

Chairman's statement

Dear Shareholders, Clients, and Partners of Promsvyazbank,

First, I would like to thank all of you for your trust and cooperation, and assure that in the future, the Bank will continue to do everything in our power to strengthen our relationship and facilitate its development, which, in turn, will contribute to the rebirth and flourishing of Russia.

The principal event of 2007 that determined the future of Promsvyazbank was the adoption of a new development strategy, aimed at achieving a leading position among privately-owned Russian banks.

Our performance measurement focusses not just on the size of the Bank's total assets, but also on the efficiency of their utilization, the implementation of cutting-edge information technology, the employment of the best banking specialists, and as a result, the long-term strengthening of our brand name and our excellent reputation both in Russia and abroad.

The results for the year 2007 evidence that our goal is achievable: in terms of the growth in the key indicators, be they total assets or loans and client funding, our Bank significantly exceeded the averages for the Russian banking system. For the past few years, Promsvyazbank has been firmly positioned among the 15 largest banks in Russia, and

according to the results of 2007, we have improved our positions in the country rankings.

Much had already been done in 2007 for the achievement of our strategic goal. Alongside with the creation of new products and the launch of a new lending programme for small and medium-sized enterprises, the internal structure of the Bank was improved, and several new units were created within the Bank's organizational structure, including risk management, strategic planning, corporate governance, and quality management. The Bank also began forming a matrix-based management structure for the branch network.

Even more important goals are ahead for us in 2008. Given the crisis in the world financial markets that began in late 2007, our mission is to maintain a dynamic pace of development, to fulfill our plans of increasing total assets, while maintaining the profitability and efficiency of operations, and to continue to perfect our internal management and information systems.

I would like to wish our Clients and Partners that their businesses may develop and thrive, that they may achieve new heights, and experience continued success. Promsvyazbank will always stand ready to cooperate fully with you towards achieving these goals, and I hope that our mutually beneficial collaboration will continue for a long time.

A. N. Ananiev

**Chairman of the Board
of Directors**