



2008

Annual report

*from opportunity
to achievement*

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Message from the Chairman of the Supervisory Council

The environment for 2008 was one of international financial crisis which gathered momentum month by month, the principal repercussions of which were a generalised economic slowdown, liquidity crises and resounding bankruptcies in the banking sector. In Russia, due to the sound bases established in previous years - budget surplus, comfortable foreign currency reserves and low external public indebtedness – the spectacular slumps lamented elsewhere in the world were avoided but, nonetheless, did not protect the Russian economy from vulnerability to the international crisis. Despite this difficult environment, the Bank continued to develop its business and, chiefly thanks to prudent management, maintained positive results.

The total gross assets of VTB Bank (France) amounted to 1,020 million euros as of December 31, 2008. Net income amounted to 15 million euros as of December 31, 2008 and was fully assigned to additional reconstitution of the subordinated loan.

The Bank's integration into the VTB Group continued in 2008, notably through its new shareholder, VTB Bank (Austria). Synergy developed within the VTB Group enabled VTB Bank (France) to face the difficulties resulting from the international crisis in better conditions and pursue its commercial development.

The Bank's strategy for 2009 comes fully within the strategy of the VTB Group and its business plan. The aim of VTB Bank (France) is to continue its development in three main areas during 2009: structured financing, buyer credit and trade finance. Furthermore, new banking products for French customers are currently being developed.

I would like to extend my sincere thanks to the Executive Board and all the staff for their competence, dynamic action and dedication.

Nikolay Kuznetsov



Key figures as of 31 December 2008

Unconsolidated (in millions of euros)

	2007	2008
Total gross assets	1,306	1,208
Stock of provisions	174	188
Capital + reserves + FRBG	243	243
Subordinated loan	543	584
Retained earnings	-120	-120
Net income	0	0
Permanent funds	666	708
Russian risk coverage ratio	24.64%	26.74%

Administration, Control and Management Authorities

Shareholder structure for VTB Bank (France) SA

VTB Bank (Austria), Vienna	87.01%
CENTROSOYUZ, Moscow	9.21%
GPVO NOVOEXPORT, Moscow	3.69%
Nikolay KUZNETSOV	0.030%
Richard VORNBERG	0.015%
Vasily TITOV	0.015%
Andrei PUCHKOV	0.015%
Andreï MOVTCHAN	0.015%

Supervisory Council

Nikolay KUZNETSOV, Chairman
Richard VORNBERG, Vice-Chairman

Vasily TITOV, Member of the Supervisory Council
Andreï PUCHKOV, Member of the Supervisory Council
Andreï MOVTCHAN, Member of the Supervisory Council
Yves-Thibault de SILGUY, Member of the Supervisory Council (from 12.09.08)

Executive Board

Liubov MOKHNACHEVA, Chairman of the Board
Patrick DELOZIERE, Member of the Board
Christophe BOUTRY, Chief Operating Officer COO (from 19.01.09)

Managers

Richard CLEMENT (from 9.02.09)
Sergueï GUERASSIMOV
Georges KOBAKHIDZE

Deputy Managers

Olivier PARIS
Patrice REMOND (up to 31.03.09)
Patrick GERBAUD (from 19.01.09)
Vladimir SOUCHKO

Company Secretary

Patrick MOREAU, Head

Structured finance/Western zone

Paul de REGARD, Head

Structured finance/CIS zone

Serge KHAVIN, Head

Trade Finance

Jean François KHAN, Head

Internal Audit

Bastien MARTIN, Head

Compliance

Marie-Dominique GLUCHOWSKI ALANIESE, Head

IT Department

Michel LAILY, Head

Legal Counsel

Martine LAJOIE

Statutory Auditors

PricewaterhouseCoopers Audit,
represented by Patrick FROTIEE, Partner
Deloitte Marque & Gendrot,
represented by Régis LEVEILLE-NIZEROLLE, Partner



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Report of the Executive Board



Report of the Executive Board

The economic environment

The financial crisis which began in 2007 continued and even worsened on the heels of the bankruptcy of the Lehman Brothers merchant bank in September 2008. The considerable tension on interbank markets severely affected corporate and household loans. Nonetheless, significant courses of action were taken in an endeavour to restore financial situations to a normal level. As a result, central banks implemented massive cash injections and substantially lowered their interest rates. Moreover, several States provided guarantees for banks and recapitalised or nationalised certain banks in difficulty. While this action helped to avoid a chain reaction, a return to normal could not be achieved.

From an economic standpoint, world growth plummeted in 2008: 3.4% versus 5.2% in 2007, mainly accounted for by OECD member countries. In these countries, the Gross Domestic Product (GDP) was halved, settling at a level of 1.2%. All advanced economies were affected, the USA (1.3%), Japan (-0.3%), the United Kingdom (0.7%) and the euro zone (1.1%) in particular.

The worldwide slowdown also affected emerging countries. As a result, growth dropped in India (7.3%) and Brazil (5.2%), with the level for China down to 9% – the lowest recorded since 2001 – with a downturn in economies in Southeast Asia due to the contraction of world trade.

Economic growth in France was still relatively dynamic at the beginning of the year but deteriorated and, for the year as a whole, the Gross Domestic Product only rose by 0.8%, versus 2.1% in 2007. Domestic demand slackened in both the consumer and investment sectors affected both by inflation and tougher credit conditions. Unemployment

worsened during the year: the number of job seekers reached a level of 2.11 million at the end of December, 11.4% higher than in December 2007. As far as external trade was concerned, the French trade deficit continued to increase, reaching a record figure of 55.7 billion euros (versus 39 billion in 2007). French exports were severely affected by lower demand from its principal trading partners.

The Russian economy was not spared by the international financial crisis, the most visible repercussions of which were the fall in stock market indices, massive withdrawals of capital and depreciation of the rouble. Interbank market liquidity became rare, leading the Russian State Authorities to take extensive measures to support the economy: a massive injection of cash by the Central Bank of Russia, increased guarantees on household deposits, recapitalisation of the principal banks and the indirect bail-out of other banking establishments. The State's role has not only been to support the banking system and restore confidence but also to find solutions to corporate refinancing needs. In view of the clear-cut slowdown in the 4th quarter, the Gross Domestic Product growth rate amounted to 5.6% for the year as a whole, compared with 8.1% the previous year. From a financial standpoint, the low price level for oil product exports led to a decrease in the current account surplus. Russia's official foreign currency reserves, after exceeding the 600 billion dollars mark during the summer, amounted to 411 billion dollars at the end of 2008, a decrease of 12% over one year.

On foreign exchange markets, 2008 saw all time lows against the euro for the dollar and pound sterling (at year end). The violent deterioration of the US and UK economies partly explains the downturn in their currency rates. On July 15, the US currency hit

an all-time low of 1.6038 dollars (for one euro) and then climbed back to 1.39 (September 11). Next, there was a dazzling spurt, taking the dollar in a few weeks to a rate of 1.2395 for one euro at the end of October, falling again at year-end to 1.3917. Over the year as a whole, the euro depreciated by 5.5% against the dollar.

The year-end fall in the pound sterling took it to near-parity with the euro at the very end of December, after dropping to its lowest level against the dollar for six years to under 1.45.

In light of the financial crisis, central banks massively injected cash and lowered their interest rates. In 2008, the Federal Reserve key interest rate dropped from 4.25% to between 0% and 0.25%. Fluctuations in the European Central Bank's benchmark interest rate were distinctive, rising in July from 4% to 4.25% and then falling to 2.50%. Also assessing the scale of the financial crisis, the Bank of England decreased its key interest rate from 5.50% to 2% at year end.

The immediate consequence of this spectacular slackening of monetary conditions was a decrease in the yield on major country State loans. In December, ten-year interest rates were at their lowest point, falling to 2.95% in the euro zone (for the German Bund) and 2.21% in the United States.

World stock markets fell considerably over the year, with international markets losing close to 30,000 billion dollars. None of the markets were spared: Paris lost 42.68%, New York 33.84%, London 31.33%, Frankfurt 40.37%, Tokyo 42.12% and Moscow 67.20%. The threat of a world recession on the heels of the sub-prime crisis and, above all the bankruptcy of Lehman Brothers (on September 15) caused investors to lose confidence in the solidity of the financial system. On stock markets, banking system securities were massacred. With the financial crisis contagion affecting the actual economy, more cyclic elements such as automobile industry, real estate and construction shares were the next to be affected.

Raw material prices continued to rise during the first half of 2008, following on from the initial high increase

in 2007. Then, in the second half of the year, prices fell sharply, largely losing the gains obtained earlier in the year. This sudden decrease reflects the reaction of raw material markets to the slowdown in world growth, boosted by the financial crisis.

Oil prices rose to the extreme level of 147 dollars a barrel in mid-July but fell to close to 45 dollars a barrel at the end of December. The average price of the barrel amounted to 100 dollars in 2008, up by 38% over 2007. The fall in the price of oil per barrel in the second part of the year was notably the result of lower demand from OECD member countries.

Bank activities in 2008

In 2008, the process of integrating VTB Bank (France) into the VTB Group continued, through its new shareholder, VTB Bank (Austria), in particular.

This integration was evidenced by reinforcement of reciprocal exchanges of information and by the definition of common strategies by means of various sector sub-groups established jointly by the VTB and its different local and international entities, as well as between continental sub-group entities covering VTB Bank (Austria), VTB Bank (Deutschland) and VTB Bank (France). Furthermore, the commercial synergy developed within the Group enabled it to achieve the level of agent or MLA in a large number of transactions. The VTB Group has now become a major business contributor for the Bank.

Moreover, in this period of crisis where interbank confidence is low, reciprocal cash management relations have been extensively developed, thus ensuring optimised cash management for the various VTB Group banks. In this context, VTB Bank (France) has acted both as a lender and borrower with respect to other VTB Group entities.

In a difficult economic environment, the Bank's customer loan portfolio rose to 600 million euros, up by more than 10% over 2007.

The Bank has maintained and developed its commercial business in structured loans by registering new counterparts. Loans with ECA public guarantees have been developed – these transactions are being increasingly sought for security reasons.

Trade Finance has seen a downturn in business mainly due to the contraction of raw material demand, Bank profitability requirements and concerns that it should not increase the risk portfolio for banks.

Securities activity was reduced and arbitrage transactions on securities and foreign exchange were gradually wound down.

In terms of resources, the Bank made its first *Schuldschein* issue for 25 million euros for 2 years at the end of the summer and its shareholders granted it medium-term facilities: 90 million US dollars for 3 years and a one-month deposit of 100 million US dollars. Finally, the Bank « repo'd out » part of its securities portfolio which brought it additional liquidity.

The activity of subsidiaries and companies in which the Bank has holdings

EVROFINANCE MOSNARBANK (EVF MNB)

VTB Bank (France) activity with this bank, the principal shareholder of which is the VTB Group, is mainly based on documentary credit transactions, the beneficiaries of which are located in France.

This bank has reduced its activity as a result of the crisis. The confidence of Western banks in this bank continues and they confirm its signature.

GREFICOMEX - EUROGREFI

This company gradually reduced its activity in 2008. Its majority shareholders have decided to relocate it to Switzerland.

The Bank negotiated the sale of its 18.07% holding in its capital over a period of several months. An agreement was found at year-end and the sale should take place shortly.

The internal auditing environment

The principles and conditions for the control of banking activities in France are governed by various regulations and legal provisions which have long been applied to internal control of the Bank's activities.

Article 42 of Regulation 97-02 modified specifies the preparation of an annual report on internal auditing conditions. This report is presented to the Bank Supervisory Council.

Organisation of the internal auditing mechanism

The Bank's Executive Board has set up an internal auditing mechanism, the principal issue of which is to ensure overall control over risks and give reasonable assurance that the objectives that the Bank has set itself in this respect are achieved.

The Bank's internal control charter defines the organisation of this mechanism. This charter is distributed and available to all Bank personnel: it primarily indicates the objectives of internal auditing and control, the rules in terms of organisation and the intervention scope of the various internal control players. It also specifies that the Bank's internal control environment is based on two separate but complementary mechanisms - permanent control and periodic auditing.

Permanent control is based on continuous identification and assessment of risks, procedures, controls and dedicated reporting. It is firstly carried out by operations staff and their superiors (level one control) and secondly by specialist control functions, independent from the hierarchy, responsible for lower level permanent controls (level two control). The entire permanent control mechanism is coordinated and supervised by the head of Conformity and Permanent Control who reports

to a member of the Executive Board on the missions and studies undertaken, as well as to the Audit Committee.

Periodic auditing (level three control) is implemented « ex post » by means of surveys conducted by personnel other than those involved in permanent control. It is carried out by Internal Auditing. Reporting to the Chairman of the Executive Board, the purpose of Internal Auditing is to take action wherever a risk exists and report to the Executive Board, Audit Committee and Supervisory Council on its missions and studies.

The organisation of the Bank's internal control is completed by the Audit Committee. As a permanent Bank Supervisory Council body, it supervises and assesses the efficiency and conformity of the Bank's internal control mechanism and assists the Supervisory Council in fulfilling its role to supervise the internal control and conformity mechanism.

In this respect, the Audit Committee ensures that internal control, conformity and risk management mechanisms function correctly inside the Bank, assists the Supervisory Council with assessment of the efficiency and pertinence of control procedures relative to the posting of transactions to accounts and the preparation of financial statements, appraisal of the Bank's compliance with applicable laws and regulations, decisions taken by Annual General Meetings of Shareholders and by the Supervisory Council and examines the work of internal and external auditors.

Significant events in 2008

During the 2008 financial year, the Bank finalised a project started in 2007, the aim of which was to set up a new automated solution to reinforce and extend the internal mechanism to combat money laundering and terrorism. At the same time, it played an active part within a VTB continental sub-group in work to define and implement the principles of a common policy to prevent money laundering and the financing of terrorism and establish uniform detection tools.

In addition, in 2008, internal control staff continued with their work to standardise the main parameters

of the mechanism. For this purpose, the Internal Control charter was revised in July 2008. The Bank's standard internal control mechanism is now based on three separate charters: the Internal Control charter, the Internal Auditing charter and the Conformity and Permanent Control charter.

The Bank has revised its internal regulation intelligence scanning mechanism, which is now backed by an Intelligence Committee, consisting of representatives of all Bank departments.

The risk management system

Credit risk

Credit risk is analysed and monitored in compliance with CRBF (Banking and Finance Regulatory Committee) regulation 97-02 and subsequent modifications, relative to the internal audit of credit establishments and investment companies.

A limits system is established to supervise decisions taken on the approval of new commitments and to monitor the risks relating to existing outstandings. Limits are set by country, sector of activity and company (third party). These limits are regularly reviewed, on a half-yearly or annual basis.

The Bank has 29 country limits, 22 sector limits and around 100 limits for companies (third-party limits). Any overrun of assigned limits must be justified and authorised by a decision-making body. The Bank's commitments consist of loan and securities portfolios as well as interbank loans.

They also include all agreements given and not yet materialised, including those that are not certain to be implemented as they are subject to certain conditions being met. The guarantees issued by OECD state insurance agencies such as Coface and cash pledges domiciled with the Bank are the only elements taken into account and reduce the commitments they cover; at the same time, these same guarantees figure among the commitments of the countries of residence of their issuers. On this basis, the amount of the Bank's commitments as of 31.12.08 amounted to 1,025 million euros.

Weight of the first 10 countries in the Bank's commitments

Country of residence	31.12.2007	31.12.2008
Russia	44.35%	45.55%
France	9.17%	9.86%
Italy	5.08%	6.43%
Great Britain	3.96%	6.13%
Cyprus	2.90%	6.11%
Belarus	1.49%	3.94%
Ukraine	2.52%	3.72%
Netherlands	0.62%	3.21%
Switzerland	2.82%	2.79%
Armenia	0.79%	2.64%

Weight of the first 10 sectors in the Bank's commitments

Sector - goods	31.12.2007	31.12.2008
Financial services	27.95%	14.38%
Machines and equipment	6.61%	12.78%
Railway transport equipment*	0%	9.90%
Steel, cast iron	6.12%	7.46%
Aluminium	4.01%	4.87%
Copper	2.91%	4.46%
Telecommunications	3.80%	3.69%
Sugar	1.87%	3.33%
Chemicals	6.14%	3.05%
Cereals	5.36%	2.71%

* New sector established during 2008

The internal rating system for third parties and transactions applied to the Bank not only makes provision for financial analysis of the borrower and other entities involved presenting a direct and indirect risk but is also applied to analysis of the transaction package, guarantees and safeguards.

The setup of a new internal rating system in 2007 enables the Bank to refine the analysis and monitoring of credit risk inherent in its banking activity. This system is based on a score approach, with a rating scale ranging from 1 (the lowest score) to 9 (the highest score).

The Credit Committee examines all commitments in excess of a million dollars on a quarterly basis, with a revision of ratings for transactions and/or third parties. For commitments over 1 million dollars and a term in excess of twelve months, a more detailed review is made at the end of each year.

The Bank makes a weekly analysis of its estimated liquidity position on the basis of different scenarios and simulations.

The Bank has opted for the standard approach to credit risk for calculating the regulatory Basle II ratio. The calculation is made by ad hoc software, the integration of which was completed in 2008. Since June 30, 2008, regulatory ratios have been monitored on a monthly basis and Bank decision-making bodies are informed; as of 31.12.08, the Bank's debt/equity ratio was over 12.5% in terms of basic equity and 25% in terms of total equity.

Operating risks

The operating risk management mechanism, in line with the provisions of CRBF Regulation 97-02 and subsequent modifications, covers the activities of all departments. The departments are responsible for actual risk management.

Data on incidents occurring is collected during a six-month period and the risks assessed.

Restatement enables the latter to be mapped out.

Operating risk reports are submitted to the Executive Board and VTB Moscow every six months.

Profitability analysis

Analysis and integration of the anticipated profitability of a transaction are a normal part of the various criteria examined when transactions are submitted to the Credit Committee.

The half-yearly analysis of transactions recorded during this period indicates that actual gross profitability was globally in line with gross profitability forecasts.

Market activity risks

Over the past twelve months, market transactions were monitored by real-time and back checks.

The middle Office monitors all transactions, actual and unrealised results from a value standpoint on a daily basis, as well as the level of stop-losses and the Theoretical Maximum Loss (TML).

The middle office makes a monthly analysis of variance between management and accounting results for all market activities.

Decision-makers in charge of these activities receive information on a daily basis.

Risk monitoring

- **Determination of market limits**

According to the charters and delegations established, global limits are defined by the Executive Board and counterpart limits by the Credit Committee. All lines and limits granted are periodically reviewed (on a yearly basis at least).

- **Monitoring of counterpart limits**

Within the framework of the limits established for counterparts, only one significant overrun, authorised by the appropriate decision-making body, was recorded during 2008.

Moreover, the Bank has set up « profit-taking » limits. These limits define the optimum conditions for the

sale of each security in stock, to ensure a fast reaction to opportunities that may occur.

- **Monitoring of foreign exchange risk**

Foreign exchange positions and results by transaction type and currency are:

- monitored in real time by Kondor/Reuters,
- reconciled with the accounts (all variance is analysed and justified),
- analysed every month. This analysis is forwarded to the ALM Committee which is responsible for proposing to the Executive Board the coverage strategy to be applied.

In 2008, the Bank undertook a hedging transaction for an amount of 20 million euros to cover the US dollar foreign exchange risk.

In the second half of the year, the Executive Board decided to halt arbitrage on foreign exchange transactions.

- **Stress scenario**

The Bank has set up crisis scenarios for each main risk factor in order to assess the outcome of sharp variance in market parameters.

For the securities portfolio, assumptions are based on historic data, notably on securities price disruption linked to the emerging markets crisis in 1998 and, more recently, the financial crisis in the autumn of 2008, resulting in a 40% shift in stock market rates associated with a 20% shift in exchange rates.

For the foreign exchange risk, based on historic fluctuations of the dollar/euro parity, the scenario presents the impact of a 20% appreciation/depreciation.

For the global interest rate risk, the scenario integrates the impact of a shift from 2% to -1% of the dollar rate curve and from 2% to -2.5% of the euro rate curve over an average potential difference period of 1 year.

- **Monitoring of the cash position**

The cash position is monitored on a daily basis and the middle office carries out a quarterly analysis of the current cash position. This review is presented to the decision-making body responsible for market activity.

Measurement of global interest rate risk

The Bank measures balance sheet exposure to interest rate risk every month according to the potential difference method.

The global interest rate risk is analysed and the information submitted to the ALM Committee which proposes a hedging strategy to be applied to the Executive Board.

Global interest rate risk is analysed in three stages:

- definition of the scope of the rate risk with an accounting focus,
- establishment of balance sheet parameters which enable balance sheet items to be classified in groups according to common criteria such as the type of outstanding, maturity date and rate, etc.),
- and analysis of the overall potential difference by specific areas (structural and operating), measurement of NBR sensitivity to rate variance and one-year TML according to the « Value at Risk » (VaR) method.

Based on these analyses, as well as the prospects of changes in potential rate differences, the Bank undertook swap transactions to reduce its overall interest rate risk; these hedging transactions amounted to 100 million euros as of the end of December.

The overall potential rate difference for 1 year as of December 31, 2008 amounted to an average of 407 million euros. When calculated, the Theoretical Maximum Loss, principally integrating the volatility of dollar rates (51%) and the average potential US dollar difference (the equivalent of 296 million euros), amounted to a figure of 8.07 million euros as of 31.12.2008.

Quantitative information on market risk exposure - 2008

2008	01.31.08	02.29.08	03.31.08	04.30.08
(Euro/dollar rate for the month analysed)	1.4870	1.5167	1.5812	1.5540

Securities trading activity (in thousands of euros)

Annual Stop Loss	TRADING	Open position	10,892	9,437	9,239	9,320
-862		Unrealised result	79	42	7	-13

The trading open position calculated is the difference between valuation and the unrealised result.

Annual Stop Loss	INVESTMENT	Open position	61,876	61,028	59,170	56,259
-8,623		Unrealised result	1,026	1,375	1,142	1,100

The investment portfolio is monitored at acquisition value

The unrealised result is determined in relation to the securities market price as of December 31, 2007

Foreign Exchange activity (in thousands of euros)

	FX	Open position	-588	-514	-55	-423
		Unrealised result	1	0	0	-1
	Hedging	Open position	0	0	10,713	7,805
		Unrealised result	0	0	7	13
Annual Stop Loss	(GLOBAL)	Open position	-588	-514	10,713	7,382
-480		Unrealised result end of the period	1	0	7	12

05.31.08	06.30.08	07.31.08	08.31.08	09.30.08	10.31.07	11.30.08	12.31.08
1.5508	1.5764	1.5611	1.4735	1.4303	1.2757	1.2727	1.3917
Change in the dollar rate over the year:							-6.85%

8,350	8,289	8,325	8,548	8,668	9,164	9,175	8,782
27	-53	-41	-113	-842	-2,746	-2,715	-1,856
54,104	53,397	51,816	53,792	54,707	53,231	48,299	68,888
875	557	368	357	-2,411	-6,948	-8,894	-5,766

-326	-391	-391	-429	-244	-238	-307	-362
0	-1	1	0	-1	0	1	0
2,886	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0
2,561	-391	-391	-429	-244	-238	-307	-362
9	-1	1	0	-1	0	1	0

The securities portfolio

The open position in terms of the acquisition value of short-term securities amounted to 68.8 million euros at the end of 2008, versus 62.3 million euros at year-end 2007.

The trading portfolio open positions decreased from 12.4 million euros to 8.8 million euros.

Financial statements

Comments on unconsolidated financial statements

2008 was affected by the international financial crisis which led the Bank to apply further prudence in its loan policy in an environment characterised by the contraction of the resources available.

• **Balance sheet**

Total assets as of December 31, 2008 amounted to 1,020 million euros versus 1,132 million euros as of December 31, 2007, a decrease of 112 million euros (-9,9 %) whereas, at the same time, the shift in the euro/US dollar rate from 1.4721 to 1.3917 reflected a -5.5% depreciation in the euro.

Principal variance in assets:

Between December 31, 2007 and December 31, 2008 certain asset items varied significantly, as follows:

- due from and advances to credit institutions: -177 million euros i.e. -37%, mainly linked to the reduction in business on the interbank market,
- transactions with customers: 57 million euros, i.e. + 11%.

Principal variance in liabilities:

Certain liability items varied significantly, as follows:

- due to financial institutions: -159 million euros, i.e. -38% (including the reimbursement of a 200 million US dollar euroloan),
- transactions with customers: 15 million euros, i.e. +73 %.

• **Income statement**

Net banking revenue amounted to 47 million euros, versus 79 million in 2007.

The predominant factor of this variance concerned the item « gains or losses on short-term investment portfolios and similar ».

It amounted to 26 million euros in 2007 and represented capital gains on the sale of securities. In 2008, it amounted to -4.3 million euros, reflecting the depreciation of the Bank's portfolio linked to the downturn of financial markets.

Along with interest and net commission in line with 2007 figures, the other positive component of NBR is represented by the net gains on trading security transactions for a figure of 2.425 million euros. This amount includes losses on trading securities (1.951 million euros), more than offset by various gains, the largest being the gain on financial instruments of 3.209 million euros.

Gross operating income amounted to 18.565 million euros.

General operating expense (-27.212 million euros), down by 3.626 million euros over 2007, and depreciation expense (-1.202 million euros) amounted to -28.414 million euros.

Pre-tax earnings, at a figure of 15.004 million euros, was determined by the following two items:

- the cost of risk, which amounted to -8.574 million euros, notably affected by the increase in country risk provisions,
- net gains on fixed assets amounting to 5.014 million euros, due mainly to the reinstatement in full on June 30, 2008 of the provision set up for investment in Evrofinance (5.092 million euros).

Net income as of December 31, 2008 amounted to 0 million euros, in view of the application of the « return to profit clause » linked to the subordinated loan, which makes provision for assignment in full of the pre-tax profit to reconstitution of the said loan.

Prospects for 2009

In application of the Group's strategy and Business Plan and in light of the predictable difficulties of the international economic climate, VTB Bank (France) anticipates a modest increase in its total assets.

The list of its main products to be developed will be the same:

- structured loans for its CIS customers in particular;
- ECA loans for its major French and European customers;
- Trade Finance, in collaboration with its network of correspondents in CIS banks and French and Western customers with commercial relations in the CIS.

Finally, the Bank is expected to finalize its study of the implementation of new products for French customers.

Report of the Supervisory Council

Ladies and Gentlemen,

Pursuant to legal and statutory provisions, you have been convened by the Company's Executive Board to attend the Ordinary General Meeting of Shareholders. A presentation will be made to you of the activities of VTB Bank (France) SA during the 2008 financial year, with the results and prospects. The financial statements for the year ended December 31, 2008 will also be submitted for your approval.

Joined in September by Yves-Thibaut de Silguy, the President of Vinci, the Supervisory Council fulfilled its mission to supervise management of the Bank over the past financial year. It was kept regularly informed by the Executive Board and was able to fully examine the situation of the main items of business and their evolution, monitor the progress of activity according to the objectives described in the Business

Plan for the year and measure the impact of the financial crisis. It assessed the work carried out for the purposes of internal control, assisted in this respect by the Audit Committee, and examined the Annual Report on the measurement and monitoring of risks, together with the Annual Report on internal control.

The Supervisory Council examined the balance sheet and income statement for the Bank as of December 31, 2008 together with the Executive Board. No reservations were called for in respect of these documents.

We therefore ask the Ordinary General Meeting to approve the financial statements for 2008 and the Report of the Executive Board.

The Supervisory Council



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2008 Financial Statements



2008 Financial Statements

Balance sheet as of 31st December 2008

(in thousands of euros)

<i>Assets</i>	12.31.2007	12.31.2008
Cash and amounts due from central banks, postal accounts	4,866	7,103
Treasury and assimilated securities	0	0
Due from and advances to financial institutions	477,611	300,256
Due from and advances to customers	542,695	599,424
Debt securities and other fixed-income securities	72,287	70,079
Shares and other variable-yield securities	0	0
Holdings and other long-term securities	16,014	22,182
Equity holdings in associated companies	0	0
Lease financing and purchase-option rentals	0	0
Rentals	0	0
Intangible fixed assets	1,595	1,297
Tangible fixed assets	3,960	3,692
Subscribed capital, unpaid	0	0
Own shares	0	0
Other assets	2,812	2,952
Prepayments and accrued income	10,516	13,495
Total	1,132,356	1,020,480

Balance sheet as of 31st December 2008

(in thousands of euros)

<i>Liabilities</i>	12.31.2007	12.31.2008
Due to central banks and postal accounts	0	0
Due to financial institutions	418,703	259,611
Customer transactions	20,155	34,802
Liabilities in the form of securities issued	41	41
Other liabilities	1,433	1,390
Prepayments and accrued income	15,603	11,354
Provisions for general risks and expenses	10,088	5,922
Subordinated debt	543,316	584,343
Reserves for general banking risks (FRBG)	22,113	22,113
Equity (excl. FRBG)	100,904	100,904
• Subscribed capital	185,344	185,344
• Share premium account	0	0
• Reserves	35,981	35,981
• Revaluation difference	0	0
• Tax-regulated provisions and investment grants	2	2
• Retained earnings/losses	-120,423	-120,423
• Net income/loss for the financial year	0	0
Total	1,132,356	1,020,480

Balance sheet as of 31st December 2008

(in thousands of euros)

<i>Off-Balance sheet</i>	12.31.2007	12.31.2008
Commitments given		
Funding commitments		
in favour of financial institutions	10,434	500
in favour of customers	173,933	52,379
Guarantee commitments		
in favour of financial institutions	36,703	87,741
in favour of customers	14,125	20,206
Securities commitments		
securities acquired with repurchase or resell options	0	0
securities to deliver	0	0
other commitments given	0	0
Commitments received		
Funding commitments		
received from financial institutions	36,900	94,855
Guarantee commitments		
received from financial institutions	17,552	38,967
Securities commitments		
securities sold with repurchase or resell options	0	0
securities to receive	0	0
other Commitments received	0	0

Income statement as of 31st December 2008

(in thousands of euros)

<i>Income statement</i>	12.31.2007	12.31.2008
Interest and similar income	72,013	64,396
Interest and similar expenses	-23,842	-19,111
Income from lease financing and similar	0	0
Expenses from lease financing and similar	0	0
Rental income	0	0
Rental expenses	0	0
Income from variable-yield securities	1	4
Commissions and fee income	4,216	4,444
Commissions and fee expenses	-675	-1,063
Gains or losses on trading securities	1,561	2,425
Gains or losses on short term investments and similar	25,988	-4,330
Other income from banking transactions	331	224
Other expenses from banking transactions	-81	-11
Net banking revenue	79,512	46,978
General operating expenses	-30,838	-27,212
Depreciation expense and allocation to provisions for intangible and tangible fixed assets	-1,304	-1,202
Gross operating income	47,370	18,565
Cost of risk	5,274	-8,574
Operating income loss	52,644	9,990
Gains or losses on fixed assets	938	5,014
Pre-tax ordinary income/loss	53,582	15,004
Extraordinary income/loss	-53,582	-15,004
Income tax	0	0
Surplus of allocations over recoveries from reserves for general banking risk	0	0
Net income for the financial year	0	0



3

Notes to the Unconsolidated Financial Statements



Notes to the Unconsolidated Financial Statements 2008

1. Presentation

VTB Bank (France) SA financial statements are presented in accordance with generally accepted French accounting principles and the provisions of Accounting Regulatory Committee (CRC) Regulation 2000-03 dated July 4, 2000, modified by Regulations 2004-16 dated November 23, 2004 and 2005-04 dated November 3, 2005, applicable to financial institutions, which modify the Banking and Finance Regulatory Committee (CRBF) Regulation 91-01 dated January 16, 1991.

Unless otherwise indicated, amounts are expressed in thousands of euros.

2. Consequences of the financial crisis

The current crisis has had various contrasting effects on the Bank's level of activity and profitability.

Before the crisis erupted, measures were already been applied to severely restrict market transactions. The trend continued in 2008: securities trading transactions fell sharply and interest rate and foreign exchange arbitrage transactions were abandoned. Thanks to this conservative policy, the collapse of financial markets only had a moderate impact on the Bank's results; transaction and investment portfolios generated book losses of less than 6.5 million euros, most of this representing unrealised results.

For the Bank, the contraction of the world economy has meant postponement of the financing of certain major equipment projects; however, the Bank's

participation in certain routine commercial transactions was maintained and the volume of documentary credit transactions increased.

A certain number of VTB Bank (France) customers have been affected by the crisis, major Russian exporters in particular; up to now, this situation has led to a few requests to reschedule loans; a positive conclusion to these transactions has been secured by maintaining (or even increasing) guarantees mainly backed by export flows.

Finally, the crisis generated a significant rise in loan conditions on certain markets, which is having a positive impact on remuneration for the facilities granted.

On an administrative level, the Bank has adopted a certain number of measures to reinforce the quality of its risk monitoring and ability to react to any event.

The pace of credit risk revision has been stepped up. Counterpart limits have been revised downwards or cancelled.

Consultation at the level of the Continental sub-group – VTB Bank (Austria), VTB Bank (Deutschland) and VTB Bank (France) – has been reinforced and extended at the level of the entire VTB Group) for the acceptance of new transactions.

Similarly, close cooperation has been established as regards cash management between the banks in the Group. This policy has proved to be efficient by avoiding the appearance of any tension and allowing the management of cash to be optimised within the VTB Group.

3. Accounting principles and valuation methods

3.1. Fixed assets

Fixed assets are recorded on the asset side of the balance sheet at their acquisition price.

Depreciation and amortization are calculated according to the estimated life of the assets, using the straight-line or diminishing balance method.

Fixtures, installations and improvements	10 years
Furnishing and office equipment	10 years
Equipment, tooling and vehicles	5 years
Software acquired	5 years

3.2. Securities portfolio

Securities are classified according to type and the economic purpose for which they are held.

Trading securities

Trading securities are recorded at their acquisition price, including expenses and accrued coupon interest. They are revalued monthly on the basis of their market value and the differential is recorded as a gain or loss.

Securities held within the framework of a fast-trade activity, that is to say those generally acquired or sold with the intention of selling or buying them in the short term, are posted to this item.

Short-term investment securities

Short term investment securities are considered to be those securities not included in trading, investment or portfolio activity securities, other long-term securities, investments in affiliates or subsidiaries and holdings in associated companies. They are recorded at their acquisition price. Related

fees are posted to expenses and the accrued coupon interest is recorded as related receivables.

At the end of the financial year, these securities are revalued according to the marked to market method based on official quotations.

Unrealised capital gains are not accounted for; a charge to provisions is established for unrealised capital losses under impairment in value of securities.

Accrued interest between the acquisition of securities and the financial year close-off date are posted to the holdings and other long-term securities account.

Investments in subsidiaries and affiliates and other long-term securities

Investments in affiliates and subsidiaries are ones, the long-term possession of which is considered useful for the Bank's activity.

The category of other long-term securities includes investments in the form of securities, the aim of which is to foster the development of long-term professional relations by creating a preferential link with the issuing company but without influence over its management.

These securities are posted at the acquisition price, in the currency of acquisition, costs excluded.

At the end of the financial year, these securities are valued individually at the lowest prices between the acquisition value and use value.

Capital gains or losses are posted to the Income Statement under « Gains or Losses on fixed assets ». At the time of payment, dividends are recorded under « Income from variable-yield securities ».

3.3. Interest and Commissions

Interest is recognised pro rata temporis to the underlying related receivables/payables with the corresponding entry in the Income Statement.

For commission taken on the discount of commercial paper, the differential between the net discounted and the face value of the note is considered as interest. Interest received in advance for discount transactions is spread out over time on the basis of a compound interest calculation.

Commission is broken down according to type. Risk-related commission is recorded pro rata temporis in expenses or income. Commission earned on a service provision is immediately posted to the Income Statement.

3.4. Foreign currency transactions

Assets, liabilities and commitments in foreign currency are converted into euros at the prevailing rate at year-end.

Foreign exchange gains and losses from ordinary foreign currency transactions are recorded on the Income Statement.

3.5. Financial forward instruments

Hedged and market foreign exchange financial futures and interest rate swap transactions are recorded in accordance with Banking and Finance Regulatory Committee Regulation (CRBF) 90-15, modified by Regulations 92-04 dated July 17, 1992, 95-04 dated July 21, 1995, 97-02 dated February 21, 1997, by CRC Regulation 2002-01 dated December 12, 2002 and the Order dated February 20, 2007.

These foreign exchange financial futures and interest rate swap transactions are made on an over-the-counter market and are recorded at par value among the off-balance sheet items.

Foreign exchange future transactions on an over-the-counter market

Contracts are recorded among off-balance sheet items at their forward rate, with each commitment

being recorded separately. Transactions are separated according to the destination of the transactions and results allocated on this basis. For hedging transactions, unrealised gains and losses are directly recorded in the year's result. For market transactions, provisions are only set up for unrealised losses.

Hedged foreign exchange financial future differentials are recorded in the Income Statement over the life of the contract until maturity, in accordance with the guidelines of Article 9 of Regulation 89-01 of the Banking and Finance Regulatory Committee (CRBF), modified by Regulations 90-01 dated February 23, 1990, 95-04 dated July 21, 1995 and by CRC regulation 2000-02 dated July 4, 2000.

Interest rate swap transactions on an over-the-counter market

Commitments relating to these transactions are recorded at their par value among off-balance sheet items under three categories:

- Transaction portfolio of open position swaps (category A). Income and expenses are recorded pro rata temporis and a provision set up for risks and charges for unrealised losses.
- Transaction portfolio of micro-hedging swaps (category B) which facilitate a reduction in the interest rate fluctuation risk on items classified under due from and advances to financial institutions and customers.

Expenses and income from forward financial instruments used for hedging exposure which are related to one item or an identified category of related items, are recorded in the Income Statement in the symmetric way as the income or expenses of items hedged. They are recorded under the same headings as income and expenses for hedged items, net of interest.

- Transaction portfolio of macro-hedging swaps (category C) which include contracts entered into in

order to hedge the Bank's global asset, liability and off-balance sheet interest rate risk.

Income and expenses related to forward financial instruments used to hedge global rate exposure are recorded pro rata temporis in the Income Statement.

3.6. Credits

Credits are recorded on the balance sheet at par value, plus interest payable and not due. In application of CRC Regulation 2002-03 dated December 12, 2002, modified by Regulation 2005-03 and the National Credit Council (CNC) recommendation 2006-16, all doubtful debt is classified as compromised doubtful debt except for « Government restructuring » debt.

Doubtful debt

Commitments where payment of principal or interest is more than three months past due, credits to companies involved in joint legal action and credit to third-parties presenting a risk of total or partial non-recovery are recorded in doubtful credits.

This downgrading covers the full commitment of doubtful third parties.

A provision for depreciation is set up for compromised doubtful debt, on the basis of individual economic and financial analysis to cover the estimated risk of non-recovery. A 100% provision is set up for interest related to these credits.

Depreciation is deducted from the corresponding assets (CRC Regulation 2000-03 dated July 4, 2000 modified by CRC Regulations 2004-16, 2005-04 and 2007-05).

A 91.17% provision was set up for compromised doubtful debt as of December 31, 2008.

Country risk

Outstandings related to country risk are constituted by the debt and commitments relative to the public

or private debtors of countries that have requested rescheduling of their debt and/or present a risk of continued deterioration in their economic and political situations.

Provision ratios are based on an economic study of the country and follow the evolution of geopolitical risks, particularly any changes as regards the restructuring facilities granted by creditors. Provision ratios are applied to the principal.

Provisions for country risk are deducted from the corresponding assets. They amounted to 39.247 million euros as of December 31, 2008.

As, for conservative reasons, the Bank wishes to achieve a coverage ratio in excess of the provision ratio, part of the subordinated loan granted by the Vneshtorgbank was allocated as additional provision for country risk.

In terms of additional country risk coverage, the portion of the participating loan assigned to balance sheet and non-balance sheet outstandings as of December 31, 2008 amounted to 90.484 million euros.

A detailed analysis on Russian third parties is carried out to identify doubtful and irrecoverable debt and set up provisions for the risk of default and no recovery.

Comparative table of the 2007 and 2008 coverage ratios for Russia (in thousands of euros)

	2007				
	Outstandings	Accounting provisions and revaluation (1)	Ratio (%)	Allocation of the subordinated loan	Coverage ratio %
Country risk (healthy debt)	434,688	10,867	2.50	78,846	20.64
Doubtful debt	23,640	23,640	100.00	0	100.00
Off-balance sheet commitments	30,820	771	2.50	4,063	15.68
Trading securities (loss) and short-term investment securities (provisions)	64,268	2,279	3.55	7,590	15.35
Unconsolidated equity investments	21,752	5,997	27.57	7,646	62.72
Total	575,168	43,554	7.57	98,145	24.64

(1) The « Accounting Provisions and Revaluation » column includes provisions for country risk and the depreciation of doubtful debt.

	2008				
	Outstandings	Accounting provisions and revaluation (1)	Ratio (%)	Allocation of the subordinated loan	Coverage ratio %
Country risk (healthy debt)	350,478	8,762	2.50	65,755	21.26
Doubtful debt	22,740	22,740	100.00	0	100.00
Off-balance sheet commitments	10,128	253	2.50	1,269	15.03
Trading securities (loss) and short-term investment securities (provisions)	46,795	6,935	14.82	1,163	17.30
Unconsolidated equity investments	22,617	693	3.06	13,479	62.66
Total	452,758	39,383	8.69	81,666	26.74

3.7. Allocation of subordinated debt at risk coverage

The allocation of subordinated debt as risk coverage for all countries amounts to **90.484 million euros**, broken down as follows as of December 31, 2008:

(in million of euros)

Russia	81.666
Other countries	8.818

As of December 31, 2007, it amounted to **107.468 million euros**, including:

Russia	98.145
Other countries	9.323

3.8. Tax charges

Tax and similar charges

In addition to the taxes and similar due and paid for the same financial year, provisions have also been set up under this item for the social solidarity contribution and financial institution contribution, to be paid after close-off of the reference year. The income tax rate is 33 1/3%. An additional contribution of 3.3% is applied to taxable income.

3.9. Retirement benefit plans

In 1993, along with the entire French banking profession, VTB Bank (France) SA signed a national retirement benefit agreement with the AGIRC and ARRCO pension plans which function on a distribution basis.

According to the CRPB, the portion of the commitment of the Bank as of December 31, 2008 is nil.

In accordance with the Collective Labour Agreement, the Bank pays an indemnity to staff on retirement. A retrospective actuarial valuation method is used to calculate retirement indemnities corresponding to the value of the potential rights of staff currently active, with forecasts of future salary increases. It amounted to 3.302 million euros as of December 31, 2008.

The amount was calculated on the basis of retirement at the age of 65, integrating a headcount rotation rate assessed according to the age of each employee, as well as the life expectancy of each employee as of the date of retirement.

In accordance with standard practice in France, the Bank has chosen not to establish any provisions to cover these commitments.

3.10. Funds for general banking risks (FRBG)

The Bank has set up a fund for general banking risk to cover risks when, in application of conservative principles, this is warranted by the risks inherent in banking transactions. No provisions were set up for general banking risk or reinstatements made in 2008.

3.11. Earnings per share and fully diluted earnings

Profit for 2008 before application of the « return to profit » clause amounted to 14.936 million euros. According to the clauses relative to the agreement of November 18, 1992, signed between the Central Bank of Russia and BCEN-EUROBANK, taken over identically by the new shareholder, Vneshtorgbank, the result has been assigned to reconstitution of the subordinated loan.

3.12. Reclassification

A credit linked note (CLN) for 10 million USD (7.2 million euros at exchange rate as of 31 December 2008) included in « Due from and advances to Financial Institutions » as of December 31, 2007 was reclassified in « Short Term Investment Securities » in 2008.

4. Balance sheet information (in thousands of euros)

4.1. Total assets

	2007	2008
Total assets	1,132,356	1,020,480
including:		
• equivalent in euros of assets in « out » foreign currency	809,019	720,781
• equivalent in euros of liabilities in « out » foreign currency	754,220	625,209

4.2. Breakdown of due from and due to financial institutions

	2007	2008
Due from financial institutions	470,798	300,256
• payable on demand	132,243	89,190
• payable at maturity*	338,555	211,066
Due to financial institutions	418,703	259,611
• payable on demand	27,505	11,589
• payable at maturity	391,198	248,022

*Including CLN for 10 million of US dollars reclassified in short-term investments as of December 31, 2008.

4.3. Breakdown of balance sheet due from and due to financial institutions and customers (remaining duration)

2007	Less than 3 months	From 3 months to 1 year	From 1 to 5 years	Over 5 years	Total
Financial institutions					
Loans and credits	226,303	40,055	117,558**	84,499	468,415**
Gross compromised doubtful debt*	70,747	-	-	-	70,747
Depreciation of debt	-61,927	-	-	-	-61,927
Provisions for country risk	-6,437	-	-	-	-6,437
Total	228,686	40,055	117,558**	84,499	470,798**
Customers					
Loans and credits	99,538	111,834	322,320	25,503	559,195
Gross compromised doubtful debt*	48,790	-	-	-	48,790
Depreciation of debt	-43,138	-	-	-	-43,138
Provisions for country risk	-22,152	-	-	-	-22,152
Total	83,038	111,834	322,320	25,503	542,695
Due from and advances to financial institutions	173,980	244,723	-	-	418,703
Due from and advances to customers	14,764	242	21	5,128	20,155
2008					
	Less than 3 months	From 3 months to 1 year	From 1 to 5 years	Over 5 years	Total
Financial institutions					
Loans and credits	121,018	55,503	107,671	14,510	298,702
Gross compromised doubtful debt*	73,264	-	-	-	73,264
Depreciation of debt	-64,552	-	-	-	-64,552
Provisions for country risk	-7,158	-	-	-	-7,158
Total	122,572	55,503	107,671	14,510	300,256
Customers					
Loans and credits	74,947	188,433	322,699	42,024	628,102
Gross compromised doubtful debt*	52,569	-	-	-	52,569
Depreciation of debt	-50,174	-	-	-	-50,174
Provisions for country risk	-31,073	-	-	-	-31,073
Total	46,269	188,433	322,699	42,024	599,425
Due from and advances to financial institutions	116,742	53,200	89,669	-	259,611
Due from and advances to customers	29,125	255	70	5,352	34,802

* It was decided that all gross doubtful debt should be indicated in the « less than 3 months » column.

** Including CLN for 10 million of US dollars reclassified in short-term investments as of December 31, 2008

4.4. Breakdown of balance sheet due from (loans) and due to (deposits) of associated companies and other business entities

	2007	2008
Due from and advances to financial institutions	470,798	300,256
Associated companies	125,064	78,378
Other business entities*	345,734	221,878
Due from and advances to customers	542,695	599,425
Associated companies	0	0
Other business entities	542,695	599,425
Due to financial institutions	418,703	259,611
Associated companies	40,825	89,671
Other business entities	377,878	169,940
Due to customers	20,155	34,802
Associated companies	0	0
Other business entities	20,155	34,802

Including CLN for 10 million of US dollars reclassified in short-term investments as of December 31, 2008.

4.5. Other assets, liabilities and accruals

	2007	2008
Other assets	2,812	2,952
Miscellaneous debtors	2,796	2,936
Gold and precious metals	16	16
Other liabilities	1,433	1,390
Miscellaneous creditors	1,433	1,390
Prepayments and accrued income	10,516	13,495
Repaid expenses	1,860	3,293
Income receivables	6,744	1,747
Other accruals	440	1,047
Foreign currency adjustment accounts	1,472	7,408
Accrued and deferred income	15,604	11,354
Repaid income	3,815	3,367
Expenses payable	6,787	5,029
Other deferrals	4,793	2,945
Foreign currency adjustment accounts	209	13

4.6. Breakdown of transactions with customers

	2007	2008
Assets	542,695	599,425
Commercial receivables	3,500	0
Other customer financing	539,153	599,402
Ordinary debtor accounts	42	23
Factory transactions	0	0
Liabilities	20,155	34,802
Special saving accounts	1,095	14
• payable on demand	1,095	0
• payable at maturity	0	14
Other amounts owed	19,060	34,788
• payable on demand	12,842	28,806
• payable at maturity	6,218	5,982

4.7. Indeterminate term loans granted to customers

	2007	2008
Nil		
Portfolio of bonds and other fixed-income securities*	79,100	70,079
• Public sector bonds	29,469	27,610
• Corporate bonds*	49,631	42,469

4.8. Securities transactions

Breakdown of securities portfolio

2007	Trading	Investment
Bond and other fixed-income securities (net value)	11,993	67,107
Equity and other variable-yield securities (net value)	0	0
2008	Trading	Investment
Bond and other fixed-income securities (net value)	6,917	63,162
Equity and other variable-yield securities (net value)	0	0

	2007	2008
Securities transferred from one portfolio to another	0	0
Differences between acquisition and reimbursement prices	-1,037	-876
• Negative differences on trading portfolio	-542	-521
• Negative differences on investment portfolio	-495	-355
Unrealised capital gains/losses on the investment portfolio	2,797	-6,935
• Unrealised capital gain	245	0
• Unrealised capital loss	-3,042	-6,935

* Including CLN for 10 million of US dollars reclassified in short-term investments as of December, 31 2008.

Breakdown of bonds and other fixed-income securities according to residual value

2007	Trading securities	Investment securities	Total
less than 3 months	2,429	0	2,429
from 3 months to 1 year	1,030	15,294	16,324
from 1 to 5 years	5,626	46,579*	52,205
over 5 years	2,908	5,234	8,142
Total	11,993	67,107	79,100

2008	Trading securities	Investment securities	Total
less than 3 months	0	3,693	3,693
from 3 months to 1 year	0	10,175	10,175
from 1 to 5 years	6,138	47,509	53,647
over 5 years	779	1,785	2,564
Total	6,917	63,162	70,079

Equity securities and other variable-yield securities

Nil

4.9. Investment in subsidiaries and affiliates and other long-term securities

	Value as of 12.31.2007	Variations due to foreign exchange rates in 2008	Movement in 2008	Value as of 12.31.2008
Subsidiaries				
• French	0	0	0	0
<i>Provisions</i>	0	0	0	0
• Foreign	0	0	0	0
<i>Provisions</i>	0	0	0	0
Affiliates				
• French	247	0	0	247
<i>Provisions</i>	0	0	0	0
• Foreign	21,764	865	0	22,629
<i>Provisions</i>	-5,997	212	5,092	-693
Total	16,014	1,077	5,092	22,183

* Including CLN for 10 million of US dollars reclassified in short-term investments as of December, 31 0 2008.

Table of subsidiaries and affiliates (in thousands)

Financial information on subsidiaries and affiliates	Reference currency of capital	Capital (in foreign currency)	Reserves and retained earnings prior to appropriation of net income (in foreign currency)	Percentage of capital owned (%)	Book value of shares held (in euros)	
					Gross	Net
1. Subsidiary						
(+50% of the capital owned by the Bank)						
2. Affiliates						
(10 to 50% of the capital owned by the Bank)						
Greficomex, Paris*	EUR	763	-155	18.07	206	206
Global information on other shareholdings (<10%)						
1. French holdings						
OSEO Garantie Maisons-Alfort	EUR	161,782	199,509	0.0147	17	17
2. Foreign holdings						
VTB Capital plc. London	GBP	196,255	190,384	0.173	1,050	357
Swift	EUR			0.09	12	12
EVROFINANCE MOSNARBANK (IFRS) Moscow	RUB	3,510,255	5,665,662	7.97	21,567	21,567

*Investment sold in March 2009

Depositor guarantees (€42K) are not included in this table.

Loans and advances granted by the Bank not yet reimbursed (in euros)	Amount of guarantees and endorsement given by the Bank (in euros)	Net banking revenue or turnover (excl. tax) for the last financial year (in foreign currency)	Net income or loss for the last financial year (in foreign currency)	Dividends received by the Bank during the current financial year (in euros)	Comments
		5,186	195	0	As of 12.31.2007
		77,882	11,707	0.3	As of 12.31.2007
		38,268	26,250	0	As of 12.31.2007
				0	
	0	3,230,173	1,249,560	0	As of 06.30.2008

4.10. Fixed assets

	Value as of 12.31.2007	Purchases in 2008	Disposals in 2008	Depreciation in 2008	Net as of 12.31.2008
Intangible fixed assets					
Software	6,292	229	0	0	6,491
• Depreciation	-4,667	0	0	-527	-5,194
Total	1,595	229	0	-527	1,297
Tangible fixed assets					
Land and buildings used for the Bank's own activities	65	0	0	0	65
• Depreciation	-65	0	0	0	-65
Other land and buildings	665	0	0	0	665
• Depreciation	-416	0	0	-1	-417
Miscellaneous, fixtures, installa- tions, improvements	10,151	118	-1,371	0	8,898
• Depreciation	-7,441	0	1,284	-454	-6,610
Furnishings, tooling, vehicles, computer equipment	9,585	376	-175	0	9,787
• Depreciation	-8,584	0	174	-220	-8,630
Total	3,960	494	-88	-675	3,692

4.11. Changes in the provisions allocated as coverage for counter-party risk (assets/liabilities)

	Provisions stock as of 12.31.2007	New allocations in 2008	Recoveries in 2008	Variations due to foreign exchange currency rates in 2008	Provisions stock as of 12.31.2008
Depreciation of debt deducted from assets					
Financial institutions	61,927	3,651	-3,229	2,203	64,552
Customers	43,138	5,849	-461	1,648	50,174
Securities	3,318	5,261	-1,120	-524	6,935
Investment and other long-term securities	5,997	-	-5,092	-212	693
Off-balance sheet provisions					
Financial institutions	56		-45	2	13
Customers	5,126		-4,243	120	1,003
Provisions set up to cover healthy debt country risk					
Financial institutions	6,437	3,295	-2,860	286	7,158
Customers	22,151	10,503	-6,813	5,232	31,073

4.12. Debt represented by security

	2007	2008
Interest bearing notes	41	41
• less than 3 months	41	41
• from 3 months to 1 year	-	-
• from 1 to 5 years	-	-
• over 5 years	-	-
Interbank market securities and negotiable debt instruments	-	-
Bond issues	-	-
Other debt represented by security	-	-

4.13. Provisions

Book value as of 12.31.2007	New provisions in 2008	Provisions used in 2008	Provisions released in 2008	Variations due to foreign exchange rates	Book value as of 12.31.2008
10,088	150	-149	-4,288	121	5,922

of which:

Provisions for country risk on off-balance sheet commitments	1,016
Provision previously set up and maintained as a conservative measure.	4,756

4.14. Subordinated assets and liabilities

Subordinated debt (subordinated loan)

On February 14, 1992, a subordinated loan agreement was signed between the Central Bank of Russia and VTB Bank (France) SA, taken over identically by the new shareholder, Vneshtorgbank, on December 28, 2005. A clause specifies that this loan may only be reimbursed or reduced with the authorisation of the Banking Commission. The loan is broken down by currency as follows:

USD	664,824,022.54
CHF	192,135,328.69
DEM	300,363,681.45

On December 7, 1993, the agreement was modified by an endorsement which provided for an additional amount of 530 million French francs, converted into 80,412,156.51 euros and then by a second endorsement dated December 31, 1998 granting the Bank a new subordinated loan of 120 million dollars. The latter amount was reimbursed on January 25, 2002 after receiving the appropriate authorisation from the relevant authorities.

The subordinated loan is granted for the lifetime of the Bank.

On November 18, 1992, an agreement was signed by the contracting parties with a « return to profit » clause. By virtue of this clause, surplus profits over expenses as of the close-off date of the financial statements are reallocated to the subordinated loan, whereas in the reverse situation, the lender will write off sums due in respect of all or part of the deficit posted for country risk coverage purposes.

Variance of the outstanding (in thousands):

	Outstand- ings as of 12.31. 2007	Amounted reconsti- tuted in 2008	Reimbur- sement in 2008	Outstan- dings as of 12.31. 2008	Euro equivalent as of 12.31. 2008
USD	664,824	-	-	664,824	477,707
EUROS	91,700	-	-	91,700	91,700
CHF	-	22,180	-	22,180	14,936

4.15. Share capital

composed of 165,789 shares of common stock each having par value of 1,117.95 euros

	2007	2008
	185,344	185,344

4.16. Permanent funds

	2007	2008
Share capital	185,344	185,344
Subordinated debt (subordinated loan) (1)	543,316	584,343
Reserves for general banking risks (FRBG) (2)	22,113	22,113
Legal reserve	7,227	7,227
Extraordinary reserves	28,754	28,754
Retained loss	-120,423	-120,423
Year's net income	0	0

(1) Including 90.484 million euros for conservative coverage of risks as of December 31, 2008.

(2) This balance sheet item covers general risks. Allocations and reinstatements are made in accordance with prevailing rules.

4.17. Change in shareholder's equity

	Balance as of 12.31.2007	Net income 2008	Other changes	Balance as of 12.31.2008
Other shareholder's equity				
Revaluation difference				
• Tax-regulated provision	2			2
• Tax-regulated reserve	0			0
Total	2			2
Reserves for general banking risks	22,113			22,113
Reserves				
Legal reserve	7,227			7,227
Other reserves	28,754			28,754
Total	35,981			35,981
Share capital	185,344			185,344
Retained loss	-120,423			-120,423
Net income/loss	0	0	0	0
Total equity	123,017	0	0	123,017

4.18. Leaseback

The Bank has a financial leaseback agreement covering two buildings at 79/81 boulevard Haussman, 75008 Paris, the headquarters of VTB Bank (France) SA.

Value of the buildings covered under the leaseback agreement	50,760
• at the time of signature of the contract	50,760
Leasing charges paid	74,603
• for the financial year	2,936
• total as of 12.31.2007	71,667

Depreciation that would have been recorded for these items if they had been acquired by the Bank	36,550
• for the financial year	2,031
• total as of 12.31.2007	34,519
Remaining capital to be paid	2,193
• up to 1 year	2,193
• from 1 to 5 years	0
• over 5 years	0

Residual purchase price: 13,452 thousand euros resulting from the terms of the amendment dated July 1, 1999, modifying the terms of the initial contract dated December 26, 1990.

5. Off-balance sheet information (in thousands of euros)

5.1. Breakdown of off-balance sheet commitments

<i>Funding commitments</i>	2007	2008
In favour of financial institutions	10,434	500
• Associated companies	7,197	500
• Other business entities	3,237	0
In favour of customers	173,933	52,379
• Other business entities	173,933	52,379
Received from financial institutions	36,900	94,855
• Associated companies	0	71,855
• Other business entities	36,900	23,000

<i>Guarantee commitments</i>	2007	2008
In favour of financial institutions	36,703	87,740
• Associated companies	0	13,262
• Other business entities	36,703	74,478
Received from financial institutions	17,552	38,967
• Associated companies	0	27,579
• Other business entities	17,552	11,388
In favour of customers	14,125	20,207
• Other business entities	14,125	20,207
Received from customers	575,706	529,658
• Other business entities	575,706	529,658

5.2. Information on forward financial transactions and financial instruments

Principal information relative to forward financial transactions and financial instruments with respect to CRBF Regulations 88-02 and 89-01 modified by Regulations 90-01, 95-04 and by CRC regulation 2000-02.

<i>Foreign currency forward transactions</i>	2007	2008
Euros to receive against foreign currencies to deliver	77,500	106,500
Foreign currencies to receive against euros to deliver	76,173	0
Foreign currencies to receive against foreign currencies to deliver	1,325	3,090
Foreign currencies to deliver against foreign currencies to receive	1,396	3,442

Forward financial instruments

	Over-the-counter market		Organised market	
	Rate	Exchange	Rate	Exchange
2007				
Hedging transactions				
micro-hedging	0	0	0	0
macro-hedging	640,992	0	0	0
Position management transactions				
interest rate swaps	0	0	0	0
• up to 1 year	0	0	0	0
• from 1 to 5 years	0	0	0	0
• over 5 years	0	0	0	0
2008				
Hedging transactions				
micro-hedging	0	0	0	0
macro-hedging	100,000	0	0	0
Position management transactions				
interest rate swaps	0	0	0	0
• up to 1 year	0	0	0	0
• from 1 to 5 years	0	0	0	0
• over 5 years	0	0	0	0

6. Information on Income Statement (in thousands of euros)

6.1. Income from variable-yield securities

2007	Listed shares	0	2008	Listed shares	0
	Investment securities	0		Investment securities	4

6.2. Breakdown of gains or losses on short-term investment securities

	2007	2008
Investment securities	25,988	-4,330
Capital gains	27,325	50
Recoveries from depreciation	824	1,120
Capital losses	-579	-239
Allocations to depreciation	-1,582	-5,261

6.3. Breakdown of gains or losses on trading portfolio

	2007	2008
Trading portfolio	1,561	2,425
on trading securities	1,107	-1,175
on foreign exchange	450	390
on forward financial instruments	4	3,210

6.4. Commissions

	2007	2008
Expenses	675	1,063
on interbank transactions	117	511
on customer transactions	47	148
on foreign exchange transactions	17	4
on securities transactions	39	24
on financial services	455	376
Income	4,216	4,444
from interbank transactions	443	523
from customer transactions	661	633
from foreign exchange transactions	4	5
from financial services	3,108	3,283

6.5. Other income/expenses from banking transactions

	2007	2008
Income from banking transactions	331	224
Reinvoiced expenses	232	105
Miscellaneous revenue	0	0
Additional revenue	99	119

	2007	2008
Expenses on banking transactions	81	11
Retroceded revenue	81	11
Miscellaneous expenses	0	0

6.6. General operating expenses

	2007	2008
Personnel expenses	18,366	17,071
Salaries	10,939	11,382
Social contributions	4,855	4,758
Employee profit-sharing	1,500	0
Taxes and similar	1,072	931

6.7. Cost of risk

	2007	2008
Cost of risk	5,274	-8,574
On financial institutions		
• Allocations to depreciation of debt	0	0
• Recoveries from depreciation of debt	3,370	3,158
On customers		
• Allocations to depreciation of debt	-204	-4,700
• Recoveries from depreciation of debt	1,827	395
Losses on irrecoverable debt	-1,792	-3,305
Recoveries on depreciated debt	44	3
Net country risk provision reinstatement (balance sheet / off-balance sheet)		
• on financial institutions	9,235	-435
• on customers	-7,206	-3,690

6.8. Gains or losses on fixed assets

	2007	2008
Fixed assets	938	5,014
Gains or losses on intangible fixed assets	0	0
Gains or losses on tangible fixed assets	-9	-78
Gains or losses on investment securities	947	5,092
Gains or losses on equity holdings in associated companies	0	0

6.9. Extraordinary expenses and gains – Breakdown by category

	2007	2008
Expenses	-53,780	-15,144
Charges from previous years	-32	-156
Charges from the current period	-117	-52
Reconstitution of the subordinated loan	-53,631	-14,936
Income	198	140
Income from previous years	178	102
Income from the current period	20	38
Allocation from the subordinated loan	0	0

7. Other information

7.1. Personnel

	2007	2008
Average number of employees	137	130

7.2. Remuneration (in thousands of euros)

	2007	2008
Remuneration and benefits allocated to Members of the Executive Board and Executive Council for the financial year	1,802	1,697
Amount of loans granted during financial year	Nil	Nil

7.3. 2008 audit fees (in euros)

	PwC Audit	Deloitte
Statutory auditors, certification, inspection of individual accounts	154,700	152,000

7.4. Income Statement Analysis

VTB Bank (France) presents an analysis of the grand totals of the income statement by sector and geographic area.

The analysis covers two years and shows a breakdown of the NBR by sector and geographic area, the evolution of performance and gross operating income/loss.

Description of the sectors:

- CORPORATIONS : non-bank third parties, excluding market activities
- BANKS : bank third parties, excluding market activities
- MARKET ACTIVITIES : foreign exchange, cash positions and securities

Net Banking Revenue (NBR)

Net Banking Revenue is composed of banking income less banking expense, including refinancing costs. The latter are calculated in a conventional manner on the basis of an internal transfer rate according to the « unique pool » principle, according to resources of the Bank.

Management cost

The **Management Cost** corresponds to all personnel expenses and overheads, as well as fixed asset depreciation expense. Expenses linked to profit centres are posted directly. Structure and support expenses are allocated according to a cost-sharing scale in relation to headcount, surface areas occupied and other items according to the volumes of files managed.

Gains or losses on fixed assets

In 2007, the sale of the remaining holding in the capital of IMB bank resulted in a profit of 0.938 million euros. In 2008, the reinstatement of a provision for the subsidiary of the Bank, Evrofinance Mosnarbank, mainly accounted for the gains on fixed assets.

Extraordinary expense and income and income tax

Extraordinary expense and income and income tax partly includes the expense amount linked to application of the subordinated loan « return to profit » clause.

Income statement analysis

Breakdown by geographic zone and sector	Corporations		Banks	
	2007	2008	2007	2008
Other countries	3,316	2,983	-302	-305
CIS	19,555	17,576	14,529	12,571
France	215	409	-122	-84
OECD	5,195	8,737	720	126
Net Banking Revenue	28,281	29,705	14,825	12,309
Management cost by sector	-15,344	-13,734	-11,792	-10,356
Cost of risk	-7,733	-8,204	13,007	-370
Gross operating income/loss	5,204	7,767	16,039	1,582
Gains or losses on fixed assets	313	1,671	313	1,671
Extraordinary expense and income and income tax	-5,517	-9,438	-16,352	-3,254
Net income/loss for the financial year	0	0	0	0

(in thousands of euros)

Market activities		Total	
2007	2008	2007	2008
322	184	3,336	2,862
31,253	-3,061	65,338	27,086
1,676	5,346	1,769	5,671
3,154	2,497	9,069	11,360
36,406	4,965	79,512	46,979
-5,006	-4,324	-32,142	-28,414
		5,274	-8,575
31,400	641	52,644	9,990
313	1,671	938	5,014
-31,713	-2,313	-53,582	-15,004
0	0	0	0

Report of the statutory auditors on the annual financial statements Fiscal year ended December 31, 2008

Ladies and Gentlemen,

In performance of the mission entrusted to us by the Annual General Meeting, we hereby present to you our report for the fiscal year ended December 31, 2008 on:

- the audit of the enclosed annual financial statements of VTB Bank (France) SA, as appended to this report,
- justification for our assessments,
- the specific verifications and information as required by French law.

It is our duty, on the basis of our audit, to express our opinion on the annual financial statements established by your Executive Board.

Opinion on the annual financial statements

We have carried out our audit in accordance with French professional standards; these standards require us to apply the necessary procedures to obtain reasonable assurance that the annual financial statements do not present any significant misstatements. An audit consists of verifying the elements of justification for the amounts and information in the annual financial statements by sampling or any other selection method. It also consists of appraisal of the accounting principles, significant estimates adopted and the overall presentation of the accounts. We consider that the elements we have collected form an adequate, appropriate basis for our opinion.

We certify that the annual accounts, established in accordance with normal French accounting principles, give a fair and true presentation of the results of the past year's operations and the financial position and assets of the Bank at year-end.

Justification for our assessments

The financial and economic crisis, which, in particular, has been evidenced by an exceptional increase in volatility, a sharp decrease in liquidity on certain markets and difficulty when tempting to assess the economic and financial outlook, has had considerable impact on financial institutions, notably on their activities, results, risks and refinancing, as indicated in Note 2 of the Notes to the Financial Statements. This situation has created specific conditions this year for the preparation of the accounts, particularly as regards accounting estimates.

It is in this context that, in application of the provisions of Article L.823.9 of the Commercial Code relative to justification for our appraisals, we would like to bring the following elements to your attention:

Accounting rules and principles

Notes 3.6 and 3.7 of the Notes to the Financial Statements indicate the accounting rules and methods relative to the coverage of doubtful debt, country risk and assets and commitments relating to Russia. Note 4.14 indicates the accounting rules and methods relative to the subordinated loan agreement with the « return to profit » clause.

Within the framework of our assessment of the rules and accounting principles adhered to by your Bank, we have verified the adequacy of the above-mentioned accounting methods and information provided in the Notes and have ensured that they have been correctly applied.

Accounting estimates

Your Bank posts depreciation to cover credit risk inherent in its activity (see Notes 3.6 and 4.11 of the Notes to the Financial Statements). We have examined the control mechanism applied to the monitoring of credit risk, depreciation methodology and the coverage of loss of value by specific depreciation.

The criteria for the valuation of investments in subsidiaries and affiliates and other long-term securities are described under Paragraph 3.2 of the Notes. We have examined the elements that lead to the determination of the useful values. Your Bank has set up a provision, as described under paragraph 4.13 of the Notes to the Financial Statements, which is justified by the pending implementation of the Basle II agreement.

Our assessment is based on this justification.

We have assessed the reasonable nature of these estimates.

Our assessments come within the framework of our audit approach, which covers the Annual Financial Statements as a whole, and have therefore helped us to form the opinion expressed in the first part of this report.

Special verifications and information

In accordance with generally accepted professional standards in France, we have also performed special verifications, as required by law.

We have no comment to make as to the fair presentation and conformity of the information with the annual accounts provided in the Executive Board's Report or in the documents addressed to shareholders concerning the financial position and the annual financial statements.

Signed in Neuilly-sur-Seine, on April 14, 2009
The Statutory Auditors

PricewaterhouseCoopers Audit



Patrick Froitié

Deloitte Marque & Gendrot



Régis Leveillé-Nizerolle

Special report of the statutory auditors on regulated agreements Fiscal year ended December 31, 2008

Ladies and Gentlemen,

As the statutory auditors for your Bank, we hereby present our report on regulated agreements.

It is not our role to seek out the existence of other agreements but, on the basis of the information provided, to inform you of the basic characteristics of those agreements brought to our attention, without expressing an opinion on their usefulness or soundness. Pursuant to the provisions of Article R.225-58 of the Commercial Code, you are to apply your own judgement as to the conclusion of these agreements with respect to their approval.

Previously authorised agreements concluded during the year

We would like to inform you that we were not advised of any agreement concluded during the financial year relating to Article L.225-86 of the Commercial Code.

Previously authorised agreements, which continued to be implemented during the year

Moreover, in application of the Commercial Code, we have been informed of the execution of the following agreements, approved during previous financial years, which continued to be implemented during the year.

With Vneshtorgbank

On December 28, 2005, the Central Bank of Russia sold its entire majority holding in the capital of your Bank to Vneshtorgbank, together with all the rights and obligations resulting from agreements covering the subordinated loan and debt abandonment with the « return to profit » clause.

A subordinated capital loan agreement was concluded between the Central Bank of Russia and your Bank on February 14, 1992. The currency breakdown of this facility is as follows:

USD	664,824,022.45
CHF	192,135,328.69
DEM	300,363,681.45

This agreement was modified by an endorsement to the contract dated December 7, 1993, providing for an additional 530 million franc facility, converted into EUR 80,412,156.51 and by a second endorsement dated December 31, 1998 granting the Bank a new subordinated loan of 120 million USD.

On January 25, 2002, a fraction of this subordinated loan was transformed into Due to Financial Institutions (120 million USD) with the approval of the French Banking Commission General Secretariat.

A debt abandonment agreement with a « return to profit » clause was concluded on November 18, 1992 between the Central Bank of Russia and your Bank.

For the financial year ended December 31, 2008, surplus income over expenses amounting to CHF 22,180,449.43 has been assigned to reconstitute the subordinated loan, in line with the « return to profit » clause. As a result the net result for the year was nil. As of December 31, 2008, the balance of the subordinated loan amounted to USD 664,824,022.54, EUR 91,700,289.50 and CHF 22,180,449.43. The amounts of the subordinated loan to be reconstituted amount to EUR 142,285,378.74 and CHF 169,954,879.26.

With Evrofinance Mosnarbank

In liaison with the sale of Evrofinance shares decided by the Supervisory Council on March 20, 2001, the subordinated loan of USD 75,000,000 granted to Evrofinance was transformed into an interbank loan in January 2003, expiring in 2011 and guaranteed by mortgages. On August 4, 2006, a securities replacement agreement was signed relative to this 75 MUSD loan,

by virtue of which VTB Bank (France) SA accepted to replace the securities issued by the Russian Ministry of Finance (Minfin 7) with mortgages and pledged shares. This replacement enabled the loan remuneration rate to be increased from 3 to 4.5% for the portion guaranteed by mortgages.

The securities replacement agreement, extended from July 2, 2007 to August 4, 2008, was finalised in October 2007, which enabled the rate of 4.5% to be applied to the entire loan. The amount of interest for the financial year amounted to USD 3,066,996, i.e. EUR 2,203,777.

We have applied the necessary procedures to perform our mission in line with the professional standards of the French Institute of Chartered Accountants. These procedures consisted of verifying the conformity of the information provided to us with the basic documents presented.

Signed in Neuilly-sur-Seine, on April 14, 2009
The Statutory Auditors

PricewaterhouseCoopers Audit



Patrick Froti e

Deloitte Marque & Gendrot



R gis Leveill -Nizerolle

Resolutions of the ordinary general meeting on 29 april 2009

First resolution

The Annual General Meeting approves the terms of the Reports of the Statutory Auditors.

Second resolution

The Annual General Meeting approves the annual financial statements for the Bank for the year ended on December 31 2008, as presented.

Net income for the year amounts to 14.936 million euros: The Annual General Meeting decides to allocate this sum to reconstitution of the participating loan, pursuant to the 'return to profit' clause linked to the participating loan contract.

Third resolution

The Annual General Meeting approves the Report of the Executive Board and the Report of the Supervisory Council.

Fourth resolution

In consequence, the Annual General Meeting gives final discharge to the Members of the Executive Board and the Supervisory Council for the execution of their responsibilities during the past year.

Fifth resolution

The Annual General Meeting hereby allocates a total amount of USD 180,000 to the Supervisory Council as directors' fees for the year 2009.

Sixth resolution

The Annual General Meeting notes the resignation of Mr. Jean Coutancier as deputy Statutory Auditor of the firm, Deloitte Marque & Gendrot.

The Annual General Meeting accepts the appointment of JPA Chartered Accountants and Statutory Auditors, located at 7 rue Galilée, 75116 Paris, represented by Mr. Jacques Potdevin, as deputy Statutory Auditor until the end of the Annual General Meeting held to approve the financial statements for the year ended 2014, to replace Mr. Jean Coutancier, who has resigned.

Seventh resolution

The Ordinary General Meeting fully empowers its Executive Board, Chairman and the holder of a copy or extract of the Minutes evidencing its resolutions to accomplish any publication or other legal formalities arising therefrom.

Contacts

VTB Bank (France) SA
79-81, boulevard Haussmann
75382 Paris cedex 08

- Telephone: (33 1)-40-06-43-21
- Facsimile: (33 1)-40-06-48-48

- Telex: 280 200 F

- Site: <http://vtb.fr>

French Limited Company governed by an Executive Board and a Supervisory Board
Capital 185,343,812 euros
RC Paris B 562 061 671 00011

Access to the Annual Report

The Bank's Annual Report, the Report of the Executive Board in particular, can be consulted on request at the head office, 79-81, boulevard Haussmann, 75008 Paris (France).

Contacts

VTB Bank (France) SA

Address :

79-81, Bd Haussmann

75382 Paris cedex 08

France

Telephone: +33 (1)-40-06-43-21

Facsimile: +33 (1)-40-06-48-48

Internet :

<http://vtb.fr>