

ADDRESS OF THE CHAIRMAN OF THE BANK



DEAR STOCKHOLDERS, CUSTOMERS, AND BUSINESS ASSOCIATES OF OUR BANK!

The financial showing our Bank managed to reach in 2007 is indicative of its strong and sweeping growth and of the successfulness of the chosen development strategy. The scale of operations increased appreciably, the adequate level of their cost efficiency being retained. We achieved further proliferation of our assets – they increased 1.5 times within the year and made 7.6 billion Russian Rubles (RUB). During the year of 2007, the Bank received a profit of RUB141.8 million, which is 40.7% more than the profit gained during the preceding year, its own funds having made RUB2.7 billion. The volume of crediting in the real sector exceeded RUB8.3 billion, which 1.6 times exceeds its level of the previous year. Increase in funds attracted by the Bank from natural persons and from corporate clients reflects the growth in confidence and strengthening of our financial positions on the market of banking services.

The achievements of the Bank met appreciation among banking communities. In September 2007, the Bank was given rating **B++** ("acceptable creditworthiness level with positive outlook") by the "Expert RA" rating agency.

It must be noted that the good financial showing of the Bank's activities within the reporting year have resulted from the work of both the head office and branches of the Bank.

We have achieved much in the previous year, and we are facing the future with much optimism. In the reporting year, the 'Bank Development Strategy for the Period between 2008 and 2010' was developed and approved. We are planning the further development of bank department network, investment portfolio build-up, increase in our base of clients, improvement of the existing services and implementing of the new ones for our corporate and private customers.

We are sure that clarity of our aims and our team's motivation and cohesion are the prime success condition for the Bank's further development.

No success of our Bank would be possible without support and understanding from the side of our stockholders, customers and partners. We are grateful for your confidence and hope for our further mutually beneficial cooperation!

Chairman of JSCB "Energobank"

D.I. Vagizov

GENERAL INFORMATION ABOUT THE BANK

Name:

Joint-Stock Commercial Bank "Energobank" (Public Corporation)

Abbreviated name:

JSCB "Energobank"

The Bank was founded:

On the 2nd of March 1989, license of the CBRF #67

Location and postal address:

32 Sary Sadikovoy str., 420021, Kazan, Republic of Tatarstan, Russia

Certificate of state registration of the company:

#1021600000289 from 13/08/2002, registration number of the Bank of Russia #67 from the 21st of May 1999

Information about authorized capital:

The Bank's authorized capital is 2 137 400 000 Russian Rubles (RUB), it is divided into 21 374 000 registered shares, the par value of one share is RUB100

The Bank's auditor according to the Russian and international standards:

Limited company "Sredne-Volzhscoe Ekspertnoe Buro"

Location: 60 Vosstaniya str., 420039, Kazan, Russia

Telephone/Fax: +7 (843) 555-62-52, 555-62-92

Main state registration number: 1021603278663;

Taxpayer Number/Record Validity Code: 1653000946/165801001

License: #E 001502 from 06/09/2007; Duration of license: 5 years

License issuing authority: Ministry of Finance of the Russian Federation

Name, patronymic, and surname of the head: Alexnader Nikolaevich Falaleyev

The Bank's Registrar:

Close corporation "Mezhregionalnaya registratsionnaya kompaniya"

Location: 89 Liebknecht str., 422433, Buinsk, Republic of Tatarstan, Russia

Address: 56 Levobulachnaya str., 420021, Kazan, Russia

Telephone: +7 (843) 236-93-15

Main state registration number: 1021600812551; Taxpayer Number: 1616010551

License: #10-000-1-00297 from 20/02/2004;

Duration of license: without limitations on duration;

License issuing authority: Federal Securities Market Commission

Name, patronymic, and surname of the head: Eduard Fanisovich Badretdinov

Composition of the Supervisory Board:**Chairwoman**

S.A. Koltsova

holds no shares

Members of the Supervisory Board:

D.I. Vagizov

holds no shares

N.Ya. Golubeva

holds no shares

O.R. Kondrashev

holds no shares

V.Yu. Petrushenko

holds no shares

A.A. Fatkhullova

holds no shares

V.V. Fedorenkov

holds no shares

The sole executive authority of the Bank:

is the Chairman of JSCB "Energobank" Dmitry Ilgizovich Vagizov

Mass media:

newspaper "VREMYA I DENGI" ("Time and Money")

According to the decision of Stockholders Meeting, no dividends for year 2006 were paid out.

The Bank performs its activities under the following licenses:

- License for performing of banking transactions in Russian Rubles and in foreign currencies;
- License of a professional participant of the equity market for performing of brokerage activities;
- License of a professional participant of the equity market for performing of dealing activities;
- License of a professional participant of the equity market for performing of activities on management of securities.
- License of a professional participant of the equity market for performing of depository activities.
- License for performing activities using information that represents state secret;
- License for providing information encryption services;
- License for distribution of cryptographic hardware;
- License for cryptographic hardware maintenance.

The Bank's membership in international payment systems, associations, exchanges:

- Moscow Interbank Currency Exchange (MICEX);
- Association of Russian Banks (ARB);
- Bank Association of Tatarstan (BAT);
- Society for Worldwide Interbank Financial Telecommunications (SWIFT);
- Principal member of payment systems of Union Card, MasterCard Int, VISA Int.

JSCB "Energobank" has been participating in the obligatory deposit insurance schemes since 2005.

The main financial showings of the Bank as of the 31st of December 2007 considering the reflection of events after the reporting date:

Authorized capital	RUB 2 137.4 million
Own funds	RUB 2 655.5 million
Assets	RUB 7 686.3 million
Profits (considering EARD)	RUB 93.4 million

The Bank's successful development is reflected in various ratings:

In September 2007, the Bank was given rating B++ ("acceptable creditworthiness level with positive outlook") by the "Expert RA" rating agency.

According to the newspaper "Kommersant Business Guide" (Merchant Business Guide), the Bank takes the 354th place in the rating of professional participants of equity market in Russia.

In the ranking of Russian banks, as of the 1st of March 2007, the Bank took the 2nd place in the Republic of Tatarstan (the 9th place among all regional Russian banks) by the assets growth rate within 3 years. At the same time, the assets increment made 476% within 3 years.

Due to its triple increase of own funds, JSCB "Energobank" took the 100th place in the ranking "100 Largest Banks of Russia" by the amount of its own funds as of 01/03/2007.

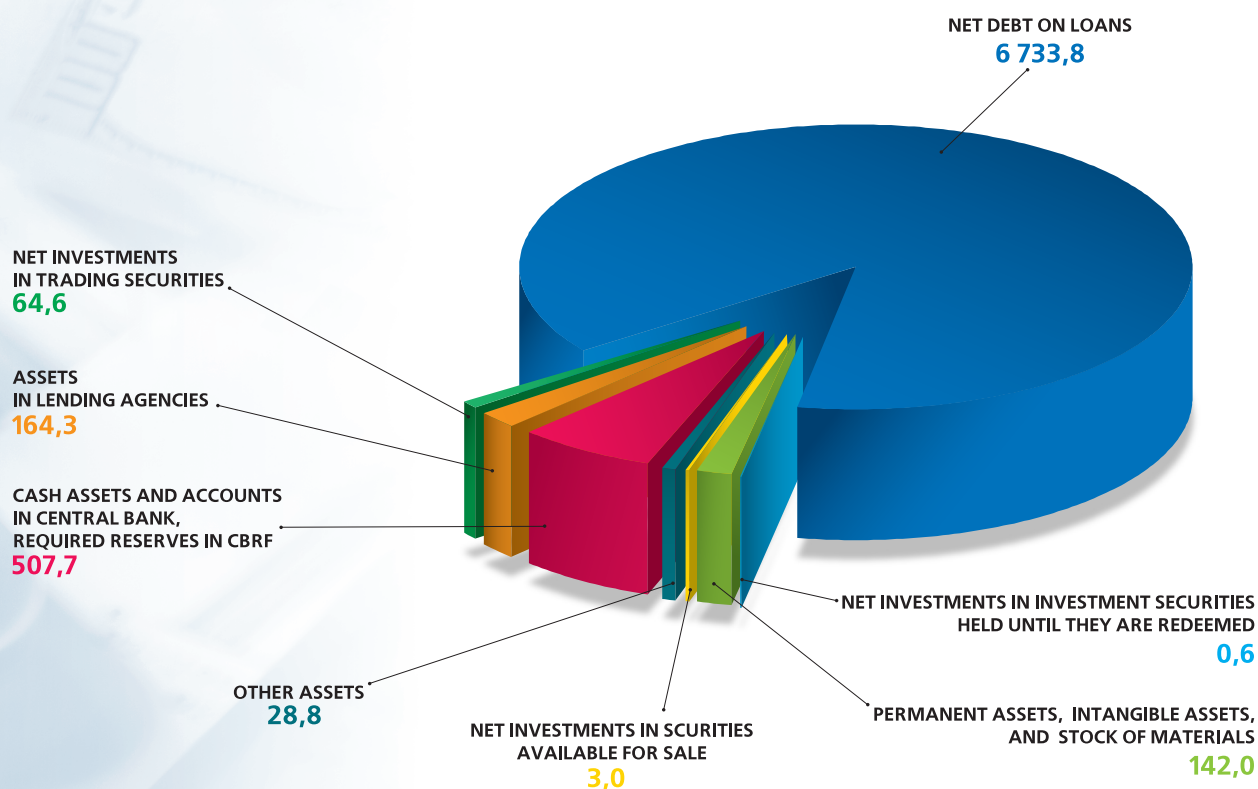
FINANCIAL PERFORMANCE

Year 2007 became the year of further strengthening of the Bank's positions in all main areas of its activities:

- Bank's assets increased by 1.5 times and exceeded RUB7686.3 million;
- its own funds increased by RUB55 million and made RUB2655.5 million;
- credit portfolio of the Bank (without regard for interbank credits), as of the end of 2007, was formed in the amount of over RUB6733.8 million. The volume of credits granted to the real sector within year 2007 made RUB8309.1 million, which is 1.6 times more than the preceding year's volume;
- deposits attracted from physical persons increased by 56% and made RUB2014.7 million as of the end of reporting year;
- total returns that integrally characterize the Bank's activities reached RUB305.4 billion during the year;
- profits gained by "Energobank" during year 2007 (regarding EARD) made RUB93.4 million, which exceeds the previous year's profits by 30.5%.

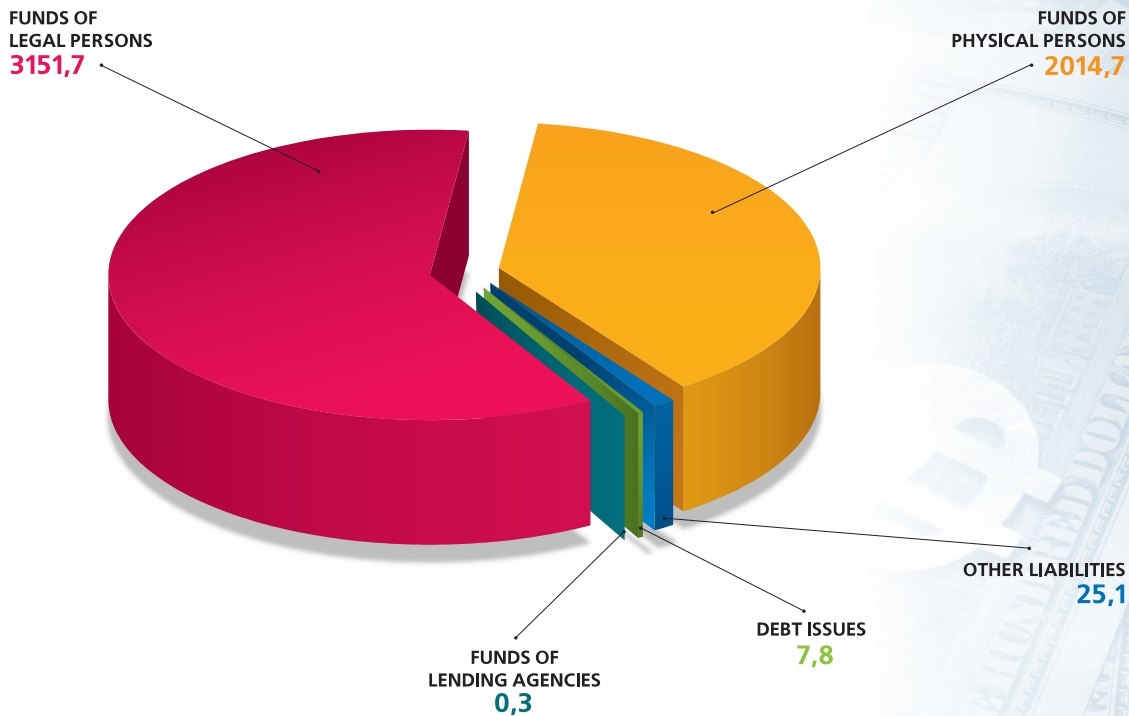
The Bank's assets holdings increased by more than 1.5 times. The Bank's credit portfolio is still remaining its main asset and makes 87.7% of the total assets holdings.

ASSET STRUCTURE AS OF THE 1ST OF JANUARY 2008 (IN MILLIONS OF RUB)



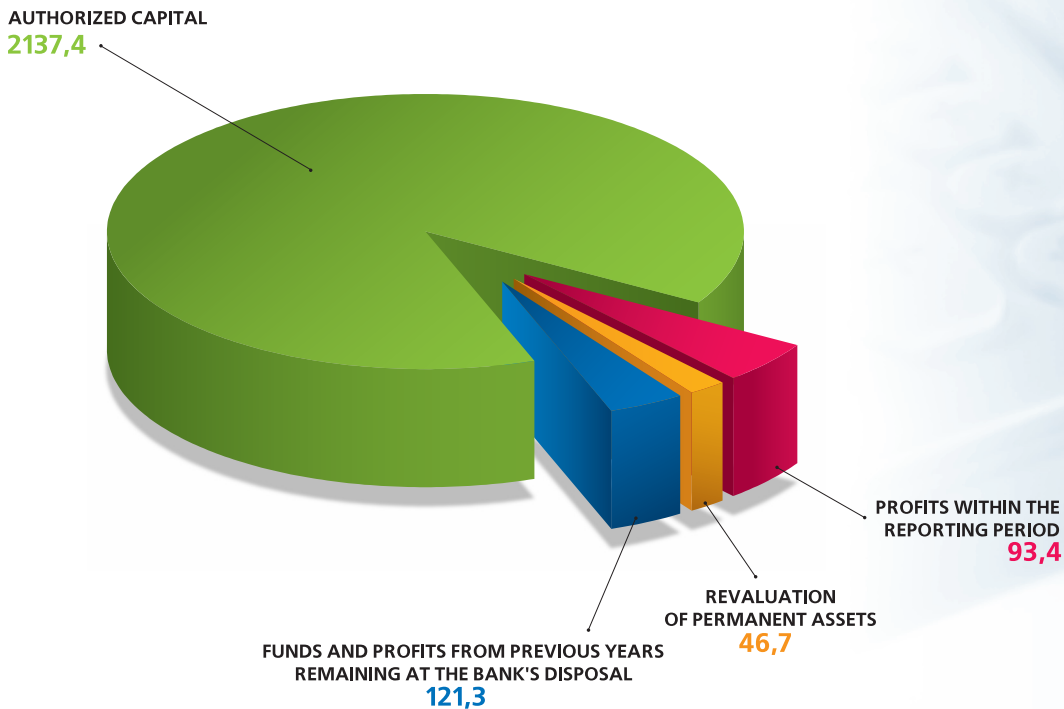
The Bank's liabilities increased by 1.8 times during year 2007 and made RUB5272 million. In the attracted assets structure, the main part is constituted of the assets of legal and physical persons (97.9%).

LIABILITIES STRUCTURE AS OF THE 1ST OF JANUARY 2008 (IN MILLIONS OF RUB)



As of the end of 2007, the capital of JSCB "Energobank" (calculated according to the Guidelines of the CBRF for published reports – form "Profit and Loss Statement for Year 2007") made RUB2398.8 million, which is RUB108.8 million more than the previous year's level. The share of the authorized capital in the own funds structure makes 89.1%.

OWN FUNDS (CAPITAL) AS OF THE 1ST OF JANUARY 2008 (IN MILLIONS OF RUB)



DEVELOPMENT OF CLIENT BASE, OFFICES NETWORK SPREADING THE RANGE OF BANKING SERVICES

The main principle of the Bank's operations with clients remains distinctive approach to solving custom-specific problems, as well as quality improvement when providing banking service package to clients.

The Bank's growth potential is in many respects determined by its client base, so the following activities were performed by the Customer Relationships Department within the report year: direct mailing of the Bank's commercial offers, conducting meetings and negotiations with the most promising clients. Due to the Bank's purposeful activities, the client base increases yearly. This increase made over 18% in 2007. 982 settlement accounts were opened for enterprises, organizations and businesses in Russian Rubles and foreign currencies. Primary clients of the Bank are businesses of the real sector of economy, big and middle-sized businesses.

DEVELOPMENT OF MULTIDIVISIONAL NETWORK

In 2007, the Bank continued its regular activities aimed at development and extension of the Bank's territorial presence in the city and in the Republic as a whole. In the framework of the development strategy and for the purpose of bringing the banking services nearer to customers and of creating the most favorable service conditions for the clients, the Bank opened its branches in Adoratskogo street and in Pushkina street and in Pobedy Avenue in Kazan and one in each of two cities: Nizhnekamsk and Naberezhnie Chelny.

Almetyevsk Branch moved into a new building (19 Mira str.), more comfortable for both clients and staff. Establishment of operational offices in Nizhni Novgorod and in Kirov is fully completed.

All branches of the Bank provide a full-fledged servicing for legal and physical persons, including granting bank loans to consumers. The working hours of the offices and branches are selected to be most convenient for customers' needs: they are open till 8 p.m. on weekdays and till 3 p.m. on Saturdays. Offices located in the city center (shopping centers 'Koltso' and 'GUM') are open throughout the week, according to the working hours of the corresponding shopping center.

Branches in Bugulma and Almetyevsk achieved significant growth in volume of consumer credits and loans for purchasing cars, the credit portfolio of these branches made RUB99.1 million and RUB129.0, respectively, as of the 1st of January 2008.

Generally, the activities of the Bank's branches were quite successful in 2007, which is confirmed by the growth of economic indexes.

As of the 1st of January 2008, the share of the branches of JSCB "Energobank" made:

- 81.8% of depositor's accounts in Russian Rubles, the remainder on which made 47.5% of the total Bank's remainder on deposits in Russian Rubles;
- 40.7% of depositor's accounts in foreign currencies, the remainder on which made 74.3% of the total Bank's remainder on deposits in foreign currencies;
- 62% of opened settlement accounts of legal entities in Russian Rubles, the mean historical remainder on which made 67.3% of the total amount of remainders on RUB accounts of the Bank's clients;
- 61% of returns obtained from accounting services provided to clients and from transferring physical persons' assets.

SERVICES FOR PHYSICAL PERSONS

For a number of years, Energobank has been attending to its working with private capital of physical persons. Physical persons can place their savings in any branch under flexible

terms and conditions: many types of deposits provide a possibility to be replenished, ensure stable interest on deposit due to market interest rates. For clients' convenience, the Bank provides automated prolongation of contracts for unclaimed deposits. Within the reporting period, the Bank held stimulating drawings with prizes for its depositors. The attractiveness of depositing operations and depositors' high loyalty were confirmed by the remainder in Russian rubles on deposit accounts increased 1.6 times as compared to that in the preceding year. The amount of depositors increased from 10.4 thousand to 18.5 thousand. The remainder on bank-card accounts increased nearly 2.5 times and exceeded RUB65.1 million.

In the reporting year, a system of money transfer without establishing an account with the Bank, BLIZKO ("Near"), was introduced.

The Bank's income from services for physical persons made RUB11.6 million, which is RUB3.4 million higher than last year.

OPERATIONS WITH PLASTIC CARDS

As of the end of year 2007, the Bank emitted over 10.0 thousand of bank cards of international payment systems MasterCard Int. and VISA Int.

The main part of emitted cards of the international payment system EuroCard/MasterCard is represented by the cards emitted within "salary projects" that consider the payment of salaries/wages to the companies' employees using the bank cards JSCB "Energobank". In 2007, the Bank made over 70 contracts for payments of salaries/wages using bank cards.

In the report year, the Bank introduced a new service for JSCB "Energobank" card holders – overdraft accounts.

The main advantages of this type of crediting are:

- it is an open-end credit;
- this credit is only granted by the Bank if the money on the bank card account are insufficient or if there is no money at all, and it is only granted within the allowed amount of money (the predefined credit size);
- the interests are charged on the actual remainder of the overdraft borrowed;
- the repayment of the credit is performed by the Bank automatically on the day when the bank card account is replenished in cash, by a written order on account or when a salary is entered in the account.

Like before, the list of services provided to the bank card holders included the system of SMS notifications that allowed the clients to get information about the remainder on the bank card account, about cash withdrawal operations, about payments made for goods and services, as well as about payments for cellular communications made in the real-time mode via the Bank's ATMs.

In 2007, in the Bank's acquiring network:

- cash money were paid to bank card holders using the Russian payment systems Union Card and STB Card, as well as international payment systems EuroCard/MasterCard Int. and VISA Int;
- clearing operations were performed with commercial and service companies that had made contracts with Energobank to provide bank cards as means of paying for their goods and services.

The growth in the amount of ATMs made over 67%, and, as of the 1st of January 2008, there were 15 ATMs to service for the Bank's clients. The number of electronic terminals available in the points of cash payments from the bank card accounts made 19 units as of the end of the reporting period, while over 30 electronic terminals were mounted in commercial and service companies to accept cash money using bank cards.

DYNAMICS OF OPERATION DEVELOPMENT OF THE BANK

CREDIT OPERATIONS

CREDITING LEGAL ENTITIES

The increase of the resort base of our Bank at the cost of attraction of new customers, addition of the volumes of time deposits lodged by legal and physical persons enabled to satisfy completely the credit applications of enterprises and organizations and also the legal persons in credits. The volume of credits granted in 2007 to the real sector of the economy made RUR8309.1 million, including RUR328.4 million in foreign currencies, which 1.6 times exceeds its volume of the previous year. The credits were granted to 177 enterprises and organizations of the real sector of the economy.

In 2007, the volume of credits granted to agriculture manufacturers (RUR903.8 million more), sale distributors (RUR1596.8 million more) and construction enterprises (RUR882.7 million more) greatly expanded in industrial structure. Within the reporting year, the Bank granted RUR1767.5 million in credits to 97 small businesses which 2.3 times exceeds the amount of the previous year; RUR 1233.8 million were granted to consumer crediting of people, including RUR171.6 million for crediting of people under mortgage.

The most significant projects and investments.

- In the reporting year JSCB "Energobank" took an active part in realization of the National project "The Agriculture" and extended more than RUR2090 mln of credits to enterprises of Tatarstan for reconstruction of livestock complexes and for construction of feeding grounds in Verhniy Uslon, Zelenodolsk and Alkeevo regions of the republic, and also for purchase of agricultural equipment.
- Our Bank granted purpose loans to Company Limited "Plemennoe Delo" for purchase of pedigree high-productive cattle, which enabled to get an increase in weight of the cattle in 1950 tons per a year.
- RUR208.2 mln in credits were extended to Public Corporation "Krasniy Vostok Agro" for purchase of fodders, seeds and fuel. The carried out measures made it possible for the Public Corporation "Krasniy Vostok Agro" to get high production and financial performance. In 2007 Public Corporation "Krasniy Vostok Agro" produced 91854 tons of milk and 7904 tons of meat.
- In 2007 JSCB "Energobank" extended RUR795.1 mln in credits to Company Limited "Krasniy Vostok – Stroyontazhservice" for carrying out of capital construction. The financing of the construction, the livestock complexes Azleevo, Vahitovo, Kargopol, Makulevo (each for 5000 head of cattle); the grain elevator in Bazarnuye Matakhi village for 68000 tons and the 2nd stage of the shopping centre GUM (Russian abbreviation for "State Department Store") with the area of 6560 square meters were put into service with the assistance of the Bank.
- In the reporting year our Bank extended credits to Close Corporation "Vostok – Zernoproduct" for purchase of spares and materials for repair of agricultural equipment, fertilizers, seeds, means of plants' protection, POL, discharge of insurance fee. This made it possible for Close Corporation "Vostok – Zernoproduct" to produce 93872 tons of corn, 43149 tons of wheat, 16214 tons of barley, 6000 tons of rye.
- Owing to timely financing of housing construction the borrower of the Bank Company Limited "Unistroy Soyuz" performed construction and assembly operations at 13 objects of construction and a block of flats in Chistopolskaya str. which aggregate floor space is 13508.7 square meters was timely put into service.

CREDITING PHYSICAL PERSONS

In 2007 portfolio of credits granted to physical persons increased 1.7 times from RUR747.3 mln to RUR1233.8 mln. Credit portfolio granted for car purchasing increased 2.6 times, and portfolio of mortgage credits increased 3.1 times. Crediting of people is conducted in the main office and in all subsidiary offices of the Bank.

In 2007 the credit for car purchasing "Universal-auto" without initial instalment and with insurance on credit became especially popular among the people. The percentage of auto

credits in the aggregate portfolio of credits granted to physical persons increased from 32% in 01/01/2007 to 50.3% in 01/01/2008.

Credits for house buying become popular among the people more and more. The Bank uses only its own programmes of crediting under mortgage and the acquired fixed property is formalized immediately in a borrower's ownership. In the reporting year new types of mortgage crediting "Repairs-12years" and "Without confirmation of wages-20years" were elaborated and put into operation.

To increase the popularity and availability of mortgage credits borrowers are given an opportunity along with new programs to take credits for housing under construction and fix the cost of a square meter at the moment of getting the credit, and in 2007 the wage of initial installment of the cost of fixed property was reduced. As before, the mortgage credits for fixed property purchasing at secondary housing market, including country houses and cottages, remain in demand.

In consideration of growing competition at the market of mortgage crediting the Bank increased the period of crediting from 12 to 20 years and withdrew the moratorium on early repayment of mortgage credits.

As for share building, the Bank collaborates with such builders as Holding Company "Unistroy", Close Corporation "Brik", Company Limited "Construction Company "Orimeks-Suvar".

Contrastive analysis of the change of granted credits' structure shows the increase of the share of credits for house buying in the total amount of granted credits from 7.6% to 14.5%.

(in RUR thousands)

Denomination	2006	%	2007	%	Change	Rate
Portfolio of consumer credits	747385	100	1 233 824	100	486 439	1.7
including:						
Auto credits	240 758	32.2	620 679	50.3	379 921	2.6
Mortgage	56 865	7.6	178 355	14.5	121 490	3.1
Urgent needs	449 762	60.2	434 790	35.2	(14 972)	-

INTERBANK CREDITING, ASSET-LIABILITY MANAGEMENT

In 2007 the Bank continued its active work at the market of interbank crediting. The circle of associate banks the privity of contract about interference crediting in RUR and other currencies is established with widened. Particular analysis of financial stability of the Bank's associates enabled to lower as much as possible the risk of negative consequences from conducted operations. The main contractors of the Bank are big and reliable banks of Russia and Tatarstan.

The general overturn of floatation and mobilization of funds at the market of interbank crediting in 2007 made RR41 billion and about USD770 billion. The profit from operations at the interbank market received by the Bank during the year of 2007 made up RR31 mln.

The practices and electronic communications used by the Bank: the system of informational terminals REUTERS, the calculating-dealing and informational service "The Interbank Payments' System", the system S.W.I.F.T., etc. made it possible to keep a high rate of business's development at financial and money market.

An active and balanced process of management of assets and liabilities remains an important part of the Bank's activity. The methods of management of the Bank's liquidity which were elaborated and adopted, the systems of planning and prognostics enable to guarantee their customers maximal security and safety of funds entrusted to a bank and to make settlements timely.

OPERATIONS WITH FOREIGN CURRENCIES

As of the end of year 2007, the Bank's balance currencies on operations performed in foreign currencies increased by 1.7 times and made USD7.6 million.

44 new accounts were opened for legal entities in foreign currencies during the reporting year.

The annual turnover of the performed operations made USD988.3 million and EUR125.6 million.

As before, the Bank successfully performs its functions as an agent of currency exchange control over the customers' operations in Russian Rubles and in foreign currencies performed with the near abroad and with foreign countries.

In 2007, the following came for being serviced:

- for exports of goods and services – 197 new contracts to the total amount of USD36.4 million, RUB341.8 million;
- for imports of goods and services – 139 new contracts to the total amount of USD81.4 million, EUR34.5 million and RUB297.6 million.

In the reporting year, the Bank's customers exported goods and services to the amount of USD20.6 million, EUR47.9 million and RUB and RUB226.7 million. Proceeds from exports of goods and services totally made USD21.2 million and RUB240.7 million.

The cost of goods and services imported in the reporting year made USD15.7 million, EUR19.2 million, RUB41.7 million. Payments for imports of goods and services made USD9.0 million, EUR19.2 million, RUB431.5 million.

The Bank sold foreign currencies as written orders on accounts to the amount of:
USD62.9 million; EUR19.5 million;

the Bank bought foreign currencies as written orders on accounts to the amount of:
USA70.0 million; EUR22.2 million.

The returns of conversion operations performed on the internal foreign exchange market made RUB2.6 million.

Total volume of cash foreign exchange operations made USD23.5 million and EUR7.1 million. Returns of cash currency transactions made RUB6.5 million.

BANK'S OPERATIONS WITH SECURITIES

Investments in securities, as of the 1st of January 2008, made RUB68.2 million, the weighted average price of the securities portfolio having made RUB182 million in 2007.

The highest income in 2007 was obtained from operations on the market of shares. The Bank's traders intensively used the method of short sales of shares and active management of securities portfolio. Using the methods of technical and fundamental analysis, the specialists of the Bank's securities department formed a portfolio of corporate securities for short-term investments and obtained the largest return from these operations as RUB52.6 million.

A considerable role in the structure of returns obtained by the securities department was played in 2007 by the returns from the accumulated coupon yield on corporate bonds, which made over RUB6 million. In the report year, the Bank actively worked with corporate bills of such emitting companies as Baltiyskiy Bereg, Medoviy Dom, Radex, Izumrud, Suvar-Kazan,

totally to the amount of over RUB80 million. The profitability of the above investments made 14 to 17% annually. The returns from discounted bill of third-party issuers mad over RUB9 million in 2007. The Bank is planning to continue working in this area thoroughly analyzing the drawers of bills.

The Bank's dividend income on the investment portfolio made over RUB1 million in 2007.

One of the ways to attract capitals on the securities market is issuing of the company's own bills. In 2007, the Bank issued bills to the amount of over RUB70 million. The Bank's bills are a reliable and profitable security actively used by many Bank's customers as a method of income acquisition, as well as in their business turnover and as guarantee means. Among the Bank's regular customers holding its bills, there are construction companies, insurance companies, social trade unions, commercial firms, physical persons.

The Bank's participation as co-underwriter in placing the bonds of the Makheev Finans company allowed the Bank to obtain additional returns to the amount of RUB100 thousand.

In the report year, the Bank started performing REPO transactions using them for placing and attracting money funds. The total amount of transactions under REPO agreements made RUB440 million.

As of the end of year 2007, the total returns on all operations with securities made over RUB68.7 million.

IT DEVELOPMENT

In the field of internet technologies, year 2007 was characterized by improvement of the retail service system. The following achievements should be considered as the main results in this area:

- implementation of the Finist-Retail system used for retail services for physical persons in 16 branches in Kazan, as well as in the offices in Almet'yevsk and in Nizhni Novgorod;
- implementation of the application aimed at servicing for money transfers through the Blizko system;
- implementation of the application used for establishing details of credit agreements from ABC to Povolzhskoe bureau kreditnikh istoriy (Volga-Region Credit Bureau);
- development of an application aimed at unloading data of opened (closed) from an automated banking system for rating authorities.

In 2007, the project of implementing the credit module of the Finist-Retail system had been completed, which allowed the Bank to start issuing bank cards with the service of permitted overdraft.

When equipping the Bank offices with supporting systems, all necessary technical solutions were used providing high performance and enhanced fault tolerance and safety of the Bank's IT infrastructure. Thus, in the reporting year, the Bank started to work with modern fiber-optics communications connecting its network via E1 stream, as well as introduced channel tunneling with traffic enciphering.

Automated banking system Diasoft Workflow was transferred to the modern, high-performance hardware platform.

It is in the strategy framework to solve new problems and challenges in the field of enhancement of information technologies and software products aimed at development of competitive advantages of the Bank.

RISK MANAGEMENT

The Bank, as a market crediting institution, faces various types of risks affecting the results of its activities – credit risk, liquidity risk, transaction risk, currency exchange risk, etc. Risk management and minimization of risks are critical goals for the Bank.

The efficient risk management system is based on working sequence of risk assuming, transactions approving and performing, as well as on the approved limitations and other conditions of performing operations. A reasonable conservative policy, timely monitoring of all risk factors and immediate response to possible negative tendencies allow the Bank to secure its capital and to avoid unreasonable losses.

The following risk management methods are used:

- monitoring the dynamics of the Bank's overall risk;
- calculation of liquidity, interest and exchange risks by analyzing the attracted funds and by placing the clients and counteragents of the Bank in relation to the corresponding market indexes;
- borrowers' internal credit capacity rating system related to the corresponding estimated probability of borrowers' defaults in payments;
- usage of a system limiting concentration of credits granted to one borrower or to a group of related borrowers;
- approved level of maximal losses on crediting programs for physical persons, on securities portfolios and on other Bank's positions;
- interdepartmental communication in the Bank, in case of crises.

Credit risk is the risk of the Bank's possible losses resulting from the borrower's inobservance of terms and conditions of the credit agreement. The credit policy is developed by the Bank's Credit Committee and approved by the Bank's Chairman. The Bank has its own approved crediting procedures, according to which loans are given to borrowers and subsequently monitored by the Bank. To minimize credit risk, the Bank checks the borrower's financial state and credit history, as well as the borrower's necessary documentation necessary for getting a loan, for their authenticity, and creates necessary reserves for possible losses.

Liquidity risk consists in the probability of non-concurrency in assets and liabilities. The system of liquidity risk management is performed in the Bank on a daily basis and continuously. It is regulated on the basis of money flow analysis considering real terms of assets realization and liabilities claiming and repaying.

A special attention, for the purposes of providing a high level of reliability and stability within the framework of efficient risk management, is paid by the Bank to compliance with obligatory economic standards. Thus, the index of capital adequacy (H1) made 37.3% as of the 1st of January 2008 for the standard of not less than 10% as prescribed by CBRF. The instantaneous liquidity (H2) and the current liquidity (H3) were equal to 37.6% and 87.8%, respectively, although the CBRF required not less than 15% and 50%, respectively.

Transaction risk is related to errors that usually occur due to technical faults or result from mistakes in transactions etc. These factors don't involve any defaults on the Bank's obligations, but only some delay in discharge of its obligations.

To decrease transaction risk, controlling methods and procedures are used: functions are distributed among employees, transaction accounting standards are applied, measures against unauthorized access to systems are taken and software operations are controlled. These risks are estimated as relatively low ones, since the Bank provides high level of information technologies and risk control structures.

Market risk implies a risk of losses resulting from changes in prices of the Bank's assets and/or securities, unfavorable for the Bank. Market risks include currency exchange risk, security risk, and interest rate risk.

Currency exchange risk represent risks related to positions in foreign currencies opened by the Bank or by the Bank's decision. Currency exchange risk is managed according to the

limitations on an open currency position stated by the Central Bank of the RF and by the Bank. To minimize the currency exchange risk, the Bank has introduced limitations on an open currency position for each currency Bank works with.

Security risk is the probability of losses resulted from movements of market prices of securities traded in the formal equity market. Since the Bank does not perform large-scaled operations on the formal equity market, the movements of market prices do not essentially affect the Bank's ability to discharge its obligations.

Interest rate risk is related to the affects of unfavorable changes in interest rates.

All assets, liabilities and off-balance obligations sensitive to changes of interest rates are equally exposure to the interest rate risk. Interest rate risk management is performed considering the analysis of the sensibility of assets and liabilities to changes in interest rates, as well as the analysis of changes in the Bank's interest margin. When attracting funds, the Bank considers interest structure of its assets and liabilities and revises the corresponding rates according to the market conditions.

The Bank does not perform hedging transactions and, correspondingly, no hedging policy has been developed.

Risk of legitimization (laundering) proceeds of crime is the risk of imparting a legitimate appearance to owning, using or commanding money funds or other assets obtained as a result of crime, except crimes provided by Clauses 193, 194, 198, 199 of Criminal Code of the RF. This risk is managed by the Department of financial Monitoring, by the staff of all Bank's departments performing transactions with money funds or with other assets of clients, as well as by the Bank's Legal Department and Security Service, according to Law #115-FZ and other regulatory documents of the Central Bank of the RF.

Legal risk includes the risk of depreciating assets or increasing obligations resulting from inadequate or fallacious legal solutions or from incorrect documentation through both honest mistakes and malicious actions. To avoid legal risks, the Bank uses the selection of highly qualified professionals, distribution of powers among employees, strict compliance with the current law, internal and documentary control, as well as other methods, if necessary.

Risk of loss of business reputation (reputation risk) includes risks related to the current legal proceedings the Bank is involved in, as well as those related to impossibility to renew the lending agency's license for certain activities. The Bank is not exposed to these risks.

Risks related to the Bank's probable liabilities for third parties' debts are minimized at the stage of estimating the third parties' creditworthiness. The Bank pursues its conservative policy as related to credit risks on counteragents and clients.

Strategic risk is the existing or possible effects on the Bank's profits or capital, resulting from incorrect business solutions, bad introduction of solutions or from no response to changes in the external market factors.

This kind of risks is minimized due to rational market strategy pursued by the Bank. This strategy consists in searching for and occupying market niches, in which the Bank can achieve a significant improvement of its positions, as well as in timely shifting its business emphases from one sector to another.

Solutions important from the point of view of the Bank's strategic development are introduced under direct control of the Bank's Supervisory Board and Stockholders Meeting.

Country risks are managed according to the system of limitations stated by the Bank considering that the Russian Federation is the country where the Bank performs its activities. The Bank is exposed to this type of risk as well as any other Russian banks. In 2006, rating agency Fitch Ratings increased the rating of Russia on its liabilities in foreign and national currencies from BBB level to BBB+ level, and it confirmed this level on the 16th of August 2007.

TRANSACTIONS PERFORMED BY THE BANK IN THE REPORTING YEAR AND REGARDED BY THE FEDERAL LAW “OF STOCK COMPANIES” AS ‘BIG DEALS’, AS WELL AS OTHER TRANSACTIONS THAT, ACCORDING TO THE BANK’S ARTICLES, SHOULD BE APPROVED AS BIG DEALS

The Bank did not perform any big deals or other transactions that, according to the Bank’s Articles, should be approved as big deals within the reporting year.

INFORMATION ABOUT THE MEMBERS OF SUPERVISORY BOARD

In 2007, the Supervisory Board of the Bank increased in numbers and was elected by the Bank’s Stockholders Meeting in the amount of 7 persons.

CHAIRPERSON OF THE SUPERVISORY BOARD

1. Name, patronymic, surname, year of birth:

Svetlana Albertovna Koltsova, 1973.

Education:

Kazan State V.V. Kuibishev Financial and Economic Institute

Graduation date:

1994

Positions held at the present time, including part-time ones:

From	Company	Position
12/01/2006	JSCB «Energobank»	Head of Corporate Clients Support Department
29/06/2007	JSCB «Energobank»	Chairperson of the Supervisory Board

MEMBERS OF THE SUPERVISORY BOARD

2. Name, patronymic, surname, year of birth:

Dmitry Ilgizovich Vagizov, 1963.

Education:

Moscow State Financial Institute

Graduation date:

1985

Positions held at the present time, including part-time ones:

From	Company	Position
17/01/2006	JSCB «Energobank»	Bank Chairman
28/06/2007	OAO “SO Talisman”	Chairman of Board of Directors

3. Name, patronymic, surname, year of birth:

Nadezhda Yakovlevna Golubeva, 1961

Education:

Moscow State Cooperative Institute

Graduation date:

1981

Positions held at the present time, including part-time ones:

From	Company	Position
16/04/2007	OAO “Edelweis Group”	Chief Economist

4. Name, patronymic, surname, year of birth:

Venera Yurievna Petrushenko, 1951

Education:

Kazan State V.V. Kuibishev Financial and Economic Institute

Graduation date:

1973

Positions held at the present time, including part-time ones:

From	Company	Position
16/04/2007	OAO "Edelveis Group"	Director of the Department of Corporate Management

5. Name, patronymic, surname, year of birth:

Asiya Agzamovna Fatkullova, 1953

Education:

Moscow State Cooperative Institute of Tsentrosoyuz

Graduation date:

1977

Positions held at the present time, including part-time ones:

From	Company	Position
1/11/2007	OOO "FPK "EDVOS""	Director General

6. Name, patronymic, surname, year of birth:

Vitaliy Vladimirovich Fedorenkov, 1961

Education:

Kazan State V.I. Ulyanov-Lenin University

Graduation date:

1984

Institute of Social Sciences and Humanities

Graduation date:

2004

Positions held before 31.12.2007, including part-time ones:

From	Company	Position
10/10/2000	OAO "SO Talisman"	Director General

7. Name, patronymic, surname, year of birth:

Oleg Rادیevich Kondrashev, 1959

Education:

Kazan State S.M. Kirov Chemistry and Technology

Graduation date:

1982

Positions held at the present time, including part-time ones:

From	Company	Position
16/04/2007	OAO "Edelveis Group"	Deputy Director General for Security

Members of the Supervisory Board hold no shares in the Bank's authorized capital and didn't make any transactions of taking up or alienating the Bank's stock within the reporting year.

TRANSACTIONS PERFORMED BY THE BANK IN THE REPORTING YEAR AND CONSIDERED BY THE FEDERAL LAW "OF STOCK COMPANIES" AS TRANSACTIONS THE BANK HAD BEEN INTERESTED IN

In the reporting year, the Bank's Supervisory Board approved the following transactions considered by the Federal Law "Of Stock Companies" as transactions the Bank is interested in:

1. Credit agreement between JSCB «Energobank» and ZAO «Vostok Zernoprodukt» to the amount of RUB180000000 (One hundred eighty million) 00 kopeck, for the period of 371 days, at 10.5% annually;
2. Credit agreement between JSCB «Energobank» and ZAO «Vostok Zernoprodukt» to the amount of RUB90000000 (Ninety million) 00 kopeck, for the period of 364 days, at 10.5% annually;
3. Credit agreement between JSCB «Energobank» and ZAO «Vostok Zernoprodukt» to the amount of RUB61000000 (Sixty-one million) 00 kopeck, for the period of 357 days, at 10.5% annually;
4. Credit agreement between JSCB «Energobank» and ZAO «Vostok Zernoprodukt» to the amount of RUB40000000 (Forty million) 00 kopeck, for the period of 325 days, at 10.5% annually;
5. Credit agreement between JSCB «Energobank» and ZAO «Vostok Zernoprodukt» to the amount of RUB108646406,93 (One hundred and eight million six hundred and forty-six thousand four hundred and six) 93 kopeck, for the period of 1827 days, at 10.5% annually;
6. Credit agreement between JSCB «Energobank» and ZAO «Vostok Zernoprodukt» to the amount of RUB160000000 (One hundred and sixty million) 00 kopeck, for the period of 304 days, at 10.5% annually;
7. Credit agreement between JSCB «Energobank» and OAO «Krasni vostok-Agro» to the amount of RUB31848753 (Thirty-one million eight hundred and forty-eight thousand seven hundred and fifty three) 00 kopeck, for the period of 1827 days, at 10.5% annually;
8. Credit agreement between JSCB «Energobank» and OAO «Krasni vostok-Agro» to the amount of RUB85000000 (Eighty-five million) 00 kopeck, for the period of 300 days, at 10.5% annually;
9. Credit agreement between JSCB «Energobank» and OAO «Krasni vostok-Agro» to the amount of RUB7000000 (Seven million) 00 kopeck, for the period of 2922 days, at 10.25% annually;
10. Credit agreement between JSCB «Energobank» and OAO «Krasni vostok-Agro» to the amount of RUB18500000 (Eighteen million five hundred thousand) 00 kopeck, for the period of 276 days, at 10.0% annually;
11. Credit agreement between JSCB «Energobank» and OAO «Krasni vostok-Agro» to the amount of RUB5025390 (Five million twenty-five thousand three hundred and ninety) 00 kopeck, for the period of 1827 days, at 10.25% annually;
12. Credit agreement between JSCB «Energobank» and OAO «Krasni vostok-Agro» to the amount of RUB20800000 (Twenty million eight hundred thousand) 00 kopeck, for the period of 244 days, at 10.0% annually;
13. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB1400000 (One million four hundred thousand) 00 kopeck, for the period of 1096 days, at 16.0% annually;
14. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2400000 (Two million four hundred thousand) 00 kopeck, for the period of 914 days, at 14.0% annually;
15. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2400000 (Two million four hundred thousand) 00 kopeck, for the period of 912 days, at 16.0% annually;
16. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2000000 (Two million) 00 kopeck, for the period of 912 days, at 16.0% annually;
17. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB1200000 (One million two hundred thousand) 00 kopeck, for the period of 912 days, at 16.0% annually;

18. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB500000 (Five hundred thousand) 00 kopeck, for the period of 731 days, at 17,0 % annually;
19. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2500000 (Two million five hundred thousand) 00 kopeck, for the period of 915 days, at 14.0% annually;
20. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2000000 (Two million) 00 kopeck, for the period of 884 days, at 14.0% annually;
21. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2400000 (Two million four hundred thousand) 00 kopeck, for the period of 915 days, at 14.0% annually;
22. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2473000 (Two million four hundred and seventy-three thousand) 00 kopeck, for the period of 1126 days, at 16.0% annually;
23. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB520000 (Five hundred and twenty thousand) 00 kopeck, for the period of 914 days, at 16.0% annually;
24. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2700000 (Two million seven hundred thousand) 00 kopeck, for the period of 915 days, at 14.0% annually;
25. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2390000 (Two million three hundred and ninety thousand) 00 kopeck, for the period of 915 days, at 14.0% annually;
26. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2560000 (Two million five hundred and sixty thousand) 00 kopeck, for the period of 915 days, at 14.0% annually;
27. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2660000 (Two million six hundred and sixty thousand) 00 kopeck, for the period of 915 days, at 14.0% annually;
28. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB390000 (Three hundred and ninety thousand) 00 kopeck, for the period of 639 days, at 16.0% annually;
29. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2400000 (Two million four hundred thousand) 00 kopeck, for the period of 913 days, at 14.0% annually;
30. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2520000 (Two million five hundred and twenty thousand) 00 kopeck, for the period of 913 days, at 14.0% annually;
31. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB554000 (Five hundred and fifty-four thousand) 00 kopeck, for the period of 1101 days, at 16.0% annually;
32. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2490000 (Two million four hundred and ninety thousand) 00 kopeck, for the period of 912 days, at 14.0% annually;
33. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB14720000 (Four million seven hundred and twenty thousand) 00 kopeck, for the period of 1153 days, at 14.0% annually;
34. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB6400000 (Six million four hundred thousand) 00 kopeck, for the period of 1153 days, at 14.0% annually;
35. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB1850100 (One million eight hundred and fifty thousand one hundred) 00 kopeck, for the period of 930 days, at 14.0% annually;
36. Credit agreement between JSCB «Energobank» and OOO «Energolizing» to the amount of RUB2011600 (Two million eleven thousand six hundred) 00 kopeck, for the period of 930 days, at 14.0% annually.

BANK DEVELOPMENT OUTLOOKS

Successful results of the Bank's activities allow us to face the future optimistically, whereas the exact following its strategic plans will allow the Bank to become leader on the republican market of banking services as a universal bank with simultaneous emphasizing banking servicing for physical persons and small-to-medium businesses.

DEVELOPMENT OF THE BANK'S TERRITORIAL SCOPE. The balanced development of the Bank's territorial scope and a reasonable policy in working with potentials must determine the growth in amounts of corporate and private clients. Within the framework of this strategy, the Bank is planning to open its branch offices in large cities outside the Republic of Tatarstan maintaining the uniform service level and a uniform package of banking services and products.

EXPANSION OF OPERATIONS IN THE FIELD OF CREDITING. As before, the key products of corporate lending will remain loans granted for small-to-medium businesses and agricultural enterprises. Within the bounds of its retail crediting program, the Bank is going to advance in the matters of enlargement and standardization of its product series, improving its technologies, enhancing the level and the quality of its service for clients. It is planned to introduce new retail products and to modify the existing ones, for example, development of the Bank's own mortgage lending programs for physical persons, improvement of overdraft crediting for bank cards, etc.

AS REGARDS ACTIVITIES AIMED AT ATTRACTION OF CONSUMERS' FUNDS, it is planned to diversify the system of deposits by providing the Bank's depositors with an opportunity to choose efficient forms of saving funds that would comply with the consumers' requirements regarding liquidity, profitability and reliability. The Bank intends to continue practicing stimulating lotteries drawing prizes among depositors.

EXPANSION OF OPERATIONS WITH SECURITIES. In order to increase the resource base, it is planned to provide attracting funds on financial markets. In this context, the Bank intends to conduct in a step-by-step manner acceptance lending, bonded debts, and issue mortgage bonds.

AS REGARDS OPERATIONS WITH BANK CARDS, the main task in development in this field is introducing credit bank cards. It is planned to increase the amount of ATMs and purchase the ATMs with the embedded cash-in function that will allow the clients holding bank cards to add funds to their deposits, repay credits, pay for the services of cellular communication operators, cable TV providers, etc.

TO EXPAND THE ACQUIRING NETWORK: The Bank is planning to increase the amounts of providing commercial organizations and service enterprises with the possibility to accept international bank cards as instruments of payments.

IN THE FIELD OF IMPROVING AND DEVELOPING BANKING TECHNOLOGIES, a special attention will be paid to expanding the amount of services provided by the Bank to its customers using various automation means, development of informational and technological basis.

As the Bank's client base and branches network develop, the range of services provided extends, the Bank's showing grows, **risk concept** and risk management procedures must change dynamically. The further development of the Bank's administration system considering risks is related to the necessity to increase the risk valuation adequacy, to solve the problem of capital distribution considering risks of different types and penetration of risk-management procedures in all the Bank's activities for the purposes of stable gaining profits.

IN THE FIELD OF MARKETING AND ADVERTIZING, it is planned to work systematically on making the Bank's image as that of a modern, dynamically developing and stable lending agency. The Bank will work for making the form of its banking product presentation comfortable, accessible and attractive, each competitive advantage of the Bank known and clear to its clients, quality comply with the customers' requirements, price correspond with the market level and provide all necessary profitability.

Priorities in the development of JSCB "Energobank" are aimed at maintaining its further dynamic development keeping and enhancing the achieved positions and continuously making fresh advances.

The Annual Report has been previously approved by the Supervisory Board of JSCB "Energobank".
(Minutes of the 16th of May 2008).

FINANCIAL STATEMENTS

The present financial statements are prepared according to CBRF Directive # 1530-U "Of the order of preparing an annual accounting report by lending agencies", as well as to CBR Letter #142-T of the 7th of September 2007, and reflects the financial results considering events taken place after the reporting date (EARD).

BALANCE SHEET OF JOINT-STOCK COMMERCIAL BANK "ENERGOBANK" (PUBLIC CORPORATION) AS OF THE 1ST OF JANUARY 2008

(reported form)

(in RUR thousands)

#	Item	Data as of the reporting date	Data as of the corresponding reporting date of the previous year
1	2	3	4
I ASSETS			
1.	Money funds	110687	82873
2.	Funds of lending agencies in the Central Bank of the Russian Federation	397053	297802
2.1.	Mandatory reserves	67511	72646
3.	Funds in lending agencies	164267	134698
4.	Net investments in trading securities	64621	82461
5.	Net loan debts	6733808	4402683
6.	Net investments in Investment Securities held until redemption	617	753
7.	Net investments in securities available for sale	3057	2319
8.	Permanent assets, intangible assets and stock of materials	142074	119160
9.	Demands to draw interests	41280	9205
10.	Other assets	28850	11979
11.	TOTAL ASSETS	7686314	5143933
II LIABILITIES			
12.	Credits of the Central Bank of the Russian Federation	0	0
13.	Funds of lending agencies	291	1785
14.	Funds of clients (non-lending agencies)	5166415	2762187
14.1.	Deposits of physical persons	2014704	1293256
15.	Outstanding bonds	7852	18880
16.	Obligations to pay interests	48601	26919
17.	Other obligations	25118	26178
18.	Reserves for possible losses on conditioned obligations of credit nature, for other possible losses and for operations with residents of offshore zones	39161	17970
19.	TOTAL OBLIGATIONS	5287438	2853919
III SOURCES OF OWN FUNDS			
20.	Funds of stockholders (participants)	2137400	2137400
20.1.	Registered equities and shares	2137400	2137400
20.2.	Registered privileged shares	0	0
20.3.	Non-registered authorized capital of nonstick lending agencies	0	0
21.	Owned shares bought out from stockholders	0	0
22.	Emissive income	0	0
23.	Revaluation of permanent assets	46678	46678
24.	Deferrals and impending payments affecting own funds (capital)	3799	20323
25.	Funds and undrawn profits of past years being at the disposal of the lending agency (outstanding losses of past years)	125184	54679
26.	Profits (losses) to be distributed within the reporting period	93413	71580
27.	Total sources of own funds	2398876	2290014
28.	TOTAL LIABILITIES	7686314	5143933
IV BALANCE-OFF LIABILITIES			
29.	Irrevocable liabilities of the lending agency	266969	376908
30.	Guarantees issued by the lending agency	8326	48047

No operations on trust managing accounts were performed.

**PROFIT AND LOSS STATEMENT OF JOINT-STOCK COMMERCIAL BANK
“ENERGOBANK” (PUBLIC CORPORATION)
FOR YEAR 2007**

(reported form)

(in RUR thousands)

#	Item	Data as of the reporting date	Data as of the corresponding reporting date of the previous year
1	2	3	4
Interests received and analogous income from:			
1.	Placing of funds in lending agencies	32884	82121
2.	Loans granted to clients (non-lending agencies)	752754	350556
3.	Services provided in financial leasing	0	0
4.	Fixed income securities	7843	12733
5.	Other sources	2066	1303
6.	Total interests received and analogous income	795547	446713
Interest expense and analogous expenses on:			
7.	Attracted funds from lending agencies	1783	2823
8.	Attracted funds from clients (non-lending agencies)	309910	130409
9.	Debt issues	0	129
10.	Total interest expense and analogous expenses	311693	133361
11.	Net interest and analogous yields	483854	313352
12.	Net income from operations with securities	45880	6918
13.	Net income from operations with foreign currencies	8967	20230
14.	Net income from operations with precious metals and other financial instruments	0	0
15.	Net income from foreign currency revaluation	1870	-153
16.	Commission income	138110	65080
17.	Commission expenses	6028	4093
18.	Net income from single operations	5954	1562
19.	Other net transaction income	-38013	-17477
20.	Administration/managerial expenses	167446	96683
21.	Reserves for possible losses	-327755	-178874
22.	Gross income	145393	109862
23.	Taxes charged (including income tax)	51980	38282
24.	Profit for the reporting period	93413	71580

**STATEMENT OF CAPITAL ADEQUACY LEVEL, THE AMOUNT OF RESERVES
FOR COVERAGE OF IN-DOUBT LOANS AND OTHER ASSETS
AS OF THE 1ST OF JANUARY 2008**

#	Item	Data as of the reporting date	Data as of the corresponding reporting date of the previous year
1.	Own funds (capital), RUB thousands	2655542	2600461
2.	Actual value of own funds (capital) adequacy, percentage	37.3	52.9
3.	Standard value of own funds (capital) adequacy, percentage	10.0	10.0
4.	Reference reserves for possible losses on loans, debts on loans and equated debts, RUB thousands	576705	270684
5.	Actually created reserves for possible losses on loans, debts on loans and equated debts, RUB thousands	576705	270684
6.	Reference reserves for possible losses, RUB thousands	39929	18126
7.	Actually created reserves for possible losses, RUB thousands	39929	18126

Chairman of JSCB “Energobank”
Dmitry Ilgizovich Vagizov

Chief Accountant
Flura Iskanderovna Yagofarova

AUDITOR'S CONCLUSION

by OOO "Sredne-Volzskoe Expertnoe buro" on financial (accounting) reports of JSCB "Energobank" summarizing the Bank's activities for year 2007

Addressee:

To stockholders of Joint-Stock Commercial Bank "Energobank" (Public Corporation).

Auditor:

Company limited (Russian abbreviation: OOO) "Sredne-Volzskoe Expertnoe buro"

Location, mailing address: 60 Vosstaniya str., Kazan, 420039, Russia;

Telephone (fax): + 7 (843) 555-62-52/92.

State Registration Certificate # 2744/Yu-K from the 2nd of July 1999, issued by the State Registration Chamber at the Ministry of Justice of the RT (Kazan Branch Office # 1);

State registration: Certificate of making an entry in the Uniform State Register of Legal Entities about the legal entity registered before the 1st of July 2002 under the main registration number 1021603278663, date of making the entry: 22/11/2002, registrar: Ministry of Taxes and Duties of the RF in Moskovskiy District of the City of Kazan.

License: # E 001502 from 06/09/2002, prolonged from 06/09/2007, issued by the Ministry of Finance of the RF.

Duration of license: five years.

Auditing organization OOO "Sredne-Volzskoe Expertnoe buro" is the member of the Russian Collegium of Auditors (RCA) and the corporate member of the Russian Institute of Professional Accounts and Auditors.

Auditee:

Joint-Stock Commercial Bank "Energobank (Public Corporation).

Location: 32 Sari Sadikovoy str., Kazan, 420021, Russia;

Telephones (telefax): +7 (843) 2316-001, 2316-002, 2316-004.

State Registration Certificate: main registration # 1021600000289 from the 13th of August 2002.

State registration: registered in the Central Bank of the Russian Federation on 21/05/1999 under # 67.

We have audited the attached financial (accounting) reports of JSCB "Energobank" for the period from the 1st of January through the 31st of December 2007. Financial (accounting) reports are submitted by the Joint-Stock Commercial Bank "Energobank" (public corporation) (to be referred to as the "Bank") and contain the following:

- annual balance sheet;
- profit and loss statement considering the events taken place after the report date;
- spreadsheet of the turnover reflecting the events taken place after the report date;
- explanatory note;
- annual published reports.

We suppose the auditing performed provides sufficient grounds for expressing our opinion about authenticity in all essential respects of the financial (accounting) reports and about the compliance of the accounting methods used with the legislation of the Russian Federation.

In the opinion of the auditing agency, OOO "Sredne-Volzskoe Expertnoe buro", the financial (accounting) reports of Joint-Stock commercial Bank "Energobank" (public corporation) authentically reflects in all essential respects the financial standing of the company as of the 31st of December 2007 and the results of its economic activities within the period from the 1st of January through the 31st of December 2007, in compliance with the requirements of the legislation of the Russian Federation and regulations of the Central Bank of the Russian Federation, as regards preparation of financial (accounting) reports.

May, 19 2008

Director of OOO "Sredne-Volzskoe Expertnoe buro"

A.N. Falaleev

Head of auditing group, auditor

N.Yu. Tuzankina

(Auditor's qualification certificate #K 000720 issued according to the decision of the Central Attestation and License Audit Commission of CBRF from 21/12/95 (minutes #10) as entitlement to perform activities in the field of banking audit from 26/08/2002 in perpetuity.)

Auditor

V.Ye. Fedosova

(Auditor's qualification certificate #K 012879 issued according to the decision of the Central Attestation and License Audit Commission of CBRF from 16/01/01 (minutes #1) as entitlement to perform activities in the field of banking audit from 24/02/2004 in perpetuity.)

REFERENCE INFORMATION

JSCB "ENERGOBANK"

172 Sary Sadykovoy str., Kazan, 420021, Republic of Tatarstan, Russia
Tel. +7 (843) 231-60-01, 231-60-02, 231-60-03, 231-60-09
Fax: +7 (843) 231-60-04, 231-60-06, 231-60-13
<http://www.energobank.ru>

BRANCHES OF JSCB "ENERGOBANK"

Branch # 1

Location: 43, K.Marxa str., 420015, Kazan
Registration date: 04.03.2000

Branch # 2

Location: 1 Maximova str., 420127, Kazan
Registration date: 16.11.2000

Branch # 3

Location: 17 Amirkhana str., 420103, Kazan
Registration date: 27.11.2001

Branch # 4

Location: 19 Mira str., 423450, Almetyevsk
Registration date: 08.09.2003

Branch # 5

Location: 14a Kirpishnikova str., 420029, Kazan
Registration date: 23/07/2004

Branch # 6

Location: 13 Frunze str., 420033, Kazan
Registration date: 16/12/2004

Branch # 7

Location: 73 Korolenko, 420044, Kazan
Registration date: 07/02/2005

Branch # 8

Location: 38 Gvardeyskaya str., 420073, Kazan
Registration date: 11/05/2005

Branch # 9

Location: 72Yu. Fuchika str., 420141, Kazan
Registration date: 27/05/2005

Branch # 10

Location: 5 Tikhoretskaya str., 420054, Kazan
Registration date: 13/12/2005

Branch # 11

Location: 39 Gafiatullina str., 423236, Bugulma
Registration date: 20/04/2006

Branch # 12

Location: 102 Dekabristov str., 420080, Kazan
Registration date: 07/07/2006

Branch # 13

Location: 37 Mira str., 420071, Kazan
Registration date: 09/08/2006

Branch # 14

Location: 1 Peterburgskaya str., 420107, Kazan
Registration date: 08/12/2006

Branch # 15

Location: 33 Adoratskogo str., 420132, Kazan
Registration date: 12/02/2007

Branch # 16

Location: 13/52 Pushkina str., 420111, Kazan
Registration date: 25/04/2007

Branch # 17

Location: 2a Tukaya str., 423570, Nizhnekamsk
Registration date: 05/07/2007

Branch # 18

Location: 25a Mira str., 423800, Naberezhnie Chelny
Registration date: 24/07/2007

Branch # 19

Location: 100a Pobedy Ave., 420099, Kazan
Registration date: 28/08/2007

Operational Office #1

Location: 42/15 Genkinoy str., 603089, Nizhni Novgorod
Registration date: 24/01/2008

Operational Office #2

Location: 36 Drelevskogo, 610000, Kirov
Registration date: 26/03/2008

