Annual Report 2011

Annual Report
2011

Amsterdam Trade Bank
Member of Alfa • Bank Group

Contents

General Information

Profile

Amsterdam Trade Bank N.V. ('the Bank') is an independent financial institution under the supervision of the Dutch Central Bank (De Nederlandsche Bank N.V.). The Bank is part of the Alfa Group, one of the largest Russian private financial-industrial conglomerates. Alfa-Bank is the largest private commercial bank in Russia with over 100 branches.

The main business areas of the Bank are:
- **Corporate banking**: commercial lending and corporate lending for clients of the Alfa Group in Russia and the other CIS-CEE countries;
- **Trade finance:** commodities finance, structured finance, asset-backed finance for companies trading with or from Russia and the other CIS-CEE countries;
- **Special products:** treasury and payments services for companies trading with and from Russia and the other CIS-CEE countries.

Vision and Mission

It is the Bank's vision to be recognised as an international dynamic bank, with a well-established network in the financial community in Russia, the other CIS-CEE countries and Western Europe. The Bank aims to be the bank of choice for financial interactions between CIS and Europe.

The mission of the Bank is working with a diverse, competent and strong team of professionals, performing to the highest standards and supporting clients with excellent service and high-quality financial products, based on its niche position and experience in international financial markets.

The Bank strives for a medium-term average return on equity that is commensurate with the increased level of risk that is inherent in its geographical focus using rigorous controls and portfolio techniques.

It is the Bank's vision to be recognized as the institution of choice on the savings and deposits markets. The Bank aims to continuously offer high quality services and attractive products to the retail customers. In order to safeguard the entrusted funds, the Bank has developed robust procedures for monitoring risks.

Strategy

The Bank wants to be the gateway to the West for companies from Russia and the other CIS-CEE countries. In the other direction, the gateway to the East for companies from Western Europe.

Traditionally, the Bank has supported clients of the Alfa Group, particularly from Russia, Ukraine, Belarus and Kazakhstan, with Western banking products. Corporate lending is usually done in US dollars and remains one of the strategic goals. In this respect the Bank is considered a centre of competence in Trade Finance within the Alfa Group.

A third group of activities comprise the special products: treasury support and payment services. Further growth in these activities is likewise a strategic goal.

Funding for the activities of the Bank is sourced considerably from the retail savings market of savings accounts and time deposits in the Netherlands, Germany and Austria. In 2012 the Bank will seek to raise some EUR 400 million from available funding sources. The Bank is aiming for a greater spread in its funding with a view to financing growth of its activities, partly by sourcing funding from financial institutions and by creating new lines at major banks, insurers and entrepreneurs in Russia.

Report of the Supervisory Board

We are pleased to present the financial statements of Amsterdam Trade Bank N.V. ('the Bank') for the year ended December 31st, 2011 as prepared by the Board of Managing Directors and adopted by ourselves. These statements have been audited by KPMG Accountants N.V..

We recommend the Shareholder to adopt the financial statements 2011 as presented and to discharge the members of the Board of Managing Directors and the oversight exercised by the Supervisory Board. On adoption of the profit appropriation contained therein, no dividend will be distributed for the 2011 financial year.

We would like to express our gratitude to all our clients for placing their trust in our bank.

The Supervisory Board met five times in the course of 2011 and was very appreciative of the open dialogue with the Board of Managing Directors. The topics for discussion included the annual and quarterly figures, budgeting, strategy, business development and the Corporate Governance.
The Audit Committee met twice in the same period and discussed various financial reporting related issues, reports of internal control, internal auditor, external auditor, and the Board of Managing Directors.
The Risk and Compliance Committee met three times and discussed various risk reporting related issues and compliance matters reported by the Compliance Officer.
The Remuneration and Nominating Committee had two meetings.

The committee meetings were attended by all members, except for one meeting of the Risk and Compliance Committee at which the attendance was 75%.

In order to adhere to the Dutch Banking Code, the Bank continued its training program during 2011 in which all members of the Supervisory Board and the Board of Managing Directors were participating. This year the training program aimed to enhance the required knowledge in areas such as Corporate Governance and Regulatory framework.

The following members of the Supervisory Board resigned: Mr. Nazariyan as from November 1st, 2011, Mr. Drovossekov as from December 1st, 2011 and Mr. Jonach as from March 1st, 2012. The Bank would like to thank these members for the duties they have performed.

The following members entered the Supervisory Board during 2011: Mr. Tatarchuk and Mr. Degle have been appointed as from December 1st, 2011. We are pleased that they joined our company.

We wish to compliment the Board of Managing Directors and the staff for their work and dedication. We would like to thank Mr. Czurda who resigned as chairman of the Board of Managing Directors as from April 1st, 2012.

Amsterdam, March 23rd, 2012

Supervisory Board:

K.A. de Jong, Chairman
L.N. Degle
R. D. James
V.V. Tatarchuk
A. van 't Veer

Operational review

Market developments in 2011

Sentiment in the markets in Europe in which Amsterdam Trade Bank ('the Bank') operates fluctuated strongly during the year, following a positive start to the year, with an optimistic mood and highly liquid markets.

The Russian economy grew by 4.1% in 2011 (compared to 3.8% in 2010), and according to the World Bank it is expected to continue to grow by 3.3% in 2012 and 3.5% in 2013. The economy of the other Commonwealth of Independent States (excluding Russia) grew by 5.5% in 2011 (compared to 6.0% in 2010), and according to the International Monetary Fund it is expected to continue to grow by 4.4% in 2012 and 4.7% in 2013. To achieve the expected growth percentages, the domestic demand has to expand in line with gradual improvements in the labour and credit markets in Russia and the other CIS countries.

Despite basically favourable market conditions, margins were pressured due to the large volumes of liquidity that were brought onto the market by the Western central banks. Banks utilised the market situation by investing in high-yield markets.

Market conditions changed dramatically in September. This was caused mainly by growing concern about the financing of government debt of several countries in Europe, mainly Greece, Italy, Portugal and Spain. Banks withdrew their funds on a massive scale from high-risk countries, including Russia. This led to a sharp rise in interest rates in those countries. For the Bank, this produced new opportunities for financing activities of companies in and to these countries from Amsterdam, which significantly improved the Bank's market position in these countries.

The Bank organised two marketing events in Amsterdam to capitalise on the opportunities presenting themselves and to strengthen its position in the market. One meeting targeted corporate clients and prospects. Another meeting was aimed chiefly at strengthening ties with other financial institutions and investors, to promote the desired broadening of funding of activities. Both meetings were very successful and led to contacts with numerous new clients and institutions. The new corporate relations include companies with ties to Russia, as well as Dutch companies planning to expand in the Russian market.

Profile of the Bank per business line

The activities of the Bank can be divided into three segments:

Corporate banking: commercial lending and corporate lending for clients of the Alfa Group in Russia and the other CIS-CEE countries (40% of activities);

Trade finance: commodities finance, structured finance, asset-backed finance for companies trading with or from Russia and the other CIS-CEE countries (30% of activities);

Special products: treasury and payments services for companies trading with and from Russia and the other CIS-CEE countries (30% of activities).

Report of the Board of Managing Directors

Amsterdam Trade Bank is the 'Gateway to the East' for Western companies and vice versa for companies from Russia and the other CIS-CEE countries. Clients include companies in Russia and the other CIS-CEE countries, and increasingly companies in Western countries.

Traditionally, the Bank's activities are aimed at financing goods exports, mainly commodities, from Russia to the West. The associated risks for the Bank consist of the performance risk in Russia and the payment risk in the West. The Bank is also active in the field of classic trade finance.

In corporate banking, the Bank's prime focus is on supporting activities of Russian and other CIS companies in Western Europe. One of the activities is lending on secured basis. Key strengths in doing so are the Bank's knowledge of the required documents, of the people involved in this and of statutory and regulatory requirements in Western Europe. The Bank is a truly international bank. Clients of the Bank in corporate banking are large and quality corporates in Russia, Belarus, Ukraine and Kazakhstan. The Bank is able to offer these companies better rates from Amsterdam than they are able to obtain in their home markets.

In special products, products and services are offered that are closely related to the other activities of the Bank. Examples include forex solutions in US dollar/euro, hedging of interest rates for professional clients and payment services in euros from Russia and other CIS countries in Europe and vice versa. The Bank is also the preferred bank for Russian companies in Europe and also provides escrow account services.

Part of the Banks's activities consists of services that are not considered to be core business by the major European banks, but which form a good and profitable addition to other activities for a bank of Amsterdam Trade Bank's size. The Bank can compete in those areas as a small niche bank that is non-bureaucratic, customer-driven, client-focused and flexible.

Key developments in 2011

In 2011 the Bank took a number of significant steps to strengthen its position, organization and profile. Various selective marketing initiatives, including the participation in the trade mission of the Dutch Prime Minister Rutte to Russia, led to new contacts and strengthened the Bank's position in relations with large companies in Russia and the Netherlands. The trade mission was accordingly an important event for the Bank.

In a client satisfaction survey conducted by Independer.nl, the largest comparison site for financial products in the Netherlands, the Bank was ranked among the five best suppliers of savings and deposit products in the Netherlands. The Bank achieved a score of 7.9 on the five criteria: readiness to serve clients, speed of service delivery, delivering on agreements and value for money (price/quality). Large banks such as Rabobank, ING, ABN Amro Bank and SNS Bank achieved an average score of 6.

Report of the Board of Managing Directors

Key financials

The results continued to improve in 2011. The loan portfolio increased significantly during the last quarter of 2011 and reached EUR 1.320 million as per year end (2010: EUR 863 million).

The total assets at year-end 2011 amounted to EUR 2,841 million (2010: EUR 2,471 million). The Bank's retail funding in the Netherlands and Germany slightly decreased to EUR 1,052 million at year end (2010: EUR 1,121 million).

Interest, commissions and other income increased by 73% to EUR 66 million, while operating expenses (excluding value adjustment to loans and advances to customers) increased by 33% to EUR 29 million, leading to an operational result before tax of EUR 27 million (2010: EUR 11 million). The increase of total income in 2011 is partly offset by the profit sharing fee charged to the Bank by Alfa Group banks amounting to EUR 6.8 million (2010: EUR 7.7 million).

The movement in the value adjustment to loans and advances to customers mainly consists of an addition to the loan loss provision of EUR 32 million and a release of the provision amounting to EUR 22 million. This loan loss provision is based on a careful and prudent assessment and relates to a relatively small number of clients that is negatively affected by weak financial circumstances in their sector. The loan loss provision also includes a provision for incurred but not reported (IBNR) credit losses of EUR 2.1 million (2010: EUR 1.5 million). The cost to income ratio before provisions significantly improved to 44% (compared to 58% in 2010).

Net profit after taxation came to EUR 36.3 million (2010: EUR 8.2 million). The increase in net profit is mainly due to an increased interest margin, which resulted from higher loan volumes and lower interest expense as a result of decreased interest rates paid on private savings and deposits. Furthermore, the 2011 net profit of EUR 36.3 million compared to 2010 is positively impacted by an one-off tax refund of EUR 16.9 million (including interest).

Capital Adequacy

The Bank's BIS ratio, calculated under Basel II regulations, stood at 18.2% at year-end 2011 (in 2010: 26.5%) evidencing an increase of risk weighted assets mainly due to a significant increase of the loan portfolio with nearly EUR 460 million, distribution of EUR 8 million dividend deducted from equity during the year and considering additional prudential requirements.

The Bank continues to monitor the Capital Adequacy through its Internal Capital Adequacy Assessment Process (ICAAP) framework following Basel II (Pillar 2) requirements. The internal capital requirement is calculated for concentration risk, country risk, interest rate risk in the banking book and its adequacy is evaluated on a regular basis under a severe but plausible stress testing scenario. As from 2011, in the context of the migration to the Basel III regime, the Bank provided the Dutch Central Bank with the migration plan for the implementation of the new regulations. Subsequently, weekly monitoring of the Banks' capital buffers, leverage ratios, liquidity coverage ratios (LCR) and net stable funding ratios (NSFR) is conducted.

Risk management

Risk management is of eminent importance to the Bank. In its business the Bank incurs an increased level of risk, which is inherent to the Bank's geographical focus. The Bank uses rigorous controls and portfolio techniques to manage risks and continually evaluates the potential risks and assesses the measures that can mitigate these risks. The Bank is exposed to various risks, mainly:

- Credit risk
- Country risk
- Liquidity risk
- Market risk
- Operational risk
- Reputation and Compliance risk

The Bank follows the 'three lines of defence' concept. The first line is formed by the control measures that are included in the operating processes and that have to be monitored by the line managers' internal control activities. The second line consists of the monitoring role by specialists of the Risk Management and Compliance departments, which operate independently from commercial activities. The third line is the internal audit function.

The Bank continues to use derivative transactions to hedge foreign exchange and interest rate risk. For further information relating to Policies, Risks and Risk Management we refer to the relevant paragraph in the financial statements.

In the last few years the Bank reduced its exposure in Russia from above 50% to around 14% in 2011. The Dutch Central Bank modified core capital regulations for certain countries with effect as from July 2010. This means that additional capital requirements are imposed if exposure exceeds 5% in a number of markets. This makes it more expensive for banks to compete in those markets. The aim is to mitigate the effects of these measures by diversification of activities into other markets. The Bank is therefore seeking to expand its activities into a limited number of selected markets including China, Turkey and Brazil. Increasingly, the Bank's policy will focus on the Growth Eight countries, among others; Russia, China, India and Brazil, as well as Turkey. These are countries with large trade flows with Russia.

The tightening of the risk management organisation that was started in 2010 was completed in 2011. Policies, procedures and systems now meet stringent requirements. In 2011 a start was made on setting up a market risk management function, in anticipation of a more active role of the Bank in the field of treasury activities. This process is planned to be completed in 2012. In addition, a start will be made in 2012 on optimising the operational risk organisation.

Compliance

The Compliance Department is responsible for oversight of the corporate clients of the Bank who mainly have a background in one of the other CIS countries. This is of key importance, for instance, for around 100,000 retail clients in the Netherlands, Germany and Austria, who entrust their savings to the Bank. These clients are covered by the Dutch Deposit Guarantee Scheme of the Dutch Central Bank for savings and deposits up to EUR 100,000.

In 2011 a new compliance policy was introduced within the Bank to ensure continued alignment with the most recent regulations. Employees received training on complex compliance issues relating to specific activities such as trade finance and correspondent banking. Due to the new activities in the field of treasury in 2012 the Bank will also increasingly be subject to MiFID regulations. The Bank worked on preparations for this in 2011.

The Compliance Department of the Bank operates fully independent from the parent company. The main focus of the department includes client acceptance, monitoring of client conduct, internal oversight of employees' conduct and contacts with correspondent banks on clients and transactions.

There have not been any internal compliance incidents in the year 2011.

Banking Code

The Bank has adopted the Dutch Banking Code effective as from January 1st, 2010. Implementation was realized in close cooperation with the Supervisory Board. The required topics of the Dutch Banking Code have been addressed in detail and during 2011 an updated statement has been published on the Bank's website.

In 2011 the Bank put significant efforts in ensuring ongoing compliance with the Dutch Banking Code focusing in particular on the role of the Board of Managing Directors and the Supervisory Board (Corporate Governance), the annual re-assessment of the Bank's risk appetite, the subsequent monitoring using a risk appetite dashboard and systematic reporting of actual risks (Risk Management), Permanent Learning for all Board members and the development of a new remuneration policy. The Bank has further strenghtened its Internal Audit capabilities in 2011.

The interest of the customer has always been a priority to the Bank. The Bank considers the interests of its customers during the acceptance process by drawing up a customer profile and assessing their operations. Also during the development of new products, considered attention is given to the interests of the customer.

A full report on the implementation of the Banking Code by Amsterdam Trade Bank is available on the web site of the Bank.

People & Operation

The number of employees rose to 119 FTEs at year-end 2011, from 98 at year-end 2010. As part of the process of strategic change and the growth targeted in new services and market segments. Since the start of the strategic change, new employees have been appointed in around 50% of the positions within the Bank. The new employees are generally experienced bankers with specific experience acquired at other banks. Activities that have been strengthened by new senior hires include trade and commodity finance, where client relationships depend significantly on personal contacts.

A business support department was created within the Bank in 2011. Its purpose is to facilitate the smooth operation of key support processes, such as collateral monitoring, contract administration, documentary and account services.

Outlook 2012

Market conditions in 2012 are expected to continue to be determined to a significant extent by the credit crunch that has also had a strong impact on the market in Russia and the other CIS countries. What this means for Russian banks is that there are significantly more opportunities in these markets, from which European banks have largely withdrawn, compared to a few years ago.

In 2012 the Bank will focus strongly on strengthening the cooperation with Alfa-Bank Russia in supporting large corporate clients in Russia. This is expected to contribute in achieving the goal of raising the share of special products in the activities from around 20% to around 30%.

The implementation of a new treasury system will enable the Bank to offer more sophisticated solutions to corporate clients in 2012. In addition to expanding the treasury activities, the Bank is also aiming to expand payment services for corporate clients.

The Bank also intends to source more wholesale funding for its activities from Russia by placing rouble bonds and dollar bonds in 2012. Options are also being considered for loans with small and medium-sized banks in Germany and Austria.

Statement by the Board of Managing Directors

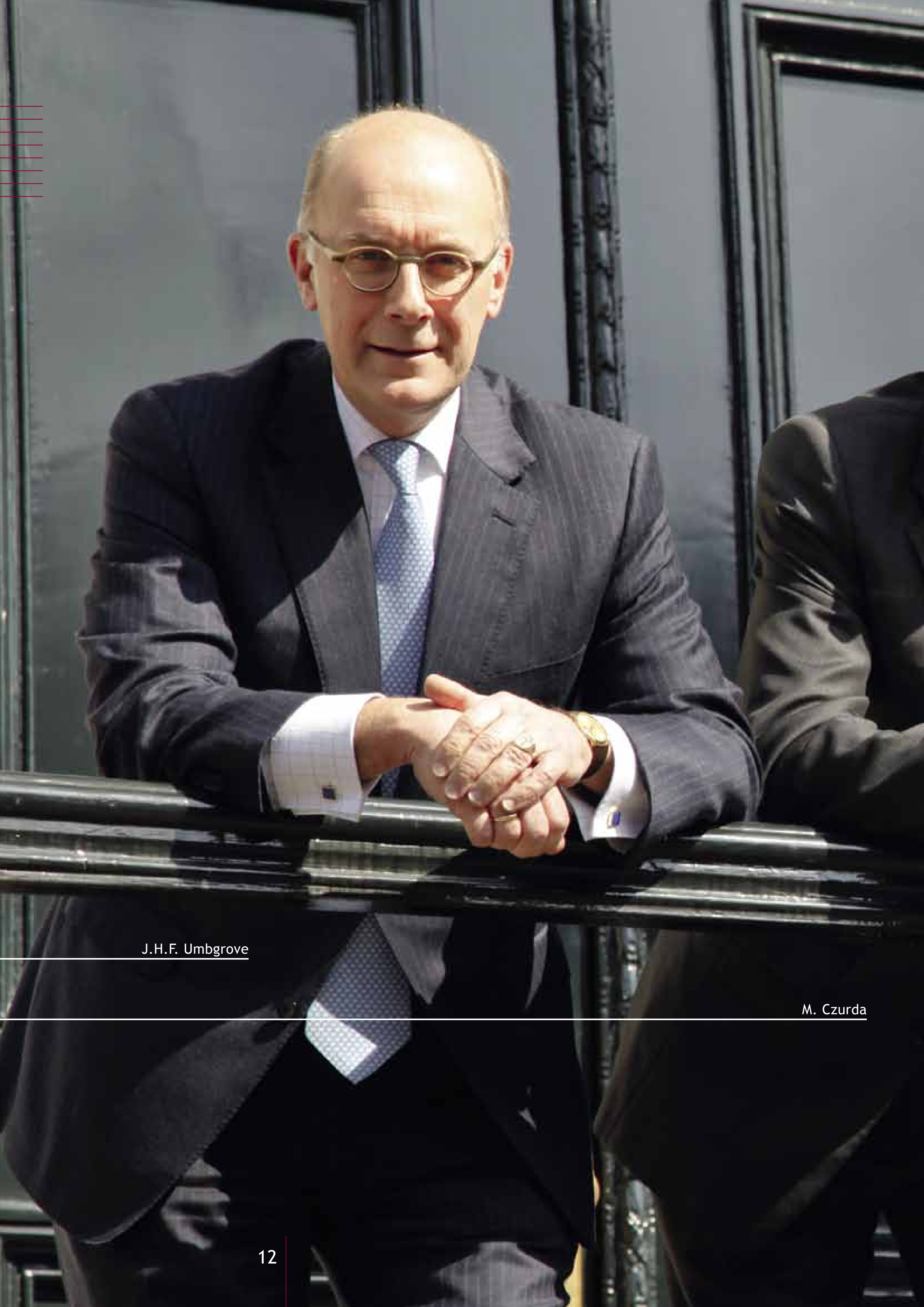
Statement by the Board of Managing Directors pursuant to Section 5.25c (2c) of the Financial Supervision Act. To our knowledge:

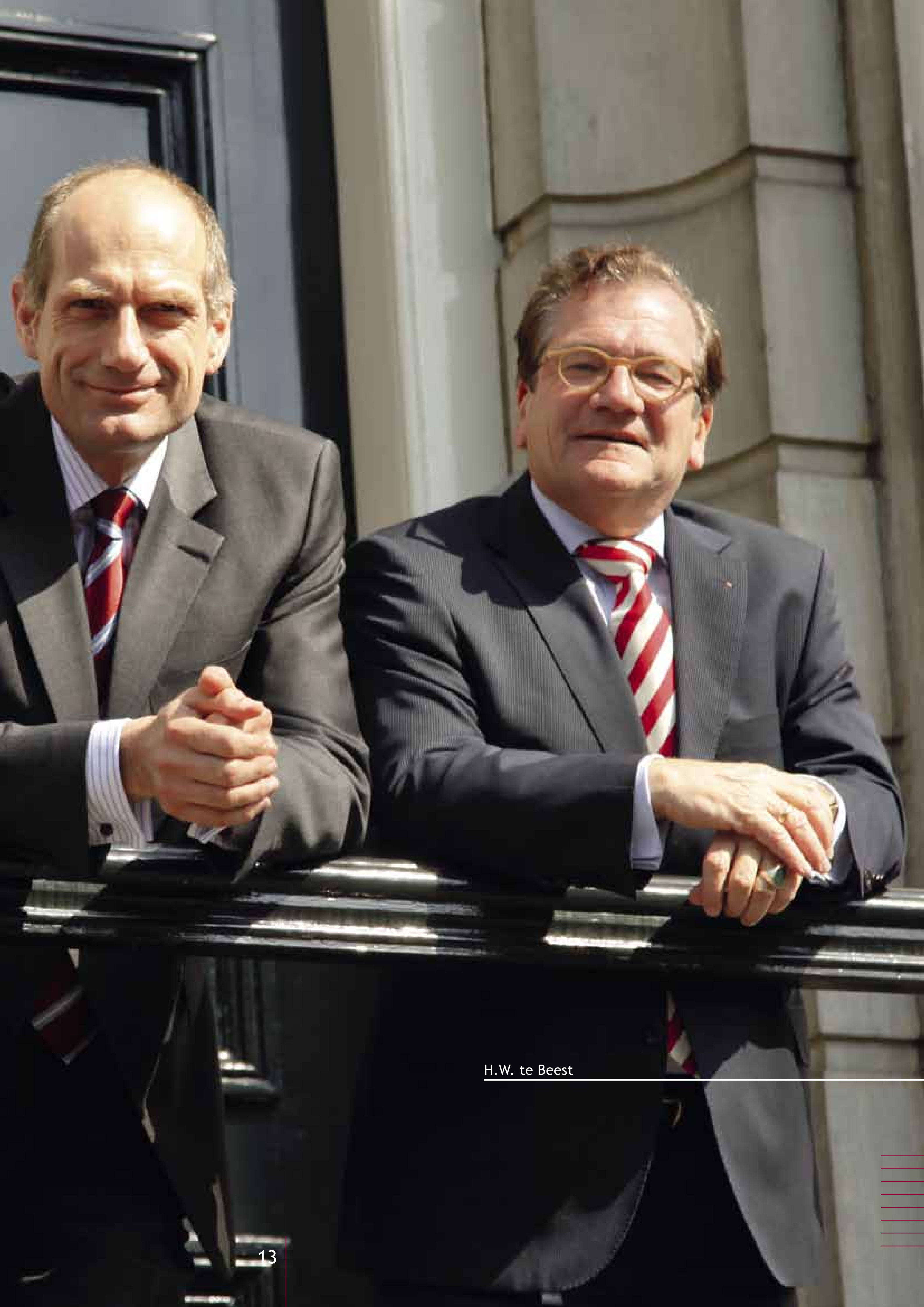
1. The financial statements give a true and fair view of the assets, liabilities, financial position and the profit and loss account of the Bank; and
2. The annual report gives a true and fair view regarding the balance sheet as at December 31st, 2011, the state of affairs of the Bank during the financial year, and the principal risks confronting the Bank are disclosed.

Amsterdam, March 23rd, 2012

Board of Managing Directors:

M. Czurda, Chief Executive Officer
H.W. te Beest, Chief Financial Officer
J.H.F. Umbgrove, Chief Risk Officer


J.H.F. Umbgrove
M. Czurda



H.W. te Beest

Corporate Governance

Board of Managing Directors

The Board of Managing Directors is responsible for the management of Amsterdam Trade Bank N.V. ('the Bank'), each of its three members having specific areas of interest within an allocation of duties. The members of the Board of Managing Directors are appointed by the General Meeting of Shareholders upon nomination of the Supervisory Board.
In accordance with best practices, the Board of Managing Directors submits the Bank's operational and financial objectives together with the strategy to achieve stated goals to the Supervisory Board for its consideration and approval. The outlined objectives and strategy include detailed parameters to be applied in relation to the strategy, such as the company's financial ratios and capital adequacy level.

Supervisory Board

Oversight of the Board of Managing Directors and the general course of affairs of the Bank and business connected therewith is entrusted to the Supervisory Board. The Supervisory Board also assists the Board of Managing Directors by giving advice. The members of the Supervisory Board are required to act in accordance with the interests of the Bank. Pursuant to the Articles of Association, Supervisory Board members are empowered to obtain any information they deem necessary for the performance of their duties. Members of the Supervisory Board are appointed by the General Meeting of Shareholders. Each member of the Supervisory Board is expected to be capable of assessing the broad outline of overall policy, in addition to having the specific expertise required to fulfill his or her designated role.
The Supervisory Board currently consists of five non-executive members. Specific issues are dealt with and prepared in the Audit Committee appointed by and consisting of a number of members of the Supervisory Board.

Audit Committee

The Audit Committee's main task is to assist the Supervisory Board in monitoring the adequacy and integrity of the Bank's financial statements, the auditor's competence and independence, the performance of the internal audit function, and the audit findings on the quality and effectiveness of the system of governance, risk management and the Bank's control procedures. The Audit Committee reports its findings to the Supervisory Board and these findings are discussed in the plenary meetings of the Supervisory Board.

Risk and Compliance Committee

The Risk and Compliance Committee's main task is to assist the Supervisory Board in supervising the Bank's risk policy, appetite for and profit on market risk, credit risk, investment risk and operational risks and the Bank's Code of Conduct (compliance including the Regulation on Whistleblowers and internal governance).
The Risk and Compliance Committee reports its findings to the Supervisory Board and these findings are discussed in the plenary meetings of the Supervisory Board.

Remuneration and Nominating Committee

The Remuneration and Nominating Committee's main task is to assist the Supervisory Board in preparing and presenting proposals for the remuneration policy for Supervisory Board members, members of the Board of Managing Directors, and Senior Management and principles for the remuneration policy for other staff, implementing and evaluating the agreed remuneration policies for the Supervisory Board and Board of Managing Directors, monitoring the implementation of the remuneration policy for Senior Management and other staff, presenting proposals for the remuneration evaluation of Supervisory Board members, Board of Managing Directors and selected Senior Management, presenting proposals for the Management development policy and succession planning for (members of) the Board of Managing Directors and Supervisory Board and presenting proposals for appointment, re-appointment and dismissals to the Supervisory Board, its committees and the Board of Managing Directors.
The Remuneration and Nominating Committee reports its findings to the Supervisory Board and these findings are discussed in the plenary meetings of the Supervisory Board.

Consolidated Financial Statements 2011

as at December 31st, 2011
before appropriation of profit

Amsterdam Trade Bank
Member of Alfa • Bank Group

Consolidated Balance Sheet

as at December 31st, 2011
before appropriation of profit

(in euro)

	Note	2011	2010	
Assets				
Cash and balances at central banks	1	296,471,902	328,747,504	
Government securities eligible for refinancing with central bank	2	-	28,904,813	*
Due from banks	3	992,082,842	884,939,574	
Loans and advances to customers	4	1,319,752,098	863,047,037	
Interest-bearing securities	5	192,172,181	321,268,134	*
Participating interests	6	59,034	59,035	
Property and equipment	7	5,139,238	4,123,540	
Prepayments and accrued income	8	32,521,217	34,714,770	*
Other assets	9	2,560,852	5,255,138	*
Total assets		2,840,759,364	2,471,059,545	
Liabilities				
Due to banks	10	110,484,958	49,530,831	
Funds entrusted	11	2,305,958,081	2,058,684,347	
Accruals and deferred income	12	26,812,660	19,747,398	*
Other liabilities	13	37,722,394	10,860,011	*
Fund for general banking risks	14	1,591,603	1,591,603	
Subordinated liabilities	15	90,000,000	90,000,000	
Shareholders' equity:				
- Paid-in and called-up capital		117,343,424	117,343,424	
- Share premium		4,317,803	4,317,803	
- Retained earnings		109,307,526	109,143,211	
- FX translation reserve		927,456	1,674,202	
- Revaluation reserve		2,400	2,400	
- Net profit		36,291,059	8,164,315	
Total shareholders' equity	16	268,189,668	240,645,355	
Total liabilities and shareholders' equity		2,840,759,364	2,471,059,545	

* = adjusted for comparison purposes

Contingent liabilities pursuant to:	Note	2011	2010
Guarantees	17	53,564,244	71,909,268
Irrevocable credit facilities	18	52,837,752	79,756,968

Consolidated Profit and Loss Account 2011

(in euro)

Income	Note		2011		2010
Interest income	19	97,647,587		103,094,501	
Interest expense	20	48,663,848		70,240,657	
Net interest income			48,983,739		32,853,844
Commission income		9,292,762		5,128,307	
Commission expense		1,002,532		892,231	
Net commission income	21		8,290,230		4,236,076
Result on financial transactions	22		7,627,261		-93,884
Other income	23		1,453,480		1,339,034
Total income			66,354,710		38,335,070
Expense					
Staff expense	24		14,559,813		12,844,374
General and administrative expense	24		12,921,259		8,275,309
Depreciation	25		2,011,007		982,867
Value adjustment to loans and advances to customers	26		9,391,433		5,037,051
Total expense			38,883,512		27,139,601
Result before taxation			27,471,198		11,195,469
Taxation	27		-8,819,861		3,031,154
Net profit			36,291,059		8,164,315

Consolidated Cash flow statement 2011

(in euro)		2011	2010
	Net result	36,291,059	8,164,315
	Non-cash items included in profit		
	Depreciation of fixed assets	2,011,007	982,867
	Provisions	8,985,000	5,100,327
	Income tax expense	-8,819,861	3,031,154
	Amortisation of premium/discount on securities	3,328,218	2,498,432
	Other value adjustments	515,301	-7,274,881
	Changes in operating assets and liabilities		
	Due from banks	-107,143,268	24,134,414
	Due to banks	60,954,127	-27,454,947
	Loans and advances to customers	-465,690,061	148,383,516
	Funds entrusted	247,273,734	-126,654,796
	Increase/decrease prepayments and accrued interest income	2,193,552	-628,556
	Increase/decrease other assets	8,185,930	3,480,608
	Increase/decrease accruals and deferred income	7,065,262	-7,086,081
	Increase/decrease other liabilities	26,862,383	-7,656,252
	Cash flow from operating activities	-177,987,617	19,020,120
	Investing activities		
	Investment tangible fixed assets	-3,026,705	-1,789,174
	Government securities eligible for refinancing with central bank	29,000,000	-28,854,420
	Investment interest-bearing securities	-285,374,837	-364,882,769
	Redemptions of interest-bearing securities	413,860,303	349,889,001
	Cash flow from investing activities	154,458,761	-45,637,362
	Paid out dividend	-8,000,000	-
	Cash flow from financing activities	-8,000,000	-
	Net cash flow	-31,528,856	-26,617,242
	Exchange rate and translation differences on cash and cash equivalents	-746,746	1,182,383
	Cash balance as at January 1st	328,747,504	354,182,363
	Cash balance as at December 31st	296,471,902	328,747,504

Notes to the Consolidated Financial Statements

as at December 31st, 2011

Amsterdam Trade Bank
Member of Alfa•Bank Group

Notes to the Consolidated Financial Statements

as at December 31st, 2011

FINANCIAL STATEMENTS

General

The Bank's financial statements have been prepared in conformity with section 14, "Provisions for banks", of book 2, Title 9 of the Netherlands Civil Code, the recommendations of DNB concerning the financial statements of banks and the guidelines of the Council for Annual Reporting (Raad voor de Jaarverslaggeving). The consolidated financial statements are presented in Euro.

The consolidated financial statements comprise the Bank, ATB Leasing LLC and Amsterdam Trade Capital Administration Corporation B.V..
ATB Leasing, with its statutory residence in Moscow, is a Russia based subsidiary. Its business is providing financial lease in Russia, for which the Bank provides the funding. ATB Leasing was established in 2007, but started its business effectively in 2008. Amsterdam Trade Capital Administration Corporation has its statutory residence in Amsterdam.

ACCOUNTING POLICIES

General

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements. In 2011 the accounting principles have not been changed compared to 2010.

Assets and liabilities have been included at their face value, unless stated otherwise below. Assets are shown after deduction of any diminution in their value as deemed necessary.

Financial instruments are recorded on transaction date.

Foreign currencies

Items of the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). ATB Leasing has the rouble as functional currency as it operates in a rouble economic environment. All other companies have the Euro as their functional currency.

Transactions and balances

Monetary assets and liabilities denominated in foreign currencies are converted at spot rates applicable at balance sheet date. Exchange rate effects arising from the conversion of assets and liabilities are stated in the profit and loss account as 'Result on financial transactions'. Transactions in foreign currencies are translated at the exchange rate prevailing on the transaction date.

Due from banks

Due from banks comprise of loans and advances to banks, stated at face value after deduction of specific provisions for doubtful debts, if necessary.

Loans and advances to customers

Loans and advances to customers are valued at amortized cost less impairment charges, if necessary. The change in impairments is recognized in 'Value adjustment to loans and advances to customers'.

Interest-bearing securities

Interest-bearing securities are debt securities held in the investment portfolio, with the general intend to hold the securities to redemption date. The investment portfolio is valued at amortized cost including premiums and discounts less impairment charges, if necessary. Premiums and discounts are amortized over the remaining life of the securities on a straight line basis. Transaction costs related to the purchase of the securities are taken directly to income.

Participating interests
Participating interests in which the Bank has significant influence, but which it does not control or which are held for the sole purpose of the Bank's activities as a bank are valued on the basis of the net asset value method.

Property and equipment
Property and equipment is stated at acquisition price less straight-line depreciation on the basis of estimated useful economic life. No residual values are taken into account.

Depreciation of Property and equipment is as follows:

Leasehold improvement	:	10 years
Computer equipment and software	:	5 years
Other equipment	:	5 years

At balance sheet date the Bank assesses whether there is objective evidence for an impairment of fixed assets. Fixed assets are impaired if loss event(s) occurred that had an impact on the estimated realizable value of these assets.

Fund for general banking risks (FAR)
The Bank has formed a general banking risk provision to cover general risks arising from banking activities.
The tax payable or reclaimable on the movements in the general provision for banking risks is charged or added to this general provision.

Derivatives
As part of its economic hedging policy, the Bank uses derivatives such as Foreign Exchange Swaps to offset foreign exchange risks related to specific asset and liability positions and Interest Rate Swaps for hedging its interest rate risk.
The Bank only enters into derivative transactions to mitigate risk and applies cost price hedge accounting. In line with the cost price hedge model the derivatives are kept off-balance and accrued based upon the contractual terms of the contracts, generally maturing in accordance with the relating asset or liability. The associated income or expense is recorded under interest. The accrued interest receivable is stated under 'Prepayments and accrued income' and for accrued interest payable under 'Accruals and deferred income'.

Contingent assets and liabilities
Contingent assets and liabilities are included at their face value and are recorded off-balance, unless the asset is virtually certain or the liability will probably result in a cash outflow which is reliably measurable.

Determination of results
Interest income and expense are attributed to the period in which they arise. Interest and commission of which receipt is uncertain are not recorded as income.
Commissions and operating expenses are recognized in the period to which they relate.

Cash flow statement
The cash flow statement has been drawn up in accordance with the indirect method, distinguishing between cash flows from operating, investing and financing activities.
The accounting principles applied for the cash flow statement are in conformity with those applied for both balance sheet and profit and loss account.

Fair value
Where the fair value of financial assets and liabilities recorded on the balance sheet cannot be derived from active markets, they are determined using valuation techniques that include the use of mathematical models. The input to these models is taken from observables markets where possible, but where this is not feasible a degree of judgment is required in establishing the fair value. The following summarizes the major methods and assumptions used in estimating the fair values of 'Loans and advances to customers'.

The estimated fair value of 'Loans and advances to customers' represents the discounted amount of estimated future cash flows of individual loans expected to be received. Expected cash flows are discounted based upon (a) the difference between initial funding rates versus the current market rates and (b) the change into the risk profile of the borrower and other market circumstances.

The carrying amount of floating rate inter-bank placements, overnight deposits and fixed deposits is deemed to be a good estimate of their value given.
The fair value of the interest-bearing securities in the investment portfolio is based on the market prices as at December 31st, 2011. The fair value of derivatives is based on observable market data.

POLICIES, RISKS AND RISK MANAGEMENT

Introduction
The Bank's commercial strategy is guided by the Portfolio Management Policy, approved by the Board of Managing Directors. The Policy is updated at least annually to reflect the current strategy of the Bank, to reflect changes in the economic environment in the Bank's core markets and to actively manage the credit portfolio.
The commercial strategy is implemented through 5 business units, Alfa Group Clients, Structured Finance, Corporate Banking, Financial Institutions and Treasury, each with a specific focus within the Bank's target areas:
- Geographies: Russia, other CIS countries, CEE and a few selected other countries.
- Products: Structured Trade & Commodity Finance, (Syndicated) loans, Cash Management Services and Treasury Products.
- Industries: Oil & Gas, Utilities, Petrochemicals, Retail trade, Commodity traders, ICT trading, Commercial Real Estate, Engineering.

The Bank is subject to the following typical risks: credit risk, market risk (interest rate risk and foreign currency risk), country risk and liquidity risk. The Bank is also subject to more general risks, such as operational risk, reputation risk and compliance risk. The Board of Managing Directors actively manages the Bank's daily operations and related risks. The Supervisory Board sets the commercial strategy and the overall risk appetite of the Bank and supervises the activities of the Board of Managing Directors.

The Bank follows the 'three lines of defense' concept. The first line is formed by the control measures that are included in the operating processes and that have to be monitored by the line managers' internal control activities. The second line consists of the monitoring role by specialists of the Risk Management and Compliance departments, which operate independently from commercial activities. The third line is the internal audit function.

There are six committees, supporting the Board of Managing Directors in managing risks:

- **Credit Committee**
  The Credit Committee meetings are held weekly to advise on new credit proposals and acceptance of new clients, and to monitor the credit risk, overdue positions and collateral. New credit proposals are finally decided by the Board of Managing Directors.

- **Asset and Liability Committee (ALCO)**
  The ALCO meets biweekly to monitor interest, foreign currency and liquidity risks and solvency.

- **Audit and Operational Risk Committee**
  The Audit and Operational Risk Committee meets monthly and discusses issues relating to the maintenance of an adequate operational risk management framework, assessment of the operational risk related incidents, and complaints and progress in the internal control framework.

- **Country Risk Committee**
  The Country Risk Committee meetings are held quarterly to advise the Board of Managing Directors on the utilization of country limits, as well as on the adaptation of limits. Individual transactions are allocated to specific country limits by the Credit Committee. New or increased country limits are finally decided by the Supervisory Board on the advice of the Board of Managing Directors.

- **Provisioning Committee**
  The Provisioning Committee meets on a quarterly basis. All relevant loans are being discussed and problem loans are identified. Potential problem loans are put under special monitoring for industry and company specific developments. The Provisioning Committee advises the Board of Managing Directors on loan impairments and which provisions should be taken.

- **Compliance Committee**
  The Compliance Committee meetings are held monthly to advise the Board of Managing Directors on client acceptance procedures (Know Your Customer), on authorization procedures, on division of duties and to monitor the adherence to these procedures.

Strategic risk is managed directly by the Board of Managing Directors.

The following section addresses definition and control measures of identified risk categories.

Credit risk

Credit risk is defined as the current or prospective threat to the Bank's earnings and capital as a result of counterparty's failure to comply with financial or other contractual obligations.

Credit risk constitutes the Bank's most significant risk and arises mainly from trade-finance and lending business. Credit risk also represents all forms of counterparty exposure, namely where counter parties default on their obligations to the Bank in relation to hedging and other financial activities. The Board of Managing Directors is responsible for establishing credit policies and the mechanism, organization and procedures required to analyze, manage and control credit risk. In order to identify, measure and manage risk arising from these activities, the Bank has put adequate methodologies, policies, procedures and expertise in place.

Credit risk is managed in accordance with limits and asset quality measures which are set out in policies approved and monitored by the Board of Managing Directors. The policies place limits on One Obligor Exposure, rating class, industry sector and country.

On borrower level compliance with credit agreement and pledge agreement covenants and limit utilization is daily monitored. Deterioration or improvement in the credit quality of the borrower is monitored by the Commercial Departments and the Risk Management Department.

Credit risk related to Treasury activities is managed by limits, asset quality measures and criteria set out by the Fixed Income Investment Policy, as approved by the Supervisory Board on the advice of the Board of Managing Directors.

In order to assess the probability of default for corporate clients, the Bank uses an internal Client Rating Model, validated by an external consultancy firm, to assess the probability of default of (potential) borrowers. For trading companies and structured trade and commodity finance transactions (STCF), the Bank uses an internally developed, assisted by an external consultancy firm, Transactional Lending Rating Model (TLRM). The TLRM assesses both a probability of default for the borrower, as well as the loss given default for the transaction. Credit assessments provided by External Credit Assessment Institutions are considered as part of the credit assessment process for Financial Institutions and for security investments.

Impairment or losses on loans and advances to customers
In the context of the provisioning process, the Bank reviews at least quarterly all relevant loans and advances to each individual customer on the Watch List or classified as a non performing loan, in order to assess whether an allowance for impairment should be recorded in the profit and loss account. This review is based on the identification of impairment indicators (such as for example amounts overdue or requests for restructuring) in order to assess the likelihood and magnitude of incurred losses. Proposals for impairments are discussed in the Provisioning Committee and proposed to the Board of Managing Directors. The Board of Managing Directors decides on the level of impairments. Provisions for loan losses are determined in line with the accounting rules. Impairment losses are based on discounted cash flows of the outstanding loan (including a cash flow for the collateral value based on the estimated market value, if applicable).
For the loans and advances that are under restructuring the impairment loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Such estimation is by its nature based on assumptions and actual results may differ, resulting in future changes.
The gross amount of outstanding loans and advances to customers were EUR 1,357.7 million as at December 31st, 2011 (2010: EUR 892.0 million). The provision for loan losses amounted to EUR 37.9 million (2010: EUR 29.0 million).

Concentration risk

Concentration risk is the credit risk related to the degree of diversification in the credit portfolio. The Bank takes into account separately single name concentration, country concentration and sector concentration. In addition, the Bank has implemented a framework to measure concentration risk quantitatively and established an approach that links concentration risk levels to capital allocation.

Individual counterparty concentration is defined as the existence of large exposures to individual counterparties and/or a group of connected counterparties. This type of concentration is also often referred to as 'name concentration'. The definition of 'connected' includes exposures which are connected through, for example, common ownership/management/guarantors. The Bank manages single name concentration risk and calculates internal capital for this risk under the Basel II framework.

Sector concentration is also referred to as 'industry concentration' and relates to the risk that sector or industry factors drive the likelihood of default for a significant number of counterparties in the portfolio. Sector concentration risk arises if the portfolio is unbalanced in exposures to certain sectors, entailing dependencies between default events.

No additional capital charge is calculated for sector concentration due to the small number of counterparties in the Bank's loan portfolio: the individual counter party concentration capital charge reflects sector concentration as well.

The Bank applies the NACE industry classification for internal reporting purposes, based upon the Dutch Central Bank sector classifications.

Country risk

The Country Risk Policy of the Bank defines country risk as exposure to cross-border risk, specifically convertibility and transfer risk, i.e. the risk of obligations not being repaid as a consequence of a debt moratorium or similar payment restriction.

For the purposes of its country risk assessment, the Bank considers the country of risk as the country of ultimate payment risk for the transaction. This may be the country of counterparty residence, the country of the parent company or a third country where the cash flow to repay the loan is generated from.
Based upon this classification, the geographical concentration of 'Loans and advances to customers' is:

Geographical concentration:	**2011**	**%**
Russia	**280,187,216**	**21.2**
Other CIS countries	**590,057,378**	**44.8**
EMU countries	**126,924,616**	**9.6**
Other European countries	**42,788,502**	**3.2**
Other countries	**279,794,386**	**21.2**
Total	**1,319,752,098**	**100.0**

In line with the DNB 'Policy rule on the treatment of concentration risk in emerging countries', the Bank recognizes its own funds should be sufficient to absorb the risks connected with material concentrations of exposure on certain risk countries.
For determining material country concentration, the Bank has taken into account risk mitigating instruments which satisfy the minimum requirements regarding credit risk mitigation.

The management of geographic concentration is covered in the Bank's Portfolio Management Policy. Historically, due to the geographical concentration of the Bank's borrowers, development of the Bank's credit portfolio is closely linked to economic and political developments in Russia, other CIS countries and CEE. The Bank's current commercial strategy will gradually lead to a more diversified portfolio from a geographic point of view.

Liquidity risk

The objective of liquidity management is to ensure the availability of sufficient cash flows to meet all financial commitments. Clients' demand deposits, savings and term deposit accounts and inter-bank funding by the parent bank are the primary sources of liquidity for the Bank's operations. In addition, the Bank holds an investment portfolio consisting of marketable corporate as well as government bonds, which can be readily converted into cash. The Bank has a low exposure on government bonds of Southern European countries.

Liquidity gaps show size and maturity in mismatch of assets and liabilities and thus the liquidity risk. A liquidity gap analysis is done on a regular basis and submitted to the ALCO. It distributes all on-balance sheet expected cash flows in predefined maturity buckets according to the remaining maturity.

The Bank holds a conservative liquidity buffer calculated on a daily basis on stringent assumptions of outflow of savings and deposits. In addition, the Bank runs stress scenarios on liquidity and evaluates liquidity contingency based on the results of the scenarios.

The following table represents an overview of the mismatch in the maturities of (financial) assets and liabilities.

	2011	2010
On demand	-922,382,699	-397,384,965
Between one and three months	567,339,457	546,024,343
Between three months and one year	196,180,386	115,801,806
Between one and three years	397,315,538	67,805,798
Over three years	90,912,935	-73,897,100
Non maturing	-329,365,617	-258,349,882

For liquidity management purposes, the Bank prepares daily cash flow projections with respect to the total cash flow available for lending based on historical data from the last two years. These projections show that current liquidity profile is sufficient to withstand stress scenarios.

Market risk

Market risk is defined as the current or prospective risk of potential reduction in net income or decrease in capital arising from adverse market movements in for instance bond prices, security or commodity prices or foreign exchange rates in the trading book.

It is the Bank's policy not to be exposed to significant open positions in interest rate and foreign currency risks.

Foreign exchange risk

The foreign exchange risk is the current or future risk on returns and shareholders' equity due to unfavorable foreign exchange changes. The Bank's foreign currency position is mainly caused by:

- operational activities
- credit activities, and
- investment activities.

The foreign currency positions due to operational activities, such as money transfer are covered on a day to day basis by spot transactions. The foreign currency positions due to credit and investment activities are hedged by means of derivatives, such as swaps and forward contracts. The value of these derivatives is derived from one or more underlying assets, reference prices or indices. The Bank applies these instruments to hedge the foreign currency risk. There are limits set for the foreign exchange positions which are monitored on a daily basis.

Interest rate risk in the banking book
The interest rate risk is the current or future risk on returns and shareholders' equity due to unfavorable interest rate changes. The Bank is exposed to interest rate risk when there are differences between amounts or interest rates in the interest earning assets and interest baring liabilities with specified re-pricing bands. To a large part the maturities of these assets and liabilities are matched. However, where the interest rate is not equal to the maturity calendar, the interest rate risk is monitored by the ALCO within the limits set. The interest rate risk is hedged by means of derivatives, such as interest rate swaps. The value of these derivatives is derived from one or more underlying assets, reference prices or indices.

Hedging
The Bank has developed and implemented hedge strategies to reduce its Interest Rate (IR) Mismatch and its exposure to Foreign Currency (FX) fluctuations.

1. Interest Rate Mismatch
The maturity mismatches between assets and liabilities are managed through the GAP report, which quantifies the risks in interest rate reset buckets. The impact of the market rates changes are calculated on a 100 basis points shock of parallel shifts. To hedge the mismatch (up to 100 basis points shock) the Bank uses interest rate swaps.

2. Foreign Currency hedge strategy
The Bank mainly provides lending in the following currencies, EUR, USD and RUB. In case of USD and RUB, the currency risk is hedged by using FX swaps on roll-over base till maturity of the loans.

For quantitative information on the Bank's exposure to Interest Rate Risk and Foreign Currency, reference is made to page 41 up until 44 of the consolidated financial statements.

Operational risk
The Bank is exposed to certain potential losses caused by a failure in information, system processing, settlement of transactions and procedures. The Bank's policy to control operational risk is communicated to key employees. The four-eyes principle, training, specific procedures and directives, segregation of duties, supervision and last but not least monitoring of complaints received from clients and counterparties.

Reputation and Compliance risk
To minimize reputation risk, the Bank assigns high priority to meeting integrity compliance requirements in relation to client acceptance procedures and transparency of transactions. The know-your-customer principle (KYC) is very important in this respect. Before an account is opened all new non-retail clients are scrutinized by the Compliance Officer based on an extensive checklist. Furthermore, all payments are screened daily against denied party lists, and all incoming and outgoing payments above a certain amount are reviewed monthly by the Compliance Committee for irregularities.

Basel II and Basel III
The Bank has implemented the Standardized Approach for credit risk capital adequacy calculation and the Basic Indicator Approach for Operational Risk capital calculation. The Bank has also developed its ICAAP framework to meet Basel II – Pillar 2 requirements, under which internal capital is calculated for concentration risk, country risk, and interest rate risk in the banking book.

In September 2011, the Bank submitted its fifth Internal Capital Adequacy Assessment Process (ICAAP) report to DNB in compliance with Basel II requirements.

In June 2011, the Bank provided DNB with its Basel III migration plan. Based on the results of the migration plan and the Bank's commercial growth expectations, the Bank is confident that the requirements of the Basel III framework will be met.

Stress Test Framework

The Bank operates under biweekly liquidity stress tests and implements its liquidity contingency plan based on the results of these stress tests. The Bank also runs monthly macro-economic stress tests and calculates stress capital based on the results of these tests under the ICAAP framework.

Notes to the Consolidated Balance and Off-Balance Sheet

Amsterdam Trade Bank
Member of Alfa•Bank Group

Consolidated Balance Sheet

as at December 31st, 2011

Assets
(in euro)

	2011	2010
1) Cash and balances at central banks	296,471,902	328,747,504

Cash and balances at central banks represent all legal tender, as well as current accounts, freely available, held at the central banks. Under Dutch law, the Bank is required to keep a certain average balance at the Dutch Central Bank, this balance is not freely available.

	2011	2010
2) Government securities eligible for refinancing with central bank	-	28,904,813

These government securities refer to German Treasury Bills that matured in 2011.

	2011	2010
3) Due from banks	992,082,842	884,939,574

Due from banks include balances on current accounts with banks, time deposits and loans to banks and can be classified as follows:

By remaining period:	2011	%	2010	%
Parent bank and related banks				
On demand	837,647	0.7	2,160,339	1.1
Due within one month	35,979,278	30.8	26,377,337	13.8
Between one and three months	25,770,524	22.0	26,610,020	13.9
Between three and six months	23,185,718	19.8	132,240,683	69.2
Between six months and one year	1,932,143	1.7	3,741,655	2.0
Between one and three years	2,201,821	1.9	-	-
Between three and five years	-	-	-	-
Between five and fifteen years	27,050,004	23.1	-	-
Total Parent bank and related banks	116,957,135	100.0	191,130,034	100.0
Other banks				
On demand	104,498,150	11.9	172,198,362	24.8
Due within one month	166,211,711	19.0	452,396,476	65.3
Between one and three months	541,880,338	62.0	18,862,483	2.7
Between three and six months	19,276,114	2.2	430,325	0.1
Between six months and one year	27,302,861	3.1	34,051,789	4.9
Between one and three years	6,000,000	0.7	3,741,955	0.5
Between three and five years	9,956,533	1.1	12,128,150	1.7
Total Other banks	875,125,707	100.0	693,809,540	100.0
General total Due from banks	992,082,842		884,939,574	
Geographical concentration:				
Russia	103,421,647	10.4	208,948,874	23.6
Other CIS countries	53,520,854	5.4	30,452,450	3.4
EMU countries	689,594,425	69.6	490,935,202	55.5
Other European countries	105,452,488	10.6	74,934,209	8.5
Other countries	40,093,428	4.0	79,668,839	9.0
Total	992,082,842	100.0	884,939,574	100.0

(in euro)

Secured by pledged deposits placed at the Bank are receivables from:
• Parent bank and related banks amounting to EUR 64,313,539 (2010: EUR 172,743,831);
• Other banks amounting to EUR 548,819,625 (2010: EUR 391,028,416).

On demand balances with other banks comprise EUR 48,382,733 (2010: EUR 78,308,042) pledges for L/C's, guarantees and off-balance transactions. These assets are consistently not freely available.

Reported under this heading is a net amount of EUR 9,956,533 due to payments of EUR 14,456,533 to Dutch Central Bank relating to the Bank's share in the bankruptcy of the Dutch DSB Bank N.V. under the Dutch Deposit Guarantee Scheme. The amount has been impaired for the expected loss up to EUR 4,500,000.

	2011	2010
4) Loans and advances to customers	1,319,752,098	863,047,037

Loans and advances to customers can be classified as follows:

By remaining period:	2011	%	2010	%
Receivables on demand	27,647,254	2.1	30,387,984	3.5
Due within one month	119,683,589	9.1	26,906,676	3.1
Between one and three months	133,280,570	10.1	176,597,694	20.5
Between three and six months	240,745,997	18.2	132,719,931	15.4
Between six months and one year	239,561,875	18.2	105,038,441	12.2
Between one and three years	445,235,574	33.7	341,108,250	39.5
Between three and five years	108,394,139	8.2	43,886,635	5.1
Between five and ten years	5,203,100	0.4	6,401,426	0.7
Total	1,319,752,098	100.0	863,047,037	100.0
Concentration of credit risk:				
Secured by moveable goods	238,716,388	18.1	86,302,451	10.0
Secured by equipment	12,497,552	0.9	41,206,406	4.8
Secured by deposits	247,907,610	18.8	158,998,933	18.4
Secured by mortgages	107,597,870	8.2	166,423,077	19.3
Secured by unlisted shares	61,828,580	4.7	19,551,614	2.3
Secured by letters of comfort issued by Alfa Bank companies	12,047,144	0.9	35,736,370	4.1
Secured by transfer guarantee of Alfa Bank	-	-	13,096,842	1.5
Secured by guarantees	165,392,076	12.5	15,052,885	1.7
Various secured	48,324,114	3.7	7,757,032	0.9
Various unsecured	425,440,764	32.2	318,921,427	37.0
Total	1,319,752,098	100.0	863,047,037	100.0
By sector and industry:				
Finance	86,460,119	6.6	65,700,049	7.6
Manufacturing and construction	655,995,001	49.6	317,628,797	36.7
Trading companies	214,505,941	16.3	129,256,974	15.0
Transport	116,389,538	8.8	127,674,494	14.8
Metal industry	95,004,010	7.2	55,762,744	6.5
Others	151,397,489	11.5	167,023,979	19.4
Total	1,319,752,098	100.0	863,047,037	100.0

Assets

(in euro)

Geographical concentration:	2011	%	2010	%
Russia	134,060,321	10.2	224,210,915	26.0
Other CIS countries	470,312,156	35.6	268,072,694	31.1
EMU countries	346,845,360	26.3	181,601,597	21.0
Other European countries	36,232,929	2.7	66,829,983	7.7
Other countries	332,301,332	25.2	122,331,848	14.2
Total	1,319,752,098	100.0	863,047,037	100.0

Loans and advances to customers include:

- loans amounting to EUR 45,367,079 (2010: EUR 56,611,150) for finance lease transactions of ATB Leasing. These loans have a maturity up to 7 years. Lessees are Russian railway corporations, and the collateral for these leases are Russian railway wagons (moveable goods).
- receivables from related entities amounting to EUR 0 (2010: EUR 7,422,322).

No loans and advances are outstanding to the Board of Managing Directors and Supervisory Board (2010: nil).

At year end EUR 15,126,860 (2010: EUR 49,497,709) of Loans and advances to customers are secured by deposits placed by the parent bank for the same period of the loans. Mortgages relate to real estate EUR 88,910,979 (2010: EUR 136,511,436) and ship financing EUR 18,686,891 (2010: EUR 29,822,641).
Guarantees are of both personal and corporate nature.

Geographical concentration Collateral:	2011	%	2010	%
Russia	166,232,862	12.6	215,385,547	25.1
Other CIS countries	313,403,140	23.6	172,891,007	19.9
EMU countries	173,680,216	13.2	92,611,444	10.7
Other countries	240,995,116	18.4	63,237,612	7.3
Unsecured	425,440,764	32.2	318,921,427	37.0
Total	1,319,752,098	100.0	863,047,037	100.0

The value of the collateral as included in the table above is based on valuation reports received from external valuators or other sources (including warehouses and clients). The Bank requires periodic updates on these valuation reports. Due to the current volatile market conditions the value of the collateral can differ significantly from the value as stated in the latest available reports.
In addition to other collateral, both personal and corporate guarantees are arranged for repayment of the underlying principal and interest amounts.

(in euro)

	2011	2010
Value adjustment to loans and advances to customers	37,937,000	28,952,000

	2011	2010
Balance as at January 1st	28,952,000	23,851,139
Releases through P&L	-22,177,948	-4,872,525
Additions through P&L	31,785,000	9,909,576
Utilised during the year	-622,052	-
Other additions	-	63,810
Balance as at December 31st	37,937,000	28,952,000

As at December 31st, 2011:
- loans amounting to EUR 16,707,066 (2010: EUR 27,269,167) are overdue. The overdue loans have been pledged or provided for.
- 7 (2010: 5) loans have been impaired and provided for. The main addition relate to 2 exposures representing 82% of the impaired loans.

Fair value of Loans and advances to customers

The following table summarizes the carrying amount and fair value of Loans and advances to customers, not recognized on the balance sheet at their fair value.

	2011	2010
Nominal value	1,319,752,098	863,047,037
Fair value	1,378,111,366	804,287,069

In estimating the fair value the following major methods and assumptions were used:
- Loans and advances to customers are net of impairment. The estimated fair value represents the discounted amount of estimated future cash flows of individual loans expected to be received.
- Expected cash flows are discounted at current market rates based on the initial contract rates to determine the fair value.
- In the spread to determine the fair value, the risk profile of the outstanding loans has been taken into account.

Given the volatile economic environment the realizable value may differ significantly from the disclosed fair value in the event the loans would be sold before maturity.

	2011	2010
5) Interest-bearing securities	192,172,181	321,268,134

Interest-bearing securities represent listed fixed income securities, issued by governments EUR 111,036,444 (2010: EUR 174,580,751), financial institutions EUR 53,906,568 (2010: EUR 96,667,025), and corporates EUR 27,229,169 (2010: EUR 23,949,634). The bonds are included in the investment portfolio of the Bank.

(in euro)

Movements in the interest-bearing securities were as follows:

	2011	2010
Balance as at January 1st	321,268,134	304,586,341
Purchases	285,374,837	367,367,583
Redemptions	-405,242,957	-349,889,001
Sales	-8,617,346	-
Amortisation premium and discount	-3,341,971	-3,074,800
Revaluation securities nominated in USD/RUB	2,731,484	2,278,011
Balance as at December 31st	192,172,181	321,268,134

Geographical concentration:	2011	%	2010	%
Russia	14,242,792	7.4	38,264,047	11.9
Other CIS countries	4,219,383	2.2	14,536,155	4.5
EMU countries	121,656,438	63.3	259,301,101	80.7
Other European countries	48,990,289	25.5	9,166,831	2.9
Other countries	3,063,279	1.6	-	-
Total	192,172,181	100.0	321,268,134	100.0

The Russian and Other CIS countries securities are securities issued by governments, financial institutions, municipalities and corporates. Included in EMU countries are government securities to an amount of EUR 95,665,407 (2010: EUR 174,580,751). Of these securities EUR 15,296,393 (2010: EUR 20,346,056) relate to Italian government securities and EUR 0 (2010: EUR 45,784,617) relate to Spanish government securities. The maturity of the Italian government securities is up to three years.
The securities portfolio comprise Held to maturity EUR 73,432,521 (2010: EUR 219,633,884) and Other EUR 118,739,660 (2010: EUR 101,634,250).
The Bank has the intention and ability to hold the interest-bearing securities to redemption date.

By remaining period:	2011	%	2010	%
Due within one month	20,008,305	10.4	70,012,979	21.8
Between one and three months	1,558,645	0.8	-	-
Between three and six months	3,432,575	1.8	64,702,554	20.1
Between six months and one year	17,490,070	9.1	112,826,667	35.2
Between one and three years	93,011,290	48.4	39,945,694	12.4
Between three and five years	55,138,066	28.7	30,474,136	9.5
Between five and fifteen years	1,533,230	0.8	3,306,104	1.0
Total	192,172,181	100.0	321,268,134	100.0

The fair value of interest-bearing securities is EUR 188,694,942 (2010: EUR 324,365,119) at year end. Although the fair value is lower than the amortized costs, no impairment triggers have been noted.

(in euro)

	2011	2010
6) Participating interests	59,034	59,035

Participating interests represent non-listed shares.

	2011	2010
Balance as at January 1st	59,035	59,029
Revaluation of interests nominated in USD	-1	6
Balance as at December 31st	59,034	59,035

The balance of Participating interests as at December 31st, 2011 represents: 22 (2010: 22) shares of Swift (Society for Worldwide Interbank Financial Telecommunication).

	2011	2010
7) Property and equipment	5,139,238	4,123,540

Movements in Property and equipment were as follows:

	Leasehold improvement	Computer equipment and software	Other	Total 2011	Total 2010
Balance as at January 1st	395,537	3,490,534	237,469	4,123,540	3,317,232
- Investment	50,458	1,104,702	1,871,637	3,026,797	1,875,264
- Reclassification	-	-	-	-	-
- Disposals (net)	-	-96	-	-96	-86,088
- Depreciation	-73,204	-1,830,250	-107,549	-2,011,003	-982,868
Balance as at December 31st	372,791	2,764,890	2,001,557	5,139,238	4,123,540
Acquisition costs	743,844	5,129,235	2,456,742	8,329,821	7,117,308
Accumulated depreciation	-371,053	-2,364,345	-455,185	-3,190,583	-2,993,768

	2011	2010
8) Prepayments and accrued income	32,521,217	34,714,770

Prepayments and accrued income can be specified as follows:

	2011	2010
Interest receivable		
- Parent bank and related banks	499,198	796,602
- Affiliated group companies	1,006,118	449,186
- Banks	533,742	688,969
- Loans and advances to customers	8,156,122	4,382,233
- Investments	2,984,366	5,958,518
Prepayments	2,620,858	1,567,310
Corporate tax	14,818,595	19,586,351
Other taxes	1,902,218	1,285,601
Total	32,521,217	34,714,770

(in euro)

	2011	2010
9) Other assets	2,560,852	5,255,138

Other assets comprise revaluation of FX contracts, in 2010 capital goods held for sale with a fair value of EUR 2.8 million were included.

	2011	2010
10) Due to banks	110,484,958	49,530,831

Due to banks represent non-subordinated amounts owed to banks and not embodied in debt securities.

By remaining period:	2011	%	2010	%
Parent bank and related banks				
Payable on demand	47,015,121	75.7	29,815	0.1
Due within one month	-	-	-	-
Between one and three months	-	-	24,760,414	50.0
Between three and six months	-	-	-	-
Between six months and one year	-	-	-	-
Between one and three years	-	-	-	-
Between three and five years	15,126,860	24.3	-	-
Between five and ten years	-	-	24,737,295	49.9
Total Parent bank and related banks	62,141,981	100.0	49,527,524	100.0
Other banks				
Payable on demand	34,478,691	71.3	3,307	100.0
Due within one month	13,864,286	28.7	-	-
Between one and three months	-	-	-	-
Total Other banks	48,342,977	100.0	3,307	100.0
Total Due to banks	110,484,958		49,530,831	

	2011	2010
11) Funds entrusted	2,305,958,081	2,058,684,347

Included under Funds entrusted are non-subordinated debts.

	2011	%	2010	%
Savings & Savings deposits	1,051,546,915	45.6	1,120,660,296	54.5
Current accounts	508,611,735	22.1	293,312,234	14.2
Fixed deposit accounts	122,966,148	5.3	59,454,872	2.9
Deposit accounts pledged to the Bank	622,833,283	27.0	585,256,945	28.4
Total	2,305,958,081	100.0	2,058,684,347	100.0

Consolidated Balance Sheet

as at December 31st, 2011

Liabilities
(in euro)

By remaining period:	2011	%	2010	%
Related parties				
Payable on demand	406,517,367	38.7	215,092,272	26.9
Payable within one month	64,780,405	6.2	440,096,218	54.8
Between one and three months	566,848,953	54.0	19,126,111	2.4
Between three and six months	11,592,859	1.1	128,498,728	16.0
Between six months and one year	-	-	-	-
Total	1,049,739,584	100.0	802,813,329	100.0
Savings & savings deposits				
Payable on demand	477,536,135	45.4	332,211,724	29.6
Payable within one month	14,232,007	1.4	6,339,527	0.6
Between one and three months	24,242,224	2.3	32,684,315	2.9
Between three and six months	71,549,498	6.8	83,755,036	7.5
Between six months and one year	289,918,217	27.6	282,188,406	25.2
Between one and three years	169,803,974	16.1	331,440,599	29.6
Between three and five years	4,264,860	0.4	52,040,689	4.6
Total	1,051,546,915	100.0	1,120,660,296	100.0
Other customers				
Payable on demand	114,656,566	55.9	102,555,886	75.8
Payable within one month	60,078,724	29.4	27,429,058	20.3
Between one and three months	20,630,149	10.1	281,217	0.2
Between three and six months	150,000	0.1	150,000	0.1
Between six months and one year	4,096,143	2.0	3,761,653	2.8
Between one and three years	5,060,000	2.5	1,032,908	0.8
Between three and five years	-	-	-	-
Total	204,671,582	100.0	135,210,722	100.0
Total Funds entrusted	2,305,958,081		2,058,684,347	

(in euro)

	2011	2010
12) Accruals and deferred income	**26,812,660**	**19,747,398**

	2011	2010
Interest payable		
- Parent bank and related banks	7,377,527	3,855,294
- Related group companies	460,583	799,662
- Banks	574,757	1,146,631
- Customers	1,394,689	1,547,444
Corporate tax	4,106,696	2,879,718
Deferred fee income	5,520,793	2,730,119
Other accruals	7,377,615	6,788,530
Total	26,812,660	19,747,398

Other accruals mainly comprise salary related expenses and other expenses payable.

	2011	2010
13) Other liabilities	**37,722,394**	**10,860,011**

Other liabilities mainly comprise revaluation of FX contracts.

	2011	2010
14) Fund for general banking risks	**1,591,603**	**1,591,603**

No additions to or releases from the Fund have been made in 2011 and 2010.

	2011	2010
15) Subordinated liabilities	**90,000,000**	**90,000,000**

The subordinated liabilities are subordinated in respect of other current and future liabilities of the Bank. The maturity of the total loan is October 30th, 2020. The interest is fixed from October 31st, 2011 until October 31st, 2012 at 5.57313% (2010: 5.0022%). In 2011 the interest expense for the subordinated loan amounted to EUR 4,652,994.

(in euro)

16) Shareholders' equity

	2011	2010
	268,189,668	**240,645,355**

Statement of changes in shareholders' equity:

	Paid-in and called-up capital	Share premium	Retained earnings	Other reserves	Net profit	Total
Balance as at December 31st, 2009	**117,343,424**	**4,317,803**	**101,319,963**	**494,219**	**7,823,248**	**231,298,657**
Profit appropriation	**-**	**-**	**7,823,248**	**-**	**-7,823,248**	**-**
FX revaluation reserve	**-**	**-**	**-**	**1,182,383**	**-**	**1,182,383**
Net result 2010	**-**	**-**	**-**	**-**	**8,164,315**	**8,164,315**
Balance as at December 31st, 2010	**117,343,424**	**4,317,803**	**109,143,211**	**1,676,602**	**8,164,315**	**240,645,355**
Profit appropriation	**-**	**-**	**164,315**	**-**	**-164,315**	**-**
Dividend payment	**-**	**-**	**-**	**-**	**-8,000,000**	**-8,000,000**
FX revaluation reserve	**-**	**-**	**-**	**-746,746**	**-**	**-746,746**
Net result 2011	**-**	**-**	**-**	**-**	**36,291,059**	**36,291,059**
Balance as at December 31st, 2011	**117,343,424**	**4,317,803**	**109,307,526**	**929,856**	**36,291,059**	**268,189,668**

Paid-in and called-up capital

As at December 31st, 2011 all shares were held by OAO Alfa-Bank, Moscow.

The authorized capital amounts to EUR 411,719,132 (2010: EUR 411,719,132). According to the Articles of Association the shares are subdivided in 907,310 shares (each valued at EUR 453.78 at par), of which 258,591 shares have been issued and fully paid up.

Share premium

In December 1995 a share premium was paid amounting to EUR 4,537,802.
In 2003 capital tax was paid amounting to EUR 219,999.
No additional share premium was received in 2011 or 2010.

Other reserves

Other reserves include a legal reserve of EUR 929,856 relating to the currency translation reserve of subsidiaries.

Consolidated Off-Balance Sheet Commitments and Contingent Liabilities

as at December 31st, 2011

(in euro)

	2011	2010
17) Guarantees	53,564,244	71,909,268

These are irrevocable contingent liabilities pursuant to guarantees.
Contingent liabilities represent Guarantees issued EUR 31,886,578 (2010: EUR 15,179,861) and Letters of credit EUR 21,677,666 (2010: EUR 56,729,407).
The guarantees are secured by collateral.

Geographical concentration:	2011	2010
Russia	347,786	-
Other CIS countries	8,920,473	42,722,457
EMU countries	35,789,487	20,768,297
Other countries	8,506,498	8,418,514
	53,564,244	71,909,268
By remaining period:		
Within 1 year	50,472,307	69,086,150
Between 1 and 5 years	3,091,937	2,823,118
	53,564,244	71,909,268

	2011	2010
18) Irrevocable credit facilities	52,837,752	79,756,968

Irrevocable credit facilities comprise the total amount of commitments in respect to undrawn irrevocable credit facilities.

Geographical concentration:	2011	2010
Russia	-	-
Other CIS countries	22,639,665	50,039,760
EMU countries	5,000,000	23,173,744
Other countries	25,198,087	6,543,464
	52,837,752	79,756,968
Secured by:		
Guarantee	10,181,606	-
Other	9,152,850	18,788,637
Unsecured	33,503,296	60,968,331
	52,837,752	79,756,968

Liabilities pledged to the Bank

In connection to the risk profile of outstanding loans and other assets, the following liabilities have been allocated to assets under pledge agreements and are consistently no longer freely available.

Consolidated Off-Balance Sheet Commitments and Contingent Liabilities

as at December 31st, 2011

(in euro)	2011		2010	
	Liabilities	Assets	Liabilities	Assets
Parent bank and related banks	15,126,860	64,313,539	49,497,709	172,743,831
Related group companies	64,313,539	-	169,002,175	-
Other banks	-	548,819,625	-	391,028,416
Funds entrusted/Loans and advances to customers	549,195,363	15,502,598	395,403,859	50,131,496
Total	628,635,762	628,635,762	613,903,743	613,903,743

The related accrued interest on pledged liabilities is included in the pledge agreements as security for the accrued interest on assets, but is not included in this table.

Related parties

Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operational decisions.

For the 2011 financial statements, the Bank defines and interprets related parties as associated companies, shareholders, the Board of Managing Directors, the Supervisory Board, close family members and enterprises which are controlled by these individuals (Board of Managing Directors and Supervisory Board) through their majority shareholding or their role as chairman and/or CEO in those companies.

Transactions are at arm's length basis and are based upon contractual arrangements and relate mainly to back-to-back loans, the funding of the Bank and pledged deposit agreements.
Amounts receivable or payable to related parties and income and expenses regarding related parties are disclosed in the notes to the financial statements.

Rental commitments

The Bank has entered into rental agreements for its office premises and office equipment amounting to EUR 3,298,000 (2010: EUR 4,107,000).
Of this amount EUR 909,000 is payable within 1 year and EUR 2,389,000 is payable between 1 and 5 years.

Currency risk

The total euro equivalent of assets in foreign currency amounts to 1,814 million (2010: 1,338 million), while the total of the liabilities in foreign currencies amounts to 978 million (2010: 838 million).

Consolidated Off-Balance Sheet Commitments and Contingent Liabilities

as at December 31st, 2011

Foreign exchange contracts

(in euro)

Year	Notional amount: Total	Notional amount: < 1 year	Notional amount: 1-< 5 year	Market value: Positive	Market value: Negative
2011	**840,725,462**	**840,725,462**	**-**	**1,565,633**	**-37,288,498**
2010	**569,404,281**	**569,404,281**	**-**	**2,133,401**	**-10,797,233**

Notional amounts are the principal amounts represented by the derivatives. Positive replacement value represents the loss the Bank could incur if all counterparties would be in default at the end of 2011.
The positive replacement value depends on the market conditions prevailing at balance sheet date. The Foreign exchange contracts are all OTC-traded (over-the-counter).

Interest risk

The interest rate risk is monitored by means of the GAP report prepared separately for EUR and USD (the two main currencies). The GAP-reports measure the difference between the amount of interest-earning assets and interest-bearing liabilities (both on- and off-balance) and allocates these to different time buckets based on the instrument's next repricing or maturity date. Within each time bucket, the Bank may have a positive, negative, or neutral gap. A positive gap indicates that the Bank is generally expected to benefit from rising interest rates because its assets are expected to reprice more quickly than its liabilities. A negative gap indicates that the bank may benefit from falling interest rates.

Consolidated Off-Balance Sheet Commitments and Contingent Liabilities

as at December 31st, 2011

(in euro)

EUR GAP report (in euro million)	2011	2010
Due within one month	272.3	407.8
Between one and three months	477.6	317.7
Between three and six months	-44.6	27.4
Between six months and one year	-353.8	-193.0
Between one and three years	-68.8	-284.8
Between three and five years	-7.9	-32.7
Between five and ten years	-	-
Non-interest bearing	-289.3	-224.9
Total	-14.5	17.5

USD GAP report (in euro million)	2011	2010
Due within one month	-312.0	-90.4
Between one and three months	-105.9	-43.0
Between three and six months	148.6	67.8
Between six months and one year	90.0	1.2
Between one and three years	91.8	57.6
Between three and five years	109.9	33.1
Between five and ten years	2.4	-11.9
Non-interest bearing	-3.2	0.1
Total	21.6	14.5

Interest risk

The Bank uses Interest Rate Swaps to hedge interest risk out of the credit portfolio.

Interest Rate Swaps

	Notional amount			Market value	
Year	Total	< 1 year	1-< 5 year	Positive	Negative
2011	145,129,299	64,593,864	80,535,435	-	-5,540,855
2010	287,309,402	145,128,291	142,181,111	-	-10,766,326

On weighted average the interest on the floating (receive) side is 0.835% (2010: 0.427%) and on the fixed side 4.14% (2010: 3.85%). The remaining maturity (until repricing) on the floating side is 57 (2010: 51) days and 462 (2010: 471) days on the fixed side. The Interest Rate Swap contracts are all OTC-traded (over-the-counter).

Consolidated Off-Balance Sheet Commitments and Contingent Liabilities

as at December 31st, 2011

(in euro)

Effective interest rates as at *In % per annum*	December 31st, 2011 USD	RUB	EUR
Assets			
Due from banks	0.881	4.113	0.563
Loans and advances	7.188	8.317	6.969
Interest-bearing securities	7.234	7.875	3.702
Liabilities			
Due to banks	0.536	-	1.229
Customer accounts			
- current and settlement accounts	-	-	1.731
- term deposits	0.421	4.609	3.737
Subordinated debt	-	-	5.573

Effective interest rates as at *In % per annum*	December 31st, 2010 USD	RUB	EUR
Assets			
Due from banks	0.684	-	0.322
Loans and advances	8.527	-	7.378
Interest-bearing securities	8.113	7.875	2.968
Liabilities			
Customer accounts			
- current and settlement accounts	-	-	1.060
- term deposits	0.874	1.550	3.787
Subordinated debt	-	-	5.002

Legal procedures

The Bank is involved in a limited number of court procedures. It is not possible to predict the outcome of these procedures, but are improbable to have a material adverse effect on the Bank's financial position.

Capital information

The following required capital information applies to Amsterdam Trade Bank N.V. (based upon Basel II accord).

	2011	2010
BIS ratio (under Basel II accord)	18.2%	26.5%
Total capital required (in million euro)	144	98
Total capital available (in million euro)	327	324

In line with regulations applicable to the whole banking sector in the Netherlands, the Bank started using the Basel II principles in 2008.
The BIS ratios are calculated on the basis of IFRS accounting principles as applied by the Bank in its reporting to its parent company and deviate from the accounting principles as used in these financial statements. The difference with the biggest impact on result and equity between these accounting principles is the application of hedge accounting for the derivatives in these financial statements, whereas hedge accounting is not applied for IFRS reporting purposes. As a result the net result 2011 is higher and equity as at December 31st, 2011 is lower under IFRS accounting principles. The Dutch Central Bank sets solvency ratios for banks in the Netherlands, also based on Basel II.
In 2011 and 2010 the required solvency ratios have been met.

Notes to the Consolidated Profit and Loss Account 2011

(in euro)

	2011	2010
19) Interest income	97,647,587	103,094,501

Interest income represents income arising from lending activities and related transactions. Interest income comprise interest from:

- fixed income securities EUR 8,481,210 (2010: EUR 8,898,322)
- cash and balances at central banks EUR 984,119 (2010: EUR 1,350,477)
- parent bank and related banks EUR 8,364,973 (2010: EUR 7,807,195).

Geographical concentration:	2011	%	2010	%
Russia	21,796,112	22.3	33,426,569	32.4
Other CIS countries	30,182,460	30.9	22,066,255	21.4
EMU countries	26,739,275	27.4	35,770,705	34.7
Other European countries	6,181,605	6.3	3,044,344	3.0
Other countries	12,748,135	13.1	8,786,628	8.5
Total	97,647,587	100.0	103,094,501	100.0

	2011	2010
20) Interest expense	48,663,848	70,240,657

Interest expense represents all cost related to the borrowing of funds and related transactions.
EUR 11,194,071 (2010: EUR 16,292,858) of the interest expense is attributable to the parent bank and related entities.

Geographical concentration:	2011	%	2010	%
Russia	8,939,933	18.4	13,510,841	19.2
Other CIS countries	252,535	0.5	29,248	0.0
EMU countries	35,916,321	73.8	52,733,286	75.2
Other European countries	258,353	0.5	169,475	0.2
Other countries	3,296,706	6.8	3,797,807	5.4
Total	48,663,848	100.0	70,240,657	100.0

	2011	2010
21) Net commission income	8,290,230	4,236,076

Commission comprise income from fees received in respect of banking services supplied to third parties, insofar as they are not in the nature of interest and expenses paid in respect of fees for banking services supplied by third parties.

	2011	%	2010	%
Trade finance fees	7,994,257	86.0	4,123,916	80.5
Money transfer fees	613,740	6.6	422,864	8.2
Other fees	684,765	7.4	581,527	11.3
Commission income	9,292,762	100.0	5,128,307	100.0
Commission expense	1,002,532		892,231	
Total	8,290,230		4,236,076	

(in euro)

	2011	2010
22) Result on financial transactions	7,627,261	-93,884

Result on financial transactions comprise:

	2011	2010
Foreign exchange results on client transactions	135,652	738,734
Other Foreign exchange results	7,491,609	-832,618
Total	7,627,261	-93,884

Other Foreign exchange results on client transactions mainly are due to a favorable movement in foreign exchange rates (EUR 2.0 million) considering foreign exchange position during the year and a positive impact on result (EUR 3.7 million) due to a translation position on the Bank's investment in the equity of a subsidiary.

	2011	2010
23) Other income	1,453,480	1,339,034

Results on other income comprise mainly VAT return payments.

	2011	2010
24) Administrative expenses	27,481,072	21,119,683

Administrative expenses comprise:

	2011	2010
Staff expense	14,559,813	12,844,374
General and administrative expense	12,921,259	8,275,309
Total	27,481,072	21,119,683

Staff expense comprise:	2011	2010
- Wages and salaries	11,788,134	9,710,801
- Pension cost	1,117,219	919,716
- Other social cost	472,983	394,848
- Other staff cost	1,181,477	1,819,009
Total Staff expense	14,559,813	12,844,374

General and administrative expense comprise:	2011	2010
- Housing	1,132,676	1,172,694
- IT / communication	4,833,975	2,011,722
- Public relations	494,586	253,666
- Professional services	2,486,744	1,884,320
- Foreign taxes	1,421,942	1,254,718
- Other cost	2,551,336	1,698,189
Total General and administrative expense	12,921,259	8,275,309

(in euro)

Staff expense

Included in Staff expense is the remuneration of the Board of Managing Directors. Pension obligations are insured with an insurance company. The pension scheme is a defined-contribution plan, hence the Bank pays a certain percentage of annual gross salaries and runs no financial and actuarial risk on pension investments on behalf of staff.
As at December 31st, 2011, the total number of employees expressed in full-time equivalents was 119 (2010: 98).

General and administrative expense

In accordance with RJ 121 of the Dutch Civil Code, IT systems have been impaired, resulting in a write-off of EUR 1,724,026, which is recognized under IT / communication. Professional services contains a charge of EUR 725,000 relating to the Bank's share in the bankruptcy of the Dutch DSB Bank N.V. under the Dutch Deposit Guarantee Scheme. Included in Other cost is an amount of EUR 868,833 regarding operational cost for foreclosed assets.

	2011	2010
25) Depreciation	**2,011,007**	**982,867**

In accordance with RJ 121 of the Dutch Civil Code, Property and equipment in the Bank has been fully written off, resulting in an additional depreciation of EUR 776,341.

	2011	2010
26) Value adjustment to loans and advances to customers	**9,391,433**	**5,037,051**

Value adjustment to loans and advances to customers relates to additions to and releases from provisions for bad debts, country risk and securities.

	2011	2010
Release from provisions	-22,177,948	-4,872,525
Addition to provisions	31,785,000	9,909,576
Other releases	-215,619	-
Total Value adjustment to loans and advances to customers	9,391,433	5,037,051

The addition in 2011 relates to 5 clients (2010: 3).

	2011	2010
27) Taxation	**-8,819,861**	**3,031,154**

In 2011 the Bank agreed with the Dutch tax authorities on a combined tax deduction on taxable income amounting to EUR 60,000,000 for the years 2007 up until 2009. This agreement had an positive impact on corporate tax of EUR 15,300,000.
Taxes are calculated on the result before taxation, based on the applicable profit tax rate.
The statutory applicable corporate tax rate for 2011 in the Netherlands is 25% (2010: 25.5%) and in Russia is 20% (2010: 20%).
This leads to an overall effective tax rate of 23.8% (2010: 27.1%).

Corporate Financial Statements 2011

Amsterdam Trade Bank
Member of Alfa•Bank Group

Amsterdam Trade Bank N.V.
Corporate Balance Sheet

as at December 31st, 2011
before appropriation of profit

(in euro)

Assets

	2011	2010	
Cash and balances at central banks	296,471,902	328,747,504	
Government securities eligible for refinancing with central bank	-	28,904,813	*
Due from banks	990,833,486	884,682,916	
Loans and advances to customers	1,283,761,828	834,869,242	
Interest-bearing securities	192,172,181	321,268,134	*
Participating interests	32,012,682	25,812,329	
Property and equipment	5,135,409	4,117,151	
Prepayments and accrued income	32,297,570	34,762,440	*
Other assets	2,560,852	2,296,175	*
Total assets	2,835,245,910	2,465,460,704	

Liabilities

	2011	2010	
Due to banks	110,484,958	49,530,831	
Funds entrusted	2,307,120,919	2,058,684,347	
Accruals and deferred income	21,063,824	15,822,760	*
Other liabilities	37,722,394	10,860,010	*
Fund for general banking risks	1,591,603	1,591,603	
Subordinated liabilities	90,000,000	90,000,000	
Shareholders' equity:			
- Paid-in and called-up capital	117,343,424	117,343,424	
- Share premium	4,317,803	4,317,803	
- Retained earnings	109,307,526	109,143,211	
- FX translation reserve	-	-	
- Revaluation reserve	2,400	2,400	
- Net profit	36,291,059	8,164,315	
Total shareholders' equity	267,262,212	238,971,153	
Total liabilities and shareholders' equity	2,835,245,910	2,465,460,704	

* = adjusted for comparison purposes

Contingent liabilities pursuant to:

	2011	2010
Guarantees	53,564,244	71,909,268
Irrevocable credit facilities	52,837,752	79,756,968

Amsterdam Trade Bank N.V. Corporate Profit and Loss Account 2011

(in euro)	2011		2010	
Income				
Interest income	91,937,984		97,503,851	
Interest expense	48,663,848		70,246,627	
Net interest income		43,274,136		27,257,224
Commission income	9,292,762		5,128,307	
Commission expense	1,002,532		892,231	
Net commission income		8,290,230		4,236,076
Result on financial transactions		5,117,399		1,221,505
Other income		1,453,480		1,252,008
Total income		58,135,245		33,966,813
Expense				
Staff expense		14,399,829		12,704,210
General and administrative expense		10,497,501		6,060,004
Depreciation		2,008,540		979,890
Value adjustments to loans and advances to customers		10,823,052		5,036,490
Total expense		37,728,922		24,780,594
Result before taxation		20,406,323		9,186,219
Taxation		-10,370,504		2,165,493
Result subsidiaries		5,514,232		1,143,589
Net profit		36,291,059		8,164,315

Amsterdam Trade Bank N.V. Notes to the Corporate Financial Statements

as at December 31st, 2011

(in euro)

FINANCIAL STATEMENTS

General

The Bank's financial statements have been prepared in conformity with section 14, "Provisions for banks", of book 2, Title 9 of the Netherlands Civil Code with the allowed application of the accounting policies (DGAAP) as also applied in the consolidated annual accounts.
The principles of valuation and determination of results stated in connection with the consolidated balance sheet and consolidated profit and loss account are also applicable to the corporate balance sheet and corporate profit and loss account.

Reference to the consolidated financial statements

As mentioned above, the accounting policies applied in the corporate annual accounts correspond with those of the consolidated annual accounts and furthermore the consolidated entities, ATB Leasing and Amsterdam Trade Capital Administration Corporation only comprise a small part of the total amounts. Accordingly the notes to the balance sheet and profit and loss account are almost similar in both the corporate annual financial statements and the consolidated annual financial statements.

Participating interests

In the corporate balance sheet the following participating interests are included:

- SWIFT, details can be found in the Notes to the consolidated financial statements.
- ATB Leasing LLC, a subsidiary for leasing activities in Moscow.
  The paid-in capital of ATB Leasing amounts to EUR 28,804,698 (rouble 1,246,273,138).
  The Bank holds 111 (2010: 111) shares of ATB Leasing.
  The profit regarding 2011 and 2010 has been recorded as an addition on the participating interest in ATB Leasing.
- ATCAC (Amsterdam Trade Capital Administration Corporation B.V.)
  The Bank holds 4 shares (2010: 4) of ATCAC.
  Due to losses from 2011 and previous years, ATCAC has a negative equity, which is recorded as a deduction on the loan to ATCAC.

The shares of ATB Leasing and ATCAC represent 100% of the outstanding shares.

Statement of changes in Participating interests

Balance as at December 31st, 2009	**20,390 ,031**
Result 2010	**1,934,998**
Addition in capital	**3,482,000**
FX translation reserve	**5,300**
Balance as at December 31st, 2010	**25,812,329**
Result 2011	**6,202,571**
Addition in capital	**-**
FX translation reserve	**-2,218**
Balance as at December 31st, 2011	**32,012,682**

(in euro)

External auditor's cost

2011	**KPMG Accountants NV**	**Other KPMG**	**Total KPMG**
Audit services	327,900	93,188	421,088
Audit-related services	88,400	-	88,400
Tax advice services	-	237,277	237,277
Other non-audit **services**	-	-	-
Total	416,300	330,465	746,765
2010	**KPMG Accountants NV**	**Other KPMG**	**Total KPMG**
Audit services	280,000	105,660	385,660
Audit-related services	-	-	-
Tax advice services	-	122,853	122,853
Other non-audit services	-	4,550	4,550
Total	280,000	233,063	513,063

Remuneration of Supervisory Board and Board of Managing Directors

Remuneration (including pension cost and bonuses) of the members of the Board of Managing Directors during the period amounts to EUR 1,860,411 (2010: EUR 1,746,354). Remuneration of the Supervisory Board amounts to EUR 170,417 (2010: EUR 283,750).

Amsterdam, March 23rd, 2012

Board of Managing Directors:

M. Czurda, CEO
H.W. te Beest, CFO
J.H.F. Umbgrove CRO

Supervisory Board:

K.A. de Jong, Chairman
L.N. Degle
R.D. James
V.V. Tatarchuk
A. van 't Veer

Other Information

Other Information

Subsequent events

There have been no significant events between the year end and the date of approval of these accounts which would require a change to or disclosure in the accounts.

Appropriation of result

Pursuant to article 33, paragraph 1 of the Articles of Association, the Bank's profit is at the disposal of the General Meeting of Shareholders.
It is proposed to allocate the net profit amounting to EUR 36,291,059 to Retained earnings.

Article 33 paragraph 2 of the Articles of Association states that dividends can only be made available to the extent that shareholders' equity exceeds the amount of paid-in and called-up capital and legal reserves.

Other Information

Independent auditor's report
To: the Board of Managing Directors of Amsterdam Trade Bank N.V.

Report on the financial statements
We have audited the accompanying financial statements 2011 of Amsterdam Trade Bank N.V., Amsterdam, which comprise the consolidated and corporate balance sheet as at December 31, 2011, the consolidated and corporate profit and loss account for the year then ended and the notes comprising a summary of the accounting policies and other explanatory information.

Management's responsibility
Management is responsible for the preparation and fair presentation of the financial statements and for the preparation of the Report of the Board of Managing Directors, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code. Furthermore, Management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Managing Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

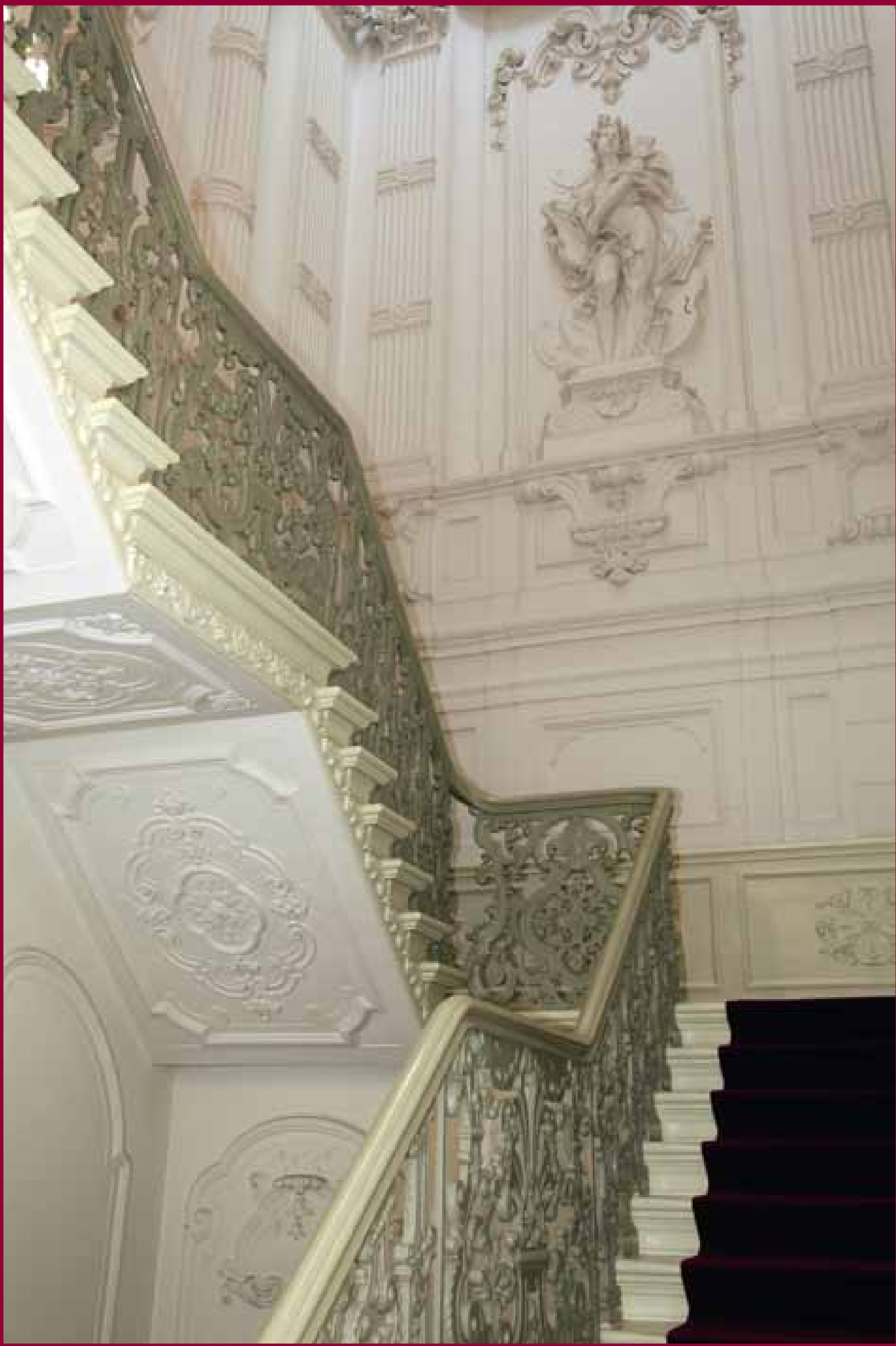
Opinion
In our opinion, the financial statements give a true and fair view of the financial position of Amsterdam Trade Bank N.V. as at December 31, 2011 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements
Pursuant to the legal requirements under Section 2:393 sub 5 at e and f of the Netherlands Civil Code, we have no deficiencies to report as a result of our examination whether the Report of the Board of Managing Directors, to the extent we can assess, has been prepared in accordance with part 9 of Book 2 of this Code, and if the information as required under Section 2:392 sub 1 at b - h has been annexed. Further, we report that the Report of the Board of Managing Directors, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Netherlands Civil Code.

Amstelveen, March 23, 2012

KPMG ACCOUNTANTS N.V.

N.R. Tambach RA



Amsterdam Trade Bank N.V.
Herengracht 475
1017 BS Amsterdam
The Netherlands
Phone +31 (0)20 5 209 209
Fax +31 (0)20 5 209 219
info@atbank.nl
www.atbank.nl
Chamber of Commerce
Amsterdam 33260432