

2011

GAZPROMBANK GROUP
Annual Report

Based on IFRS Consolidated
Financial Statements



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**“Relations between the Bank and the Company
have been tested over time, are supported
by an effective strategic partnership agreement”**

Statement of the Chairman of the Board of Directors

Dear shareholders,

The Bank's performance during the reporting year was strictly aligned with the Main Development Objectives of GPB Group through 2015 and was highly successful.

GPB (OJSC) reaffirmed its place among the three major Russian banks in terms of all the main indicators – capital, assets, loans provided to the non-financial sector and funds raised from customers. GPB's assets grew at higher rates than the national banking system averages as a whole. The Bank has strengthened its competitive positions in the market by increasing its share in key segments of the business such as corporate and retail lending.

The objective for achieving financial performance targets was rigidly linked to complying with target risk exposures, statutory indices and improving balance sheet structure. The Bank has accomplished this objective having exceeded expectations in terms of stable income growth from the interest-bearing and commission business lines while maintaining the stability and high quality of assets.

The rapid growth of GPB's business with regulatory authorities, increasingly tightening their capital adequacy requirements, has resulted in the need to adequately increase the Bank's equity and improve its capital structure.

The decision made in 2011 to place an additional issue of GPB's shares was in response to this need and an expression of confidence in the Bank on the part of its shareholders and the public. The fact that Vnesheconombank, a state financial development institute, joined GPB as a stakeholder will surely have a positive impact on the opinions of the market, rating agencies and partners of GPB.

At the same time, OAO Gazprom continues to remain the major shareholder, partner and customer of the Bank. GPB acts as a lender, financing arranger and adviser for a number of major projects and investment programs initiated by Gazprom Group and aimed at developing the industry, strengthening both energy safety and Russia's position within international energy markets.

The subject matter of our partnership is represented by projects designed to construct, reconstruct and technically reequip gas production and transportation facilities, to integrate automated management systems, to facilitate geological exploration and to upgrade power systems. Relations between the Bank and the Company have been tested over time, are supported by an effective strategic partnership agreement and will be continually developed.

Alexey B. Miller

Chairman of the Board of Directors, GPB (OJSC)

Chairman of the Management Board, OAO Gazprom



“A significant increase in the Bank’s financial performance was achieved thanks to accurate and timely management decisions and coherent actions by the Bank’s team”

Statement of the Chairman of the Management Board

Dear Shareholders, Customers and Partners of the Bank,

The previous year was successful for GPB (OJSC) and remarkable in many respects.

The strategic objectives established by our shareholders have been accomplished and the financial indicator targets approved by the Board of Directors have been achieved and exceeded in many key areas. The Bank has generated record-breaking profits from its core business – RUR 41 billion, the largest in its history. It is important to note that the excellent results were demonstrated under complex macroeconomic conditions. The unstable growth rates in the global economy, the euro-zone debt crisis and problems associated with the U.S. budget deficit have resulted in a higher volatility in financial markets. A sharp rise in the cost of borrowings during the second half of the year aggravated the liquidity problem in Russia's banking system with demand for loans increasingly growing inside the country. In these circumstances, the Bank managed not only to obtain sufficient resources and minimize its dependence on turbulent financial markets, but also notably increased its assets. Thus, GPB loans to corporate customers were about RUR 1.3 trillion by the end of 2011, having exceeded expectations by over one-hundred billion rubles. The loan portfolio increased by 49% during the same period while the expected growth rate was 37%. At the same time, the main component of the resource base was funds from national corporate and retail customers (68% of total liabilities). Eventually, a significant increase in the Bank's financial performance – not only in lending, but also consumer and other business segments – was achieved thanks to accurate and timely management decisions and coherent actions by the Bank's team. A weighty contribution to the collective success came from the efforts of GPB's branch network.

Another achievement for the year was the qualitative improvement in financial performance, the foundation of which was provided by GPB Group's banking segment and mainly by the related business lines generating the most stable income – interest and commission. Income from interest totaled RUR 58 billion, exceeding target by RUR 3 billion due to the growth in interest-bearing assets and, partially, an increased margin. The growth in commission income was primarily driven by higher-than-expected revenues from project financing, investment advising and growth in the documentary business. In general, we can state that the Bank's income base has increased and its dependence on one-off and speculative gains has been reduced.

The Bank's financial stability was also ensured by strict compliance with pre-set risk limitations, regulations and capital requirements. The aforementioned increase in the credit portfolio was achieved while maintaining a high quality of indebtedness, the share of non-performed loans in loan portfolio decreased from 2.1% to 1.4%. The Bank of Russia's capital adequacy requirements were consistently complied with. The reliability of GPB was affirmed by high ratings assigned by both international and Russian rating agencies. In August 2011, Standard & Poor's raised GPB's credit score and explained that it was due to the improved quality of the Bank's credit portfolio, its decreased market risk appetite and improved funding base. Achievements in these areas were preconditioned by the dynamic and creative work of various business subdivisions and a high level of strategic and financial planning, accurate arrangement of the risk management framework and the entire corporate governance system employed by the Bank. The financial reports reflect the main thing – the economic results of the Bank's performance. However, the picture of the Bank's life goes beyond this. It is constituted by multi-faceted, day-to-day activities by GPB's team of 10 thousand, with 43 branches and more than 200 supplementary offices, 6 subsidiary and associated banks in Russia and abroad, and a number of industrial unions included in the Bank's strategic assets. GPB's customer base during the previous year was represented by more than 45,000 corporations and about two million individuals. The Bank's permanent corporate customers include major backbone enterprises operating in all of Russia's basic industries. When interacting with them, the Bank relies not only on its financial goals but also follows public interests that are simply inherent in the implementation of extremely large-scale projects. Normally, such projects include investment projects headed by OAO Gazprom, the Bank's main stakeholder, and other colossuses of the country's mining and processing industry and state corporations, many of whom have signed cooperation agreements with GPB. The fact that the Bank has joined the Western High-Speed Diameter Project, a major project to construct a motor road in Saint-Petersburg, and being implemented on a PPP basis, is a noteworthy example from the reporting year. Being a socially responsible bank, GPB traditionally pays great attention to employment relations, social benefits and the professional advancement of its officers. There is a trade union in the Bank. Relations between the Bank's

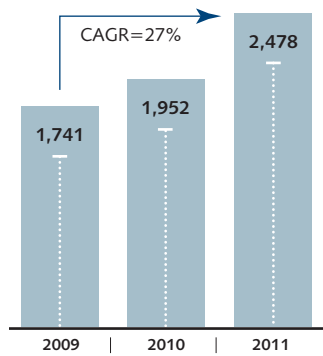
employees and administration are governed by both individual and collective contracts. In recent years, an increasing proportion of the Bank's business projects has been aimed at protecting the environment, ensuring energy efficiency and establishing renewable power sources, i.e. consistent with the objectives established to ensure stable growth.

It is impossible to encompass all aspects of the Bank's business in a brief statement. They are described in detail in the annexed report. In conclusion, I would like to note that, in my opinion, the ticket to GPB's success lies in the outstanding professionalism of the Bank's team, effective interaction between the Management Board and the Board of Directors, and the confidence and support on the part of the Bank's shareholders. All of this was reflected in full during the complicated year 2011. And these are values that the Bank will carefully guard and enrich in the future.

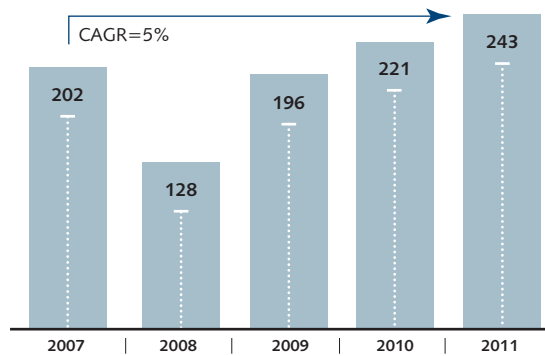
I wish good health, happiness and business success to all of you!

Andrey I. Akimov
Chairman of the Management Board of GPB (OJSC)

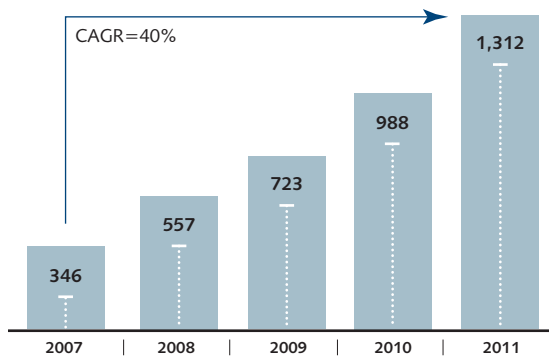
Key performance indicators



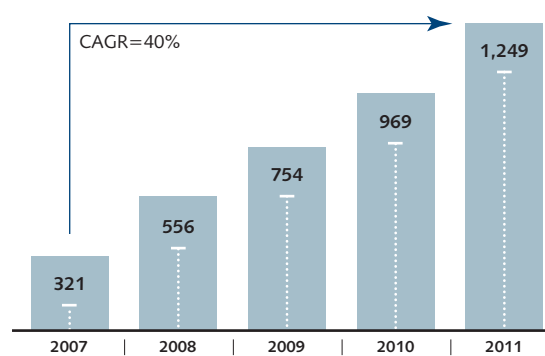
Equity (capital), RUR billion



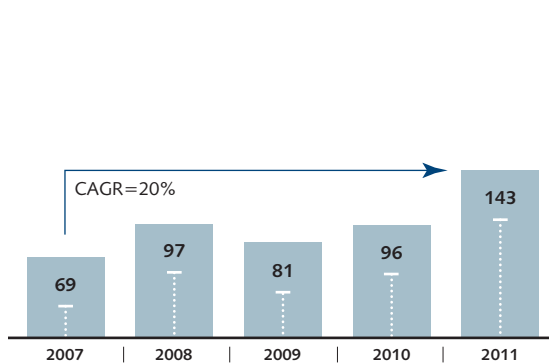
Loans provided to corporate customers, RUR billion



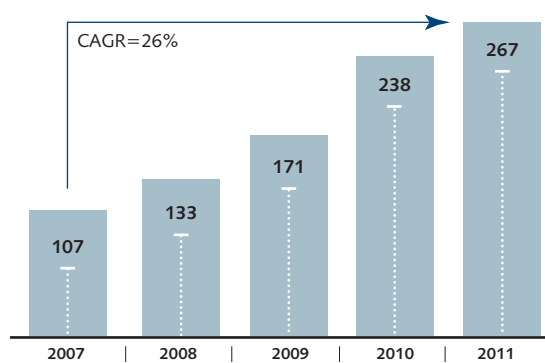
Amounts owed to corporate customers¹, RUR billion



Retail loans, RUR billion

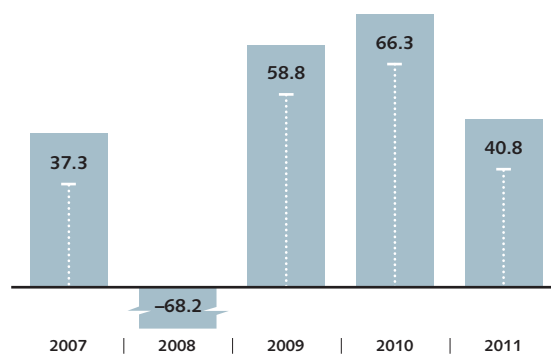


Amounts owed to individuals, RUR billion

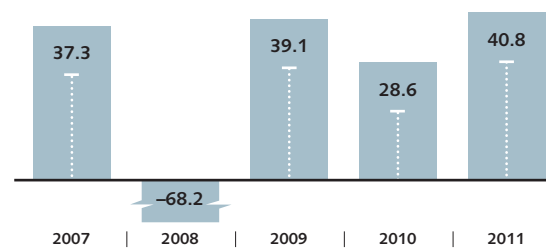


¹ Including promissory and certificated notes

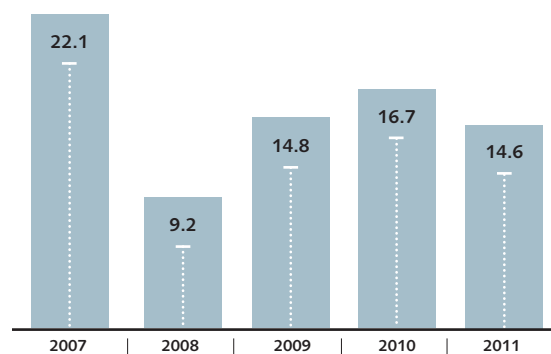
Profit for the year, RUR billion



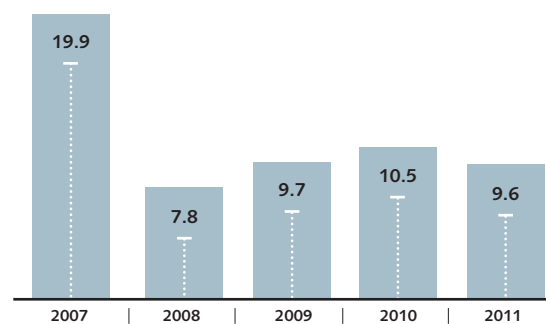
Profit for the year from continuing operations, RUR billion



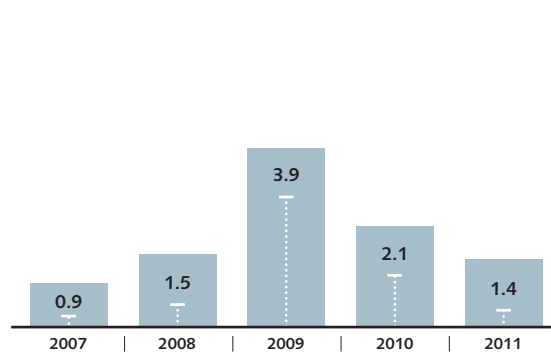
Capital adequacy (Basel I), %



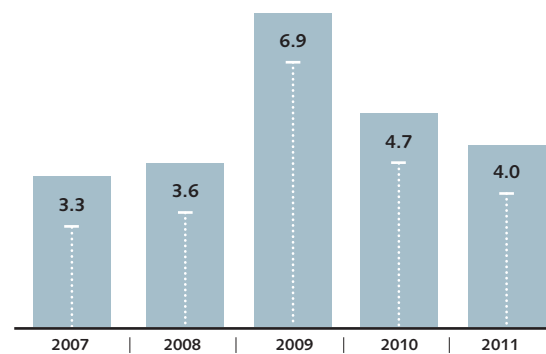
Tier 1 capital adequacy, %



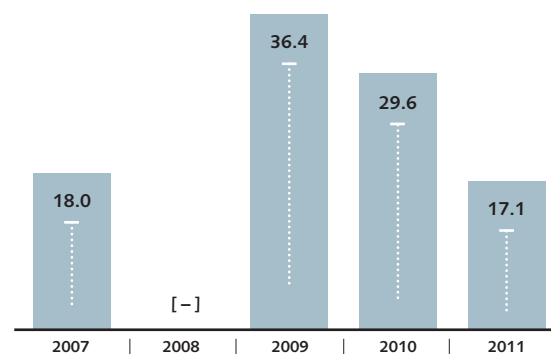
Ratio of non-performing loans to loan portfolio, %



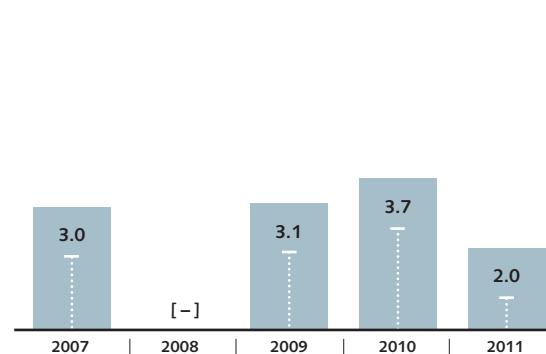
Ratio of loan loss provisions to loan portfolio, %



Return on equity, %



Return on assets, %



Growth of the Bank's assets during the year—higher than that of the banking system

27%

23%

RUR billion

40.8

of record-breaking profits generated by

GPB Group from continued operations;

43% growth during the year

The share
of interest and
commission
income totaled

71

%

of all
operating
income

17.1%

return on the Group's capital

2.0%

return on assets

Increase in net interest margin from

2.5%

to

3.6%

1.

Main results for the year and business development objectives

- **External Environment**
- **The Bank's Financial Performance –
Positioning and Ratings**
- **Strategy and Main Business
Development Objectives for the Bank,
2012 to 2015**
- **Participation in Federal
and Regional Programs
and National Projects**

External Environment

The primary trend in Russia during 2011 was the continued process of restoring economic activity which resulted in the main indices of the real economy (industrial output, consumer spending, export and import) returning to the pre-crisis levels of late 2008-2009, though their rates of growth slowed as compared with 2010.

In general, GDP growth continued in 2011 despite the sharply raised uncertainty regarding external conditions and increased turbulence on financial markets. According to the Federal State Statistics Service's estimates, the growth in GDP during the year was 4.3%, which is comparable to the trend in 2010. In terms of growth rates, Russia, among BRIC countries, is only ahead of Brazil with Russia's growth rate lagging significantly behind that of India and China. The economic growth appears to be rather modest on the back of an almost 40% increase in the average annual prices for Urals grade oil, Russia's main export commodity, as compared with 2010. Industrial output grew by 4.7% in 2011. A positive factor contributing to GDP growth in 2011 was the record-breaking agricultural growth (+22.1%) recorded against the backdrop of a good harvest and a low base from the previous year.

The record-breaking harvests of 2011 have resulted in a temporary reduction in food prices. Another constraining influence on inflation was the conservative monetary policy of the Central Bank.

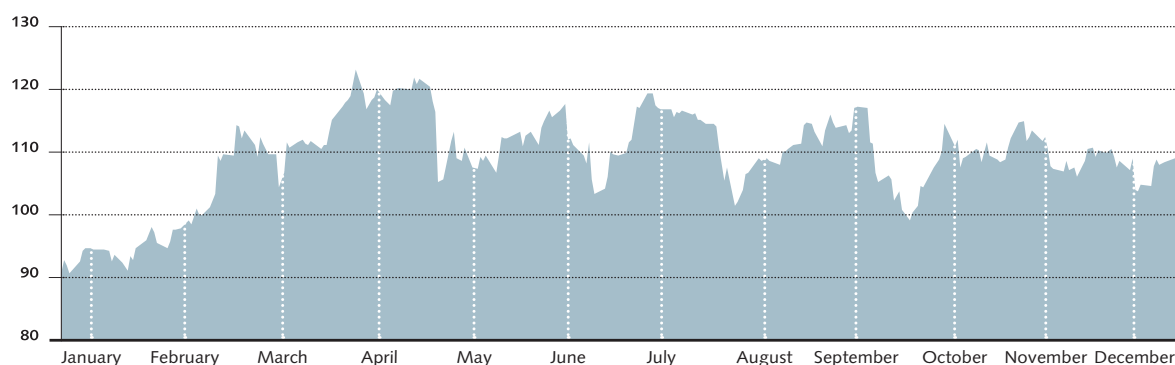
As a result, headline inflation was 6.1% at year-end 2011, the lowest value for this indicator since 1991. Consumer demand remains one of the main factors driving the post-crisis restoration – in 2011, retail turnover increased by 7.2% with the volume of paid services increasing by 2.9%. However, the increased demand was primarily driven by accelerated consumer lending rather than growth in real earnings which only increased by 3.5% in 2011.

The trade surplus was US\$198.1 billion in 2011, which is US\$46.4 billion higher than the previous year.

Net capital outflow from the private sector during 2011 nearly doubled over 2010, totaling US\$84.2 billion and sharply accelerating by the end of the year. This trend is due to the increasing growth in foreign assets held by Russian residents relative to the investments in the Russian Federation held by foreign investors. In addition, there were significant repayments of external debt during the fourth quarter. The capital outflow was also facilitated by a reduced risk appetite from global investors amid increasing uncertainty over global economic prospects and worsening debt problems in the euro zone.

Throughout the first seven months of 2011, the Ruble demonstrated quite a stable trend towards strengthening against the US Dollar, with the Euro exchange rate fluctuating between RUR 39.5 and RUR 40.5 without any significant prevailing trend. However, from the very beginning of August,

Price of Urals grade oil in 2011, US\$/barrel

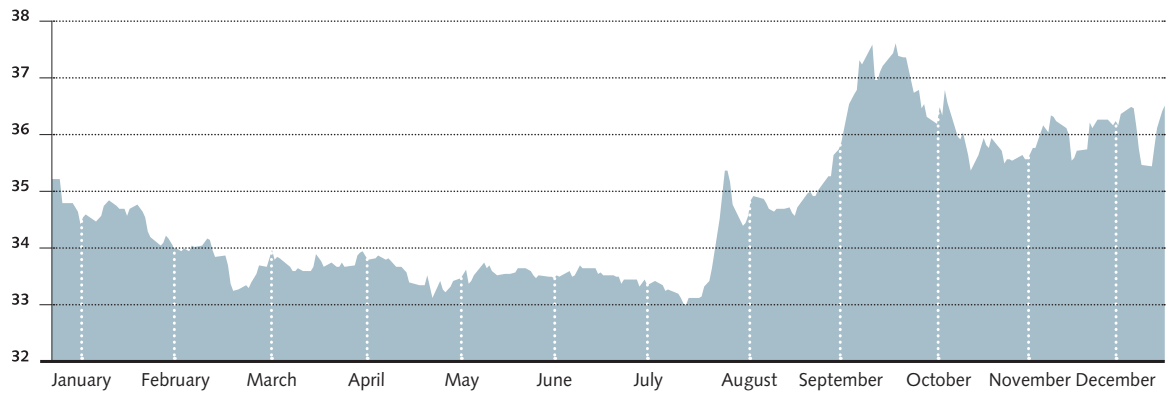


Source: Bloomberg

the situation changed significantly, i. e. risk exposure in the euro zone increased and the USA instigated a sharp capital outflow which resulted in the Ruble falling by 14% against the dual currency basket over two months and the RTS index falling by as much as 33% from the peak. At the same time, the response by the Russian stock market and foreign exchange market was greater than in other countries. The Bank of Russia's foreign exchange reserves during the year increased by US\$12.6 billion due to balance of payment transactions. At the same time, the growth in reserves occurred mainly during the first half of the year, when the Ruble strengthened. The outflow of capital from the private sector as a result of migrating to the inflation targeting policy

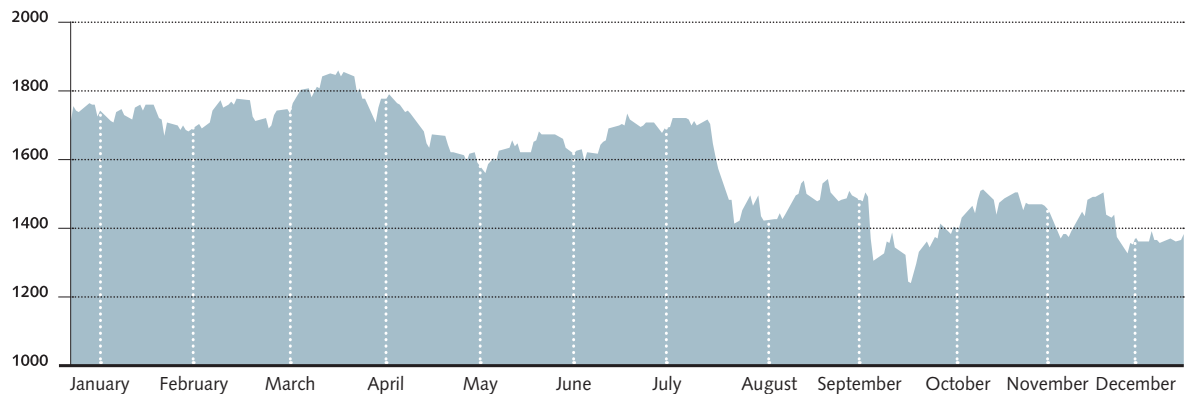
has broken the traditional correlation between oil prices and trends in the Russian stock market (where Russian mineral companies still dominate). With 13.4% growth in Brent grade oil prices at year-end, Russian stock indicators decreased – the RTS index fell by 21.9% and the MICEX declined by 16.9% during 2011. The sharpest reduction in quotations was observed in the third quarter when the S&P's decision to reduce the USA's sovereign rating by 1 step, to AA+, led investors to reassess global risks. Furthermore, throughout the year, financial markets were negatively influenced by the debt problems of European countries (Greece, Portugal, Spain, and Italy). Concerns were also raised in connection with a slowdown in growth rates across

Dual currency basket of RCB, RUR/basket unit



Source: Bloomberg

MICEX index, points



Source: Bloomberg

the global economy that provoked the outflow of capital from emerging markets (including Russia). In general, mineral company stocks looked better than those of the market since their capitalization decreased by only 1.8% as was the case with shares in telecommunication companies (-14.7%). At the same time, shares in companies representing the machine-building and consumer sectors, which were among the leaders a year ago, underwent a serious adjustment, by 38.4% and 33.7%, respectively, on average.

Money and Credit

The situation in the financial system was variegated in 2011. During the first 8 months, while a relatively high level of bank liquidity persisted, there was almost no demand for the refinancing instruments of the Central Bank of Russia on the part of credit organizations while the seasonal reduction in government expenditures was offset by the placement of temporarily available budgetary funds by depositing them with commercial banks. At that, borrowing costs were close to the lowest range of rates offered by the Central Bank of Russia. Between September and December, the instability in the financial markets led to an increase in Ruble interest rates, weakening the Ruble and growth in demand

for foreign currencies which gave rise to a deficit of Ruble liquidity.

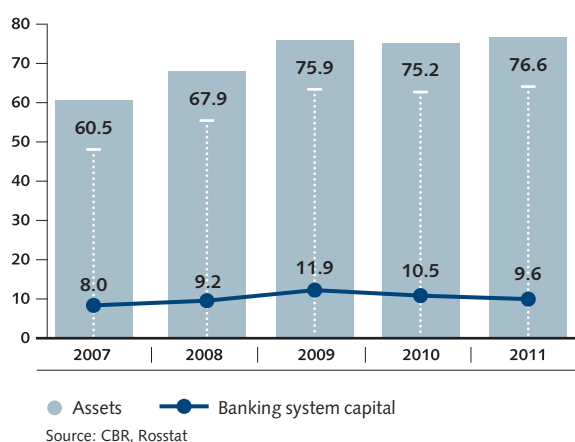
In 2011, the Bank of Russia took a number of strategic steps designed to change its monetary policy priorities. In particular, the allowable trading band for the dual currency basket was expanded from 4 to 6 Rubles. At the same time, the Bank of Russia employed a conservative approach to refinancing banks in order to minimize their speculative activities on Forex.

In general, the instability and heterogeneity of Russian social and economic development processes in 2011, as well as the continuing high level of dependence on global financial conditions and raw material markets speak for the need to take measures to restructure the Russian economy.

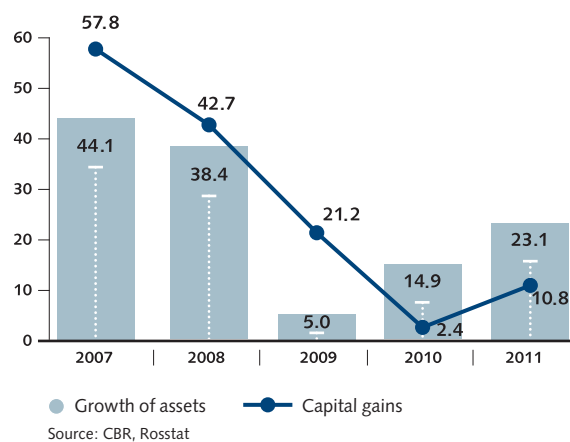
Russian Banking System in 2011

As of January 1, 2012, 978 credit organizations operated in Russia, compared with 1,012 on January 1, 2011. Of these credit organizations, 918 entities had more than RUR 180 million in capital. At the same time, concentration in the sector remained high – the top five banks' share of total banking system assets was almost fifty per cent. The aggregate capital in the banking system at year-end exceeded RUR 5.2 trillion, an increase of 10.8%

Assets and banking system capital, as % of GDP



Growth of assets and banking system capital, as % year on year



during the year, with the ratio of aggregate banking system capital to GDP having decreased from 10.5% to 9.6%. Aggregate assets increased at a higher rate (23.1%) and totaled RUR 41.6 trillion at year-end, or 76.7% of GDP. As a result, the adequacy ratio for the banking system's capital was 14.7% as of January 1, 2012 having dropped by 3.4 percentage points compared with January 1, 2011.

The majority of growth in banks' retail credit portfolios occurred during the second half of the year and reached 35.9% by the year-end. The amount of loans extended to non-financial organizations also increased significantly in 2011 (26.8% increase).

In 2011, overdue debt increased by 10.6% (up to 4.6% of the total amount of loans extended) for corporate loans and by 3.2% for retail loans (up to 5.2% of total loans extended).

The growth in the resource base was somehow behind the asset trend, especially within the corporate segment. The amount of money raised from organizations increased by 26.2%, reaching RUR 14.2 trillion at the year-end. Deposits raised from individuals totaled RUR 11.9 trillion, an increase of 20.9% during the year, which reduced the share of that funding source down to 28.5% of aggregate liabilities incurred by the banking system.

The Bank's financial performance. Positioning and ratings

The main indicators of GPB's financial performance are specified below in accordance with its IFRS consolidated Statements.

	December 31, 2011	December 31, 2010	Change in 2011
Assets	2,477.7	1,951.7	+27%
Capital	242.9	221.1	+10%
Loans provided to corporate customers	1,311.6	988.2	+33%
Retail loans	142.7	95.8	+49%
Securities	296.5	233.6	+27%
Amounts owed to corporate customers	1,249.6	969.8	+29%
Amounts owed to individuals	266.5	238.4	+12%
Borrowings from capital markets*	210.5	149.6	+41%
Subordinated deposits	133.6	143.4	-7%
Capital adequacy**	14.6%	16.7%	-2.1 p.p.
Tier 1 capital adequacy**	9.6%	10.5%	-0.9 p.p.
Ratio of non-performing loans to loan portfolio	1.4%	2.1%	-0.7 p.p.
Ratio of loan loss provisions to loan portfolio	4.0%	4.7%	-0.7 p.p.
Ratio of loans provided to customers before deducting loan loss provisions to amounts owed to customers	95.9%	89.7%	+6.2 p.p.
	2011	2010	Change in 2011
Net profit of the Group	40.8	66.3	-38%
Net profit of the Group from continued operations	40.8	28.6	+43%
Return on the Group's capital	17.1%	12.8%***	+4.3 p.p.
Return on the Group's assets	2.0%	1.6%***	+0.4 p.p.
Net interest margin	3.6%	2.5%	+1.1 p.p.
Ratio of operating expenses to operating income	39.4%	45.5%***	-6.1 p.p.

* bonds issued and syndicated interbank loans

** according to recommendations issued by the Bank for International Settlements (Basel I)

*** from continued operations

Profits and Capital Adequacy

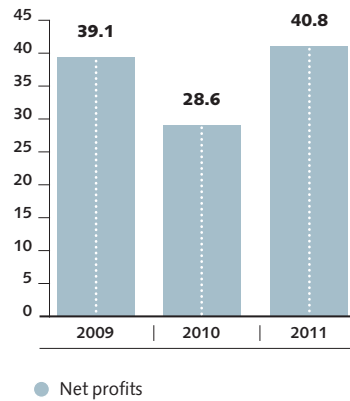
GPB Group's (the "Group") net profits were RUR 40.8 billion in 2011, compared with RUR 66.3 billion in 2010. Return on capital was 17.1% in 2011, with return on assets being 2.0%. At the same time, in 2011, the Group's profits grew by 42.8% over the net profits from continuing

operations in 2010 (net of the results generated in December 2010 by the SIBUR Holding group).

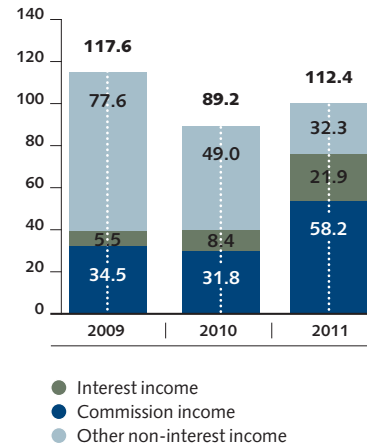
The main sources of the Group's profits were interest and commission income which demonstrated 70% growth in 2011, and totaled RUR 68.0 billion.

Furthermore, in 2011, the Group received loan fees in the amount of RUR 12.1 billion representing income

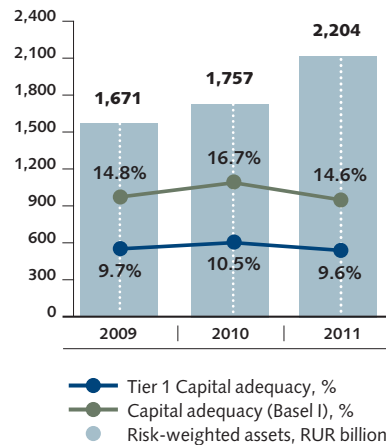
Net profits from continuing operations, RUR billion



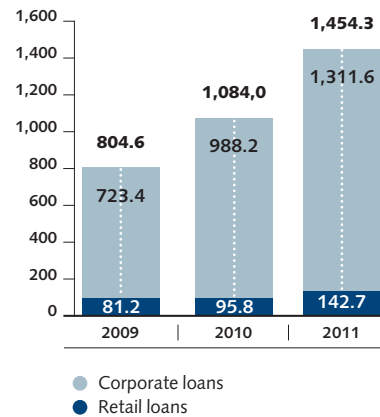
Distribution of operating income from continued operations, RUR billion



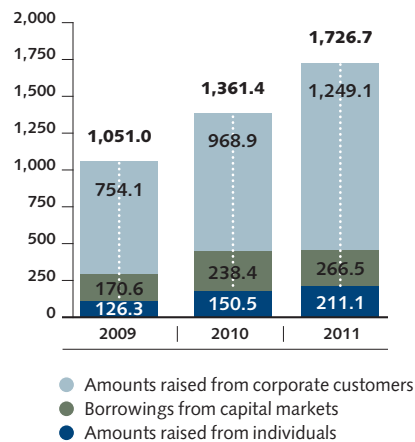
Capital adequacy and risk-weighted assets



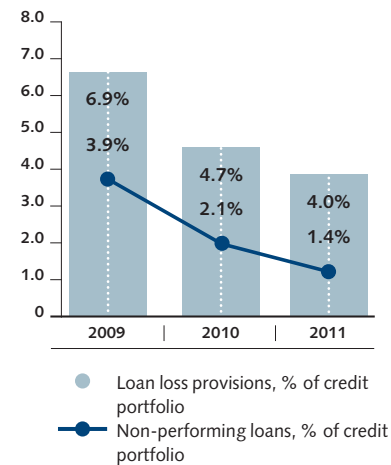
Loans to customers, RUR billion



Funding structure, RUR billion



Loan loss provisions and non-performing loans, RUR billion



from non-recurring transactions. At the same time, the structure of the Group's operating income has demonstrated a qualitative improvement – the share of interest and commission income representing the core banking business increased from 45% in 2010, to 71% in 2011.

The Group's capital has increased to RUR 242.9 billion, an increase of 9.5% from year-end 2010, due to the capitalization of profit earned by the Group. Capital adequacy, calculated as required by the Basel Agreement (Basel I), was 14.6% as of December 12, 2011, compared to 16.7% at year-end 2010; and Tier I capital adequacy was 9.6% compared to 10.5% in 2010. Capital adequacy was significantly higher than 8%, the minimum level required by the Basel Agreement, and demonstrated capital efficiency, including sufficiency for covering unexpended losses.

Development of the Group's Banking Business

In 2011, the Group continued to actively expand its lending operations for companies in strategic sectors of the national economy, including metallurgy, gas, electric energy and other industries. The share of loans provided to customers (less loan loss provisions) in the Group's assets increased from 52.9% as of year-end 2010, to 56.4% at year-end 2011. At the same time, the amount of corporate loans increased by 32.7% compared with 2010, and reached RUR 1,311.6 billion. The amount of retail loans also increased from RUR 95.8 billion at year-end 2010, to RUR 142.7 billion as of December 31, 2011 (a 49.0% increase). Mortgage loans continued to represent the majority of the retail credit portfolio – the share of retail loans out of total loans was 71.7% as of year-end 2011.

In 2011, the Group increased its securities portfolio by 37.2% to RUR 210.3 billion, primarily due to increased investment in corporate and government bonds of high-quality Russian issuers, thus giving rise to an increase in interest income on securities. At the same time, the high quality of debt securities issuers within

the Group's portfolio allows the use of instruments such as liquidity management tools. The share of the debt securities portfolio to assets increased from 7.9% in 2010 to 8.5% at year-end 2011.

During 2011, the share of customer funds in the Bank's liabilities significantly decreased to 67.8% as of December 31, 2011, compared with 69.8% during the previous year. As of year-end 2011, funds raised from corporate customers (including notes and deposit certificates issued) totaled RUR 1,249.1 billion, a 28.9% increase compared with year-end 2010. Funds raised from individuals demonstrated a more moderate growth rate of 11.8% to RUR 266.5 billion as of year-end 2011. During 2011, the Group increased its total borrowings raised from the capital market and increased the share of the relevant instruments in the Group's liabilities from 8.7% at year-end 2010, to 9.4% as of year-end 2011. The total amount of Eurobonds issued, bonds placed in the domestic market and interbank loans raised from syndication of foreign banks, was RUR 211.1 billion, a 40.2% increase compared with 2010.

The partial sale of investments in non-banking assets in late-2010, which resulted in an increased share of interest income-generating assets out of the Group's total assets, was the main factor driving the increase in the Group's net interest margin from 2.5% in 2010 to 3.6% in 2011, .

Asset Quality Indicators

At the end of 2010, the level of non-performing loans (aggregate loans remaining overdue for more than 90 days) decreased both in absolute terms and relative to the size of the loan portfolio (1.4% compared to 2.1% for 2010).

The improvement in the quality of the Group's loan portfolio resulted in a reduction of loan loss provisions from 4.7% of the total loan portfolio at year-end 2010, to 4.0% as of December 12, 2011. At year-end 2011, loan loss provisions covered non-performing loans by more than 2.8 times. Expenses incurred in creating loan loss provisions totaled RUR 10.9 billion in 2011, compared with

RUR 2.7 billion in 2010, which was mostly a result of the significant increase in lending operations.

Income from Investment and Trading Operations

Profits from the Group's securities transactions totaled RUR 16.6 billion in 2011, compared with RUR 15.6 billion in trading profits in 2010 (excluding RUR 23.3 billion received from the sale of major non-banking investments, OAO Sibneftgaz and CJSC SIBUR Holding).

Operating profit from non-banking activities associated with the Group's industrial assets (excluding goodwill) was RUR 3.1 billion in 2011, compared with RUR 0.7 billion in 2010. GPB Group's industrial assets included the machine-building segment (OAO OMZ and other assets), media business (OAO Gazprom-Media Holding Group) and a number of other investments.

Internal Efficiency

Despite the significant growth figures of the banking business, banking expenses relative to human resources and other administrative expenses didn't exceed 9% in 2011, as compared to 2010 – RUR 44.3 billion in 2011, compared with RUR 40.6 billion the previous year. The ratio of the Group's operating expenses to its operating income decreased from 45.5% in 2010 to 39.4% in 2011 (from continuing operations).

Positioning

Throughout many years, Gazprombank has definitely been one of the three leaders in the banking industry in terms of all of the main financial indicators.

Based on 2011 financial results, Gazprombank's standing is as follows:

- 5.5% of the banking industry's capital (ranks No.3);
- 5.8% of assets (ranks No.3);
- 6.5% of all corporate loans (ranks No.3);
- 10.2% of all funds raised from corporate customers (ranks No.3);
- 2.1% of all funds raised from individuals (ranks No.3).

According to The Banker (July 2011), Gazprombank ranks No.14 in the global banking system in terms of return on capital as well as No. 3 among banks from Central and Eastern Europe, and No.152 in terms of the size of its own capital.

In August 2011, Standard & Poor's upgraded the Bank's long-term credit rating on its international and national scales. The main reasons for upgrading the rating noted by the agency were the quality improvements in the Bank's credit portfolio, the reduction of its market risk appetite and improvements in its funding base.

As of January 1, 2012, Gazprombank had been assigned the following long-term credit ratings:

- Moody's Investors (Moody's Interfax)
 - Baa3 – international scale (stable outlook);
 - Aaa.ru – national scale (stable outlook);
- Standard & Poor's:
 - BB+ – international scale (stable outlook);
 - ruAA+ – national scale (stable outlook).
- "Expert-RA" rating agency – A++ – national scale.

Strategy and Main Business Development Objectives for the Bank, 2012 to 2015

The main objectives for developing GPB Group's business through 2015 (ONRB-2015) were approved by the Board of Directors in 2010. GPB Group's strategy provides for balanced, long-term and stable growth in the Group's businesses and is designed to increase shareholder value and improve the Bank's market attractiveness.

The main objectives for the next few years are the following:

- maintain and strengthen the Bank's leading positions in the banking sector in terms of the size and quantity of assets;
- expand the most profitable banking business lines and the amount of customer transactions to increase the share of stable income, including commission fees, in the Group's aggregate revenues;
- expand the customer base and improve its composition.

It is expected that through 2015, the average annual growth rates will be over 14% for GPB Group assets, more than 18% for profits, and about 16% for capital.

The Bank sees the following as its competitive advantages:

- highly professional team featuring both management experience and vast industry knowledge and skills;
- stable partnerships with a number of major corporate customers;
- unique products which are not offered by competitors and are increasingly in demand by our customers.

During 2011, the Bank developed comprehensive strategic initiatives as set out in ONRB-2015; prepared implementation plans for the Bank's business lines taking into account prior performance, development parameters and trends in the general economy and banking sector; and updated its target development figures covering the main lines of the

Bank's business. Through this analysis additional potential and opportunities were uncovered for the Bank to boost its business accomplishing the following missions:

- Increase the scope of business with existing major corporate customers by offering them the kinds of products and services which satisfy their needs to the utmost. This includes lending, settlement services, investment and banking services; and establishing long-term relations and strategic partnerships with customers.
- Diversify customer segments and expand business operations involving mid-size corporate customers by maximizing the potential of regional networks. The share of loans provided to medium-sized enterprises is expected to reach 12% of the Bank's credit portfolio by 2015.
- Actively expand the investment and banking business lines and operations in financial markets by expanding investment product and service lines offered to customers, and by increasing the investment loans portfolio. If investment activity and customer demand for investment and banking products continue, the Bank expects to increase the share of investment lending within its credit portfolio. It is expected that the investment business will contribute to growth in both interest and commission income for GPB Group, particularly due to the ability to provide advisory services regarding the viability of potential major investment projects and transactions.
- Develop the retail business, preferably for corporate customers and their employees, and enhance the credit portfolio, primarily with products requiring pledges or mortgages and automotive lending. The dynamic growth of the retail business must be based on improving the feasibility of banking services (expanding the functions of the Bank's remote sales channels and services, introducing active sales methods and improving service quality).

A key requirement to successfully implement these strategic goals is to ensure the long-term reliability and stability of the Bank. It is expected that any further enhancement of the credit portfolio must be made while preserving its high quality. To optimize resource base costs while maintaining a balanced

liabilities structure will require the systematic reduction of resource costs and the effective management of their maturities. Customer funds will remain the primary source of resources for the Bank and must account for about 70% of the Bank's liabilities.

Participation in Federal and Regional Programs and National Projects

Cooperation with government authorities at the federal and regional levels is an important element in the backbone of the Bank's corporate strategy and facilitates the social and economic development of the country, individual regions and sectors. The Bank participates in the implementation of large-scale national projects in the form of public-private partnerships, not only with its financial resources, but also with the intellectual potential of its specialists that is used to address the challenges currently faced by the country and society.

The key areas of cooperation include participating in top-priority national projects and programs:

- The Bank offers its program "Military Mortgage" as part of the government program *Provision of Housing to Participants in the Savings and Mortgage System of Housing Provision for Servicemen*.
- The Bank has been recognized as one of the winners of a tender held to select winners for participating in the *Housing* federal special-purpose program designed to provide housing for young scientists.
- The Bank is taking part in financing the construction of the *Western High-Speed Diameter*, a highway in Saint-Petersburg.
- Since 2006, the Bank has participated in the *Development of Agricultural Industry* national project by financing the construction of large stock-breeding and poultry production units.
- As part of the *Education* national project, the Bank has funded the construction and

commissioning of a campus for the *SKOLKOVO* Moscow Management School.

- The Bank is financing projects as part of the *Russian Federal Space Program* and Federal Special-Purpose Program *Development of Television and Radio Broadcasting in the Russian Federation from 2009 to 2015*.
- As part of the *Providing Government Support to National Car Manufacturers* program initiated by the Russian Ministry of Industry and Trade, the Bank offers its customers loans secured by the cars being purchased.
- GPB (OJSC) participates, as part of a banking consortium, in financing Russian telecommunication equipment to be sent to Angola (the *Angosat* Project) and hydropower equipment exported to the Republic of Ecuador (the *Toachi Pilaton* Project) as part of the *State Program on Providing Guarantee Support to Industrial Export Transactions*.

In 2011, GPB (OAO) entered into partnership agreements with the governments of the Astrakhan Region, the Volgograd Region, the Kursk Region, the Novosibirsk Region, the Khanty-Mansijsk and Yamalo-Nenetsky Autonomous districts, the Krasnodar Region, Bashkortostan, the Mari-El and the Chuvash Republic. The agreements were executed taking into account the priorities set for regional social and economic development and the long-term development strategy of the Bank. The Bank's branches participate in implementing regional economic and social development programs.

45 thousand
plus corporate
customers

4 million
plus bank
cards issued

7 % share in the
corporate
lending market

No
[3]
by volumes

290

RUR billion

**project finance
portfolio**

No. 3 in the rating of
**bond
issues**
arrangers with
the volume of

111.5

RUR billion

17 issuers, 31 issues,

12

%

**of the total
primary
corporate
bonds
offerings**

2.

Stable development

- **Customer Base**
- **Commercial Lending**
- **Retail Business**
- **Project and Structured Finance,
Investment Lending**
- **Investment-Banking Advising**
- **Trading in Financial,
Stock and Capital Markets**
- **Asset Trust Management**
- **Direct Investments**
- **Depository Business**
- **Risk Management**
- **Regional Network**
- **HR Policy and Employee Incentives**
- **Social Responsibility**

Customer Base

Providing banking services to corporate customers remains the main area of GPB Group's business.

The Bank's customers include major and large enterprises operating in the most dynamic sectors of the national economy, natural monopolies and companies partially owned by the state. In addition to strengthening mutually beneficial partnerships with its traditional customer base, one of the Bank's top priorities is to enhance the scope of its business with the mid-sized customer segment. The foundation for intensive development is a customer-oriented model, creative approach to business development, highly-skilled account managers and financial advisers, and considerable accumulated successful work experience.

The Bank offers a wide range of lending and settlement products that have been developed with due consideration for the specific industries of borrowers, careful elaboration of potential financing structures, and partnership with leading global financial institutes. This enables the provision of banking and financial support to projects with virtually any level of complexity, both in Russia and abroad.

Gazprombank provides services to about 45,000 corporate customers. These include major backbone enterprises operating within the basic industries of the Russian economy such as gas, nuclear, oil, chemical, metallurgy, coal mining, electric power, housing and public utilities, defense, machine-building, agribusiness, chain retailing and the financial sector.

Amounts owed to corporate customers increased by 29% to RUR 1,249 billion as of year-end 2011.

Having been a strategic partner of *OAQ Gazprom* for more than two decades, Gazprombank participates in the implementation of *Gazprom Group's* priority programs for the construction, reconstruction, and technical re-equipment of gas production and transportation facilities and upgrades for power assets.

It also provides services to other companies in *the gas industry*, including independent gas suppliers

as well as partners and suppliers to the sector. A service provider for Sakhalin Energy Investment Ltd, the operator of one of the major *Sakhalin-2* shelf became the Bank's customer in 2011.

Business with *oil and petrochemical companies* was actively developed. The Bank's partnerships with *power industry companies* were strengthened in the implementation of both investment programs for major power industry holdings and energy-efficient processes.

In 2011, Gazprombank continued to strengthen its position as a strategic partner for companies operating in the *nuclear, metallurgy and coal-mining industries*.

Throughout the year, the Bank actively participated in a number of considerable projects initiated by State Atomic Energy Corporation ROSATOM targeted towards developing its raw material base in Russia and abroad, and acted as the arranger and underwriter of bonds issued by a foreign subsidiary of OAO Atomredmetzoloto and structured transactions involving financial derivatives for the purposes of reducing costs and mitigating currency risks.

The Bank actively participated in financing investment programs designed to technically re-equip the production capacity and improve the energy efficiency of companies in the metallurgy industry, including the use of various financial instruments (letters of credit providing for post-financing, engagement of export insurance agencies and leasing transactions).

Gazprombank significantly expanded the scope of its partnerships with *companies in high-tech industries, the defense industry complex and machine-building*. Its credit portfolio was diversified in terms of the types of businesses operated by its counterparties – space machine-building, shipbuilding, helicopter engineering, engine-building, electronic engineering and etc.

The Bank continued to actively work with the Federal Service for Military and Technical Cooperation and State Corporation Rosoboronexport. Gazprombank's representatives are members of intergovernmental committees. The Bank's presence has been considerably expanded in the area of preparing

and administering export contracts executed under intergovernmental treaties. During the reporting year, the Bank became a strategic partner of the *Federal Special Construction Agency of Russia*. The Bank has strengthened its partnerships with *companies in the transportation and infrastructure sectors* – Russian Railways, leading Russian airlines, major ports and shipping companies. Gazprombank holds firm leading positions in the banking services market to *road construction companies* - the total price of the government contracts serviced by the Bank, and relating to the construction of transportation infrastructure, exceeds RUR 100.0 billion.

The Bank's credit portfolio covering the Russian agribusiness industry is diversified by the types of businesses operated by its counterparties – fat-and-oil, meat processing, confectionary and milk products. The top priority is to arrange the attraction of direct investments into the national food production and agricultural sectors and to ensure effective access to capital markets for the leaders within these industries.

The Bank continued to strengthen its position in servicing the *financial sector* – bilateral agreements were executed with Russia's Pension Fund and Compulsory Medical Insurance Fund and the project for selling services offered by Non-State Pension Fund GAZFOND was implemented through the Bank's retail network. As part of efforts to develop customer relationships with non-state pension funds, NPF electroenergetiki, NPF Atomgarant, NPF First Industrial Alliance and Khanti-Mansiysky NPF became customers of the Bank.

New specialized products were developed for companies operating within the *insurance industry* and the implementation of pilot projects with insurance companies OJSC SOGAZ and OJSC VSK began in 2011. The Bank intends to further develop its product line for insurers, to strengthen cooperation with extrabudgetary and pension funds, and to implement a financial supermarket designed for selling non-banking services to retail and corporate customers.

Commercial Lending

Providing commercial loans to corporate customers is one of GPB Group's key business lines. Increasing the Bank's credit portfolio while maintaining its high quality and expanding market share, and satisfying customer needs (primarily, for Russian enterprises) for loan products is one of the Bank's strategic development objectives.

The total amount of loans provided to corporations during the reporting year increased by 33% to RUR 1,311.6 billion. At the same time, the amount of commercial loans totaled RUR 942.7 billion (or 72% of the entire corporate loan portfolio) an increase of 32% during the year.

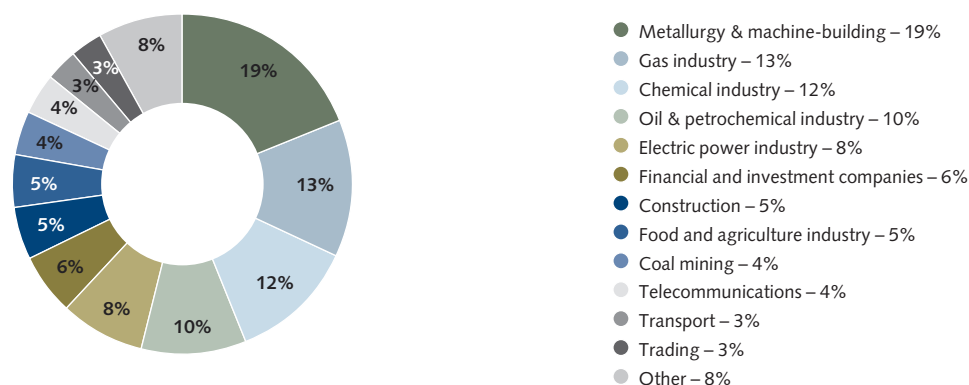
The industry composition of commercial loans extended during the reporting year didn't suffer any material changes – the majority of investments were made available to metallurgy and machine-building

(19%), gas production, transportation and retailing companies (13%) and the chemical industry (12%). The reporting year featured active growth in the *trade finance business*. Gazprombank is one of the captive guarantor-banks for many of its major customers in terms of the main types of guarantees. It actively develops its services related to the opening and advising of letters of credit and expands the volume of its cash collection operations.

As of year-end 2011, the amount of the Bank's effective liabilities under guarantees issued increased to RUR 252 billion. The issuance of bank guarantees to secure contract obligations under government orders actively grew during the year.

The amount of transactions completed in 2011 involving trade finance instruments increased by 24% to over RUR 38 billion. The total amount of letters of credit opened during the year was RUR 30 billion.

The breakdown of loans to legal entities by industries as of January 1, 2012, %



Retail Business

Gazprombank considers its retail business to be a strategically vital line of its business and consistently increases its scale.

The Bank pursues a single product policy, uses standardized banking processes and implements a flexible pricing and marketing policy given regional market conditions where the Bank's branches are located. In addition to traditional deposit and loan products, the Bank's customers are offered brokerage services in the securities market and e-banking services. The complete services offering and trust management tools have resulted in a notable increase in the commission income generated by the retail business.

The amounts owed to individuals increased by 12% to RUR 267 billion during the year. Term deposits, including unallocated bullion accounts, thematic and other types of deposits account for more than 70% of funds. For example, the balance of unallocated bullion accounts faced a 5-fold increase in 2011, reaching RUR 1.5 billion; more than 82% were opened during the reporting year.

The amount of *loan debt owed by individuals* was RUR 143 billion as of January 1, 2012, an increase

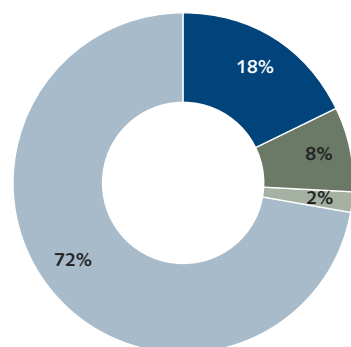
over 2011 made up 49% in 2011. The portfolio of mortgage and consumer loans increased by 1.6 times during the year with loans issued using bank cards increasing by 1.4 times.

The portion of overdue debt (remaining overdue for more than 90 days) in the loans provided to individuals decreased to 4.2% (as of the start of 2012) of the retail credit portfolio (against 4.9% as of the start of 2011) and is the result of the risk monitoring and review procedures introduced into the Group and high-quality underwriting.

During 2011, the list of *non-cash transactions accessible via ATMs and self-service machines within the Group's entire regional network* significantly expanded – payment of tuition fees, units in mutual funds, remittance of donations to charitable funds, etc. – over 500 services in total. The total turnover of non-cash transactions held at the Bank's ATMs and information terminals was more than RUR 10 billion (about 15 million transactions). More than 4,300 ATMs of the Group, 2,100 cash-out points and about 19,000 trading terminals are located at 95 district, regional and major industrial centers.

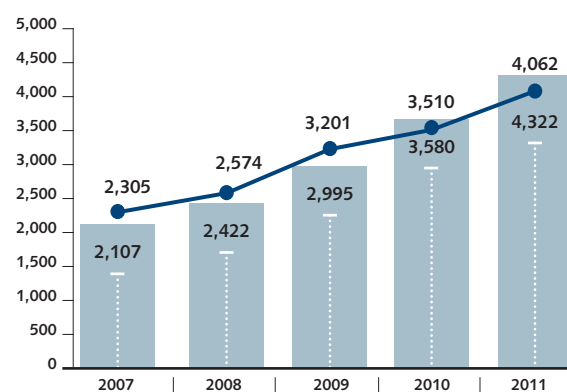
In the reporting year, the Bank introduced the new *Personal Account (PA)* service at its ATMs, offering

Loans to individuals structure



- Mortgage loans – 72%
- Consumer loans – 18%
- Car purchase loans – 8%
- Credit cards and overdrafts – 2%

Development of bank card business



- Number of self-service machines, including ATMs and Cash-In devices
- Number of issued bank cards, thousands

customers the ability to perform transactions using any card registered with the PA within the parameters of saved transactions to enable repeated use.

Federal executive authorities have been connected to the Bank's payment services to enable payments for state services related to the Federal Migration Service, Federal Tax Service and State Road Traffic Safety Inspection using the Bank's ATMs, *Home Bank* system or *Telecard* system as part of the project being implemented jointly with the Federal Treasury. A service was introduced jointly with the Federal Tax Service offering customers the ability to transfer funds to the budget system of the Russian Federation to pay taxes (dues) and make other payments administered by tax authorities. Customers may initiate transfers via their personal account opened on the Federal Tax Service of Russia website.

Mobile versions of the «Telecard» system were developed during the year for iOS (iPhone) and Android platforms, enabling a significant increase in the number of customers using mobile applications. The list of bank cards offered to customers has been significantly expanded: co-branded debit cards were developed jointly with major Russian airlines, the Moscow subway, etc. The issue of new premium-

grade products (VISA Infinite, MasterCard World Signia) for VIP customers has been improved. Pension Cards are serviced in Moscow and by the Bank's branches under a partnership agreement executed with Non-State Pension Fund GAZFOND. A «Shareholder's Card» is serviced jointly with the Bank's Depository Center.

The holders of Gazprombank's bank cards are offered a package of extra insurance services thanks to cooperation with the insurance company SOGAZ.

Private Banking

Gazprombank is one of leaders in the Russian *Private Banking* market . Gazprombank offers high-income customers a wide range of financial solutions including both classic banking products and capital management services in Russia and abroad.

Over the last few years, Gazprombank's Private Banking team completed a significant effort to develop its product and service lines and to improve advisory processes in order to establish long-term relationships with its customers based on mutual trust. According to a survey of Gazprombank's Private Banking customers, 82% of respondents selected the "top mark" for the Bank's performance. Amid the financial instability of the past year, Gazprombank's Private Banking recommended that its customers apply a conservative approach to managing their savings which enabled customers to both avoid material losses and even increase income under the unstable global conditions. In 2011, the Bank managed to significantly increase their asset base and the number of Private Banking customers and improved the profitability of this business line for the Bank.

Art Banking

Since 2007, the Bank has made efforts to develop its Art Banking business line that offers services covering investments in pieces of art and collectors' items, as well as advisory and information services in the art market. The goal of Art Banking is to provide customers willing to invest in "enduring values" with the whole range of services associated with transactions in the art treasury market, from finding an item to arranging the deal, insurance and delivery. The Bank will continue its activities aimed at popularizing the figurative arts and developing infrastructure for the Russian art market. The Bank's customers are offered an overview analysis covering various segments of the art market, news on laws in this field and other informative materials.

Project and Structured Finance, Investment Lending

Gazprombank steadily holds leading positions in the Russian project and structured finance market, and is able to promptly satisfy its customers' needs for arranging financing of any degree of complexity.

Higher demand for the Bank's project and structured finance services in 2011 enabled significant increases in its customer base and furthered efforts to diversify the financed projects portfolio by industry sector. The portfolio exceeded RUR 290 billion at year-end and was represented primarily by major projects in areas

vital for the for Russian economy. The main pool of projects is focused on industries in which the Bank historically has a significant track-record of expertise such as oil and gas, petrochemical and chemical, mining and smelting, heavy engineering, power generation, energy conservation and efficiency and agribusiness. A number of transactions completed by the Bank have been honored with international awards such as the *Deal of the Year*.

It is expected that between 2012 and 2015, Gazprombank will materially expand its partnerships with strategic customers including Gazprom Group, and will play an active role in implementing considerable infrastructural projects and government development programs thanks to its unique experience in arranging large-scale project financing and financial advising.

GPB's projects awarded in the *Deal of the Year* nomination for 2011



Project Finance
2011



severneftegazprom

EUR 1.1 billion

Financing of the development of the South Russian Field

Arranger of financing



exporta













USD 750 million

M-1
(Odintsovo bypass road)

Financial adviser, arranger of the first Russian issue of project bonds under a PPP project

Most significant projects 2011

 <p>ZARECHNY coal company</p> <p>USD 329.5 million</p> <p>Financing of the construction of a coal mine and enriching factory</p> <p><i>Lender</i></p>	 <p>CHERKIZOVO GROUP</p> <p>RUR 18.5 billion</p> <p>Financing of the construction of a poultry complex</p> <p><i>Lender</i></p>	 <p>SEVERENERGIA</p> <p>RUR 18.5 billion</p> <p>Financing of the development of fields</p> <p><i>Arranger of Financing and Lender</i></p>	 <p>CITY PALACE</p> <p>USD 345 million</p> <p>Financing of the construction of the «Evolution» Tower in the MIBC "MoscowCity"</p> <p><i>Lender</i></p>
 <p>Russian Satellite Communications Company</p> <p>RUR 4.5 billion EUR 100 million</p> <p>Financing of the construction and launching of 3 communications satellite</p> <p><i>Lender</i></p>	 <p>RUSSIAN COPPER COMPANY JOINT STOCK COMPANY</p> <p>RUR 183 billion USD 99.6 EUR 52.2 million</p> <p>Financing of the development of the Mikheevskoye copper-porphry field</p> <p><i>Lender</i></p>	 <p>UCL HOLDING UNITED CAPITAL GROUPS HOLDING PLC</p> <p>USD 138 million USD 130.5 million</p> <p>Financing of the construction of tankers</p> <p><i>Lender</i></p>	 <p>JOINT COMPANY RVP RUSVIETPETRO</p> <p>RUR 9.3 billion</p> <p>Financing of investment program</p> <p><i>Lender</i></p>
 <p>СТРОИТЕЛЬ</p> <p>RUR 4.2 billion</p> <p>Financing of the construction of residential complexes in Novosibirsk</p> <p><i>Lender</i></p>	 <p>PosEvo DEVELOPMENT</p> <p>RUR 4.9 billion</p> <p>Financing of the construction of a retail and entertainment center in Ufa</p> <p><i>Lender</i></p>		

Investment-Banking Advisory service

Gazprombank is one of the leading advisers in the M&A arena in terms of transactions announced and completed in Russia (according to ThomsonReuters).














In 2011, Gazprombank acted as an adviser to 15 M&A transaction, a number of which are expected to close in 2012.













The Bank is an exclusive adviser to customer deals within the power generation, coal, agriculture, transportation, retail and wholesale trade, high technologies, telecommunications, insurance and

banking industries. Customers are advised on matters associated with attracting financial investors, acquiring and selling businesses, consolidating companies, creating JVs and exchanging blocks of shares.

The Bank participates in federal and regional privatization programs as a financial adviser. As part of its efforts to develop its investment and banking business, Gazprombank provides advisory services to companies operating in the oil and gas sector.

Projects of GPB (OJSC)

 <p>2012</p> <p>Amount is not disclosed</p> <p><i>Financial adviser to shareholders in relation to the sale of the company to a strategic investor</i></p> 	 <p>2011</p> <p>Amount is not disclosed</p> <p><i>Acquisition of a share in the Speech Technology Center</i></p> 	 <p>2011</p> <p>RUR 2,250,000,000</p> <p><i>Exclusive agent of the Russian Federation in relation to the sale of a 100% stake in OAO Prosveshcheniye Publishing House</i></p>	 <p>2012</p> <p>Amount is not disclosed</p> <p><i>Adviser on the sale of a 51.22% stake in OAO Mineral Fertilizers (Perm) to Uralkhim Group</i></p> 
 <p>2011</p> <p>Amount is not disclosed</p> <p><i>Acquisition of 25% plus one share in Optima, a Russian IT company</i></p> 	 <p>2011</p> <p>About \$4,000,000,000</p> <p><i>Financial adviser in relation to the sale of a 12.08% stake in OAO NOVATEK to Total</i></p>	 <p>2011</p> <p>Amount is not disclosed</p> <p><i>Exclusive financial adviser in relation to the sale of a non-controlling stake in Russian Starch Products to a strategic investor</i></p>	 <p>2011</p> <p>RUR 56.5 million</p> <p><i>Acquisition of a 100% stake in ZAO Kriogaz</i></p> 

 <p>2011</p> <p><i>Financial adviser in relation to the creation of a business aviation center and construction of the "A" terminal in Sheremetyevo Airport</i></p>	 <p>2011</p> <p>Amount is not disclosed</p> <p><i>Sale of a controlling stake in CJSC Sibur Holding</i></p> 	 <p>2011</p> <p>Amount is not disclosed</p> <p><i>Adviser to the shareholders of Geotech Holding in connection with the creation of a JV with Integra and Schlumberger (IG Seismic Services)</i></p> 	 <p>2011</p> <p>Amount is not disclosed</p> <p><i>Acquisition of 75% minus 1 share in OAO AKB Eurofinance Mosnarbank for creating a Russian and Venezuela bank</i></p> 
 <p>2011</p> <p>Amount is not disclosed</p> <p><i>Exclusive advisor in relation to the raising of a long-term loan from the European Bank for Reconstruction and Development</i></p>	 <p>2011</p> <p>\$ 526,000,000</p> <p><i>Financial adviser in relation to the sale of a call option in respect of 25.1% of shares in OAO Yamal SPG</i></p> 	 <p>2011</p> <p>Amount is not disclosed</p> <p><i>Financial adviser in relation to the sale of a 20% stake in OAO Yamal SPG to Total</i></p> 	

Financial, Stock and Capital Markets transactions

Gazprombank traditionally holds leading positions in all sectors of the Russian financial and stock markets.

During the year, as in several prior years, Gazprombank's financial market transactions were intended to satisfy customer needs for market instruments and manage the Bank's risks arising in the course of commercial activities.

In accordance with the results of exchange auctions held at MICEX, the Bank holds a stable position among the ten top operators in the currency market. In 2011, Gazprombank ranked No.3 among arrangers of bonds issues (corporate sector) per Cbonds.info with RUR 111.5 billion of completed transactions (17 issuers, 31 issues, 12% of all initial placements of corporate bonds). The nominal amount of the secondary placement of 3 bonds issues (Mobile Telesystems OJSC, JSC Gazprom Neft and JSC Russian Standard Bank) exceeded RUR 15 billion. Gazprombank acted as the arranger in a placement of 3 issues of Eurobonds for a total nominal amount of USD 1.750 billion – OAO NOVATEK, Home Credit&Finance Bank LLC, participated in arranging 4 IPOs/SPOs for Russian and foreign companies. In 2011, Gazprombank performed a number of benchmark transactions:

- placement of bonds with a 10-year fixed coupon rate, a record for the market among corporate issuers (JSC FGC UES);
- issue of corporate bonds in a record-breaking amount with a minimum premium compared to the secondary market (JSOC Bashneft);
- Russia's first ever placement of bonds issued by a foreign corporate issuer (Uranium One);
- major conversion in the number of Ruble-denominated bond issues (Rostelekom OJSC);
- major conversion in the nominal amount of Ruble-denominated bonds (RUSNANO).













Increasing the stable resource base remained one of the Bank's top priorities in 2011. About 400 long-term framework agreements were executed to regulate transactions in financial markets, of which 340 agreements permitted the attraction of




temporarily redundant funds from customers. The Bank actively participated in tenders held to place temporarily redundant funds for state corporations and companies included in the register of natural monopolies, as well as regional budgets and funds established by regional government authorities. Gazprombank completed two major transactions to raise financing from international capital markets. In August 2011, the Bank raised its first-ever syndicated loan for a total amount of USD 1.2 billion for 3 years at an interest rate equal to LIBOR + 1.50% p.a. The creditors were represented by banks incorporated in the USA, Europe, United Kingdom and Japan as well as by the China Development Bank. The proceeds from that loan were used to prepay a more expensive syndicated loan of USD 900 million raised in September 2010 for 2 years at LIBOR + 2.50% p.a. In December 2011, the Bank placed its own issue of Eurobonds for CHF 420 million for 2 years at 4.375% p.a. in the local market of Switzerland. The Bank placed two issues of bonds for a total amount of RUR 20 billion in the Russian market and timely redeemed its two issues of bonds for a total of RUR 15 billion. The year featured significant growth in the *Bank's brokerage business*. The customer base using the Bank's brokerage services increased by 20% and exceeded 12 thousand accounts during the year. The amount of assets held in brokerage accounts increased by 34% with the RTS index falling by 21.47% in 2011.

This significant growth was the result of the Bank's efforts to attract major institutional investors, individuals and corporations as customers. In the middle of the year, a new product line covering all customer groups of the Bank was introduced. In particular, the *Premium* product including personal advising and supporting for all transactions was introduced for major private customers. The number of financial instruments available to customers was significantly expanded – it has become possible to make transactions in foreign securities including ADR, GDR and Eurobonds.

Active work was performed during the year to grow the business of GPB Financial Services Cyprus,

Ruble-denominated bond issues placed by Gazprombank in 2011 in the internal market

<p>Moscow 21 December 2011</p>  <p>BO-02 exchange-traded bonds, 8.75% p.a. coupon RUR 5,000,000,000 RUR 5,000,000,000 Offer valid for 1.5 year; Maturity: 3 years; Quotation list «B»</p> <p>Arranger</p>	<p>Moscow 20 December 2011</p>  <p>BO-04 exchange-traded bonds, 8.50% p.a. coupon RUR 10,000,000,000 Offer valid for 1 year; Maturity: 3 years</p> <p>Arranger</p>	<p>Moscow 12 December 2011</p>  <p>18 series Ruble-denominated bonds, 8.50% p.a. coupon RUR 15,000,000,000 Offer valid for 2.5 years; Maturity: 12 years; Quotation list «B»</p> <p>Arranger</p>	<p>Moscow 07 December 2011</p>  <p>01 series Ruble-denominated bonds, 9.75% p.a. coupon RUR 14,300,000,000 Offer valid for 2.5 years; Maturity: 10 years</p> <p>Arranger</p>
<p>Moscow 06 December 2011</p>  <p>BO-01 series Ruble-denominated bonds, 9.35% p.a. coupon RUR 10,000,000,000 Offer valid for 2 years; Maturity: 3 years</p> <p>Arranger</p>	<p>Moscow 05 December 2011</p>  <p>01 series Ruble-denominated bonds, 9.75% p.a. coupon RUR 3,000,000,000 No offer; Maturity: 5 years; Quotation list «B»</p> <p>Arranger</p>	<p>Moscow 15 November 2011</p>  <p>BO-07 series Ruble-denominated bonds, 8.95% p.a. coupon RUR 10,000,000,000 No offer; Maturity: 3 years; Quotation list «B»</p> <p>Arranger</p>	<p>Moscow 11 November 2011</p>  <p>BO-01 series Ruble-denominated bonds, 11.00% p.a. coupon RUR 5,000,000,000 Offer valid for 1 year; Maturity: 3 years</p> <p>Arranger</p>
<p>Moscow 03 November 2011</p>  <p>BO-03 series Ruble-denominated bonds, 10.50% p.a. coupon RUR 4,000,000,000 Offer valid for 1 year; Maturity: 3 years Quotation list "B"</p> <p>Arranger</p>	<p>Moscow 02 November 2011 01 November 2011</p>  <p>08 and 09 series Ruble-denominated bonds, 8.80% p.a. coupon RUR 5,000,000,000 RUR 5,000,000,000 Offer valid for 3 years; Maturity: 10 years</p> <p>Arranger</p>	<p>Moscow 27 October 2011</p>  <p>15 series Ruble-denominated bonds, 8.75% p.a. coupon RUR 10,000,000,000 Offer valid for 3 years; Maturity: 12 years; Quotation list "B"</p> <p>Arranger</p>	<p>Moscow 14 October 2011</p>  <p>08 series Ruble-denominated bonds SPO parameters: Price: 98.93% YTM: 10.00% RUR 3,478,013,000 Redemption Date: 13 April 2012</p> <p>Arranger</p>

<p>Moscow 04 October 2011</p>  <p>10 series Ruble-denominated bonds, 8.50% p.a. coupon RUR 15,000,000,000 Offer valid for 5 years; Maturity: 10 years</p> <p>Arranger</p>	<p>Moscow 05 August 2011</p>  <p>04 series Ruble-denominated bonds SPO parameters: Price: 102.50% YTP: 7.86% RUR 6,131,097,000 Redemption Date: 16 April 2018</p> <p>Arranger</p>	<p>Moscow 02 August 2011</p>  <p>BO-01 series Ruble-denominated bonds, 8.75% p.a. coupon RUR 3,000,000,000 No offer; Maturity: 3 years</p> <p>Arranger</p>	<p>Moscow 21 July 2011</p>  <p>19 series Ruble-denominated bonds, 7.95% p.a. coupon RUR 20,000,000,000 Offer valid for 7 years; Maturity: 12 years Quotation list "B"</p> <p>Arranger</p>	<p>Moscow 18 July 2011</p>  <p>BO-2 series Ruble-denominated bonds, 6.75% p.a. coupon RUR 10,000,000,000 Offer valid for 2 years; Maturity: 3 years</p> <p>Arranger</p>
<p>Moscow 05 July 2011</p>  <p>13 series Ruble-denominated bonds, 8.5% p.a. coupon RUR 10,000,000,000 No offer; Maturity: 10 years Quotation list "B"</p> <p>Arranger</p>	<p>Moscow 28 April 2011</p>   <p>01 series Ruble-denominated bonds, 8.7% p.a. coupon RUR 10,000,000,000 Offer valid for 5 years; Maturity: 15 April 2021</p> <p>Arranger</p>	<p>Moscow 09 June 2011 07 June 2011</p>  <p>05 and 07 series Ruble-denominated bonds, 8.40% p.a. coupon RUR 5,000,000,000 RUR 15,000,000,000 Offer valid for 5 years; Maturity: 10 years; Quotation list "B"</p> <p>Arranger</p>	<p>Moscow 28 April 2011</p>   <p>02 series Ruble-denominated bonds, 8.7% p.a. coupon RUR 5,000,000,000 Offer valid for 5 years; Maturity: 15 April 2021</p> <p>Arranger</p>	<p>Moscow 5 May 2011 25 April 2011</p>  <p>01 and 02 series Ruble-denominated bonds, 8.00% p.a. coupon RUR 5,000,000,000 RUR 10,000,000,000 Offer valid for 5 years; Maturity: 12 April 2021 Quotation list "A1"</p> <p>Arranger</p>
<p>Moscow 18 April 2011</p>  <p>08 series Ruble-denominated bonds, 8.5% p.a. coupon RUR 15,000,000,000 Offer valid for 4 years; Maturity: 05 April 2021; Quotation list "B"</p> <p>Arranger</p>	<p>Moscow 03 March 2011</p>  <p>07 series Ruble-denominated bonds, 8.3% p.a. coupon RUR 15,000,000,000 Offer valid for 3 years; Maturity: 22 February 2021; Quotation list "B"</p> <p>Arranger</p>	<p>Moscow 08 February 2011</p>  <p>08 series Ruble-denominated bonds, 8.50% p.a. coupon RUR 15,000,000,000 No offer; Maturity: 5 years</p> <p>Arranger</p>	<p>Moscow 08 February 2011</p>  <p>09 series Ruble-denominated bonds, 8.50% p.a. coupon RUR 15,000,000,000 Offer valid for 5 years; Maturity: 10 years</p> <p>Arranger</p>	<p>Moscow 08 February 2011</p>  <p>10 series Ruble-denominated bonds, 8.90% p.a. coupon RUR 10,000,000,000 Offer valid for 7 years; Maturity: 10 years</p> <p>Arranger</p>

a subsidiary of the Bank. The Bank and company officers participated in the marketing of investment products and establishing of relations with institutional investors from Western Europe and the Middle East – relations with more than 30 new customers were established in 2011.

In 2011, Gazprombank implemented a number of projects designed to arrange *structured financing* for the Bank's customers under conditions requiring the development of unique financial solutions, including

transactions aimed at funding investments in major blocks of marketable shares in Russian companies for a total amount exceeding RUR 20 billion.

The Bank performed the functions of an arranger in the *syndicated lending* market and participated in the syndication of loans for major companies and banks of Russia, Ukraine and Kazakhstan for a total amount exceeding RUR 18 billion.

Asset Trust Management

Gazprombank ranks No. 2 in the trust management sector in Russia in terms of funds under management.

In 2011, despite a tortuous situation in global financial markets, the amount of assets under Gazprombank's management increased by 47%. The growth was primarily attributable to the corporate segment and high-income customers. Most of the funds placed under management exceeded the average return in their category and return on market indexes.

In addition to various individual strategies, the Bank offers its high-income private customers collective investment instruments created especially for this category of investors - bank-managed mutual funds. The amount of money invested in such instruments and the variety of strategies available for this category of investors are innovative for the Russian market.

Furthermore, Gazprombank's trust management business continued to develop closed-end mutual investment funds and established 2 new closed-end mutual investment funds in 2011.

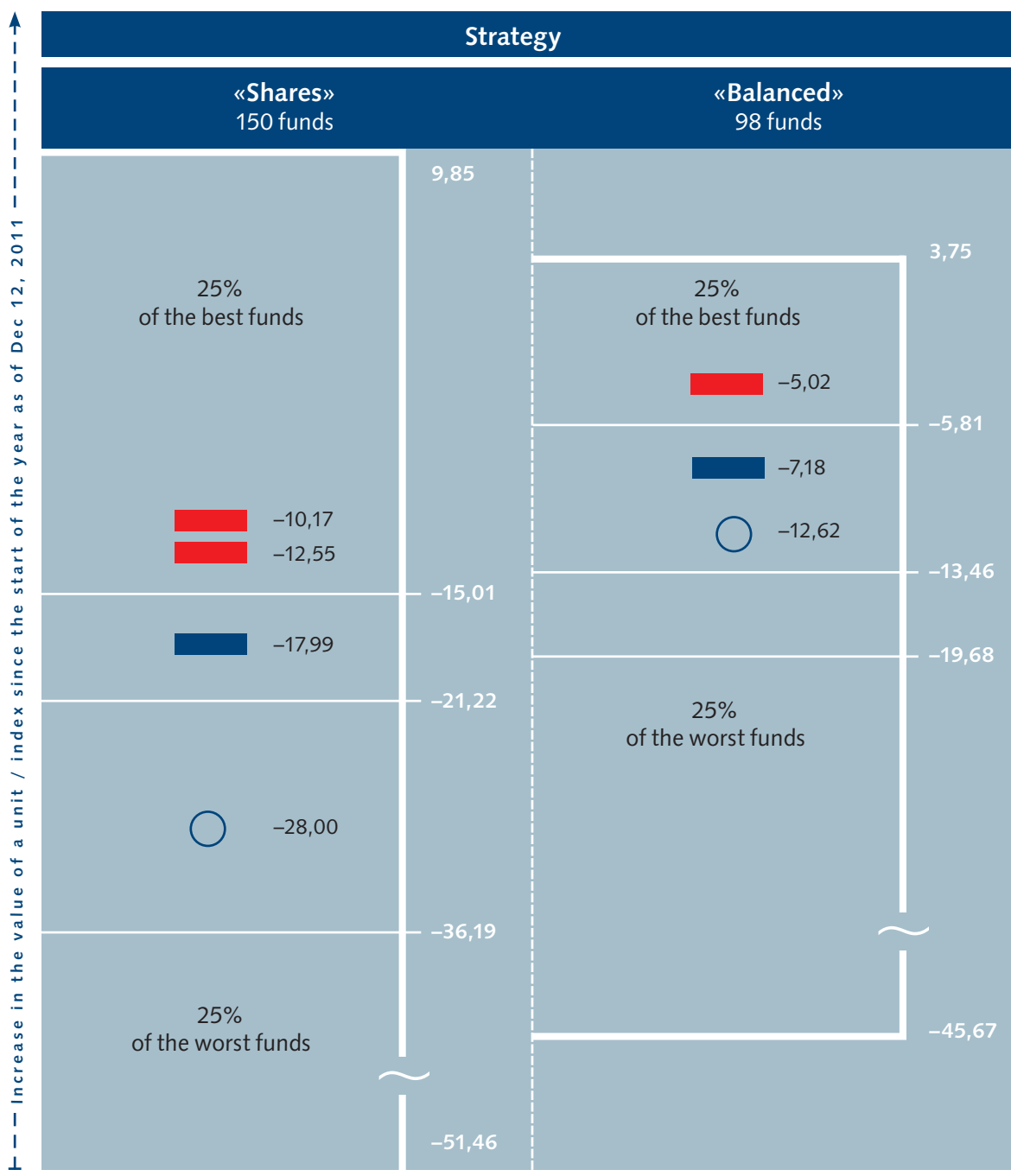
Mutual Investment Fund of Funds Gazprombank – Global Consumer Basket was created in late 2011 for retail customers for investing in global agricultural

goods as an alternative to stock market investments. In addition, the Bank became one of the leaders in terms of the number of retail customers investing in mutual funds.

From the very start of its operations, Gazprombank has been the largest fiduciary manager of endowment funds in Russia, both in terms of the amount of financing and the number of funds under management. During 2011, the Bank managed to double the number of its customers by adding 5 new funds. Thus, the total amount of financing held in the endowment funds under management increased by 65%.

The progress in this line of the Bank's business was repeatedly honored by the professional community in 2011, which resulted in the Bank receiving more than 10 corporate awards. In particular, RBC and Financial Elite of Russia have given their *Company of the Year* designation to CJSC Gazprombank – Asset Management, a member of Gazprombank's trust management business; National League of Management Companies has recognized it as the most successful endowment fund company in the history of the industry, and Expert RA has emphasized its integrated approach to risk management.

Mutual funds under management of CJSC Gazprombank - Asset Management outperformed the index and were included among the top 25% of funds in their category



	■	■	■	○
Shares	Mutual Fund GPB-Shares	Mutual Fund Aggressive	RTS (RUR)	Index IF-EQ (funds of shares)
Balanced	Mutual Fund GPB-Balanced		55% RTS (RUR) 45% C-bonds	Average value for mixed funds

Direct Investments

Machine-Building

Gazprombank's machine-building assets (OJSC Izhora Plants, OMZ-Special Steels, IZ-CARTEX after P.K.Korobkov Ltd., JSC Uralmash Plant, OAO Uralkhim mash, ZAO REP Holding, ZAO NPF CKBA, JSC Cryogen mash) represent the main core of the Russian energy and heavy engineering business. Per the requirements of the market and special-purpose government programs designed to develop Russia's oil and power industries, the Group is undertaking major investment projects and innovative programs aimed at replenishing and upgrading their production bases, acquiring and mastering contemporary technology, and developing new machinery:

- In 2011, REP Holding completed a comprehensive upgrade and re-equipment program and switched from a «complete knock down» to fully-featured turbine production with a significant degree of localization.
- Uralkhim mash mastered the manufacturing of heavy reactor and column equipment for the petrochemical industry and expanded the range of its products.
- Thanks to Gazprombank's help and strengthened engineering potential, the machine-building enterprises CKBA, IZ-CARTEX, OMZ-Special Steels and Cryogen mash succeeded in manufacturing unique strategically important products.
- The Izhora Plants entered into a series of production and supply contracts regarding reactor equipment for nuclear power stations and oil refineries.
- Uralmash Plants signed supply contracts to supply equipment from Mechel OAO for the Elginsky Coalfield that is currently under construction, and a supply contract with Stemcor (India).

During the year, the Bank directly participated in the ongoing system efforts to expand the practice of entering into long-term contracts for the supply of heavy equipment which would enable not only a boost in output and a switch to serial production of engineering products, but also to implement new technical developments.

With Gazprombank's support, the Group's machine-building plants are implementing a package of social measures aimed at improving labor and housing conditions for their employees, providing material support to veterans of labor and veterans of the Great Patriotic War, providing support to specialized educational institutions and improving the prestige of blue-collar occupations.

Petro-chemical and Oil & Gas Industry

As part of Gazprombank's strategy to reduce investments in non-financial assets, a transaction in October 2011 to sell shares in CJSC SIBUR Holding was completed. The transaction was completed pursuant to the conditions of an agreements executed in 2010. Given the dividends received by Gazprombank (since late 2005) while it held the shares, Gazprombank's investments in shares of CJSC SIBUR Holding achieved an IRR exceeding 33%.

Media Business

During the year, the television broadcasters NTV and TNT, which are members of Gazprom-Media Holding owned by Gazprombank Group, strengthened their leading positions in the Russian television market. The high profitability of NTV Television Company's 2011 operations are associated with a significant increase in income, mainly due to growth in the advertising market and restoration of the quality of the company's audience.

Other Investments in Non-Banking Assets

An important investment made by Gazprombank Group in the field of energy construction and engineering is its investment in JSC South center of power engineering (JSC SCPE). In 2011, SCPE significantly strengthened its position as a new kind of true engineering company by successfully commissioning power-generating units at the Astrakhan and Nevinnomysk SDPPs and the South-Western TPP.

In 2011, Gazprombank significantly expanded its presence in Russia infrastructure sector by joining a major project being implemented on a PPP basis – to construct a toll section of the Western High-Speed Diameter highway in Saint-Petersburg and operate the whole road on a paid basis. In 2012, Gazprombank plans to develop its investment in infrastructure, including projects associated with the construction and operation of roads, reconstruction of water-supply and water-removal systems, and the development of seaports and airports.

In late 2011, Gazprombank Group acquired 100% of the shares in Joint-Stock Company Cryogas, a company offering engineering services in such areas as the arrangement of production, re-gasification and subsequent use of low-tonnage liquefied natural gas. JSC Cryogas operates its own liquefaction unit and acts as a contractor for Gazprom Group companies to create similar units in a number of other regions. With the Bank's support, the company intends to expand its engineering services portfolio and to boost its own output.

The Bank continues to participate in the development of ZAO Vasilievsky Rudnik, a gold-mining company whose shares were acquired by GPB Group in 2010. ZAO Vasilievsky Rudnik is involved in the exploration and production of lode gold in the Krasnoyarsk Region. Its gold output in 2011 was 952 kg. In 2012, the company intends to increase gold production at the existing fields up to 1.4-1.5 tons. As part of its strategy to develop gold production activities, the Bank has made efforts to enhance the efficiency of the enterprise by improving its personnel roster, introducing incentive programs for key management personnel, introducing automated system and improving the quality of production, managerial and financial reports.

During the year, GPB - Power efficiency, LLC, a subsidiary energy service company, started to actively develop energy-efficiency projects in both the public (municipal) and private sectors. The company's project portfolio includes energy efficiency measures at Gazprombank Group's enterprises such as OAO Uralkhimmash, OJSC Uralsmash Plant and OJSC Izhora Plants.

In 2011, the Bank acquired a 67.5% stake in Speech Technology Center, a company that is a global leader in producing software and hardware solutions designed to recognize speech, transform voice data into text and create a biometric voice profile.

The ERIELL holding company and OJSC National Telecommunication Company (NTC) are examples of significant investments which did not provide the Bank with control over the issuer. ERIELL Group specializes in boring oil and gas wells and is one of the Bank's major projects in the oil services sector. From 2008 to 2011, Gazprombank financed a number of investment programs initiated by ERIELL Group to increase its stock of modern rigs (to 55 units). As a result, the Group's revenues were US\$520 million in 2011, with the contracts portfolio reaching more than US\$1.2 billion.

During the year, OJSC NTC significantly strengthened its positions in the Moscow and Saint-Petersburg markets for social and commercial television and high-speed internet access. By the end of 2011, Gazprombank had increased its investment in NTC to a 28.2% stake in the company's charter capital. In March 2012, that investment was sold to Rostelecom at a significant profit over the invested funds.

Investment into Minority Holdings

In 2010 and 2011, Gazprombank developed its merchant banking business (investing its own capital in minority interests of non-public companies). In the absence of a significant number of major foreign players in the area, Gazprombank had every chance to occupy key positions in that promising market. The Bank's unique position in the Russian market and its comprehensive line of financial products and services make Gazprombank an attractive partner for many successful companies.

Gazprombank, as a key shareholder in OAO MICEX (a leading Russian stock exchange), took part in the merger of MICEX and RTS, the two major Russian stock exchanges. The merger of the two trading platforms and subsequent development of a united stock exchange is a critical element for creating an international financial center in Moscow.

Depository Business

Gazprombank's Depository is one of the oldest and largest in Russia.

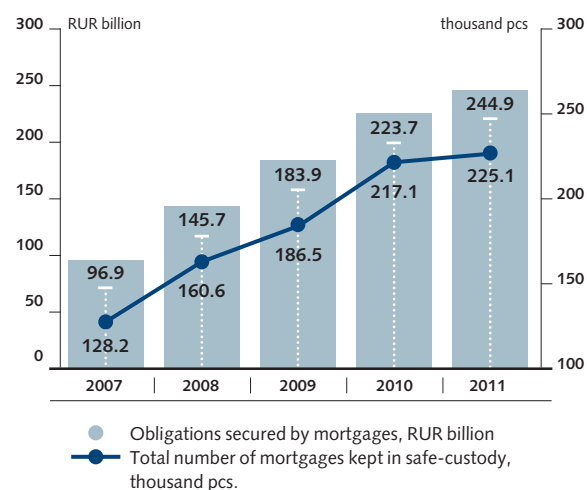
The Depository services about 450,000 customer accounts using more than 100 branches located throughout the country. With about a 10% share of the total capitalization of the Russian stock market, the Depository ranks No.3 in terms of assets held in its customer accounts, lagging only behind settlement depositories. The Depository's customers include Russian and foreign stock market players, corporations and individuals, holders of minor shares and major market players. In 2011, more than 100,000 transactions were made in depository accounts.

While developing along with the Russian stock market, Gazprombank's Depository is constantly increasing and improving its line of services (complex settlements and transactions, servicing foreign financial instruments, electronic document management, etc.). At the same time, it is improving depository processes to enhance the reliability, speed and convenience of depository transactions. The Bank's Depository was the first in the Russian market to offer safe-custody services for mortgages and holds a leading position in that market – as of January 1, 2012, more than 225 thousand mortgages securing liabilities for about RUR 250 billion were kept in safe-custody by the Depository. The Depository actively participates in government programs such as *Affordable Housing*,

Maternity Capital, Military Mortgage, Young Scientists, Impetus, etc. With the participation of Gazprombank's specialized depository, ranked No.6 in terms of the value of property under its control, projects associated with the securitization and issuance of mortgage-backed securities are being implemented.

It is expected that, in the context of reforming the Russian stock market, the Depository's promising technology and product developments will enable effective and reliable interactions with the Central Depository currently being created, and preserve a leading place in the depository and custodial services market.

Mortgages kept in safe-custody and recorded in depository accounts



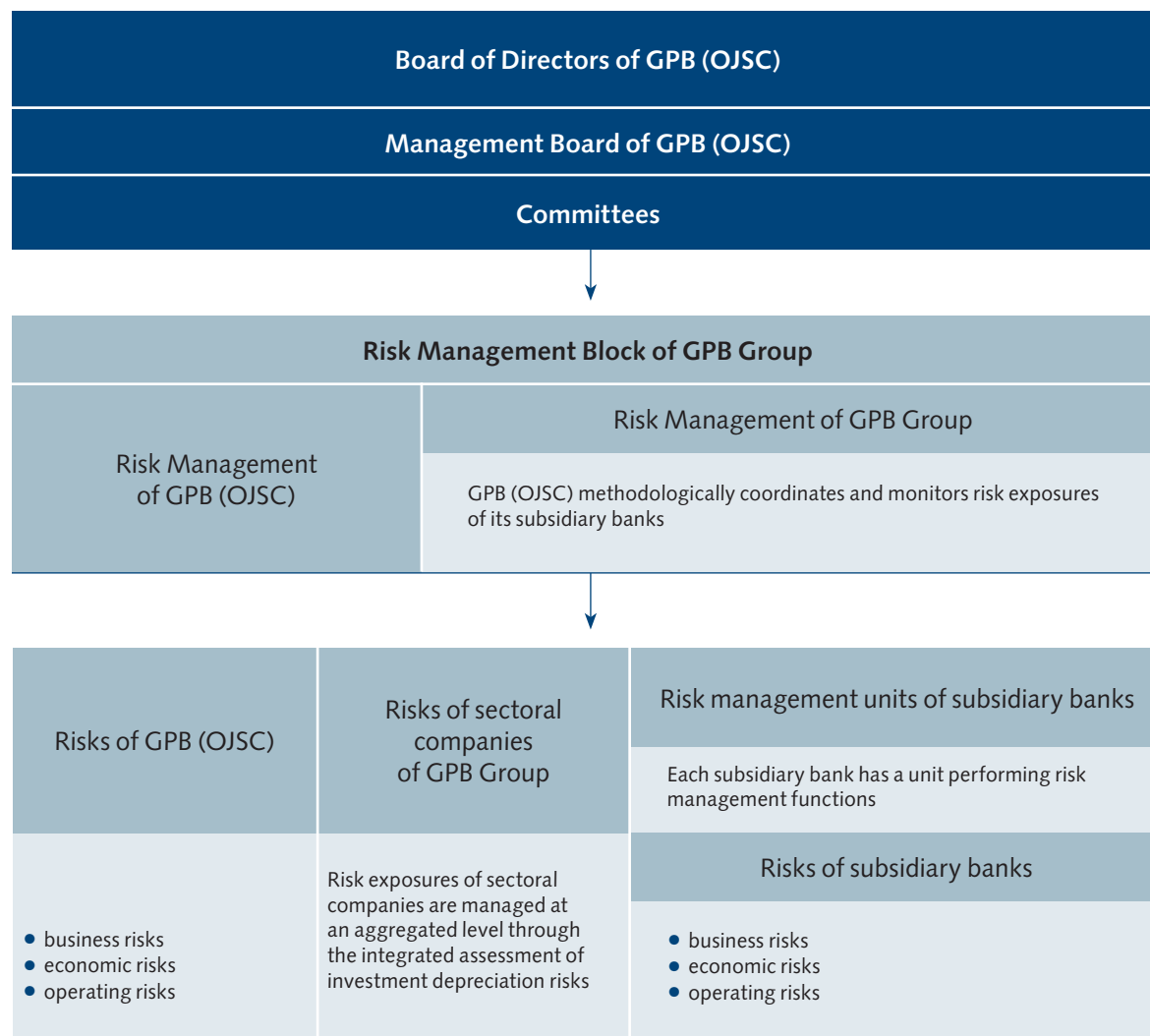
Risk Management

Modern, technical and methodical risk management is both a necessary component and an important competitive edge for Gazprombank. A well defined risk measurement and monitoring system, clear decision-making hierarchy and contemporary quantitative models for evaluating complex financial instruments enable intelligent and effective management of the Bank's asset portfolio. The Bank centrally manages its risks to ensure unity in risk assessment and control principles for GPB Group

in general, and to facilitate improvements in software and technology.

A risk appetite⁽¹⁾ has been determined by the Group and approved by the Bank's Board of Directors, and a process for distributing economic capital has been created to monitor the adequacy of funds to cover risks assumed by the Bank's subdivisions. The approved risk appetite provides a basis for setting limits to control the risk exposure of individual transactions, portfolios and counterparties.

GPB Group's Risk Management Framework



¹ Risk appetite is a system of indicators which limit the total risk level and structure of risks assumed. The indicators include target levels for external credit ratings, capital adequacy, liquidity and maximum values for individual risk types

The actual risk levels are monitored on a quarterly basis and reviewed by the Management Board in accordance with its meeting schedule.

Risk factors that affect the Bank are classified as systemic and individual factors. Systemic factors that give rise to a set of risks and which can exert significant influence on the Bank are taken into account during strategic planning and crisis management procedures (stress-testing, emergency planning, continuity of operations). Individual factors and their associated risks related to certain transactions, instruments and counterparties are considered by the Bank within its established procedures.

Required economic capital is defined as the amount of the Bank's own funds sufficient to cover its unexpected losses within 1 year and to secure the performance of the Bank's unsubordinated obligations with a probability corresponding to the target credit rating.

The models employed to measure risks for purposes of calculating capital requirements are based on the provisions of the Basel Agreement «International Convergence of Capital Measurement and Capital Standards: New Approaches» known as Basel II, and on proposals included in the package known as Basel III, given the specificity of the Bank's business. Capital requirements are calculated using credit risk, price risk, currency risk, equity risk, operating risk and interest rate risk. To cover risks that are not subject to a quantitative assessment and to ensure stability when unusually severe phases of the economic cycle occur, the Bank also maintains a capital buffer that takes stress-testing results into account.

Based on data from 2011, the Bank has an adequate amount of economic capital to cover all assumed risks. At the same time, the risk-adjusted performance of the Bank has exceeded the targets set by the Board of Directors.

Credit risk is managed in accordance with the Bank of Russia's regulations, the principles and guidelines developed by the Basel Committee on Banking Supervision, and internal Bank documents such as the Credit Policy and Risk Management Policy.

The credit risk management system provides for credit risk measurement on a case-by-case (expert review of individual transactions) and a portfolio (assessment of risk concentration) basis. Qualitative (Expert) and quantitative (statistical) measurement methods are employed.

The main measures designed to improve the credit risk management and assessment methodology in 2011 were linked to GPB's plans to implement credit risk assessment standards per Basel Agreement requirements.

To earn profits, the Bank assumes *market risks* (equity risk, currency risk, interest rate risk and market liquidity risk) arising as a result of unfavorable changes in market risk factors. The Bank's *risk management system* is based on:

- a system of limits to ensure that the amount of risk assumed corresponds to the approved risk appetite and amounts of economic capital allocated between the relevant business lines;
- qualitative and quantitative market risk assessment involving VaR methodology, stress-testing, scenario analysis and sensitivity analysis.

The results of the periodic validation completed in late 2011, have confirmed that the models used to measure market risks are adequate. The Bank's Management Board and Assets & Liabilities Management Committee are regularly provided with management reports covering each type of market risk including recommendations on how to mitigate the risks.

In measuring *liquidity risk*, the Bank utilizes an approach for calculating the current and expected levels of liquidity for actual and planned operations in conjunction with a subsequent review of the Bank's resource attraction potential. As part of this approach, liquidity risk is measured using scenario analysis.

During 2011, the Bank continued to pursue an active policy of diversifying its resource base and expanding reliable sources of liquidity given its liquidity forecasts. As a result of the efforts, despite a significant reduction in liquidity on the Russian market, the Bank maintained a sufficient liquidity reserve and succeeded in leveraging the market

situation to considerably enhance its credit portfolio in the 4th quarter of 2011.

The *Operating Risk* Management Policy approved by the Bank's Management Board in 2006, is expected to be updated in 2012. The concept selected by the Bank for its operating risk management framework delegates primary responsibility for identifying, measuring and managing risks on a day-to-day basis to the Bank's subdivisions with Risk Management independently verifying the risk management methods and approaches selected by each subdivision to address their operating risks.

SAS OpRiskManagement, an IT-system implemented within the Bank in 2011, became a single information space and tool enabling interaction between the subdivisions when managing operating risks.

Gazprombank is the first among the top-10 Russian banks to implement an automated operating risk management system, employing the best practices for managing operating risks.

Risk insurance covering the Bank's risks is considered one of the Bank's risk management methods that transfers the unfavorable financial consequences of specific risks to a third party (insurer).

The Bank continually monitors the financial stability of insurance companies to ensure the optimal ratio for insurers of capital to obligations assumed under insurance contracts.

For the purposes of managing its operating risks, the Bank enters into the following insurance contracts each year:

- Packaged insurance under the "Bankers Blanket Bond" ("BBB")¹ program, including a classic BBB policy (insurance of banks against crimes), Electronic & Computer Crime and Professional Indemnity;
- Insurance covering the Bank's risks as an issuer of bank cards;
- Insurance covering the Bank's ATMs

Functioning of a consolidated risk management system covering GPB Group's risks

As part of GPB Group's consolidated risk management system, efforts to improve the economic risk management of the Groups' banks and to introduce group-wide standards continued during 2011 via functional coordination between the risk management units of GPB Group's financial organizations.

The Bank's Management Board regularly receives consolidated risk reports prepared by the Group's banking organizations. The «Procedure for Arranging a Risk Escalation System for GPB Group's Financial Organizations» has been approved, and an early risk warning procedure has been put into operation. Risk audits have been scheduled as part of a proactive risk management approach at the Group's banks.

¹ Limit of liability under the BBB contract for 2011-2012 is US\$50 million

Regional Network

The Bank's successful business is supported by well-developed infrastructure – vast branch and depository networks, subsidiaries and affiliated banks, and stable correspondent relations with bank-counterparties.

The promptness and coordination of activities is facilitated by the latest information and telecommunication technologies and systems. As of January 1, 2012, *GPB Group's regional network* included more than 500 points selling banking products, including 43 branches of GPB (OJSC), 6 subsidiary and affiliated banks in Russia, Belarus, Switzerland and Armenia, supplementary and operational offices and out-of-the-office cash counters.

GPB created 52 internal business units during 2011, including 7 subdivisions opened in the form of operational offices in the Kursk, Kurgan, Amur, Vladimir, Penza, Ulyanovsk and Orel regions to facilitate the Bank's entry into the new regions.

As part of the development of Gazprombank's regional infrastructure for providing services to corporate and private customers, the Bank intends to open more than 40 internal organizational units in 2012, including those in the Republic of Tatarstan, the Moscow Region and North-Western Federal District.

Further expansion of the Bank's branch network and the successful operation of its branches in 2011, helped to increase the amount of attracted funds by 39% (corporations and individuals) to RUR 320 billion during the year whereby the share of the branch network out of the total amount of funds attracted by the Bank increased from 18% to 21%. Furthermore, the amount of loans extended by the Bank's network significantly increased – by 57% (or by RUR 163 billion to RUR 449 billion). During the year, the share of loans extended by the branch network increased as a proportion of the Bank's total corporate loan portfolio from 26% to 31% for corporations and from 69% to 76% for individuals.

Regional Network Map



Representative offices

- GPB branches
- GPB supplementary, operational and lending and cash services offices
- GPB subsidiary and associated banks
- Representative offices abroad
- Regional presence of GPB (OJSC)

Regional network of Gazprombank Group as of the end 2010:

- 4 subsidiary banks (AB GPB-Ipoteka (OAO), OAO Credit Ural Bank, ZAO AREXIMBANK–GAZPROMBANK GROUP, Gazprombank (Switzerland) Ltd.) and 2 associated banks (OAO Belgazprombank and OAO AKB Eurofinance Mosnarbank);
- 3 representative offices: in Beijing (China), Ulan-Bator (Mongolia) and New Delhi (India);
- more than 500 bank offices
- more than 4,300 ATMs, 2.1 thousand cash advance offices and 19 thousand POS-terminals.

HR Policy and Employee Incentives

The shareholders and Management Board of the Bank are devoted to the principle that the Bank's officers are the Bank's main «intangible» asset, whose value must only increase over time.

It is the Bank's officers who create additional value for shareholders, customers and society in general with their effective and creative efforts.

The Bank's workforce is comprised of 10,000 fully-qualified executives and specialists united by a common vision and devoted to the performance of specific functions. They include 12 Doctors of Science and 192 PhDs. The active growth in personnel capacity is primarily due to growing business volumes and the Bank's expanding regional presence.

Gazprombank adheres to international changes in personnel incentive systems. Since 2010, variable payments to employees have been focused on the long-term growth of capitalization and on implementing the Bank's strategic development plans which were approved by its shareholders. The size of incentive payments depends on the individual performance of employees and the implementation of tasks assigned to subdivisions, and the payments are time-phased.

Regular advanced training was facilitated by 680 face-to-face training and advisory events completed during the year. About 6 thousand officers passed on-site training and 8.6 thousand were trained remotely. Both the new training methods (e.g. open trainings) and relations with promising partners (in particular, Skolkovo Moscow Management School which provides managerial education services) have been developed.

One of distinctive and unique aspects of positioning Gazprombank in the employment market is focusing on long-term partnership relations between the Bank and teams of its employees. Forming a reserve of executive personnel from among the Bank's officers is based on a two-level model designed to create an operational reserve and a future-oriented reserve which improves the teamwork and level of professionalism and facilitate the creative potential of promising young officers, and to implement innovations. The Bank also takes care of its future HR resources.

A basic chair for Gazprombank was opened in 2011 in the International Institute of Energy Policy and Diplomacy MGIMO (U) under the Ministry of Foreign Affairs of Russia. Partnership agreements were executed with 14 of the country's leading universities; 25 personal scholarships and 6 grants are paid to the most successful students from 9 leading universities in Russia on

an annual basis. More than 150 students undertook an internship within the Bank's subdivisions in 2011. By the end of training, about 40% of succession candidates execute employment contracts and a number of students, who have received name scholarships, join the Bank's team after graduation.

The Bank pays significant attention to social benefits for its personnel. In addition to traditional forms of social support (such as voluntary health insurance, non-government pension benefits, personal payouts and benefits), the Bank is becoming more active in developing programs based on multilateral cooperation between employees, employer and third-party suppliers of services in areas such as corporate membership, loyalty programs, co-financing welfare and volunteer projects oriented around charity and mercy.

Creating of a favorable working environment, encouraging effective personal performance and investing in personnel are, and have always been, an area of special focus for the Bank. The Bank's long-term HR policy reflects a general understanding of the decisive role of the human element in creating and strengthening the Bank's competitive edge and creating additional value for all interested parties - investors, shareholders, customers, the public and Russia in general.

Social Responsibility

During the year, Gazprombank successfully implemented more than 600 charitable and sponsorship projects. Traditionally, the Bank's main focus in social support is providing aid to children without parental support, disabled persons and persons who face difficult challenges in their lives.

For the third time in its life, on New Year's Eve 2012, the Bank held the *I believe in Santa!* charity event — the Bank's officers fulfilled the wishes of severely ill children who dreamt of finding New Year's gifts under the Christmas tree. This time, gifts were purchased for children undergoing treatment at the Blokhin Children's Oncology and Hematology Research Institute under the Russian Academy of Medical Sciences. Gazprombank's officers presented a holiday to the small patients of the children's department, many of whom had stayed at the clinic for many months.

Another opportunity for the Bank's officers to make a personal contribution to charitable projects is the annual *Help Children!* event. In 2011, the proceeds of the event were delivered to the Sergiev Pasad orphanage for blind and deaf children.

The pupils of that boarding school were also granted more than 16 million rubles collected by Gazprombank's *Social Responsibility* Charitable Fund during the *With All Heart* event. At the request of the orphanage's management, it was supported by purchasing food products, furniture, medical supplies, equipment, clothing and footwear for pupils as well as by arranging a health resort rest. As part of this campaign initiated by the Presidential Administration of the Russian Federation, a charitable hockey match was held with participation by famous athletes, politicians, artists and businessmen.

The Bank continually supports veterans and military survivors. In honor of a significant date, the 70th anniversary of the start of the Moscow Battle during the Great Patriotic War, the Bank participated as a sponsor of a Charitable Concert held by the Academic Symphony Orchestra at the Saint-Petersburg Shostakovich Philharmonic Hall.

As part of its cooperation with the Russian Orthodox Church, the Bank provides financial support to both orthodox monasteries and public orthodox organizations. Such projects include the publication of the *Orthodox Encyclopedia* and restoration of two stauropegion friaries, Spaso-Preobrazhensky Valaamsky and Spaso-Preobrazhensky Solovetsky Friaries.

Special emphasis is placed on supporting the preservation of Russia's historical and cultural heritage in implementing projects

designed to solve actual problems faced by modern society. The Bank has partnered with The *Moscow Kremlin State Historic & Cultural Reserve-Museum* for many years. During the years of this partnership, a great number of exhibition events has been arranged to present unique items of the world's cultural heritage and to recreate a truly historic atmosphere. The projects supported by the Bank in 2011 included the exhibition *Carl Faberge and Stone-Cutting Craftsmen - Semi-precious Treasures of Russia*. The top-priorities for the Bank's charitable and sponsorship activities also include providing support to develop grassroots sports and sports organizations and to promote a healthy lifestyle. Gazprombank actively partners with the leading higher education institutes in the country such as the Lomonosov Moscow State University, National University Higher School of Economics, Moscow State Institute of International Relations, Saint-Petersburg State University of Economics and Finance (FINEC) and others.

Since 2010, the Bank has been a partner of the *Finances and Development* Fund, a founder of the National Competition in Economics. The aim of the competition is to provide a forum to identify and implement the talents of students at higher education institutes, young specialists and scientists, to support and encourage their scientific activities, to reward them for scientific achievements, to lead them into innovative activities, and to develop Russia's intellectual potential and to further integrate science and practice. More than 300 papers were received from the leading Russian universities which participated in the competition.

The All-Russian Competition *Gazprombank's Working Scholarship* Holders aimed at supporting primary and secondary professional education and popularizing working specialties has also become a tradition for the Bank. The educational institutions participating in the competition train representatives of working specialties for the strategic sectors of the Russian economy such as nuclear power, heavy and medium engineering, the auto industry and the aerospace industry. Following the results of the competition, winners are selected who are awarded Gazprombank's yearly named scholarships. More than 1,000 students have become holders of Gazprombank scholarships in 2011, and, upon graduation, they will be offered an opportunity to be employed by Gazprombank's strategic partners and customers. Charitable support was provided to the colleges and schools that participated in the competition. Following the completion of the competition, a meeting of winners representing Russia's main industrial centers was held.

No 3

among banks of the
**Central and East
Europe by equity**

Baa3

credit rating

Moody's

In August 2011

S & P

upgraded
the Bank's
ratings

to

BB+

More than
10
thousand
employees in the Bank

106
thousand employees
passed internal training
8.6
thousand
employees have passed external training

7
thousand employees
participate in
non-government
pension plan

3.

Corporate Governance

- **Shareholders (as of January 1, 2012)**
- **Board Of Directors (as of January 1, 2012)**
- **Management Board (as of April 1, 2012)**
- **Performance of the Bank's Board of Directors, Management Board and committees**
- **Internal Control and Auditing**
- **Compliance Control**

Shareholders (as of January 1, 2012)

##	Full name	Share in GPB's capital	
		As of January 1, 2011	As of January 1, 2012
1.	OA0 Gazprom	41.73%	41.73%
2.	Treasury Stock	6.58%	7.40%
3.	Non-State Pension Fund GAZFOND Group Including	50.00% + 1 share	50.00% + 1 share
	Non-State Pension Fund GAZFOND	7.11%	7.11%
	ZAO Leader, Trust Management	8.57%	-
	Open Joint-Stock Company GAZ-Service	17.15%	19.90%
	Open Joint-Stock Company GAZKON	17.17%	19.91%
	Open Joint-Stock Company GAZ-Tech	-	3.08%
4.	Individuals	1.69%	0.87%

Board of Directors (as of January 1, 2012)

Chairman of the Board of Directors

Alexey B. Miller Chairman of the Management Board of OAO Gazprom

Deputy Chairmen of the Board of Directors

Andrey I. Akimov Chairman of the Management Board of Gazprombank
(Open Joint-Stock Company)

Mikhail L. Sereda Deputy Chairman of the Management Board,
Chief Administration officer of OAO Gazprom

Yury N. Shamalov President of Non-State Pension Fund GAZFOND

Members of the Board of Directors

Yelena A. Vasilyeva Deputy Chairperson of OAO Gazprom Management Board,
Chief Accountant of OAO Gazprom

Anatoly A. Gavrilenko Chief Executive Officer of ZAO Leader, Trust Management

Ilya V. Eliseev Deputy Chairman of the Management Board of Gazprombank
(Open Joint-Stock Company)

Sergey S. Ivanov Chairman of the Management Board of OJSC SOGAZ

Aleksander V. Krasnenkov Chief Executive Officer of Baltic LNG Company

Andrey V. Kruglov Deputy Chairman of the Management Board,
Head of OAO Gazprom Financial and Economic Department

Kirill G. Seleznev Member of OAO Gazprom Management Board,
Head of the Gas & Liquid Hydrocarbons Processing and Marketing
Department

Nikolay Y. Senkevich Director General of JSC Gazprom-Media Holding

Management Board (as of April 1, 2012)

Chairman of the Management Board

Andrey I. Akimov

Deputy Chairmen of the Management Board

Ilya V. Eliseev

Farid M. Kantserov

Viktor A. Komanov

Nikolay G. Korenev

Viktor B. Korytov

Svetlana E. Malyuseva – Bank's Chief Accountant

Alexey A. Matveev

Aleksandr Y. Muranov

Famil K. Sadygov

Aleksandr I. Sobol

Members of the Management Board

Oleg M. Vaksman	First Vice-President
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Valery A. Seregin	First Vice-President
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Natalia A. Chervonenko	First Vice-President
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Aleksandr O. Shmidt	First Vice-President
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Performance of the Bank's Board of Directors, Management Board and committees

The stability of financial and operational results is determined by the functional quality of the management system, and an understanding of the strategic goals and priorities for development.

The corporate governance system established at Gazprombank provides for the management of its business by the General Meeting of Shareholders and Board of Directors, and regulates their interaction with the Management Board and management of the Bank. Efforts made to improve the corporate governance system and to optimize the work of the Bank's managing bodies are aimed at:

- determining the Bank's strategic goals and ways for achieving and monitoring them;
- observing the legal rights of and ensuring effective interaction between shareholders, members of the Board of Directors and executive bodies of the Bank, its creditors, depositors, officers and other interested persons;
- creating employment incentives;
- complying with the Russian Federation laws, the Bank's charter and internal regulations.

Three General Meetings of GPB's shareholders were held during the reporting year. A new version of GPB's Charter was approved by the resolution adopted by the General Meeting of Shareholders dated June 22, 2011; extraordinary General Meetings of Shareholders considered an increase in the share capital of GPB through private subscription.

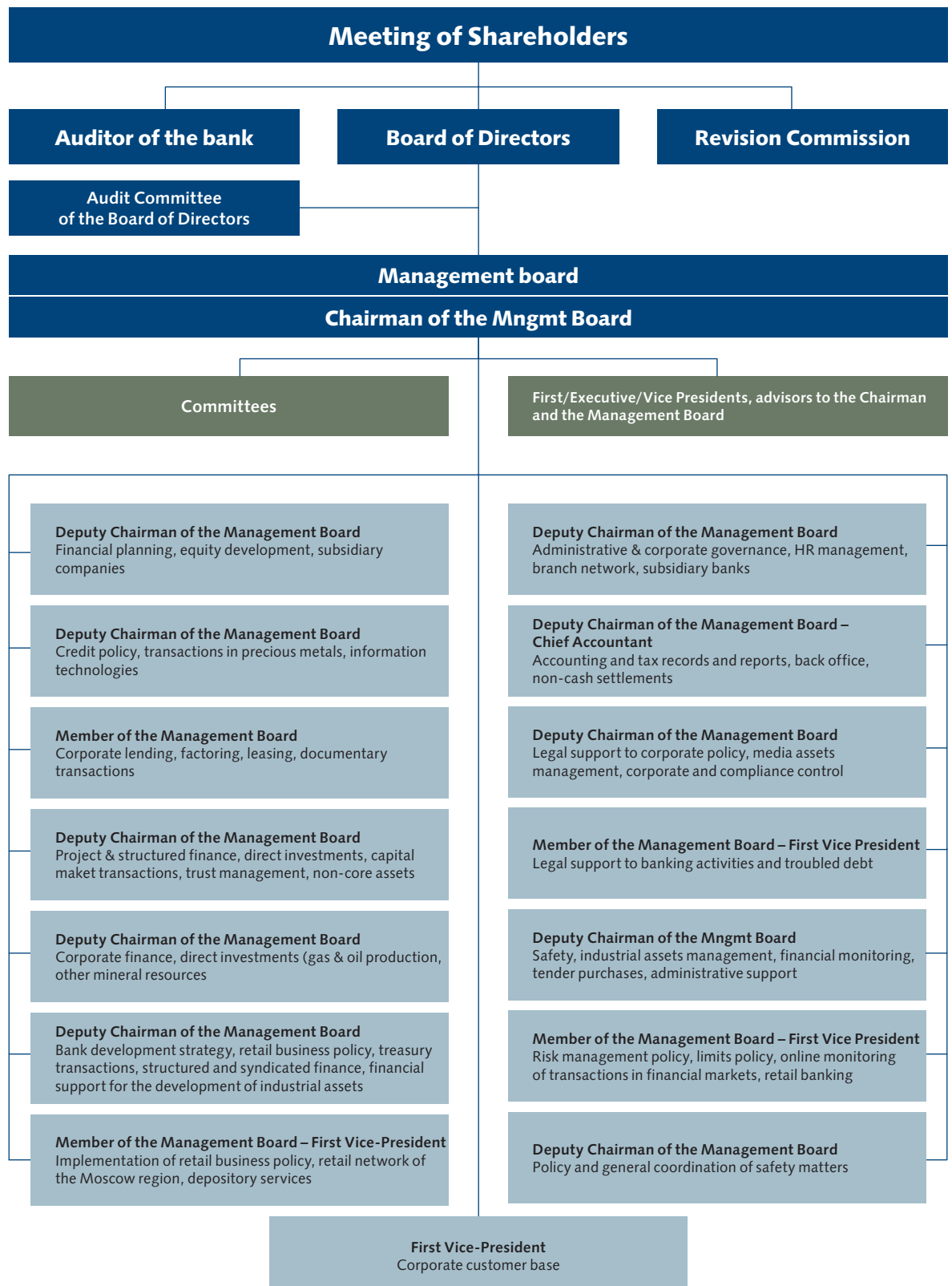
At its meetings (19 meetings were held in 2011), the Board of Directors focused its attention on setting strategic and long-term development objectives for the Bank in general, and on its individual business lines. In particular, the 2012 Financial Plan for GPB Group was approved, reports on improving GPB's risk management framework and dividend policy were reviewed, matters related to monitoring the adequacy and allocation of the Bank's economic capital and improving GPB's corporate governance were considered.

The Board of Directors functions were expanded to ensure effective interaction between the Bank's

shareholders and management regarding the monitoring of progress against the measures included on the List of Measures designed to enhance interaction between Gazprombank and OAO Gazprom, its main shareholder, in 2011. The Auditing Committee of the Board of Directors worked actively and routinely assessed the efficiency of the Bank's internal control procedures and compliance controls, and reviewed draft work plans prepared for the Internal Control Service and Controller of the Bank as a professional securities market player, and reported on their performance. All matters referred to the Board of Directors were pre-examined by the Bank's Management Board. Gazprombank's Management Board regularly determined priorities and made decisions regarding the Bank's financial policy, management of liquidity, assets and liabilities, allocation of economic capital and risk management. Special attention was paid to developing regional business and analyzing the operations of the Bank's key organizational units and branches.

The procedures of the Committees of the Bank's Management Board (Investment Committee, Credit Committee, Assets and Liabilities Management Committee, Technology Committee, Customer Policy Committee, Strategy Committee and Corporate and Remunerations Committee) were updated and optimized in 2011.

Organizational Management Flowchart of Gazprombank (Open Joint-Stock Company) as of April 1, 2012



Internal Control and Auditing

Gazprombank's Internal Control System is an integral part of the corporate governance system and one of the main factors driving the Bank's efficient performance.

In accordance with generally accepted international practices, the Bank maintains an integrated approach to arranging internal control procedures. Its internal control procedures encompass all management levels of the Bank, and all types of its business including its branches and units. The principles used to arrange the internal control system are recorded in Gazprombank Group's internal documents. Subsidiary banks apply the Unified Standards in arranging their own internal control systems.

The culture of internal control, i.e. all moral and ethic principles, professional and corporate cultural standards aimed at ensuring that personnel at all levels are aware of the importance, significance of need for internal controls, is a fundamental component of the Bank's internal control system. The Bank's management bodies are responsible for creating a corporate culture that enables banking monitoring. Compliance with the principles of corporate and business ethics is one of the main areas of improvement for the Bank's internal control system.

The effective functioning of the Bank's internal control system is ensured by the *Internal Control Service (ICS)* that directly assists the Bank's management bodies to ensure the effective performance of the Bank. The work of the Internal Control Service is based on the principles of constancy, independency, impartiality and professional competence.

The ICS performs its monitoring functions by inspecting and verifying activities in all subdivisions (branches) of the Bank and the performance of its individual officers for compliance with the requirements of the applicable laws of the Russian Federation, statutory regulations and professional standards, and internal regulations which govern the Bank's business and determine its policies and job descriptions.

Reports on the results of the ICS's inspections containing information about defects and deficiencies, as well as recommendations on how to remedy them and improve control procedures, are furnished to the heads of the Bank's subdivisions (branches) that have been inspected, the Chairman of the Management Board and the Board of Directors of the Bank. This results in the prompt delivery of independent information to the Bank's management bodies regarding any violations revealed and measures taken to minimize or eliminate them. The ICS interacts, within its powers, with the Audit Committee of the Bank's Board of Directors, Revision Commission and external auditors and participates in the work of the Bank's management bodies in a consultancy capacity.

A package of measures designed to mitigate Gazprombank's potential losses if any risks occur has been developed and is currently under implementation. An integral part of internal control processes is the implementation of procedures, the purpose of which is to guarantee a complete separation of business areas to avoid any heightened operating risks or conflicts of interest, and, in general, to ensure an adequate mechanism for approving transactions and the security of funds for shareholders, investors, depositors and customers. The Bank's internal regulatory documents set out methods for handling any conflicts of interest between the property and other interests of the Bank, and/or those of its officers, and/or those of its customers and counterparties, as well as methods for mitigating any related negative consequences. Efforts are made to create an internal control system within the processes for managing information flows and ensuring informational safety are based on generally accepted control models employed in the IT area.

One of the ICS's top-priority missions is to create a risk-oriented internal control system that contemplates the conduct of audits with respect to the areas mostly affecting risk exposures, which allows the efficiency of internal controls to be improved. The ICS's top-priorities for 2012-2015 also include the further development of monitoring

processes relative to the Bank's regional network internal control system and the arrangement of cooperation with the branch controllers and monitoring transactions performed by the Bank's branches. Work plans for controllers are being developed pursuant to the ICS's action plan. The internal control system is monitored on an ongoing basis by the Bank's management bodies, heads and officers of various departments, including both departments that perform banking transactions and trades and departments that are responsible for recording transactions and trades in accounting

statements and tax reports, as well as by the ICS and independent auditor.

The Bank has implemented procedures for the regular comprehensive assessment of its internal control system. The units of the Bank's head office and branches take part in an annual assessment of procedures arranged by the ICS.

The outcomes of the Bank's internal control system assessment are regularly reviewed by the Corporate Governance and Remuneration Committee and brought to the attention of the Bank's Board of Directors.

Compliance Control

The purpose of compliance control is to prevent the occurrence, or to identify a potential occurrence, of compliance risks at an early stage and to assume effective measures to manage compliance risks, proper methods to eliminate or mitigate their negative consequences on the Bank, its shareholders and customers, taking into account the interests of all parties.

In accordance with the recommendations of the Basel Committee on Banking Supervision, the Bank has created a Compliance Control Department (CCD), whose main function is the monitoring of Bank officer compliance with applicable rules, requirements and banking standards, including professional ethical standards, and compliance risk management. The CCD's responsibilities include the development of the compliance risk management system and provision of advisory and methodological support to the Bank's units. Moreover, the CCD's functions include the management of conflicts of interest that may arise in connection with the Bank's business as well as monitoring the resolution of customer complaints received by the Bank.

In the course of performing its functions, the CCD interacts with the Audit Committee of the Bank's Board of Directors, whose functions include assessing the efficiency of the compliance control procedures applied by the Bank, preparing proposals

on improving these procedures and resolving issues associated with the management of compliance risks on a day-to-day basis.

Reports on the CCD's work and all compliance risks revealed are submitted to the Bank's Board of Directors on an annual basis.

The CCD's officers are members of the AML/CFT and risk compliance Committee of the Russian Banking Association and participate in its work. Furthermore, the CCD interacts with the International Compliance Association (UK).

During the year, the CCD focused on creating a control procedures system within the Bank to comply with the requirements of Federal Law No.224-FZ dated July 27, 2010 "On Combating the Illegal Use of Insider Information and Market Manipulation and Amending Individual Statutory Acts of the Russian Federation" (Law No.224-FZ) and the regulations enacted under it. The List of GPB's Insider Information was approved and uploaded to the Bank's official web-site in 2011. A list of the Bank's insiders has been created and is continually updated and provided to traders.

**Growth
of net profits
from continued
operations:**

43%

1,312

RUR billion

**corporate credit
portfolio, growth by**

33%

**Reduction
of non-performing
loans to**

1.4%
**of the
credit
portfolio**

1443

RUR billion

retail credit portfolio, growth during the year by

1.4 times

Ratio of the Group's operating expenses to its operating income reduced

from 46%

to

39%

in 2010

in 2011

4.

Financial Statements

GAZPROMBANK GROUP

Summary consolidated financial statements
derived from the audited consolidated financial statements
for the year ended 31 December 2011

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Moscow Russia 123317

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Fax +7 (495) 937 4400/99
Internet www.kpmg.ru

Report of the Independent Auditors on the Summary Consolidated Financial Statements

To the Board of Directors Gazprombank (Open Joint-Stock Company)

The accompanying summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 31 December 2011, the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Gazprombank (Open Joint-Stock Company) and its subsidiaries (the Group) as at and for the year ended 31 December 2011. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 2 April 2012.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of the Group.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of a summary of the audited consolidated financial statements on the basis described in Note 2.

Auditors' Responsibility

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 *Engagements to Report on Summary Financial Statements*.

Opinion

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of the Group as at and for the year ended 31 December 2011 are consistent, in all material respects, with those consolidated financial statements on the basis described in Note 2.

ZAO KPMG
2 April 2012

Summary Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2011

(in millions of Russian Roubles unless otherwise stated)

	2011	2010
Interest income	131,543	100,188
Interest expense	(73,317)	(68,417)
Net interest income	58,226	31,771
Impairment of interest earning assets	(11,254)	(1,655)
Net interest income after impairment of interest earning assets	46,972	30,116
Fees and commissions income	25,608	10,882
Fees and commissions expense	(3,723)	(2,529)
Non-interest loss from financial assets and liabilities held for trading, net	(2,242)	(5,099)
Gain from investments available-for-sale and investments in associates, net	19,306	33,573
Gain from trading in foreign currencies, operations with foreign currency derivatives and foreign exchange translation, net	2,094	12,284
Other operating income	4,785	4,571
Non-interest income	45,828	53,682
Non-banking operating revenues	134,162	94,752
Non-banking operating expenses	(125,848)	(91,055)
Non-banking operating profits	8,314	3,697
Banking salaries and employment benefits	(26,769)	(25,737)
Banking administrative expenses	(17,491)	(14,854)
Recovery of impairment of assets and provisions for other risks	142	443
Impairment of goodwill	(3,094)	(5,989)
Non-interest expense	(47,212)	(46,137)
Profit from continuing operations before profit tax	53,902	41,358
Profit tax expense from continuing operations	(13,070)	(12,761)
Profit for the year from continuing operations	40,832	28,597
Profit for the year from discontinued operations, net of profit tax	-	37,666
Profit for the year	40,832	66,263
Other comprehensive income		
Investments available-for-sale:		
Net change in fair value of investments available-for-sale	1,088	13,759
Net change in fair value transferred to profit or loss	(12,220)	(4,850)
Exchange differences on translation of foreign operations	(310)	1,381
Other comprehensive (loss) income, net of tax	(11,442)	10,290
Total comprehensive income	29,390	76,553

Summary Consolidated Statement of Financial Position as of 31 December 2011

(in millions of Russian Roubles
unless otherwise stated)

	2011	2010
Profit for the year attributable to:		
Group's shareholders	42,207	56,881
Non-controlling interests	(1,375)	9,382
	40,832	66,263
Total comprehensive income attributable to:		
Group's shareholders	30,765	67,864
Non-controlling interests	(1,375)	8,689
	29,390	76,553
Basic and diluted earnings per share (Russian Roubles)	2,261	3,048

The summary consolidated financial statements were derived from the consolidated financial statements of Gazprombank Group, which were approved for issue by the Board of Directors of the Management Board of Gazprombank (Open Joint-Stock Company) and signed on its behalf on 2 April 2012.

Andrey I. Akimov
Chairman of the Management Board

Alexander I. Sobol
Deputy Chairman of the Management Board

2 April 2012

Summary Consolidated Statement of Financial Position as of 31 December 2011

(in millions of Russian Roubles unless otherwise stated)

	31 December 2011	31 December 2010
Assets		
Cash and cash equivalents	493,760	347,066
Obligatory reserve with the Central Bank of the Russian Federation	22,497	10,400
Due from credit institutions	19,208	25,452
Financial assets held for trading	197,685	172,802
Loans to customers	1,396,454	1,033,370
Investments available-for-sale	62,803	57,141
Investments in associates	15,167	7,867
Receivables and prepayments	57,906	56,318
Investments held-to-maturity	13,000	290
Inventories	49,092	43,038
Deferred tax assets	7,461	16,846
Property, plant and equipment	61,876	57,047
Intangibles	26,245	22,749
Goodwill	27,352	20,494
Other assets	15,979	12,734
Investment in associate held for sale	11,183	68,070
Total assets	2,477,668	1,951,684
Liabilities		
Financial liabilities held for trading	7,633	27,378
Amounts owed to governmental bodies	66,941	56,272
Amounts owed to credit institutions	240,296	89,535
Amounts owed to customers	1,430,002	1,185,377
Subordinated deposits	133,568	143,422
Eurobonds issued	115,375	79,392
Certificated debts	143,311	65,923
Deferred tax liabilities	6,076	11,012
Other liabilities	91,526	72,285
Total liabilities	2,234,728	1,730,596

The summary consolidated financial statements should be read in conjunction with the consolidated financial statements of the Gazprombank Group from which they were derived.

Summary Consolidated Statement of Financial Position as of 31 December 2011

(in millions of Russian Roubles
unless otherwise stated)

	31 December 2011	31 December 2010
Equity		
Share capital	31,836	31,836
Additional paid-in-capital	32,478	32,916
Treasury stock	(9,696)	(5,513)
Foreign currency translation reserve	179	489
Fair value reserve	4,143	15,275
Retained earnings	180,350	141,117
Total equity attributable to the Group's shareholders	239,290	216,120
Non-controlling interests	3,650	4,968
Total equity	242,940	221,088
Total liabilities and equity	2,477,668	1,951,684

The summary consolidated financial statements should be read in conjunction with the consolidated financial statements of the Gazprombank Group from which they were derived.

Summary Consolidated Statement of Changes in Equity for the Year Ended 31 December 2011

(in millions of Russian Roubles
unless otherwise stated)

	Share capital	Additional paid-in capital	Treasury stock	Foreign currency translation reserve
31 December 2009	31,836	33,322	(1,661)	(1,585)
Profit for the year	-	-	-	-
Net change in fair value of investments available-for-sale	-	-	-	-
Disposal of investments available-for-sale	-	-	-	-
Exchange difference on translating foreign operations	-	-	-	2,074
Total comprehensive income	-	-	-	2,074
Acquisition and disposal of non-controlling interests in subsidiaries	-	-	-	-
Disposal of subsidiaries	-	-	-	-
Acquisition of subsidiaries	-	-	-	-
Dividends declared	-	-	-	-
Acquisition and sale of treasury shares	-	1,199	(3,852)	-
Transfer of puttable instruments to liability	-	(1,605)	-	-
31 December 2010 (as previously reported)	31,836	32,916	(5,513)	489
Provisional accounting finalization	-	-	-	-
31 December 2010	31,836	32,916	(5,513)	489
Profit for the year	-	-	-	-
Net change in fair value of investments available-for-sale	-	-	-	-
Disposal of investments available-for-sale	-	-	-	-
Exchange difference on translating foreign operations	-	-	-	(310)
Total comprehensive income	-	-	-	(310)
Acquisition and disposal of non-controlling interests in subsidiaries	-	-	-	-
Acquisition of subsidiaries	-	-	-	-
Dividends declared	-	-	-	-
Acquisition and sale of treasury shares	-	1,003	(4,183)	-
Transfer of puttable instruments to liability	-	(1,441)	-	-
31 December 2011	31,836	32,478	(9,696)	179

Fair value reserve	Retained earnings	Equity attributable to the Group's shareholders	Non-controlling interests	Total equity
6,366	83,757	152,035	43,959	195,994
-	56,881	56,881	9,382	66,263
13,759	-	13,759	-	13,759
(4,850)	-	(4,850)	-	(4,850)
-	-	2,074	(693)	1,381
8,909	56,881	67,864	8,689	76,553
-	1,915	1,915	(5,587)	(3,672)
-	-	-	(40,268)	(40,268)
-	-	-	500	500
-	(1,119)	(1,119)	(1,849)	(2,968)
-	-	(2,653)	-	(2,653)
-	-	(1,605)	-	(1,605)
15,275	141,434	216,437	5,444	221,881
-	(317)	(317)	(476)	(793)
15,275	141,117	216,120	4,968	221,088
-	42,207	42,207	(1,375)	40,832
1,088	-	1,088	-	1,088
(12,220)	-	(12,220)	-	(12,220)
-	-	(310)	-	(310)
(11,132)	42,207	30,765	(1,375)	29,390
-	(950)	(950)	1,200	250
-	-	-	162	162
-	(2,024)	(2,024)	(146)	(2,170)
-	-	(3,180)	-	(3,180)
-	-	(1,441)	(1,159)	(2,600)
4,143	180,350	239,290	3,650	242,940

The summary consolidated financial statements should be read in conjunction with the consolidated financial statements of the Gazprombank Group from which they were derived.

Summary Consolidated Statement of Cash Flows for the Year Ended 31 December 2011

(in millions of Russian Roubles
unless otherwise stated)

	2011	2010
Cash flows from operating activities		
Interest received	127,669	99,807
Fees and commissions received	25,464	10,781
Interest paid	(68,154)	(62,417)
Fees and commissions paid	(3,658)	(2,120)
Non-interest receipts from financial assets and liabilities held for trading	1,286	6,652
Payments from derivative contracts with foreign currency	(15,167)	(37,017)
Foreign exchange receipts	6,846	1,758
Media business operating receipts	46,873	39,909
Media business operating payments	(20,319)	(19,017)
Machinery business operating receipts	60,171	33,841
Machinery business operating payments	(56,439)	(36,663)
Other segment operating receipts	27,118	21,001
Other segment operating payments	(26,431)	(19,896)
Other operating receipts	3,331	3,376
Banking salaries and employment benefit payments	(23,980)	(19,610)
Banking administrative expenses and other operating payments	(15,358)	(13,366)
Cash flows from operating activities before changes in operating assets and liabilities	69,252	7,019
(Increase) decrease in banking operating assets		
Obligatory reserve with the Central Bank of the Russian Federation	(12,097)	(540)
Due from credit institutions	3,772	79,885
Financial assets held for trading	(28,717)	(34,007)
Loans to customers	(360,469)	(197,179)
Receivables and prepayments, inventories, and other assets	(10,200)	(12,518)
Increase (decrease) in operating liabilities		
Amounts owed to credit institutions and governmental bodies	146,728	(72,414)
Amounts owed to customers	244,409	308,463
Certificated debts	72,851	(15,787)
Other liabilities	10,938	7,049
Net cash flows from operating activities before profit taxes	136,467	69,971
Profit taxes paid	(5,954)	(2,402)
Net cash flows from operating activities	130,513	67,569
Cash flows from operating activities from discontinued operations	-	55,257

The summary consolidated financial statements should be read in conjunction with the consolidated financial statements of the Gazprombank Group from which they were derived.

	2011	2010
Cash flows from investing activities		
Property, equipment and intangibles purchased	(34,447)	(71,492)
Property, equipment and intangibles sold	407	52,850
Acquisition of subsidiaries, net of cash acquired	(7,550)	(8,380)
Disposal of subsidiaries, net of cash disposed	76	-
Investments available-for-sale and associates purchased and sold	42,206	3,185
Investments held-to-maturity	(12,716)	-
Dividends received	875	1,314
Other cash flows used in investing activities	(285)	(1,698)
Net cash flows used in investing activities	(11,434)	(24,221)
Cash flows used in investing activities from discontinued operations	-	(55,821)
Cash flows from financing activities		
Treasury stock acquired	(4,621)	(4,258)
Eurobonds issued	34,895	30,548
Eurobonds redeemed or repurchased	(2,797)	(41,787)
Syndicated loans received	34,629	27,087
Syndicated loans redeemed	(25,972)	(1,050)
Subordinated deposits received	-	325
Subordinated deposits redeemed	(9,794)	(1,472)
Acquisition of non-controlling interest	-	(1,020)
Disposal of non-controlling interest	900	-
Financing of non-banking activities received	13,959	9,999
Financing of non-banking activities redeemed	(13,972)	(7,255)
Dividends paid	(2,326)	(2,975)
Net cash flows from financing activities	24,901	8,142
Cash flows from financing activities from discontinued operations	-	3,112
Effect of change in exchange rates on cash and cash equivalents	2,714	(14,695)
Change in cash and cash equivalents	146,694	39,343
Cash and cash equivalents, beginning of the year	347,066	307,723
Cash and cash equivalents, end of the year	493,760	347,066

The summary consolidated financial statements should be read in conjunction with the consolidated financial statements of the Gazprombank Group from which they were derived.

Notes to the Summary Consolidated Financial Statements for the Year Ended 31 December 2011

Note 1 – Principal activities and organization

The Gazprombank Group (the Group) primarily consists of:

- the parent company – Gazprombank (Open Joint-stock Company)
- the group of companies owned by JSC Gazprom-Media Holding (Gazprom Media Group)
- the group of industrial companies (machinery production)
- other smaller companies and banks, which are primarily part of the banking business, including GPB-Mortgage, Credit Ural Bank, Areximbank and Gazprombank (Switzerland) Ltd.

The parent company of the Group – *Gazprombank (Open Joint-stock Company)* (the Bank) was established in 1990. The Bank has a general banking license and a license for operations with precious metals from the Central Bank of the Russian Federation (the CBR), and licenses for securities operations and custody services from the Federal Financial Markets Service of Russia. The Bank is the third largest bank in the Russian Federation in terms of assets and equity, and it provides a broad range of predominantly commercial banking services to many of Russia's leading corporations and government entities including, among others, OAO Gazprom and its related parties (the Gazprom Group). The principal activities comprise commercial lending, project finance, acquisition and equity-backed finance, trade finance, deposit taking, foreign exchange and securities trading, precious metals operations, settlement services, debit/credit card services, depository and custodian services, fund management services and brokerage services. The Bank also provides a range of retail services, both to the employees of its corporate clients and to the general public. The legal address of the Bank is: Bld. 1, 16, Nametkina Str., Moscow, 117420, Russian Federation.

Gazprom Media Group is a Russian media group of companies, the principal activities of which are TV and radio broadcasting, advertising, publishing, film production and distribution primarily undertaken in the Russian Federation. As of 31 December 2011 the Group owns 100% interest in JSC Gazprom-Media Holding, the holding company of Gazprom Media Group.

The group of industrial companies (machinery production) comprises OMZ (Uralmash-Izhora) Group, Cryogenmash Group, Glazovskiy zavod Khimmash, Uralkhimmash Group,

Uralenergmontazh Group, MK Uralmash Group, REP Holding and certain other industrial assets, which the Group acquired in 2008-2011. OJSC OMZ is the holding company of the OMZ (Uralmash-Izhora) Group, which produces nuclear power plant equipment, speciality steels, machinery equipment, manufacturing and mining equipment. The OMZ Group manufacturing facilities are based in the Russian Federation and the Czech Republic. As of 31 December 2011 the Group effectively controlled 46.31% of OJSC OMZ voting stock (17,704,613 ordinary shares translating to the effective share of 56.37% of OMZ Group).

In December 2010 the Group disposed of a portion of its investment in CJSC SIBUR Holding that resulted in the loss of control by the Group over *SIBUR Holding Group*. SIBUR Holding Group is a vertically integrated Russian petrochemical group of companies involved in refining, processing and distribution of petrochemical products and production and distribution of tires. *SIBUR Holding Group* operations and results from disposal are presented as discontinued operations in these consolidated financial statements. As of 31 December 2010 the investment in SIBUR Holding Group retained by the Group was recognised as an investment in associate held for sale. In 2011 the Group completed the sale of its investment in CJSC SIBUR Holding. There was no effect from the sale on comprehensive income for the year ended 31 December 2011, other than interest income recognised on deferred consideration receivable by the Group. As of 31 December 2011, OAO Gazprom owns 41.73% of the outstanding shares of the Group. A substantial portion of the Group's funding is from the Gazprom Group. As such the Group is economically dependent on the Gazprom Group.

The summary consolidated financial statements were authorized for issue by the Management Board of the Bank on 2 April 2012.

Note 2 – Basis of presentation

a) General

These summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 31 December 2011, the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes are derived from the audited consolidated financial statements of the Group, except that substantially all note disclosures are omitted.

The complete consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS).

Management is responsible for the preparation of the consolidated financial statements in accordance with IFRS.

The preparation of consolidated financial statements in accordance with IFRS requires management to make judgements and key estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial information and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. Key areas of judgments and key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, include:

- estimation of allowance for impairment losses for financial assets measured at amortized cost. These include mainly loans to customers, amounts due from credit institutions, receivables and other assets. The estimation of allowance for impairment losses involves the exercise of judgment and is based on internal credit risk rating systems and statistical data
- valuation of complex and illiquid financial instruments. Valuation of complex and illiquid financial instruments involves the exercise of judgment and use of valuation models. In the absence of an active market management has to make assumptions in respect of appropriate inputs used in valuation models, some of which may not be based on observable market data
- estimation of fair values of identifiable assets and liabilities acquired in business combinations. Estimation of fair values of identifiable assets and liabilities acquired in business combinations involves the exercise of judgement and use of valuation models, which among others include assumptions about future business performance and cash flows and appropriate discount rates
- estimation of impairment losses for non-financial assets (including goodwill). Estimation of impairment losses for non-financial assets involves the exercise of judgement and use of valuation models, which among others include assumptions about future business performance, estimation of cash flows from assets assessed for impairment and estimation of appropriate discount rates
- decisions whether the Group ceased to control a subsidiary as a result of a sale of its stake in the subsidiary that is subject to further regulatory approval. Management considers all relevant facts and circumstances, including an assessment of the probability of obtaining such an approval, and applies judgment to determine whether the control over the subsidiary is lost before the Group legally transfers the ownership rights to a third party.

b) Russian economic environment

The Group's operations are primarily located in the Russian Federation. Consequently, the Group is exposed to the economic and financial markets of the Russian Federation which display characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in the Russian Federation. These summary consolidated financial statements reflect management's assessment of the impact of the Russian business environment on the operations and the financial position of the Group. The future business environment may differ from management's assessment.

43
branches,

more than
500

points of sale offering
banking products in
Russia, Belarus, Armenia
and Switzerland

More than

1,000

students have
become holders of
Gazprombank's
Working Scholarships in 2011

65 % **growth of assets**
managed by
endowment
funds

450

thousand

**customer
accounts
with depository**

more than

225

thousand

**of mortgages
in safe custody**

About

250

RUR billion

**of obligations
secured by
mortgages**

5.

Reference information

- **Branches and Representative Offices of GPB (OJSC)**
- **Licenses, Permits, Certificates**
- **Contact Info**

Branches and Representative Offices of GPB (OJSC)

Branches of GPB (OJSC)

Astrakhan

Established	March 22, 1994
Address	5A Nab. Priv. Zatona, the Astrakhan Region, Astrakhan, 414024, Russia
Telephone	(8512) 45-10-05
Head of the branch	Askar N. Kabikeev

Barnaul

Established	March 6, 2002
Address	20 Severo-Zapadnaya St., Barnaul, 656037
Telephone	(385-2) 36-15-13
Head of the branch	Vyacheslav A. Neupokoyev

Belgorod

Established	July 13, 2009
Address	36 Kostiuikiova St., Belgorod, the Belgorod Region, Russia, 308012
Telephone	(472-2) 58-82-92
Head of the branch	Gennady N. Koptyaev

Bryansk

Established	March 23, 2000
Address	4 Partizan square, Briansk, 241050
Telephone	(483-2) 58-94-20
Head of the branch	Sergey V. Lomako

Vladivostok

Established	March 19, 2009
Address	5-a Uborevicha St., Vladivostok, the Primorsky Territory, Russia, 690091
Telephone	(423-2) 65-08-35
Head of the branch	Dmitry V. Gutnikov

Volgograd

Established	August 24, 1993
Address	56a Lenin Prospect, Volgograd, the Volgograd Region, Russia, 400005
Telephone	(844-2) 24-67-00
Head of the branch	Larisa S. Turetskaya

Ekaterinburg

Established	January 24, 2000
Address	134-v Lunacharskogo St., Yekaterinburg, 620075
Telephone	(343) 355-58-00
Head of the branch	Yan V. Tsenter

Izhevsk

Established	February 4, 1993
Address	89 Krasnogeroyevskaya St., Izhevsk, the Udmurt Republic, 426034
Telephone	(341-2) 68-05-63
Head of the branch	Alexander N. Zarubey

Irkutsk

Established	July 31, 2006
Address	41 Sverdlova St., Irkutsk, the Irkutsk Region, 664011
Telephone	(395-2) 28-31-82
Head of the branch	Yury V. Gorshkov

Yoshkar Ola

Established	September 17, 2009
Address	17 Uspenskaya St., Yoshkar Ola, the Republic of Marij El, Russia, 424000
Telephone	(836-2) 41-66-16
Head of the branch	Oleg A. Ovsyannikov

Kazan

Established	February 9, 2010
Address	32 Levo-Bulachnaya St., Kazan, the Republic of Tatarstan, 420111, Russia
Telephone	(843)221-73-01
Head of the branch	Boris P. Pavlov

Kaliningrad

Established	August 2, 2007
Address	5 Leninsky Avenue, Kaliningrad, the Kaliningrad Region, 236039, Russia
Telephone	(401-2) 30-52-00
Head of the branch	Viktor E. Baranov

Kemerovo

Established	February 27, 2007
Address	3 Sobornaya St., Zavodskoy District, Kemerovo, the Kemerovo Region, 650004
Telephone	(384-2) 34-50-90
Head of the branch	Nelly D. Morozenko

Kostroma

Established	June 13, 1997
Address	8a Sovetskaya St., Kostroma, 156000
Telephone	(494-2) 49-09-00
Head of the branch	Yury A. Migachev

Krasnodar

Established	November 3, 1992
Address	11 Dmitrievskaya Damba St., Krasnodar, the Krasnodar Region, Russian Federation, 350033
Telephone	(861) 210-48-00
Head of the branch	Vladislav D. Tsyganesh

Krasnoyarsk

Established January 25, 2006
 Address 87B Akademika Kirenskogo St., Krasnoyarsk, the Krasnoyarsk Territory, Russia, 660041
 Telephone (391) 274-58-00
 Head of the branch Pavel G. Avdeev

Lipetsk

Established November 17, 1995
 Address 49a, Gagarina St., Lipetsk, 398002
 Telephone (474-2) 42-01-01
 Head of the branch Vladimir R. Arustamov

Makhachkala

Established August 25, 1994
 Address 24 Ermoshkina St., Makhachkala, the Republic of Dagestan, 367025
 Telephone (872-2) 67-53-45
 Head of the branch Abdulatip M. Saypulaev

Murmansk

Established June 1, 2009
 Address 15 Karla Marksa St., Murmansk, the Murmansk Region, Russia, 183025
 Telephone (815-2) 55-36-00
 Head of the branch Mikhail K. Samotaev

Nizhny Novgorod

Established February 4, 1993
 Address bld.5, 3 Piskunova St., Nizhniy Novgorod, 603005
 Telephone (831) 421-82-20
 Head of the branch Sergey A. Voskresensky

Novosibirsk

Established February 5, 2001
 Address 2 Kavaleriyaskaya St., Novosibirsk, 630105
 Telephone (383) 200-10-00
 Head of the branch Namzhil N. Urbanaev

Novy Urengoi, the Tyumen Region

Established February 4, 1993
 Address 4, 26-go S'ezda KPSS St., Novy Urengoi, the Tyumen Region, 629300
 Telephone (349-4) 93-53-81
 Head of the branch Larisa G. Khomyakova

Omsk

Established September 23, 2002
 Address 2 Magistralnaya St., Omsk, 644088
 Telephone (381-2) 24-50-00
 Head of the branch Elena P. Kholopova

Orenburg

Established	June 13, 1997
Address	18 Pravdi St., Orenburg, 460000
Telephone	(353-2) 73-30-71
Head of the branch	Elena S. Varnavskaya

Perm

Established	October 9, 2002
Address	77A Maksima Gorkogo St., Sverdlovsk district, Perm, the Perm Region, 614007
Telephone	(342) 219-00-50
Head of the branch	Sergey V. Yaremchenko

Rostov-on-Don

Established	January 11, 1996
Address	20/17 Voroshilovsky Ave., Rostov-on-Don, the Rostov Region, 344006, Russia
Telephone	(863) 249-77-60
Head of the branch	Olga N. Ogurtsova

Samara

Established	March 9, 2007
Address	191 Galaktionovskaya St. (through passage to 190 Samarskaya St.), Leninsky District, Samara, 443001
Telephone	(846) 273-83-93
Head of the branch	Aleskey P. Anfimov

St. Petersburg

Established	December 13, 1993
Address	"A" 3, Proletarskoy Diktaturi St., Saint-Petersburg, 191124
Telephone	(812) 740-53-73
Head of the branch	Olga V. Dragomiretskaya

Saratov

Established	September 24, 1993
Address	2/10 Valovaya St., Saratov, 410031
Telephone	(845-2) 39-06-02
Head of the branch	Viktor I. Sverchkov

Stavropol

Established	December 26, 1997
Address	bld.2, 419 Lenina St., Stavropol, 355012
Telephone	(865-2) 56-67-83
Head of the branch	Valery V. Kostyukov

Surgut

Established	July 14, 2010
Address	12 Svobody Blvd., Surgut, Khanty-Mansijsk Autonomous Area — Yugra, the Tyumen Region, 628417, Russia
Telephone	(3496) 35-22-01
Head of the branch	Maxim E. Nigmatulin

Tomsk

Established	October 19, 1993
Address	52E Pushkina St., Tomsk, 634006
Telephone	(382-2) 61-00-63
Head of the branch	Elena G. Novoselova

Tula

Established	February 4, 1993
Address	106, Prospect Lenina, Tula, 300026
Telephone	(487-2) 33-35-29
Head of the branch	Valery V. Kuznetsov

Tyumen

Established	January 31, 1994
Address	20, Sovetskaya St., Tyumen, Municipal District of Tyumen, the Tyumen Region, 625000
Telephone	(345-2) 79-89-41
Head of the branch	Roman R. Dubinsky

Ufa

Established	February 3, 1999
Address	138 Mendeleeva St., Ufa, the Republic of Bashkortostan, 450022
Telephone	(347) 256-67-80
Head of the branch	Roza N. Urazgildeyeva

Ukhta

Established	September 23, 1994
Address	25, 30 Let Oktiabria St., Ukhta, the Komi Republic, 169400
Telephone	(8216) 79-67-57
Head of the branch	Yury A. Godovnikov

Khabarovsk

Established	October 28, 2008
Address	46 Turgeneva St., Khabarovsk, the Khabarovsk Region, Russia, 680000
Telephone	(421-2) 41-69-59
Head of the branch	Yury A. Korolev

Cheboksary

Established	December 11, 2008
Address	2 Prospect Lenina, Tcheboksari, the Chuvash Republic, 428000
Telephone	(835-2) 30-30-10
Head of the branch	Oleg L. Simunov

Chelyabinsk

Established	June 28, 2004
Address	116 Krasnoarmeyskaya St., Tcheliabinsk, 454091
Telephone	(351) 268-94-02
Head of the branch	Alexander E. Grabovsky

Shchelkovo, the Moscow Region

Established	June 23, 2000
Address	1-1a Proletarsky Ave. Shchelkovo, the Moscow Region, 141100
Telephone	(495) 276-31-00
Head of the branch	Vadim V. Lisakovich

Yugorsk, the Tyumen Region

Established	February 4, 1993
Address	31 Lenina St., Yugorsk, Sovetsky District, the Tyumen Region, 628260
Telephone	(346-75) 2-39-10
Head of the branch	Andrey S. Bykov

Yuzhno-Sakhalinsk

Established	July 23, 2009
Address	38 Kurilaskaya St., Yuzhno-Sakhalinsk, the Sakhalinsk Region, Russia, 693020
Telephone	(4242) 45-40-00
Head of the branch	Vladimir I. Shapoval

Yakutsk

Established	October 17, 2008
Address	Floors 1& 2, 18 Ammosova St., Yakutsk, the Republic of Sakha, Yakutia, 677000
Telephone	(411-2) 42-14-03
Head of the branch	Dmitry V. Zuev

Representative Office of GPB (OJSC)

Representative Office of Gazprombank in Beijing

Established (Registration Date): July 17, 2006
Address 1801, Tower D, Central International Trade Center, 6A, Jianguomenwai
Dajie, Beijing, China, 100022
Telephone (+86-10) 65 63 05 16
Head of the branch Nina V. Gorodbina

Representative Office of Gazprombank (Open Joint-Stock Company) in Ulaanbaator (Mongolia)

Established (Registration Date): February 14, 2008
Address 6 EnkhTaivan St., Ulan Bator, Mongolia, 14250
Telephone (+976) 99 10 99 02
Head of the branch Valery A. Kislov

Representative Office of Gazprombank (Open Joint-Stock Company) in New Delhi (India)

Established (Registration Date): May 25, 2010
Address 10 / 48 Malcha Marg, Diplomatic Enclave, Chanakyapuri, New Delhi –
110021, Delhi, INDIA
Telephone (+91) 11 2410 86 48
Head of the branch Aleksey A. Sovko

Subsidiary Banks in Russia

GPB-Ipoteka, Open Joint-Stock Company

Established on June 30, 1993, Banking License No. 2403

GPB Group shareholding	98.21%
Address	14, Kolomenskyproezd, Moscow, 115446
Telephone	(495) 223-40-40
Web site	www.gpb-ipoteka.ru
Acting Chairman of the Management Board	Eduard A. Arakelov

Credit Ural Bank, Open Joint-Stock Company / CUB OJSC

Established on November 25, 1993, Central Bank's General license No. 2584

GPB shareholding	100.00%
Regional Network	1 supplementary office, 1 lending-and-cash services office, 8 cash counters
Address	17 Gagrina St., Magnitogorsk, the Chelyabinsk Region, 455044
Telephone	(3519) 24-89-10
Web site	www.creditural.ru
Chairman of the Management Board	Viacheslav V. Berdnikov

JOINT-STOCK COMMERCIAL BANK EUROFINANCE, OPEN JOINT-STOCK COMPANY / OJSC AKB Eurofinance-Mosnarbank

Established on March 03, 1993, Central Bank's General license No. 2402

GPB Group shareholding	25.00000916% (25% + 1 share)
Regional Network	6 branches, 2 supplementary offices and 2 representative offices
Address	29 Novy Arbat St., Moscow, 121099
Telephone	(495) 967-81-82
Web site	http://www.evrofinance.ru
President - Chairman of the Management Board	Vladimir M. Stoliarenko

Subsidiary and Affiliated Foreign Banks

Belgazprombank Open Joint-Stock Company

Registered on November 28, 1997, General license No.8 issued by the National Bank of the Republic of Belarus

GPB shareholding	49.02%
Regional Network	8 branches, 64 supplementary offices, 137 cash counters
Address	60/2, Prititskogo St., Minsk, Belarus Republic, 220121
Telephone	+7-10-(37517) 229-16-29
Web site	www.belgazprombank.by
Chairman of the Management Board	Viktor D. Babariko

ARMENIAN-RUSSIAN EXPORT-IMPORT BANK Closed Joint-Stock Company

Register on June 03, 1998, License No.80 issued by the Central Bank of the Republic of Armenia

GPB shareholding	100.0%
Regional Network	16 branches
Address	10, bldg.6, Severny Prospect, Erevan, 0010 Republic of Armenia
Telephone	(495) 411-74-85 +7-10-(37410)-54-89-12
Web site	www.areximbank.am
Chairman of the Management Board	Armen S. Khandkarian

Gazprombank (Switzerland) Ltd

State registration certificate No.020.3.002.981-3 of 25.09.1992; license 92

GPB shareholding	100.0%
De facto address:	Zollikerstrasse 183, 8008 Zurich
Postal address	Postfach 1274, CH-8032 Zurich
Telephone	+41 44 386 86 86 +7 495 956 75 52
Web site	www.gazprombank.ch
General Director, Chairman of the Executive Directorate	Vladimir M. Ryskin

Licenses, permits, certificates

- General banking license No. 354 issued by the Bank of Russia on September 28, 2007, for an indefinite term.
- License of the Bank of Russia for precious metals trading No. 354 issued on September 28, 2007, for an indefinite term.
- Professional securities market player license No. 177-04329-001000 issued by the Federal Financial Markets Service on December 27, 2000, for an indefinite term authorizing securities management activities.
- License No. 22-000-0-00021 issued by the Federal Financial Markets Service on December 13, 2000, authorizing the business of a specialized depository for investment funds, unit funds and non-governmental pension funds.
- Professional securities market player license No. 177-04280-010000 issued by the Federal Financial Markets Service on December 27, 2000, for an indefinite term authorizing dealer activities.
- Professional securities market player license No. 177-04229-100000 issued by the Federal Financial Markets Service on December 27, 2000, for an indefinite term authorizing brokerage activities.
- Professional securities market player license No. 177-04464-000100 issued by the Federal Financial Markets Service on January 10, 2001, for an indefinite term authorizing depository activities.
- License of the Bank of Russia for precious metals trading No. 354 issued on September 28, 2007, for an indefinite term.
- License No. 1327 issued by the Federal Financial Markets Service on February 25, 2009, for an indefinite term authorizing the business of an exchange intermediary executing on-exchange futures and option transactions.
- General Export License No. 093RU11002000621 (gold in other untreated forms not used in coinage (fine gold in standard minted bars)) issued on June 29, 2011, by the Ministry of Industry and Trade of the Russian Federation, valid until June 29, 2012.
- General Export License No. 093RU11002000622 (other silver in untreated form containing at least 999 portions of silver per 1,000 portions of alloy) (fine silver in standard and minted bars) issued on June 29, 2011, by the Ministry of Industry and Trade of the Russian Federation, valid until June 29, 2012.
- License No. 2882 authorizing work with the use of information constituting state secrets issued on December 29, 2007, by the Center for Licensing, Certifying and Protecting State Secrets of the Federal Security Service of Russia, valid until December 29, 2012.
- Certificate No. 354 evidencing the registration of credit organization with state authorities issued by the Bank of Russia on November 13, 2001, (stamped by the Moscow Head Territorial Department of the Bank of Russia on July 29, 2007, confirming transformation from a closed joint-stock company to an open joint-stock company).
- Certificate series 77 No. 010022158 issued by Moscow Interregional Inspectorate No.50 of the Federal Tax Service (INN/KPP).

- Certificate series 77 No. 004890355 issued by the Interregional Department of the Ministry of Taxation of the Russian Federation on August 28, 2002 (OGRN).
- Certificate No. 629 issued on May 10, 2005, evidencing the inclusion of the bank in the register of member banks of the compulsory deposits insurance system of the State Corporation Deposit Insurance Agency (the validity term is not specified).
- Certificate No.045 evidencing the registration of the organization as a member of the National Stock Association issued on February 28, 2001 (the validity term is not specified).
- Certificate of membership in the Professional Association of Registrars, Transfer Agents and Depositories (PARTAD) series A No. 0000193, April 29, 2004 (the validity term is not specified).
- Notice from International Saint-Petersburg Inspectorate No. 9 of the Federal Tax Service dated November 17, 2006, regarding major tax payers (KPP).
- Notice No. 3 from the Federal Customs Service of the Russian Federation conferring the right to act as a guarantor in relations with customs authorities (valid from May 1, 2010 until May 1, 2013).

Contact info

Full Name:	GAZPROMBANK (Open Joint-Stock Company)
Abbreviated Name:	GPB (OJSC)
Start of Business Operations:	July 31, 1990.
Legal Address:	16/1 Nametkina St., Moscow, 117420
Place of business:	63 Novochereomushkinskaya St., Moscow 16 Raushskaya naberezhnaya, Moscow
Single Help Desk:	(495) 913-74-74
Fax:	(495) 913-73-19
Telex:	412027 GAZ RU
Web-site:	www.gazprombank.ru
E-mail:	mailbox@gazprombank.ru
Swift Code:	GAZPRUMM
Reuters Dealing Code:	GZPM
Correspondent Account:	30101810200000000823 with the Operating Department of Moscow GTU of the Bank of Russia;
INN:	7744001497
KPP:	997950001
BIC:	044525823
OKPO:	09807684
OKVED:	65.12

