAVIA -  
an active  
member of  
the money  
market

# Treasury operations

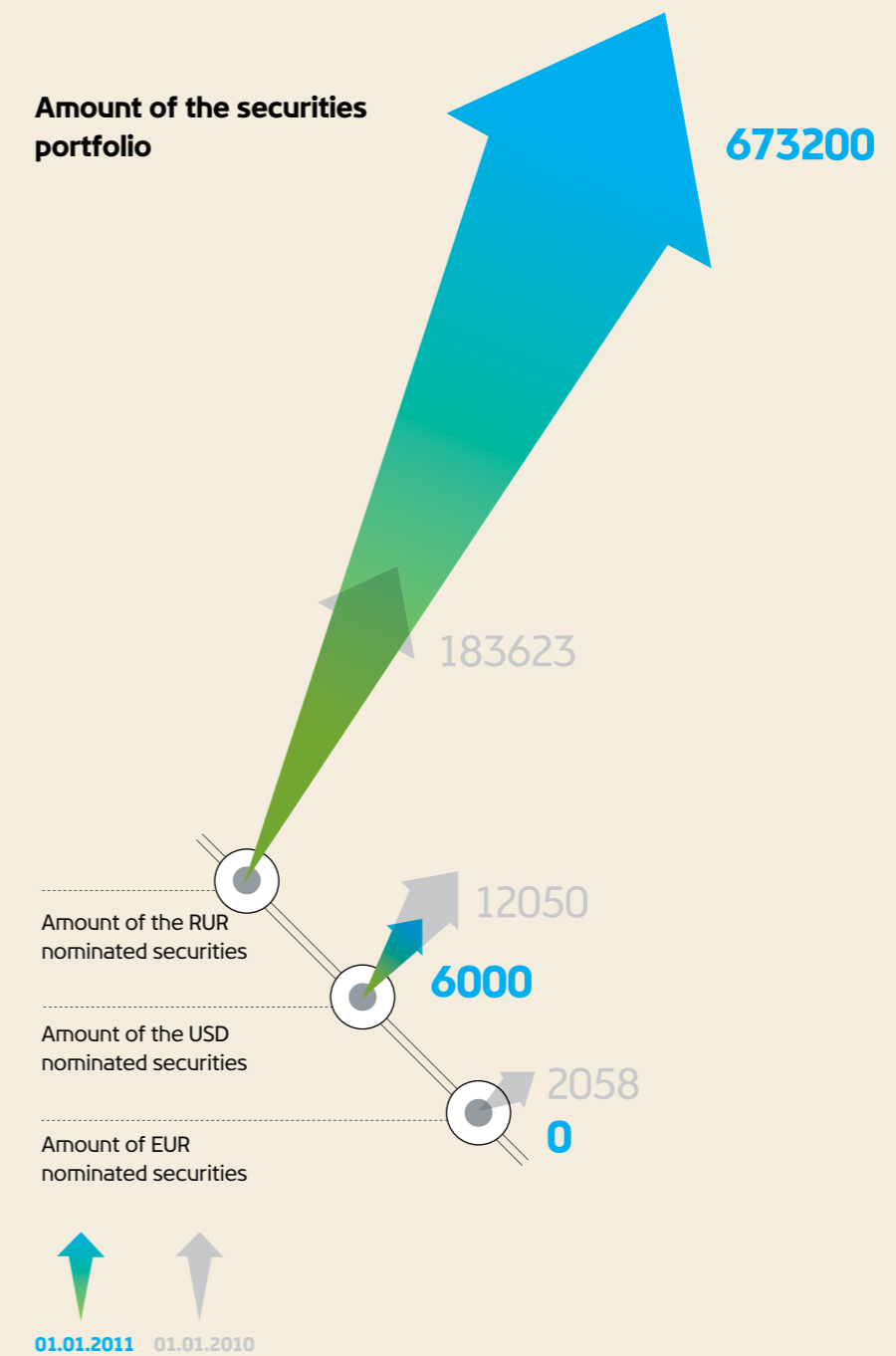
During the last year the Bank SLAVIA made a quantitative leap towards development of treasury operations and enhancement of its business reputation at financial markets. The new financial instruments for more efficient management over the liquidity and increase of yield without a material growth of risks were implemented in the Bank. Within this period the Bank became the full-scale participant of the money market, which made it possible to augment the number of loan facilities opened through the Bank from **RUR 231 mln** to **RUR 1 387 mln**. Besides, one may emphasize the growth of the RUR nominated securities portfolio, which made 360%.

**Amount of the facilities opened through JSCB «SLAVIA» (CJSC)**



## Treasury operations

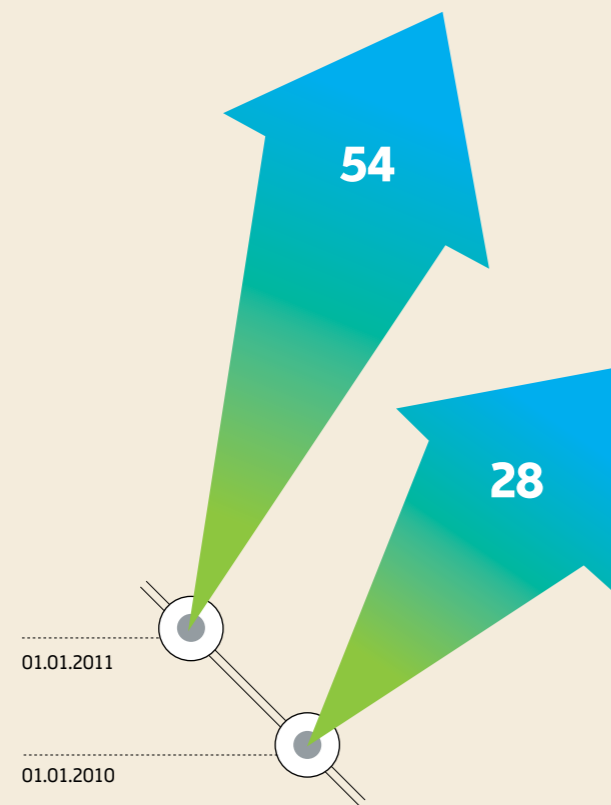
**Amount of the securities portfolio**



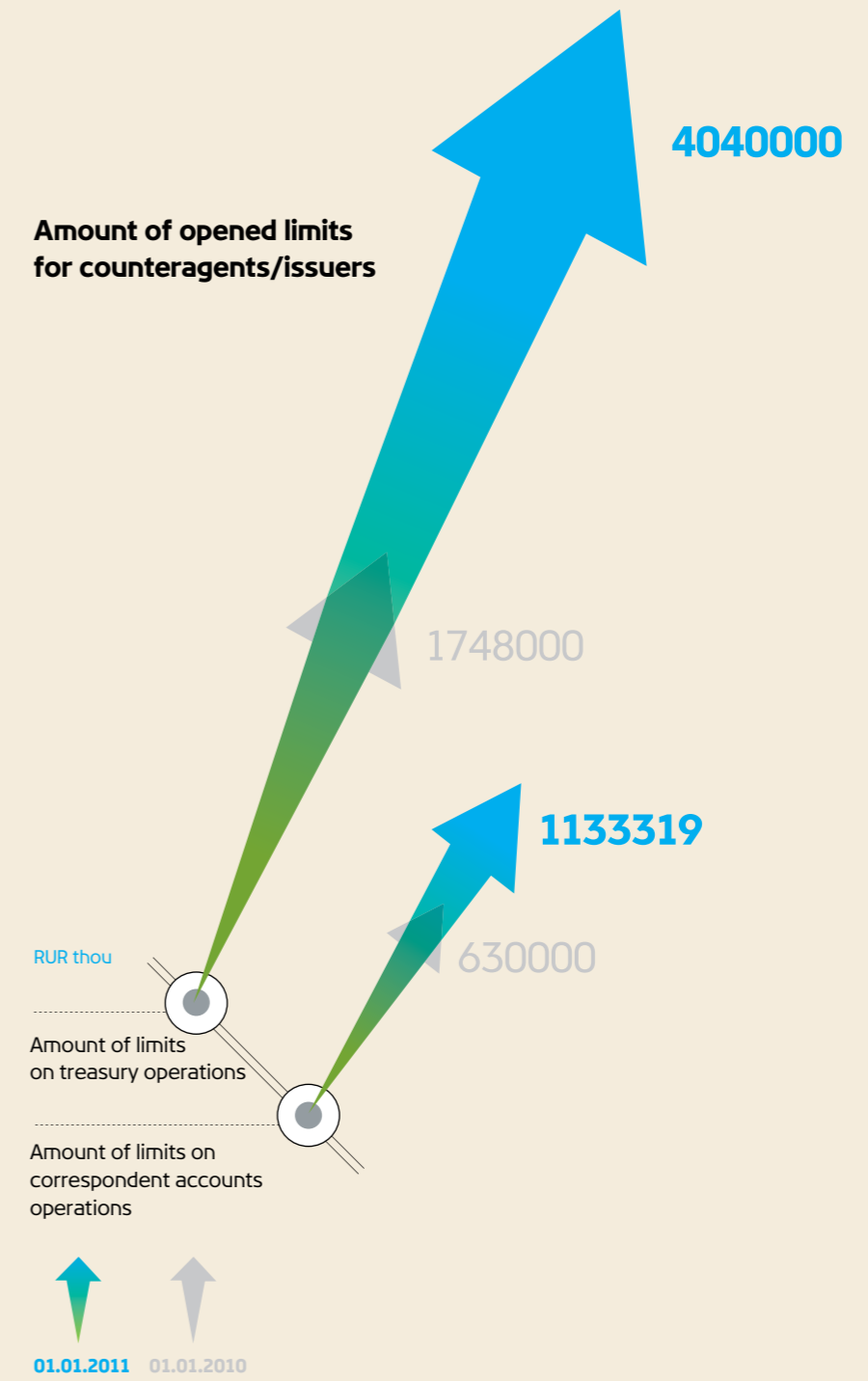
### Treasury operations

### Treasury operations

Number of opened limits for counterpart/issuers



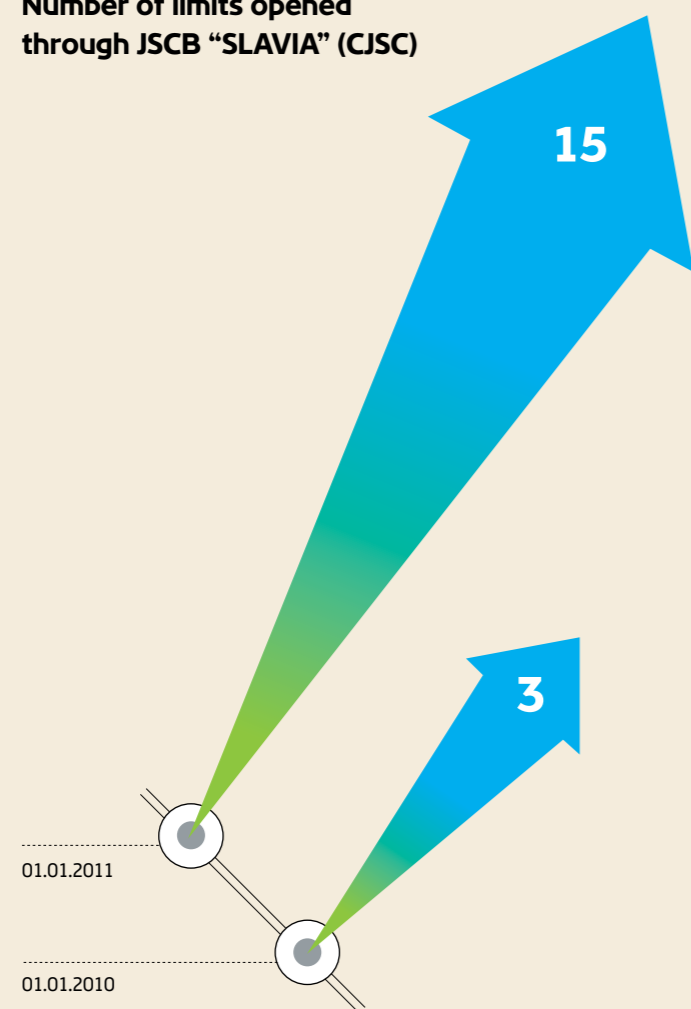
Amount of opened limits for counterpart/issuers



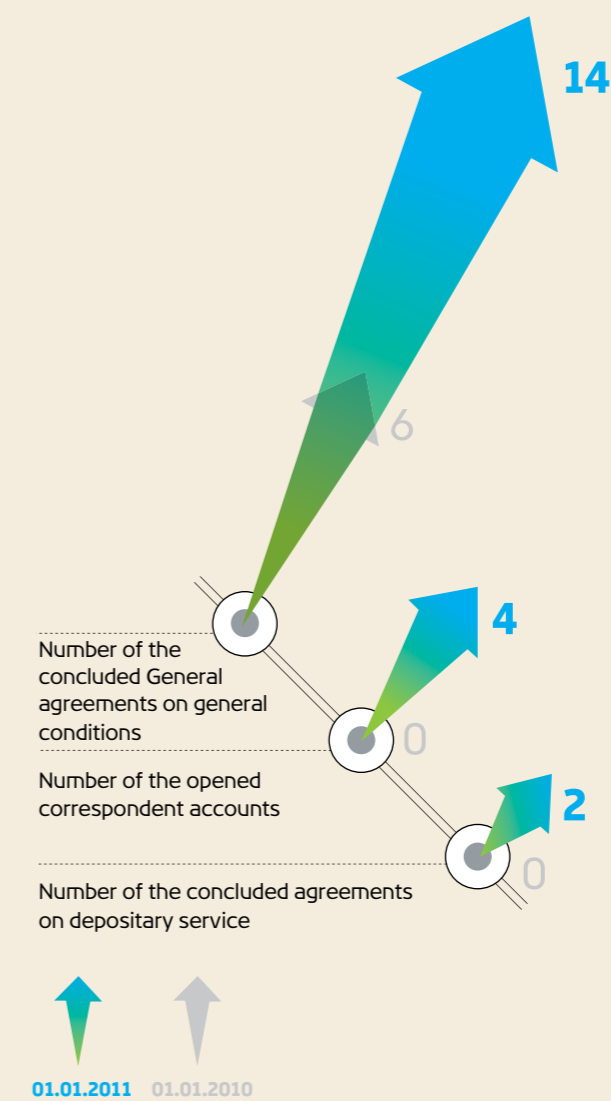
## Treasury operations

## Treasury operations

**Number of limits opened through JSCB "SLAVIA" (CJSC)**



**Interbank cooperation**



**Annual reports based on IFSS,  
approved by Audit Company  
01.01.2011**



**AUDIT AGREEMENT**

To shareholders of joint share commercial bank "Slavia"  
(Closed Joint Stock Company)

We have done an audit on proposed financial reporting of joint stock commercial bank "Slavia" (Closed Joint Stock Company) (further – "Bank"), which includes a report on financial position as of 31 December 2010, report about profit and losses, report about changes in equity, and report about the cash flow for the year ending 31 December 2010, also a short outline of the basic principles of accounting policies and other explanatory notes.

**MANAGEMENT'S RESPONSIBILITY FOR THE PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS.**

Responsibility for the preparation and reliability of the indicated financial statements based on IFRS lies with bank's management. This responsibility includes: development, implementation and maintenance of internal control, required for the preparation and trusted representation of financial statements, in which there are no material misstatements, as they can cause dishonest acts and errors; selecting and applying appropriate account policies; application in the reasonable circumstances of assumptions.

**AUDITOR'S RESPONSIBILITY.**

Our responsibility is to express an opinion on those financial statements based on our audit. We conducted our audit in accordance with the International Audit Standards. These standards demand us to comply with ethical norms and require us to plan and perform our audit so that we can obtain reasonable assurance whether the financial statements are free of material misstatement. Audit involves performing procedures, targeted at receiving audit evidence, confirming numerical data and disclosure of information, contained in the financial statements. Procedure is based upon a professional judgment of the auditor, which is based on an assessment of risk of material misstatements in the accounts, made either due to fraud or error. Assessing such risk, the auditor considers internal control relevant to the preparation and fair presentation of financial statements, The auditor considers internal control relevant to the preparation and fair presentation of financial statements in order to design audit procedures that are appropriate in the circumstances, but not with the purpose of expressing an opinion on the effectiveness of internal control. Audit also includes evaluating the appropriateness of accounting policies used and significant estimates made by management, as well as evaluating the overall financial statement.

We believe that the received audit we have obtained is sufficient to express an opinion on these financial statements.

**AUDITOR OPINION**

In our opinion, the financial statements, in all material respects reflects the financial position as of December 31, 2010, and the results of its operations and cash flows for the year ended December 31, 2010, in accordance with International Financial Reporting Standards.

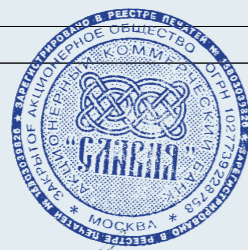
Borzova N.E.  
Deputy General Director

Plyusnina T.A.  
Head of Audit



Joint Stock Commercial Bank "SLAVIA"  
(Close Joint Stock Company)  
Balance sheet as of December 31, 2010  
(In thousands of Russian Rubles)

	2010	2009
<b>ASSETS</b>		
Cash and cash equivalents	1 732 972	563 672
Mandatory reserves with The Central Bank of Russia	21 093	12 723
Trading securities at fair value through profit or loss	774 948	530 646
Due from other banks	908 136	150 099
Loans and advances to customers	2 725 204	1 674 072
Fixed assets and intangible assets	26 637	30 062
Financial assets available for sale	193 402	107 456
Other assets	144 942	29 657
Current tax asset	814	3 306
Deferred tax asset	-	3 289
<b>Total assets</b>	<b>6 528 148</b>	<b>3 104 982</b>
<b>Liabilities</b>		
Due to other banks	2 086 628	398 643
Due to customers	3 205 741	1 620 616
Promissory notes issued	136 647	42 210
Subordinated deposits	397 384	396 221
Other liabilities	29 419	3 788
Current tax liability	1 409	992
Deferred income tax liability	0	0
<b>Total liabilities</b>	<b>5 857 228</b>	<b>2 462 470</b>
<b>Equity</b>		
Share capital	638 778	587 778
Retained earnings	32 142	54 734
Total equity of shareholders	670 920	642 512
<b>Total equity and liabilities</b>	<b>6 528 148</b>	<b>3 104 982</b>

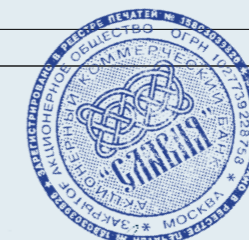


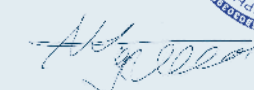
Chairman of the board  V.V. Goroshkov


Chief accountant  O.V. Speranskaya

Joint Stock Commercial Bank "SLAVIA"  
(Close Joint Stock Company)  
Statement of income for the year ended December 31, 2010  
(In thousands of Russian Rubles)

	2010	2009
Interest income	353 127	275 060
Interest expense	(120 413)	(87 503)
<b>Net interest income</b>	<b>232 714</b>	<b>187 557</b>
Provision for loan impairment	(18 416)	(31 734)
<b>Net interest income after provision for loan impairment</b>	<b>214 298</b>	<b>155 823</b>
Gains less losses arising from trading securities at fair value through profit or loss	756	1 519
Gains less losses arising from financial assets available for sale	(730)	-
Gains less losses arising from dealing in foreign currencies	42 420	23 687
Foreign exchange translation gains less losses	(954)	(2 261)
Fee and commission income	126 947	90 253
Fee and commission expense	(10 953)	(7 645)
Provision for financial assets impairment	60	5
Changes in imperment for other obligations	(21 514)	16 141
Other operational income	11 352	19 023
<b>Net operating income</b>	<b>361 682</b>	<b>296 545</b>
Administrative and other operating expenses	(340 548)	(281 710)
<b>Profit before tax</b>	<b>21 134</b>	<b>14 835</b>
Income tax expense	(15 976)	(12 061)
<b>Net profit</b>	<b>5 158</b>	<b>2 774</b>



Chairman of the board  V.V. Goroshkov

Chief accountant  O.V. Speranskaya

Joint Stock Commercial Bank "SLAVIA"  
(Close Joint Stock Company)  
Statement of cash flow for the year ended December 31, 2010  
(In thousands of Russian Rubles)

	2010	2009
<b>Cash flow from operating activities</b>		
Interest received	333 571	254 984
Interest paid	(110 220)	(91 307)
Net income received from trading securities at fair value through profit or loss	40	1 519
Net income received from dealing in foreign currencies	42 420	23 687
Fees and commissions received	127 125	90 253
Fees and commissions paid	(10 426)	(7 645)
Other operating income received	11 352	19 023
Other operating expenses paid	(329 077)	(276 960)
Income tax paid	(9778)	(19 302)
<b>Cash flow from operating activities before changes in operating assets and liabilities</b>	<b>55 007</b>	<b>(5 748)</b>
<b>Changes in operating assets and liabilities</b>		
Net increase (decrease) in mandatory reserve with The Central Bank of Russia	(8 370)	(8 636)
Net increase (decrease) in trading securities at fair value through profit or loss	(239 097)	(383 664)
Net increase(decrease) in due from other banks	(757 045)	(6 788)
Net increase (decrease) in loans and advances to customers	(1 068 589)	(639 859)
Net increase(decrease) in other assets	(166 150)	115 831
Net increase(decrease) in due to other banks	1 695 964	402 339
Net increase(decrease) in customer accounts	1 570 911	574 722
Net increase(decrease) in other liabilities	9 796	14 547
<b>Net cash used in operating activities</b>	<b>1 092 427</b>	<b>62 744</b>
<b>Cash flow from investing activities</b>		
Acquisition of premises, equipment and intangible assets	(3 829)	(11 283)
Acquisition of financial assets available for sale	(141 032)	(102 479)
Revenue from assets available for sale	58 617	-
<b>Net cash used in investing activities</b>	<b>(86 244)</b>	<b>(113 762)</b>
<b>Cash flow from financial activities</b>		
Emission of equity shares	51 000	-
Inflow from issuance of debt equity	(27 750)	-
Repayment of promissory notes issued	162 121	-
Discharge of issued debt equity	(66 165)	16 787
Attraction of subordinated deposits	-	80 000
<b>Net cash used in financial activities</b>	<b>119 206</b>	<b>63 213</b>
Effect of exchange rate changes on cash and cash equivalents	4188	29 318
<b>Net increase in cash and cash equivalents</b>	<b>1 129 577</b>	<b>41 513</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>544 446</b>	<b>502 933</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1 674 023</b>	<b>544 446</b>

Chairman of the board



V.V. Goroshkov

Chief accountant

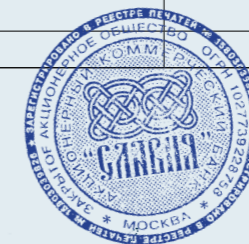


O.V. Speranskaya

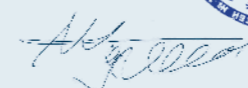


Joint Stock Commercial Bank "SLAVIA"  
(Close Joint Stock Company)  
Statement of changes in equity for the year ended December 31, 2010  
(In thousands of Russian Rubles)

	Share capital	Retained earnings	Total equity
<b>Balance as of December 31, 2009 (before recounting)</b>	<b>587 778</b>	51 960	639 738
Profit for the year 2009	-	2774	34 180
<b>Balance as of December 31, 2009</b>	<b>587 778</b>	54 734	<b>642 512</b>
Issue of equity shares	51 000	-	51 000
The paid dividends	-	(27 750)	(27 750)
Profit for the year 2010	-	5 158	5 158
<b>Balance as of December 31, 2010</b>	<b>638 778</b>	<b>32 142</b>	<b>670 920</b>



Chairman of the board



V.V. Goroshkov

Chief accountant



O.V. Speranskaya

# Details

117292, Moscow, Kedrova str., h. 5A.  
 Phone: 8 (495) 969-24-15, 969-24-16, 969-24-17.  
 Fax: 8 (495) 969-24-15  
 Web-site: www.slaviabank.ru

<b>Full name:</b>	Joint Stock Commercial Bank "SLAVIA" (closed joint stock company)
<b>Abridged name:</b>	JSCB "SLAVIA" (CJSC)
<b>License of the Russian Federation Central Bank:</b>	No. 2664 dated January 16, 2003
<b>Location (address):</b>	Russia, 117292, Moscow, Kedrova str., h. 5A
<b>INN:</b>	7726000596
<b>KPP:</b>	775001001
<b>OKPO:</b>	29289903
<b>OGRN:</b>	1027739228758. Entry date 20.09.2002
<b>OKVED:</b>	65.12
<b>OKATO:</b>	45293554000
<b>SOATO:</b>	1145280552
<b>OKFS:</b>	16
<b>OKOPF:</b>	67
<b>Corr. account:</b>	No. 30101810300000000318 in the Department No.5 of Moscow main Territorial Department of the Bank of Russia
<b>BIC:</b>	044552318

## Affiliates

**Affiliate of JSCB "SLAVIA" (CJSC) Lyubertsy**  
 140002,  
 Moscow region, Lyubertsy,  
 Oktyabrskiy avenue, h. 112.  
 Phone: 8 (495) 981-8137  
 Fax: 8 (495) 981-8136

**Affiliate of JSCB "SLAVIA" (CJSC) Pskov**  
 180000,  
 Pskov region,  
 Pskov, Sovetskaya str., h. 31.  
 Phone: 8 (8112) 59-00-00  
 Fax: 8 (8112) 59-00-31

## Operational cash offices

**COOCC "Kievskaya" of the Affiliate of JSCB "SLAVIA" (CJSC)**  
 121248,  
 Moscow, Kutuzovskiy avenue,  
 h. 2/1, bld. 1, room No. 1125.  
 Phone/fax: 8 (495) 229-83-02

**COOCC "Tomilino" of the Affiliate of JSCB "SLAVIA" (CJSC) in the town of Lyubertsy**  
 140072,  
 Moscow region, Lyuberetskiy district, settlement of Tomilino,  
 Gorkogo str., h.1/1  
 Phone: 8 (495) 647-01-94

## Additional offices

**AO "Zelenograd" of JSCB "SLAVIA" (CJSC)**  
 124460,  
 Moscow, Zelenograd, 2nd Zapandny proezd, h.3, bld. 1  
 Phone: 8 (499) 504-31-00

**AO "Domodedovo" of JSCB "SLAVIA" (CJSC)**  
 142000,  
 Moscow region,  
 Domodedovo,  
 Krasnodarskaya str., h. 17.  
 Phone/fax: 8 (495) 926-65-04

**"Autogaran" of the Affiliate of JSCB "SLAVIA" (CJSC) Lyubertsy**  
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 Moscow region, Kotelniki,  
 Novoryzanskoye shosse, h. 6.  
 Phone: 8 (495) 503-83-78,  
 8 (495) 503-83-79.  
 Fax: 8 (495) 503-83-79

**AO "Lyublino" of the Affiliate of JSCB "SLAVIA" (CJSC) Lyubertsy**  
 109429,  
 Moscow, Tikhoretsky boulevard,  
 h. 1, building 6, entrance No. 7, second floor, first line,  
 office No. 2-1-83, 84  
 Phone: 8 (495) 980-54-51,  
 8 (495) 359-80-10

**COOCC "Malakhovka-1" of the Affiliate of JSCB "SLAVIA" (CJSC) in the town of Lyubertsy**  
 140030,  
 Moscow region., Lyuberetskiy district, settlement of Malakhovka, Kasimivskoye shosse, h.3A, letter B.  
 Phone: 8 (915) 206-27-85.

**COOCC "Malakhovka-2" of the Affiliate of JSCB "SLAVIA" (CJSC) in the town of Lyubertsy**  
 140030,  
 Moscow region, Lyuberetskiy district, settlement of Malakhovka, Kasimivskoye shosse, h.7

**COOCC "Pererva" of the Affiliate of JSCB "SLAVIA" (CJSC) in the town of Lyubertsy**  
 109651,  
 Moscow, Pererva str., estate 21B.  
 Phone: 8 (495) 348-90-07.