

AUDITOR'S REPORT
to
the Shareholders
of OPEN JOINT STOCK COMPANY
“ALFA-BANK”
on
the Published Consolidated Financial Statements
of OPEN JOINT STOCK COMPANY
as regards its Performance Results for 2006 year

BDO Unicon
Auditors and Consultants

AUDITOR'S REPORT

ON THE PUBLISHED CONSOLIDATED FINANCIAL STATEMENTS OF OPEN JOINT STOCK COMPANY "ALFA-BANK" AS REGARDS ITS PERFORMANCE RESULTS FOR 2006 YEAR

The Audit of the published consolidated financial statements of OPEN JOINT STOCK COMPANY "ALFA-BANK" (hereinafter "OJSC "ALFA-BANK") for 2006 was carried out by Closed JSC "BDO Unicon" in accordance with Contract dated 17.01.2007 No.10102-05-943/06 concluded in accordance with the resolution of the general meeting of shareholders of OJSC "ALFA-BANK" on approval of Closed JSC "BDO Unicon" as its official auditor (Minutes dated 06.06.2006 No. 03-2006).

Brief information on the auditor – Closed JSC "BDO Unicon"

Closed JSC BDO "Unicon" was registered with the Inspectorate of the RF Ministry for Taxes and Duties No. 26 for the South Administrative District of the city of Moscow.

Certificate series 77 No. 006870804 of the entry in the Uniform State Register of Legal Entities dated 29.01.2003 under state registration No. 1037739271701.

Certificate series 77 No. 005694312 of the state registration of the alterations entered into the constituent documents of the legal entity dated 25.10.2005 under state registration number 2057748766139 issued by Interdistrict Inspectorate of the RF Federal Tax Service No. 46 for the city of Moscow.

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General Director –Dubinsky Andrei Yurievich.

Closed JSC BDO Unicon has Auditing License dated 25.06.2002 No. E000547 which was issued by the RF Ministry of Finance and is valid till 24.06.2007.

Closed JSC BDO Unicon is an independent national auditing company being a member of the BDO international network.

Closed BDO Unicon is a corporate member of the professional auditors association Non-Profit Partnership "Institute of Professional Accountants of Russia (IPA of Russia) accredited with the RF Ministry of Finance in accordance with Order dated 24.07.2002 No. 152.

Deputy General Director Kopaneva Elena Dmitrievna is authorized to sign the auditor's report on the basis of power of attorney dated 25.10.2006 No. 84.

The audit of the group OJSC "ALFA-BANK" was headed by auditor Sorina Svetlana Borisovna.

Brief information on the entity audited – Group OPEN JOINT STOCK COMPANY “ALFA-BANK”

The full name of the head crediting institution is OPEN JOINT STOCK COMPANY “ALFA-BANK”.

The short name of the head crediting institution is OJSC “ALFA-BANK”.

OJSC “ALFA-BANK” has been entered into the Uniform State Register of Legal Entities – Certificate of the Russian Ministry for Taxes and Duties dated 26.07.2002 series 77 No.007893219. The basic state registration number of OJSC “ALFA-BANK” is 1027700067328.

OJSC “ALFA-BANK” carries out its activities on the basis of the Articles of Association of OPEN JOINT STOCK COMPANY “ALFA-BANK” approved by the General Meeting of Shareholders (Minutes dated 27.02.2006 No. 01-2006) as amended and supplemented. The Articles of Association was approved by the RF Central Bank on 28.04.2006, registration number 1027700067328.

OJSC “ALFA-BANK” carried out its activities in 2006 on the basis of the following licenses:

- General Banking License of the Bank of Russia dated 29.01.1998 No. 1326;
- License of the Bank of Russia dated 29.01.1998 No. 1326 for attracting deposits and placement of precious metals;
- licenses of the professional participant in the securities market for unlimited period:
 - dated 07.12.2000 No. 177-03574-010000 to carry out dealer activities;
 - dated 07.12.2000 No. 177-03471-100000 to carry out broker activities;
 - dated 07.12.2000 No. 177-03671-001000 to carry out securities management activities;
 - dated 20.12.2000 No. 177-04148-000100 to carry out depository activities;
- license dated 25.06.2002 No. 22-000-1-00049 to act as a special depository of investment funds, unit investment funds and non-state pension funds, valid till 25.06.2007;
- license dated 03.12.2004 No. 2015 to carry out activities involving information considered as state secret, valid till 03.12.2007.

The legal (postal) address and location of OJSC “ALFA-BANK”: 27, Kalanchevskaya str., Moscow, 107078.

OJSC “ALFA-BANK” has 33 branches.

1. We have audited the following attached published consolidated financial statements of OJSC “ALFA-BANK” for 2006 year (4 sheets):
 - Consolidated balance sheet as of January 01, 2007 (2 sheets);
 - Consolidated profit and loss statement for 2006 year (1 sheet);
 - Reference information on the members of the banking (consolidated) group, adequacy of own funds and amount of formed reserves for covering doubtful loans and other assets as of January 01, 2007 (1 sheet).
2. The published consolidated financial statements specified in paragraph 1 were prepared by the management of OJSC “ALFA-BANK” in accordance with the standards prescribed by Federal Law dated 21.11.1996 No. 129-FZ “On Business Accounting” (as

amended and supplemented), Instruction of the RF Central Bank dated 16.01.2004 No. 1376-U “On List, Forms and Procedure for Making and Submitting Financial Reporting Forms to the Central Bank of the Russian Federation (as amended and supplemented), Regulation of the Central Bank of the Russian Federation dated 30.07.2002 No. 191-P “On Consolidated Financial Statements” (as amended and supplemented) and other RF regulatory acts regulating the procedure for business accounting and making financial (business accounting) and consolidated statements.

The published consolidated financial statements of OJSC “ALFA-BANK” include the data of the published financial statements of OJSC “ALFA-BANK”, Open Joint Stock Company “Alfa-Bank-Bashkortostan”, Open Joint Stock Company “Subsidiary Bank “Alfa-Bank-Kazakhstan”, Amsterdam Trade Bank N.V., Closed Joint-Stock Company “Alfa-Bank-Kazan”, LLC “Rest Home with Medical Treatment “Sosny” , Limited Liability Company “Zalesie, Alfa-Russia Finance B.V., Alfa Capital Markets (USA), Inc. as of January 01, 2007.

LLC “Management Company PatriotCapital” included into the group as of January 01, 2007 has not proceeded to business as the state registration certificate was issued on January 19, 2007.

The liability for organizing the business accounting, compliance with the RF laws during performance of banking and business operations is borne by top executive of OJSC “ALFA-BANK” – Mr. Khvesyuk Rushan Fedorovich.

The liability for formulating the accounting policy, keeping business accounting books and records, submitting in due time the full and reliable financial statements is borne by chief accountant of OJSC “ALFA-BANK” – Mrs. Popova Marina Ivanovna.

The auditor is to express its opinion on the reliability in all material aspects of the submitted published consolidated financial statements of the Group OJSC ALFA-BANK and compliance of the business accounting procedures with the RF laws. The audit was not intended to give opinion on the complete compliance of the activities of OJSC ALFA-BANK with the RF laws, assess the efficiency of the top management performance.

Our opinion can not be considered by any user of the financial statements as expressed confidence in the continuity of the business of Group OJSC “ALFA-BANK” in the future.

3. We have performed the audit in accordance with:

- Federal Law dated 07.08. 2001 No. 119-FZ “On Auditing Activities” (as amended and supplemented);
- Federal Law dated 02.12.1990 No. 395-1 “On Banks and Banking Activities” (as amended and supplemented);
- Federal Rules (Standards) of Auditing Activities approved by Resolution of the RF Government dated 23.09.2002 No. 629 (as amended and supplemented);
- In-House Rules (Standards) of the accredited professional accountants association IPA of Russia;
- Other regulatory acts regulating auditing activities as well as corporate audit standards and methodology.

The audit was planned and carried out in such a manner as to gain reasonable confidence that the published consolidated financial statements of Group OJSC ALFA-BANK contain no material errors and falsifications.

The audit was performed on a random basis and consisted of the analysis on a test basis of the evidence confirming the figures in the published consolidated financial statements and disclosure of the financial information contained therein, appraisal of the observance of the business accounting principles and rules applied for preparing the published consolidated financial statements, review of the estimated key indices calculated by the management of OJSC "ALFA-BANK" as well as estimate of the representation of the published consolidated statements of Group OJSC "ALFA-BANK".

We believe that the audit performed gives us sufficient grounds to express our opinion on the reliability in all material aspects of the attached published consolidated financial statements and compliance of the business accounting procedures with the RF laws.

4. We are of the opinion that the consolidated balance sheet, consolidated profit and loss statement, reference information on the members of the banking (consolidated) group, adequacy of own funds and amount of formed reserves for covering doubtful loans and other assets represent truly in all material aspects the financial state of the Consolidated Group OJSC "ALFA-BANK" as of January 01, 2007 and financial and economic performance results for a period from January 01 to December 31, 2006 inclusive.

25.05.2007

Deputy *(signed)*
Director
General

E.I. Kopaneva
Qualification Certificate No. K 021430 for bank auditing, issued in accordance with Order of the Russian Federation Ministry of Finance dated 23.12.2004 No. 359 for unlimited period.

Auditor *(signed)*

S.B. Sorina
Qualification Certificate No. K 010060 for bank auditing issued in accordance with Order of the Russian Federation Ministry of Finance dated 30.12.2003 No. 448 for unlimited period.

Round seal: Closed Joint Stock Company* 037739271701* Moscow
BDO Unicon

A total of 9 sheets are stitched.

OKATO territorial code	Code of crediting institution			
	As per OKPO	Basic state registration number	Registration number/(sequence number)	BIC
45286565000	09610444	1027700067328	1326	044525593

Consolidated Balance Sheet
as of 01.01.2007

Name of the head crediting institution: Open Joint Stock Company Alfa-Bank
Postal address: 27, Kalanchevskaya str., city of Moscow, 107078

Form code 0409802
Annual
thous. rubles

No.	Item of consolidated balance sheet	As of the reporting date	As of the corresponding date of the previous year
1	2	3	4
I	ASSETS		
1	Cash funds	10428523	7238776
2	Funds of crediting institutions with the Central Bank of the Russian Federation	15227697	9421285
2.1.	Obligatory reserves	5746446	4243382
3	Funds with crediting institutions	4598781	6013295
4	Net investments into trading securities	8864156	9618071
5	Net loan debts	333006268	229705054
6	Net investments into investment securities held until maturity	1779824	1036936
7	Net investments into securities available for sale	4725378	4001053
8	Investments into affiliates	0	0
9	Positive goodwill	93	19762
10	Fixed assets, intangible assets and inventories	3729204	3831998
11	Interest claims	461932	365895
12	Other assets	3402199	2866611
13	Total assets	386224055	274118736
II	LIABILITIES		
14	Loans of the Central Bank of the Russian Federation	0	0
15	Funds of crediting institutions	49242176	32627742
16	Funds of customers (non-crediting entities)	273121319	196448476
16.1	Deposits of individuals	72232760	49681736
17	Issued bonds	14375873	10427029
18	Interest liabilities	1759236	115304
19	Other liabilities	5271864	4258166
20	Negative goodwill	120261	134890
21	Reserves for possible losses under contingent liabilities of credit nature, other possible losses and under transactions with residents of off-shore zones	1093924	1401504
22	Total liabilities	344984653	246450111
III	SOURCES OF OWN FUNDS		
23	Funds of shareholders (members)	1328038	100820
24	Own shares (stakes) repurchased from		

	shareholders (members)	0	0
25	Issue income	28761931	19903119
26	Asset revaluation	900322	988180
27	Funds and retained profit (non-repaid losses) of previous years	7016219	5132259
28	Deferred expenses and future payments affecting own funds	2262299	1395631
29	Profit (loss) to be distributed for the reporting period	5494959	1928658
30	Total sources of own funds	41239170	27557405
31	Share of minority shareholders (members)	232	111220
31.1	Share of own funds attributable to minority shareholders (members)	216	107079
31.2	Profit (loss) owned attributable to minority shareholders (members)	16	4141
32	Total liabilities	386224055	274118736
IV	Off-balance sheet liabilities		
33	Irrevocable liabilities	21995888	207421546
34	Guarantees issued	72261060	61191513

Acting Chairman of the Executive Board (signed) A.B. Sokolov

Chief Accountant (signed) M.I. Popova

Round seal: *Moscow* Open Joint Stock Company
Alfa-Bank

Banking reporting

OKATO territorial code	Code of crediting institution			
	As per OKPO	Basic state registration number	Registration number(/sequence number)	BIC
45286565000	09610444	1027700067328	1326	044525593

Consolidated Profit and Loss Statement
for year 2006

Name of the head crediting institution: Open Joint Stock Company Alfa-Bank
Postal address: 27, Kalanchevskaya str., city of Moscow, 107078

Annual
thous. rubles

No.	Item of consolidated profit and loss statement	As of the reporting date	As of the corresponding date of the previous year
1	2	3	4
	Interest received and similar income from:		
1.	Placement of funds with crediting institutions	1766266	1349430
2.	Loans issued to customers (non-crediting institutions)	20166513	15557864
3.	Funds leased out	0	0
4.	Fixed-income securities	791919	770222
5.	Other sources	44950	34173
6.	Total interest received and similar income	22769640	17711689
	Interest paid and similar expenses on:		
7.	Attracted funds of crediting institutions	2268326	1399305
8.	Attracted funds of customers (non-crediting entities)	6342886	4498604
9.	Issued bonds	512167	676730
10.	Total interest paid and similar expenses	91223361	6574339
11.	Net interest and similar income	13646261	11137050
12.	Net income from securities transactions	364930	267081
13.	Net income from foreign exchange transactions	425165	221054
14.	Net income from precious stones transactions and other financial instruments	-159013	216387
15.	Net income from foreign currency revaluation	-1563624	466787
16.	Commission fee income	4402973	2956645
17.	Commission fee expenses	1378108	840540
18.	Net income from one-time transactions	191316	136981
19.	Other net transaction income	-191644	-176816
20.	Administrative-and-managerial expenses	10569565	6540043
21.	Possible loss reserves	2591516	-4515926
22.	After-tax profit (loss) share of affiliate	0	0
23.	Pre-tax profit	7760207	3328660
24.	Charged taxes (including profit tax)	2265232	1395861
25.	Profit (loss) for the reporting period	5494975	1932799
26.	Profit (loss) attributable to the group	5494959	1928658
27.	Profit (loss) attributable to the minorities (minor members)	16	4141

Acting Chairman of the Executive Board (signed) A.B. Sokolov

Chief Accountant (signed) M.I. Popova

Round seal: *Moscow* Open Joint Stock Company
Alfa-Bank

Banking reporting

OKATO territorial code	Code of crediting institution			
	As per OKPO	Basic state registration number	Registration number(/sequence number)	BIC
45286565000	09610444	1027700067328	1326	044525593

Reference Information on the Members of the Banking (Consolidated) Group, Adequacy of Own Funds and Amount of Formed Reserves for Covering Doubtful Loans and Other Assets
as of 01.01.2007

Name of the head crediting institution: Open Joint Stock Company Alfa-Bank
Postal address: 27, Kalanchevskaya str., city of Moscow, 107078

Form code 0409812
Annual

No.	Item	As of the reporting date	As of the corresponding date of the previous year
1	2	3	4
1	Members of the banking (consolidated) group:		
1.1.	OJSC "Alfa-Bank"		
1.2.	OJSC "Alfa-Bank-Bashkorstan"	99.9	88.7
1.3.	OJSC "Subsidiary Bank "Alfa-Bank-Kazakhstan"	100.0	100.0
1.4.	Amsterdam Trade Bank N.V.	100.0	100.0
1.5.	CJSC "Alfa-Bank-Kazan"	100.0	100.0
1.6.	LLC "Rest Home with Medical Treatment "Sosny"	100.0	100.0
1.7.	LLC "Zalesie"	100.0	100.0
1.8.	Alfa-Russia Finance B.V.	100.0	100.0
1.9.	Alfa Capital Markets (USA) Inc.	100.0	100.0
1.10.	LLC "Management Company "PatriotCapital"	50.0	0.0
2	Reference information on Adequacy of Own Funds and Amount of Group's formed Reserves for Covering Doubtful Loans and Other Assets		
2.1.	Amount of own funds, thous. rubles	47066659.0	33462891.0
2.2.	Rated adequacy of own funds, percent	10.0	10.0
2.3.	Actual adequacy of own funds, percent	12.3	11.4
2.4.	Amount of actual reserve for possible losses under loans, loan debts and other similar debts, thous. rubles	25344430.0	27675677.0
2.5.	Amount of actual reserve for possible losses, thous. rubles	1247296.0	1366862.0

Acting Chairman of the Executive Board (signed) A.B. Sokolov

Chief Accountant (signed) M.I. Popova

Round seal: *Moscow* Open Joint Stock Company
Alfa-Bank

Stamp: A total of 9 sheets are stitched and sealed
Deputy General Director
CJSC BDO Unicon (signed) D.A. Taradov
May 25, 2007

Round seal; *Moscow* Closed Joint Stock Company BDO Unicon