

**Sberbank
(Savings Bank of the Russian Federation)**

**Condensed Interim Consolidated Financial
Statements and Review Report**

31 March 2008

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REVIEW REPORT

To the Shareholders and Supervisory Board of Sberbank (Savings Bank of the Russian Federation):

Introduction

We have reviewed the accompanying condensed interim consolidated balance sheet of Sberbank (Savings Bank of the Russian Federation) (hereinafter - the "Bank") and its subsidiaries (together referred to as a "Group" or "Sberbank (Savings Bank of the Russian Federation) Group") as of 31 March 2008, and the related condensed interim consolidated statements of income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the three months then ended. Management is responsible for the preparation and presentation of this condensed interim consolidated financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34"). Our responsibility is to express a conclusion on this condensed interim consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial information has not been properly prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

ZAO PricewaterhouseCoopers Audit

Moscow, Russian Federation
24 July 2008

Sberbank (Savings Bank of the Russian Federation)
Condensed Interim Consolidated Balance Sheet

<i>In millions of Russian Roubles</i>	Note	31 March 2008 (Unaudited)	31 December 2007
ASSETS			
Cash and cash equivalents		266 652	242 231
Mandatory cash balances with the Bank of Russia		84 139	56 790
Trading securities		135 915	246 221
Other securities at fair value through profit or loss		146 498	247 024
Due from other banks	5	10 972	5 071
Loans and advances to customers	5	4 240 651	3 921 546
Investment securities available for sale		154 833	10 094
Deferred income tax asset		3 882	68
Premises and equipment		144 639	146 850
Other assets		43 637	52 913
TOTAL ASSETS		5 231 818	4 928 808
LIABILITIES			
Due to other banks		158 876	80 321
Deposits from individuals	6	2 768 229	2 681 986
Customer accounts	6	1 297 433	1 195 634
Debt securities in issue		156 419	163 827
Other borrowed funds	7	102 817	112 025
Deferred income tax liability		73	-
Other liabilities		57 485	32 754
Subordinated debt		23 646	25 064
TOTAL LIABILITIES		4 564 978	4 291 611
EQUITY			
Share capital	8	87 742	87 742
Share premium		232 493	232 493
Revaluation reserve for premises		14 683	14 815
Fair value reserve for investment securities available for sale		(736)	733
Retained earnings		332 658	301 414
TOTAL EQUITY		666 840	637 197
TOTAL LIABILITIES AND EQUITY		5 231 818	4 928 808

Approved for issue and signed on behalf of the Board on 24 July 2008.


 Bella Zlatkis
 Acting President


 Valentina Tkachenko
 Acting Chief Accountant

Sberbank (Savings Bank of the Russian Federation)
Condensed Interim Consolidated Income Statement

<i>In millions of Russian Roubles</i>	Note	Three months ended 31 March 2008 (Unaudited)	Three months ended 31 March 2007 (Unaudited)
Interest income	9	136 974	90 765
Interest expense	9	(52 755)	(38 190)
Net interest income		84 219	52 575
(Provision) / recovery of provision for loan impairment	5	(7 548)	372
Net interest income after provision for loan impairment		76 671	52 947
Fee and commission income	10	18 400	13 982
Fee and commission expense	10	(777)	(482)
Losses, net of gains arising from trading securities		(1 545)	1 822
Losses, net of gains arising from other securities at fair value through profit or loss		(1 125)	(1 098)
Gains less losses arising from investment securities available for sale		1 087	-
Gains less losses arising from trading in foreign currencies		1 989	1 233
Foreign exchange translation losses net of gains		(3 945)	150
Gains less losses arising from operations with foreign currencies, precious metals and securities derivatives		1 938	(487)
Gains less losses arising from operations with precious metals		2 847	219
Other operating income		748	766
Operating income		96 288	69 052
Administrative and other operating expenses		(55 553)	(35 523)
Profit before tax		40 735	33 529
Income tax expense		(9 623)	(6 752)
Profit for the reporting period		31 112	26 777
Earnings per ordinary share, basic and diluted (expressed in RR per share)	11	1.44	1.41

The notes set out on pages 5 to 22 form an integral part of these condensed interim consolidated financial statements.

Sberbank (Savings Bank of the Russian Federation)
Condensed Interim Consolidated Statement of Changes in Equity

<i>In millions of Russian Roubles</i>	Share capital	Share pre- mium	Revaluation reserve for premises	Fair value reserve for investment securities available for sale	Retained earnings	Total equity
Balance as at 1 January 2007	79 981	10 016	15 344	-	203 183	308 524
Premises and equipment:						
- Depreciation of revalued premises	-	-	(168)	-	168	-
- Income tax recorded in equity	-	-	40	-	(40)	-
Profit for the reporting period	-	-	-	-	26 777	26 777
Issue of ordinary shares	7 761	222 477	-	-	-	230 238
Balance as at 31 March 2007 (Unaudited)	87 742	232 493	15 216	-	230 088	565 539
Balance as at 1 January 2008	87 742	232 493	14 815	733	301 414	637 197
Premises and equipment:						
-Depreciation of revalued premises	-	-	(174)	-	174	-
-Income tax recorded in equity	-	-	42	-	(42)	-
Investment securities available for sale						
-Revaluation of securities	-	-	-	(846)	-	(846)
-Disposals of securities	-	-	-	(1 087)	-	(1 087)
-Income tax recorded in equity	-	-	-	464	-	464
Profit for the reporting period	-	-	-	-	31 112	31 112
Balance as at 31 March 2008 (Unaudited)	87 742	232 493	14 683	(736)	332 658	666 840

The notes set out on pages 5 to 22 form an integral part of these condensed interim consolidated financial statements.

Sberbank (Savings Bank of the Russian Federation)
Condensed Interim Consolidated Statement of Cash Flows

	Note	Three months ended 31 March 2008 (Unaudited)	Three months ended 31 March 2007 (Unaudited)
<i>In millions of Russian Roubles</i>			
Cash flows from operating activities			
Interest received		140 192	91 068
Interest paid		(48 659)	(34 855)
Fees and commissions received		18 395	13 934
Fees and commissions paid		(777)	(482)
Income received from trading securities		548	724
Income received from other securities at fair value through profit or loss		433	(254)
Income received from trading in foreign currencies		1 989	2 457
Income received from foreign currencies, precious metals and securities derivatives		793	(559)
Income from operations with precious metals		2 908	243
Other operating income received		748	769
Administrative and other operating expenses paid		(45 415)	(36 966)
Income tax paid		(12 163)	(7 191)
Cash flows from operating activities before changes in operating assets and liabilities		58 992	28 888
Changes in operating assets and liabilities			
Net (increase)/decrease in mandatory cash balances with the Bank of Russia		(27 349)	20 705
Net decrease / (increase) in trading securities		106 317	(225 982)
Net decrease / (increase) in other securities at fair value through profit or loss		93 066	(7 443)
Net (increase) / decrease in due from other banks		(7 943)	9 438
Net increase in loans and advances to customers		(337 426)	(103 793)
Net decrease in other assets		6 631	7 550
Net increase / (decrease) in due to other banks		78 739	(6 731)
Net increase in deposits from individuals		87 834	124 348
Net increase in customer accounts		104 803	92 516
Net (decrease) / increase in debt securities in issue		(5 612)	9 620
Net increase in other liabilities		19 726	3 231
Net cash from / (used in) operating activities		177 778	(47 653)
Cash flows from investing activities			
Purchase of investment securities available for sale		(178 527)	-
Proceeds from disposal and redemption of investment securities available for sale		36 748	-
Acquisition of premises and equipment		(5 307)	(2 816)
Proceeds from disposal of premises and equipment		32	354
Net cash used in investing activities		(147 054)	(2 462)
Cash flows from financing activities			
Issue of ordinary shares		-	230 238
Other borrowed funds received		-	781
Redemption of other borrowed funds		(5 204)	(105)
Repayment of interest on other borrowed funds		(1 148)	(1 040)
Repayment of interest on subordinated debt		(772)	(821)
Dividends paid	12	(4)	(5)
Net cash (used in) / from financing activities		(7 128)	229 048
Effect of exchange rate changes on cash and cash equivalents		825	(789)
Net increase in cash and cash equivalents		24 421	178 144
Cash and cash equivalents at the beginning of the reporting period		242 231	169 805
Cash and cash equivalents as at the end of the reporting period		266 652	347 949

1 Introduction

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" ("IAS 34") for the three months ended 31 March 2008 for Sberbank (Savings Bank of the Russian Federation) (the "Bank") and its subsidiaries (together referred to as the "Group" or "Sberbank (Savings Bank of the Russian Federation) Group").

The Bank is an open joint stock commercial bank established in 1841 and has operated in various forms since then. The Bank was incorporated and is domiciled in the Russian Federation. The Bank's principal shareholder, the Central Bank of the Russian Federation ("Bank of Russia"), owns 60.3% of ordinary shares or 57.6% of the issued and outstanding shares at 31 March 2008.

As at 31 March 2008 the Supervisory Board of the Bank is headed by the Chairman of the Bank of Russia. The Supervisory Board also included representatives from the Bank's other shareholders. Two Deputy Chairmen of the Bank of Russia are Deputy Chairmen of the Supervisory Board.

Principal activity. The Group's principal business activity is corporate and retail banking operations within the Russian Federation. The Bank has operated under a full banking license issued by the Bank of Russia since 1991.

The Bank has 17 (31 December 2007: 17) regional head offices, 784 (31 December 2007: 791) branches and 19 551 (31 December 2007: 19 499) sub-branches within the Russian Federation as at 31 March 2008. The average number of the Bank's employees during the three months period ended 31 March 2008 was 257 253 (year ended 31 December 2007: 251 208).

Registered address and place of business. The Bank's registered address is: Vavilova str., 19, Moscow, Russian Federation.

2 Operating Environment of the Group

Russian Federation. The Russian Federation displays certain characteristics of an emerging market, including relatively high inflation and strong economic growth. The banking sector in the Russian Federation is sensitive to adverse fluctuations in confidence and economic conditions and may occasionally experience reductions in liquidity. Management is unable to predict all developments which could have an impact on the banking sector and consequently what effect, if any, they could have on the financial position of the Group.

The tax, currency and customs legislation within the Russian Federation is subject to varying interpretations, and changes, which can occur frequently. Furthermore, the need for further developments in the bankruptcy laws, the absence of formalised procedures for the registration and enforcement of collateral, and other legal and fiscal impediments contribute to the difficulties experienced by banks currently operating in the Russian Federation. The future economic direction of the Russian Federation is largely dependent upon the effectiveness of economic, financial and monetary measures undertaken by the Government, together with tax, legal, regulatory, and political developments.

Recent volatility in global financial markets. Since the second half of 2007 there has been a sharp rise in foreclosures in the US subprime mortgage market. The effects have spread beyond the US housing market as global investors have re-evaluated their exposure to risks, resulting in increased volatility and lower liquidity in the fixed income, equity, and derivative markets. The volume of Eurobond issues and similar wholesale financing by Russian banks has significantly reduced since August 2007. Such circumstances may affect the ability of the Group to obtain new borrowings and refinance its existing borrowings at terms and conditions that applied to similar transactions in recent periods. Borrowers of the Group may also be affected by the lower liquidity situation which could in turn impact their ability to repay their amounts owed. Management is unable to reliably estimate the effects on the Group's financial position of any further possible deterioration in the liquidity of the financial markets and their increased volatility.

3 Basis of Preparation

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34. These condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2007.

These condensed interim consolidated financial statements are presented in millions of Russian Roubles ("RR millions").

At 31 March 2008 the principal rate of exchange used for translating foreign currency monetary balances was USD 1 = RR 23.5156 (31 December 2007: USD 1 = RR 24.5462).

4 Accounting Policies and Critical Accounting Estimates and Judgements

The accounting policies and methods of computation applied in the preparation of these condensed interim consolidated financial statements are consistent with those disclosed in the annual consolidated financial statements of the Group for the year ended 31 December 2007.

Certain new standards, interpretations and amendments to the existing standards, as disclosed in the consolidated financial statements for the year ended 31 December 2007, became effective for the Group from 1 January 2008. The application of the new accounting pronouncements did not have a significant impact on these condensed interim consolidated financial statements.

IFRIC 11, "IFRS 2 – Group and Treasury Shares Transactions", effective for annual periods beginning on or after 1 March 2007. This interpretation is not relevant for the Group.

IFRIC 12, Service Concession Arrangements, effective for annual periods beginning on or after 1 January 2008. This interpretation is not relevant for the Group.

IFRIC 14, IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interactions (effective for annual periods beginning on or after 1 January 2008). This interpretation is not relevant for the Group.

Vesting Conditions and Cancellations—Amendment to IFRS 2, Share-based Payment (issued in January 2008; effective for annual periods beginning on or after 1 January 2008). The amendment clarifies that only service conditions and performance conditions are vesting conditions. Other features of a share-based payment are not vesting conditions. The amendment specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment. Management does not believe that the amendment will have any material impact on the condensed interim consolidated financial statements of the Group.

Judgements made by Management in the process of applying the accounting policies were consistent with the judgements disclosed in the annual consolidated financial statements for the year ended 31 December 2007 except for the following area of judgement applied to the condensed interim consolidated financial statements.

Interim period measurement. Income tax expense is recognised in these condensed interim consolidated financial statements based on management's best estimates of the effective annual income tax rate expected for the full financial year. Costs that occur unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Critical estimates, as disclosed in the annual consolidated financial statements for the year ended 31 December 2007, have not resulted in a material adjustment to the Group's assets, income or profit during the three months period ended 31 March 2008.

4 Accounting Policies and Critical Accounting Estimates and Judgments (Continued)

The following new standards, amendments to standards and interpretations have been issued but are not effective for 2008 and have not been early adopted:

Improvements to International Financial Reporting Standards (issued in May 2008). In 2007, the International Accounting Standards Board decided to initiate an annual improvements project as a method of making necessary, but non-urgent, amendments to IFRS. The amendments issued in May 2008 consist of a mixture of substantive changes, clarifications, and changes in terminology in various standards. The substantive changes relate to the following areas: classification as held for sale under IFRS 5 in case of a loss of control over a subsidiary; possibility of presentation of financial instruments held for trading as non-current under IAS 1; accounting for sale of IAS 16 assets which were previously held for rental and classification of the related cash flows under IAS 7 as cash flows from operating activities; clarification of definition of a curtailment under IAS 19; accounting for below market interest rate government loans in accordance with IAS 20; making the definition of borrowing costs in IAS 23 consistent with the effective interest method; clarification of accounting for subsidiaries held for sale under IAS 27 and IFRS 5; reduction in the disclosure requirements relating to associates and joint ventures under IAS 28 and IAS 31; enhancement of disclosures required by IAS 36; clarification of accounting for advertising costs under IAS 38; amending the definition of the fair value through profit or loss category to be consistent with hedge accounting under IAS 39; introduction of accounting for investment properties under construction in accordance with IAS 40; and reduction in restrictions over manner of determining fair value of biological assets under IAS 41. Further amendments made to IAS 8, 10, 18, 20, 29, 34, 40, 41 and to IFRS 7 represent terminology or editorial changes only, which the IASB believes have no or minimal effect on accounting. The Group does not expect the amendments to have any material effect on its condensed interim consolidated financial statements.

IFRS 3, Business Combinations (revised January 2008; effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009). The revised IFRS 3 will allow entities to choose to measure non-controlling interests using the existing IFRS 3 method (proportionate share of the acquiree's identifiable net assets) or on the same basis as US GAAP (at fair value). The revised IFRS 3 is more detailed in providing guidance on the application of the purchase method to business combinations. The requirement to measure at fair value every asset and liability at each step in a step acquisition for the purposes of calculating a portion of goodwill has been removed. Instead, goodwill will be measured as the difference at acquisition date between the fair value of any investment in the business held before the acquisition, the consideration transferred and the net assets acquired. Acquisition-related costs will be accounted for separately from the business combination and therefore recognised as expenses rather than included in goodwill. An acquirer will have to recognise at the acquisition date a liability for any contingent purchase consideration. Changes in the value of that liability after the acquisition date will be recognised in accordance with other applicable IFRSs, as appropriate, rather than by adjusting goodwill. The revised IFRS 3 brings into its scope business combinations involving only mutual entities and business combinations achieved by contract alone. Management does not believe that the revised Standard will have any material impact on the condensed interim consolidated financial statements of the Group.

IFRS 8, Operating segments (effective for annual periods beginning on or after 1 January 2009). The Standard applies to entities whose debt or equity instruments are traded in a public market or that file, or are in the process of filing, their financial statements with a regulatory organisation for the purpose of issuing any class of instruments in a public market. IFRS 8 requires the Group to report financial and descriptive information about its operating segments and specifies how the Group should report such information. The Group is currently assessing what impact the new Standard will have on disclosures in its condensed interim consolidated financial statements.

IAS 1, Presentation of Financial Statements (revised September 2007; effective for annual periods beginning on or after 1 January 2009). The main change in IAS 1 is the replacement of the income statement by a statement of comprehensive income which will also include all non-owner changes in equity, such as the revaluation of available-for-sale financial assets. Alternatively, entities will be allowed to present two statements: a separate income statement and a statement of comprehensive income. The revised IAS 1 also introduces a requirement to present a statement of financial position (balance sheet) at the beginning of the earliest comparative period whenever the entity restates comparatives due to reclassifications, changes in accounting policies, or corrections of errors. The Group expects the revised IAS 1 to affect the presentation of its condensed interim consolidated financial statements but to have no impact on the recognition or measurement of specific transactions and balances.

4 Accounting Policies and Critical Accounting Estimates and Judgments (Continued)

IAS 23, Borrowing Costs (revised March 2007; effective for annual periods beginning on or after 1 January 2009). The revised Standard removed the option of immediate recognition as an expense of borrowing costs related to assets that take a substantial period of time to get ready for use or sale. An entity is, therefore, required to capitalize such borrowing costs as part of the cost of the asset. The revised Standard applies prospectively to borrowing costs relating to qualifying assets for which the commencement date for capitalization is on or after 1 January 2009. Management does not expect the revised Standard will have any material impact on the Group.

IAS 27, Consolidated and Separate Financial Statements (revised January 2008; effective for annual periods beginning on or after 1 July 2009). The revised IAS 27 will require an entity to attribute total comprehensive income to the owners of the parent and to the non-controlling interests (previously "minority interests") even if this results in the non-controlling interests having a deficit balance (the current standard requires the excess losses to be allocated to the owners of the parent in most cases). The revised standard specifies that changes in a parent's ownership interest in a subsidiary that do not result in the loss of control must be accounted for as equity transactions. It also specifies how an entity should measure any gain or loss arising on the loss of control of a subsidiary. At the date when control is lost, any investment retained in the former subsidiary will have to be measured at its fair value. Management does not believe that the revised Standard will have any material impact on the condensed interim consolidated financial statements of the Group.

IFRIC 13, Customer Loyalty Programmes (effective for annual periods beginning on or after 1 July 2008). IFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement and the consideration receivable from the customer is allocated between the components of the arrangement using fair values. The Group is currently assessing the impact of the Interpretation on its condensed interim consolidated financial statements.

IFRIC 15, Agreements for the Construction of Real Estate (effective for annual periods beginning on or after 1 January 2009). The interpretation applies to the accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors, and provides guidance for determining whether agreements for the construction of real estate are within the scope of IAS 11 or IAS 18. It also provides criteria for determining when entities should recognise revenue on such transactions. The Group is currently assessing the impact of the interpretation on its condensed interim consolidated financial statements.

IFRIC 16, Hedges of a Net Investment in a Foreign Operation (effective for annual periods beginning on or after 1 October 2008). The interpretation explains which currency risk exposures are eligible for hedge accounting and states that translation from the functional currency to the presentation currency does not create an exposure to which hedge accounting could be applied. The IFRIC allows the hedging instrument to be held by any entity or entities within a group except the foreign operation that itself is being hedged. The interpretation also clarifies how the gain or loss recycled from the currency translation reserve to profit or loss is calculated on disposal of the hedged foreign operation. Reporting entities will apply IAS 39 to discontinue hedge accounting prospectively when their hedges do not meet the criteria for hedge accounting in IFRIC 16. IFRIC 16 does not have an impact on these condensed interim consolidated financial statements as the Group does not apply hedge accounting.

5 Loans and Advances to Customers and Due from Other Banks

<i>In millions of Russian Roubles</i>	31 March 2008 (Unaudited)	31 December 2007
Commercial loans to legal entities	1 918 106	1 757 870
Specialised loans to legal entities	1 422 669	1 329 236
Loans to individuals - consumer and other loans	679 965	657 805
Mortgage loans to individuals	337 828	288 123
Due from other banks	10 972	5 071
Less: Provision for loan impairment	(117 917)	(111 488)
Total loans and advances to customers and due from other banks	4 251 623	3 926 617

Commercial lending to legal entities comprises corporate loans, loans to individual entrepreneurs, federal bodies and municipal authorities of the Russian Federation. Loans are granted for current needs (working capital financing, acquisition of movable and immovable property, portfolio investments, expansion and consolidation of business, etc.). Loans are provided for periods up to 3 years depending on the borrowers' risk assessment. Commercial lending also includes overdraft lending and export-import transactions. The repayment source is cash flow from current production and financial activities of the borrower.

Specialised lending to legal entities includes investment and construction project financing, contract financing and also developers' financing. As a rule, the loans periods are linked to payback periods of investment and construction projects, contract execution periods and exceed the periods of corporate commercial loans. The principal and interest may be repaid by cash flows generated by the investment project at the stage of its commercial operation.

Consumer and other individual loans comprise loans to individuals other than housing construction and reconstruction. These loans include loans for current needs, auto loans and overdrafts.

Mortgage loans to individuals include loans for acquisition, building and reconstruction of real estate. These loans are mostly long-term.

Due from other banks include term loans with original maturity of more than one month.

At 31 March 2008 loans with over 90 days overdue amounted to RR 30 662 million (31 December 2007: RR 26 942 million) and individually impaired loans to legal entities and impaired loans to individuals amounted to RR 36 825 million (31 December 2007: RR 33 435 million). A loan is considered overdue when the borrower fails to make any payment due under the loan at the balance sheet date. In this case an overdue amount is recognised as the aggregate amount of all amounts due from borrower under the loan agreement including accrued interest and commissions. Methods of computation of individually impaired loans applied in the preparation of these condensed interim consolidated financial statements are consistent with those disclosed in the annual consolidated financial statements of the Group for the year ended 31 December 2007.

5 Loans and Advances to Customers and Due from other Banks (Continued)

Movements in the provision for loan impairment for the three months ended 31 March of 2008 and 31 March of 2007 are as follows:

<i>(In millions of Russian Roubles)</i>	Three months ended 31 March 2008 (Unaudited)	Three months ended 31 March 2007 (Unaudited)
Provision for loan impairment at 1 January	111 488	100 877
Provision / (recovery of provision) for loan impairment during the three months	7 548	(372)
Loans and advances to customers written off during the three months as uncollectible	(1 119)	(1 066)
Provision for loan impairment as at 31 March	117 917	99 439

6 Deposits from Individuals and Customer Accounts

<i>(In millions of Russian Roubles)</i>	31 March 2008 (Unaudited)	31 December 2007
Individuals		
- Current/demand accounts	292 182	302 339
- Term deposits	2 476 047	2 379 647
State and public organisations		
- Current/settlement accounts	98 978	64 546
- Term deposits	29 586	16 653
Other legal entities		
- Current/settlement accounts	705 900	686 806
- Term deposits	462 969	427 629
Total deposits from individuals and customer accounts	4 065 662	3 877 620

7 Other Borrowed Funds

<i>(In millions of Russian Roubles)</i>	31 March 2008 (Unaudited)	31 December 2007
Long-term borrowings received	97 221	106 057
Other term borrowings	5 596	5 968
Total other borrowed funds	102 817	112 025

Included in long-term borrowings received is a syndicated loan in the amount of USD 1 000 million, which was received by the Group in December 2005 from a consortium of foreign banks. At 31 March 2008 the loan was accounted for at amortised cost of RR 14 168 million (31 December 2007: RR 19 762 million). This loan has a maturity date on 10 November 2008 and contractual floating interest rate of 3 months LIBOR + 0.55%. As at 31 March 2008 the effective interest rate on the loan was 3.9% p.a. (31 December 2007: 5.8% p.a.).

In May 2006 the Group entered into USD 10 000 million loan participation notes (MTN) issuance programme. In May 2006 the Group received the first loan under this programme in the amount of USD 500 million, which is included in long-term borrowings received. As at 31 March 2008 this borrowing is recorded at amortised cost of RR 12 031 million (31 December 2007: RR 12 360 million). This loan matures in May 2013 and has contractual fixed interest rate of 6.5% p.a. As at 31 March 2008 the effective interest rate on the loan was 6.6% p.a. (31 December 2007: 6.6% p.a.).

In October 2006 the Group received another syndicated loan in the amount of USD 1 500 million from a consortium of foreign banks, which is also included in long-term borrowings received. As at 31 March 2008 the borrowing was accounted for at amortised cost of RR 35 473 million (31 December 2007: RR 37 107 million). This loan matures in October 2009 and has contractual floating interest rate of 3 months LIBOR + 0.30%. As at 31 March 2008 the effective interest rate on the loan was 4.4% p.a. (31 December 2007: 5.8% p.a.)

In November 2006 the Group attracted the second loan under the MTN issuance programme in the amount of USD 750 million, which is also included in long-term borrowings received. As at 31 March 2008 this loan was accounted for at amortised cost of RR 18 017 million (31 December 2007: RR 18 533 million). This loan matures in November 2011 and has contractual fixed interest rate of 5.9% p.a. As at 31 March 2008 the effective interest rate on the loan was 6.0% p.a. (31 December 2007: 6.0% p.a.).

Also included in long-term borrowings received is a syndicated loan in the amount of USD 750 million which was received by the Group in December 2007 from a consortium of foreign banks. At 31 March 2008 the loan was accounted for at amortised cost of RR 17 532 million (31 December 2007: RR 18 295 million). This loan matures in December 2010 and has contractual floating interest rate of 3 months LIBOR + 0.45% p.a. As at 31 March 2008 the effective interest rate on the loan was 3.4% p.a. (31 December 2007: 5.7% p.a.)

Other term borrowings represent funding received by the Group from foreign export agencies via foreign banks, which was used by Sberbank for direct lending to Russian companies in accordance with the terms of the agreements. At 31 March 2008 these term borrowings were accounted for at amortised cost of RR 5 596 million (31 December 2007: RR 5 968 million), had floating interest rates varying from 3.5% to 6.8% (31 December 2007: from 4.7% to 6.8%) and maturity dates from May 2008 to January 2016 (31 December 2007: from May 2008 to January 2016).

8 Share Capital and Share Premium

<i>(In millions of Russian Roubles, except for number of shares)</i>	31 March 2008 (Unaudited)			31 December 2007		
	Number of shares, in thousands	Nominal amount	Inflation adjusted amount	Number of shares, in thousands	Nominal amount	Inflation adjusted amount
Ordinary shares	21 586 948	64 761	83 337	21 586 948	64 761	83 337
Preference shares	1 000 000	3 000	4 405	1 000 000	3 000	4 405
Less: Treasury shares						
- Ordinary shares	(1 679)	(5)	-	(1 679)	(5)	-
- Preference shares	-	-	-	-	-	-
Total share capital	22 585 269	67 756	87 742	22 585 269	67 756	87 742

As at 31 March 2008 all ordinary shares have a nominal value of RR 3 per share and rank equally. Each ordinary share carries one vote. Preference shares have a nominal value of RR 3 per share and carry no voting rights but rank ahead of the ordinary shares in the event of the Bank's liquidation. Preference shares are not redeemable. Dividend payments are at the discretion of the Bank. When a dividend is paid, the preference shares attract a minimum payment of annual dividends of 15% of their nominal value, subject to confirmation of the shareholders meeting. If preference dividends are not declared, the preference shareholders obtain the right to vote as ordinary shareholders, but lose this right when the next dividend is paid. Preference share dividends rank above ordinary dividends.

9 Interest Income and Expense

<i>(In millions of Russian Roubles)</i>	Three months ended 31 March 2008 (Unaudited)	Three months ended 31 March 2007 (Unaudited)
Interest income		
Loans and advances to customers	127 650	80 942
Other debt securities at fair value through profit or loss	3 994	4 430
Debt trading securities	3 669	2 802
Due from other banks	861	1 380
Debt investment securities available for sale	661	-
Correspondent accounts with other banks	139	296
Investment securities held to maturity	-	915
Total interest income	136 974	90 765
Interest expense		
Term deposits of individuals	37 592	30 035
Term deposits of legal entities	7 138	2 580
Current/settlement accounts	3 091	2 256
Debt securities in issue	2 122	873
Other borrowed funds	1 447	1 615
Term placements of other banks	735	116
Subordinated debt	416	406
Correspondent accounts of other banks	214	309
Total interest expense	52 755	38 190
Net interest income	84 219	52 575

10 Fee and Commission Income and Expense

<i>(In millions of Russian Roubles)</i>	Three months ended 31 March 2008 (Unaudited)	Three months ended 31 March 2007 (Unaudited)
Fee and commission income		
Cash and settlement transactions with legal entities	6 649	5 190
Cash and settlement transactions with individuals	6 498	4 785
Plastic cards operations	2 902	2 025
Operations with foreign currency	1 011	661
Cash collection	770	607
Guarantees issued	290	185
Transactions with securities	143	190
Fiduciary management operations	5	26
Other	132	313
Total fee and commission income	18 400	13 982
Fee and commission expense		
Settlement transactions	649	339
Operations with foreign currency	42	81
Cash collection	22	24
Other	64	38
Total fee and commission expense	777	482
Net fee and commission income	17 623	13 500

11 Earnings per Share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue during the period, excluding treasury shares. The Group has no dilutive potential ordinary shares; therefore, the diluted earnings per share equal the basic earnings per share.

<i>(In millions of Russian Roubles)</i>	Three months ended 31 March 2008 (Unaudited)	Three months ended 31 March 2007 (Unaudited)
Profit attributable to equity holders of the Bank	31 112	26 777
Profit attributable to the Bank's ordinary shareholders	31 112	26 777
Weighted average number of ordinary shares in issue (millions)	21 585	19 056
Basic and diluted earnings per ordinary share (expressed in RR per share)	1.44	1.41

Earnings per share for the three months ended 31 March 2007 reflect the result of the nominal value split of the Bank's shares, which happened in July of 2007.

12 Dividends

<i>(In millions of Russian Roubles)</i>	Three months ended 31 March 2008 (Unaudited)		Three months ended 31 March 2007 (Unaudited)	
	Ordinary	Preference	Ordinary	Preference
Dividends payable at 1 January	100	23	59	18
Dividends paid during the three months ended 31 March	(3)	(1)	(2)	(3)
Dividends payable as at 31 March	97	22	57	15

During the reporting period no dividends have been declared.

13 Segment Analysis

The Group's primary format for reporting segment information is business segments and the secondary format is geographical segments.

Business Segments. The Bank is organised on a basis of two main business segments:

- Retail banking – representing private customer current accounts, savings, deposits, custody, debit cards, consumer loans and mortgages.
- Corporate banking – representing operation with securities, current accounts, deposits, overdrafts, loan and other credit facilities, foreign currency and derivative products.

Intra-Group items comprise other operations of the Group, which, based on their size, do not comprise a separately reportable segment.

During three months ended 31 March 2008 the Group measured business segment revenues, expenses and results on the basis of inter-segment prices used for internal management purposes only. Internal transfer pricing rates are established, approved and regularly revised by the Management of the Group.

For the purposes of these condensed interim consolidated financial statements segment revenue consists of interest income and fees and commission income in the amount of RR 106 298 million for corporate banking and in the amount of RR 87 146 million for retail banking for three months ended 31 March 2008 (three months ended 31 March 2007: RR 67 371 million and RR 60 077 million, respectively).

Segment information for the main reportable business segments of the Group as at 31 March 2008 and 31 December 2007, as well as for the three months ended 31 March 2008 and three months ended 31 March 2007 is as follows:

13 Segment Analysis (Continued)

Segment reporting of the Group's assets and liabilities per business segments as at 31 March 2008 is as follows:

<i>(Unaudited)</i> <i>(In millions of Russian Roubles)</i>	Corporate banking	Retail banking	Intra-Group items	Total
Assets				
Cash and cash equivalents	-	-	266 652	266 652
Mandatory cash balances with the Bank of Russia	29 449	54 690	-	84 139
Trading securities	135 915	-	-	135 915
Other securities at fair value through profit or loss	146 498	-	-	146 498
Due from other banks	10 972	-	-	10 972
Loans and advances to customers	3 258 946	981 705	-	4 240 651
Investment securities available for sale	154 833	-	-	154 833
Deferred income tax asset	-	-	3 882	3 882
Premises and equipment	53 517	91 122	-	144 639
Other assets	8 021	20 725	14 891	43 637
Total assets	3 798 151	1 148 242	285 425	5 231 818
Liabilities				
Due to other banks	158 876	-	-	158 876
Deposits from individuals	-	2 768 229	-	2 768 229
Customer accounts	1 297 433	-	-	1 297 433
Debt securities in issue	135 707	20 712	-	156 419
Other borrowed funds	102 817	-	-	102 817
Deferred income tax liability	-	-	73	73
Other liabilities	11 634	31 780	14 071	57 485
Subordinated debt	23 646	-	-	23 646
Total liabilities	1 730 113	2 820 721	14 144	4 564 978
Other disclosures				
Capital expenditure incurred during three months ended 31 March 2008 (additions of fixed assets)	1 964	3 343	-	5 307
Depreciation expenses accrued during three months ended 31 March 2008	(1 671)	(2 844)	-	(4 515)

13 Segment Analysis (Continued)

Segment reporting of the Group's income and expenses per business segments for the three months ended 31 March 2008 is as follows:

<i>(Unaudited)</i> <i>(In millions of Russian Roubles)</i>	Corporate banking	Retail banking	Intra-Group items	Total
Interest income	96 993	39 981	-	136 974
Interest expense	(14 854)	(37 901)	-	(52 755)
Inter-segment (expense) and income	(56 946)	38 070	18 876	-
Fee and commission income	9 305	9 095	-	18 400
Fee and commission expense	(181)	(596)	-	(777)
Losses, net of gains arising from trading securities	(1 545)	-	-	(1 545)
Losses, net of gains arising from other securities at fair value through profit or loss	(1 125)	-	-	(1 125)
Gains less losses arising from investment securities available for sale	1 087	-	-	1 087
Gains less losses arising from trading in foreign currencies	363	1 626	-	1 989
Foreign exchange translation losses net of gains	(3 945)	-	-	(3 945)
Gains less losses arising from operations with foreign currencies, precious metals and securities derivatives	1 938	-	-	1 938
Gains less losses arising from operations with precious metals	2 559	288	-	2 847
Other operating income	541	207	-	748
Operating income before provision for loan impairment	34 190	50 770	18 876	103 836
Provision for loan impairment	(5 139)	(2 409)	-	(7 548)
Operating income	29 051	48 361	18 876	96 288
Administrative and other operating expenses	(12 588)	(24 089)	(18 876)	(55 553)
Profit before tax (Segment result)	16 463	24 272	-	40 735

13 Segment Analysis (Continued)

Segment reporting of the Group's assets and liabilities per business segments as at 31 December 2007 is as follows:

<i>(In millions of Russian Roubles)</i>	Corporate banking	Retail banking	Intra-Group items	Total
Assets				
Cash and cash equivalents	-	-	242 231	242 231
Mandatory cash balances with the Bank of Russia	18 741	38 049	-	56 790
Trading securities	246 221	-	-	246 221
Other securities at fair value through profit or loss	247 024	-	-	247 024
Due from other banks	5 071	-	-	5 071
Loans and advances to customers	3 009 202	912 344	-	3 921 546
Investment securities held to maturity	10 094	-	-	10 094
Deferred income tax asset	-	-	68	68
Premises and equipment	56 166	90 684	-	146 850
Other assets	6 657	32 076	14 180	52 913
Total assets	3 599 176	1 073 153	256 479	4 928 808
Liabilities				
Due to other banks	80 321	-	-	80 321
Deposits from individuals	-	2 681 986	-	2 681 986
Customer accounts	1 195 634	-	-	1 195 634
Debt securities in issue	143 552	20 275	-	163 827
Other borrowed funds	112 025	-	-	112 025
Other liabilities	9 251	16 842	6 661	32 754
Subordinated debt	25 064	-	-	25 064
Total liabilities	1 565 847	2 719 103	6 661	4 291 611
Other disclosures				
Capital expenditure incurred during three month period ended 31 March 2007 (additions of fixed assets)	971	1 845	-	2 816
Depreciation expenses accrued during three months ended 31 March 2007	(1 342)	(2 551)	-	(3 893)

13 Segment Analysis (Continued)

Segment reporting of the Group's income and expenses per business segments for the three months ended 31 March 2007 is as follows:

<i>(Unaudited)</i> <i>(In millions of Russian Roubles)</i>	Corporate banking	Retail banking	Intra-Group items	Total
Interest income	60 263	30 502	-	90 765
Interest expense	(7 912)	(30 278)	-	(38 190)
Inter-segment (expense) and income	(30 465)	22 701	7 764	-
Fee and commission income	7 108	6 874	-	13 982
Fee and commission expense	(482)	-	-	(482)
Gains less losses arising from trading securities	1 822	-	-	1 822
Losses, net of gains arising from other securities at fair value through profit or loss	(1 098)	-	-	(1 098)
Gains less losses arising from trading in foreign currencies	413	820	-	1 233
Foreign exchange translation gains less losses	150	-	-	150
Losses, net of gains arising from operations with foreign currencies, precious metals and securities derivatives	(487)	-	-	(487)
Gains less losses arising from operations with precious metals	(23)	242	-	219
Other operating income	766	-	-	766
Operating income before provision for loan impairment	30 055	30 861	7 764	68 680
Recovery of provision / (provision) for loan impairment	1 091	(719)	-	372
Operating income	31 146	30 142	7 764	69 052
Administrative and other operating expenses	(8 504)	(19 255)	(7 764)	(35 523)
Profit before tax (Segment result)	22 642	10 887	-	33 529

14 Related Party Transactions

For the purposes of these condensed interim consolidated financial statements, parties are considered to be related if one party has the ability to control the other party, is under common control, or can exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

The Group's principal shareholder is the Bank of Russia (refer to Note 1). Disclosures are made in Note 15 for transactions with state-controlled entities and government bodies.

14 Related Party Transactions (Continued)

As at 31 March 2008 and 31 December 2007, the outstanding balances with the Bank of Russia were as follows:

<i>In millions of Russian Roubles</i>	31 March 2008 (Unaudited)	31 December 2007
Assets		
Mandatory cash balances with the Bank of Russia	84 139	56 790
Account with the Bank of Russia (other than mandatory cash balances)	62 917	24 782
Bonds of the Bank of Russia	-	83 081
Due from other banks	81	-
Liabilities		
Due to other banks	84 020	667
Key management personnel remuneration liabilities	133	29

The income and expense items with the Bank of Russia were as follows:

<i>In millions of Russian Roubles</i>	Three months ended 31 March 2008 (Unaudited)	Three months ended 31 March 2007 (Unaudited)
Interest income	963	715
Interest expense	(275)	(12)
Gains less losses arising from trading securities	96	829
Losses, net of gains arising from investment securities available for sale	(43)	-
Other operating expenses	(134)	(67)

For the three-month period ended 31 March 2008, the remuneration of the members of the key management personnel comprised salaries and bonuses totalling RR 209 million (the three months ended 31 March 2007: RR 158 million).

15 Operations with State-Controlled Entities and Government Bodies

The Government of the Russian Federation does not provide to the general public or entities under its ownership/control a complete list of the entities, which are owned or controlled directly or indirectly by the State. Under these circumstances the Management of the Group disclosed only information that its current internal management and accounting systems allow to present in relation to operations with state-controlled entities and where the Management believes such entities could be considered as state-controlled based on its best knowledge. These condensed interim consolidated financial statements disclose operations with government bodies and entities, in which the government directly owns more than 50% of the share capital. In relation to state-controlled entities, Management analysed the Group's transactions with its largest customers and extracted balances and results of operations in relation to the following groups of entities which were included in the tables below: 1) 100% State subsidiaries and government bodies and 2) largest entities where the State controls over 50% of its share capital.

15 Operations with State-Controlled Entities and Government Bodies (Continued)

Transactions with government bodies and state-controlled entities are entered into in the normal course of business and priced at market rates. At 31 March 2008 and 31 December 2007, the outstanding balances with state-controlled entities and government bodies were as follows:

	31 March 2008 (Unaudited)		31 December 2007	
	100% owned State subsidiaries and government bodies	Entities where the State controls over 50% of share capital	100% owned State subsidiaries and government bodies	Entities where the State controls over 50% of share capital
<i>(In millions of Russian Roubles)</i>				
Cash and cash equivalents	1	922	1	1 220
Trading securities	112 867	8 382	142 061	7 887
Other securities at fair value through profit or loss	128 719	2 524	226 384	2 772
Gross amount of loans and advances to customers (before provision for impairment)	229 985	127 889	185 419	125 936
Impairment provisions for loans and advances to customers	(2 453)	(647)	(2 317)	(636)
Investment securities available for sale	144 210	2 473	301	-
Due to other banks	12 753	9 400	3 286	10 901
Customer accounts	130 069	49 429	82 230	28 926

Income and expense items with State-controlled entities and government bodies for the reporting period were as follows:

	Three months ended 31 March 2008 (Unaudited)		Three months ended 31 March 2007 (Unaudited)	
	100% owned State subsidiaries and government bodies	Entities where the State controls over 50% of share capital	100% owned State subsidiaries and government bodies	Entities where the State controls over 50% of share capital
<i>(In millions of Russian Roubles)</i>				
Interest income	11 925	2 619	10 095	1 913
Interest expense	(892)	(343)	(1 007)	(143)
Losses, net of gains arising from trading securities	(1 532)	(26)	(796)	16
Losses, net of gains arising from other securities at fair value through profit or loss	(824)	(72)	(664)	12
Gains less losses arising from investment securities available for sale	-	270	-	-
Fee and commission income	619	105	124	62

Transactions with the State also include taxes. Russian Federation income tax expense of the Group amounts to RR 9 599 million for the three months ended 31 March 2008 (RR 6 752 million for the three months ended 31 March 2007).

16 Capital Adequacy Ratio

As of 31 March 2008, Capital Adequacy Ratio calculated by the Bank in accordance with the International Convergence of Capital Measurement and Capital Standards (July 1988, updated to November 2005) and Amendment to the Capital Accord to incorporate market risks (updated November 2005), commonly known as Basle, requirements was as follows:

	31 March 2008	31 December 2007
	(Unaudited)	
Core capital adequacy ratio (Tier 1)	13.7%	13.9%
Total capital adequacy ratio (Tier 1 and Tier 2)	14.3%	14.5%

17 Subsequent events

On 27 June 2008 the Annual General Shareholders' meeting was held. Per the decision of the Shareholders meeting, the Bank will pay out RR 0.51 dividend on each ordinary share and RR 0.65 dividend on each preference share in respect of the 2007 financial results of the Bank. The General Shareholders' meeting has also approved the Bank's Supervisory Board members. The new Supervisory Board is headed by the Chairman of the Bank of Russia.

On 2 July 2008 the Group attracted USD 500 million within a MTN programme at a fixed rate of 6.47% p.a. maturing on 2 July 2013.