

**ZENIT Banking Group**  
**Consolidated Statement of Cash Flows**  
*(Thousands of US Dollars – Presentation purposes only)*

	<b>2007</b>	<b>2006</b>
<b>Cash flows from operating activities</b>		
Interest received	478,671	269,103
Interest paid	(230,708)	(116,991)
Income received from dealing in financial assets at fair value through profit or loss and foreign currencies	11,447	41,186
Realised gains less realised losses from available-for-sale financial assets	30,635	2,391
Fees and commissions received	109,445	71,926
Fees and commissions paid	(11,520)	(7,823)
Other operating income received	5,804	3,494
Operating expenses paid	(185,973)	(123,608)
Income tax paid	(44,454)	(34,500)
<b>Operating activities before changes in operating assets and liabilities</b>	<b>163,347</b>	<b>105,178</b>
<b>Net cash increase/(decrease) from operating assets and liabilities</b>		
Mandatory reserve deposits with the Central Bank of the Russian Federation	(354)	(23,107)
Due from banks	(52,434)	(140,947)
Financial assets at fair value through profit or loss and foreign currencies	(265,805)	(230,111)
Loans to customers	(1,363,132)	(783,874)
Other assets	(2,792)	(16,080)
Due to banks	76,499	136,454
Customer accounts	1,170,378	533,154
Debt securities issued	408,500	53,758
Other liabilities	14,514	580
<b>Net cash from/(used in) operating activities</b>	<b>148,721</b>	<b>(364,995)</b>
<b>Cash flows from investing activities</b>		
Acquisition of subsidiary, net of cash acquired	51,691	(11,925)
Subsequent acquisition of shares in subsidiary	(1,915)	-
Acquisition of share in associates	(10,606)	-
Purchase of property, plant and equipment	(16,139)	(7,931)
Purchase of available-for-sale financial assets	(9,977)	(8,708)
Proceeds from sales of available-for-sale financial assets	79,669	28,749
Proceeds from sale of equipment	822	115
<b>Net cash from investing activities</b>	<b>93,545</b>	<b>300</b>
<b>Cash flows from financing activities</b>		
Issuance of shares	119,692	221,575
Issuance of RUR-denominated bonds	122,219	389,890
Redemption of RUR-denominated bonds	(61,507)	(132,047)
Dividends paid	(29,214)	(65,060)
Other borrowed funds	-	49,180
Distributions	-	(652)
<b>Net cash from financing activities</b>	<b>151,190</b>	<b>462,886</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>33,569</b>	<b>25,985</b>
<b>Net increase in cash and cash equivalents</b>	<b>427,025</b>	<b>124,176</b>
Cash and cash equivalents, beginning	577,290	453,114
<b>Cash and cash equivalents, ending</b>	<b>1,004,315</b>	<b>577,290</b>