OJSC MOSTOTREST

Condensed Interim Consolidated Financial Statements
as at and for the six-month period ended 30 June 2012

Contents

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2012

Condensed Interim Consolidated Statement of Financial Position

Mln RUB	Note	30 June 2012	31 December 2011
ASSETS			
Non-current assets			
Goodwill		2,404	2,404
Intangible assets		352	314
Property, plant and equipment	11	16,116	14,912
Trade and other receivables		396	376
Investments in equity accounted investees		1,462	1,454
Prepayments		689	453
Deferred tax assets		332	395
Other non-current assets		265	260
Total non-current assets		**22,016**	**20,568**
Current assets			
Inventories		9,701	6,559
Income tax receivable		140	19
Trade and other receivables		14,631	16,226
Amounts due from customers on construction contracts	12	14,593	7,873
Prepayments		21,892	16,817
Cash and cash equivalents		8,913	29,254
Other current assets		638	1,339
Total current assets		**70,508**	**78,087**
Total assets		**92,524**	**98,655**
EQUITY AND LIABILITIES			
Equity	13		
Share capital		136	136
Additional paid in capital		6,169	6,192
Reserve for available-for-sale financial assets		116	107
Reserve for acquisition of own shares		(425)	(561)
Retained earnings		12,616	12,809
Total equity attributable to equity holders of the Company		**18,612**	**18,683**
Non-controlling interests		6	(7)
Total equity		**18,618**	**18,676**
Non-current liabilities			
Loans and borrowings	15	1,838	1,224
Trade and other payables		150	163
Deferred tax liabilities		1,014	555
Total non-current liabilities		**3,002**	**1,942**
Current liabilities			
Loans and borrowings	15	6,734	6,408
Non-controlling interest		978	425
Trade and other payables		16,459	17,082
Amounts due to customers on construction contracts	12	46,506	53,410
Other provisions		193	527
Income tax liabilities		34	185
Total current liabilities		**70,904**	**78,037**
Total liabilities		**73,906**	**79,979**
Total equity and liabilities		**92,524**	**98,655**

These condensed interim consolidated financial statements were approved by management on 28 September 2012 and were signed on its behalf by:

V.N.Vlasov

General Director

O.G.Tanana

Deputy General Director for Economics and Finance

The condensed interim consolidated statement of financial position is to be read in conjunction with the notes to, and forming part of, the condensed interim consolidated financial statements set out on pages 7 to 18.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 JUNE 2012

Condensed Interim Consolidated Statement of Comprehensive Income

Mln RUB	Note	Six-month period ended 30 June 2012	Six-month period ended 30 June 2011
Revenue	7	45,705	36,433
Cost of sales	8	(39,697)	(30,762)
Gross profit		**6,008**	**5,671**
Other income		332	161
Administrative expenses	9	(2,973)	(2,819)
Other expenses		(314)	(696)
Results from operating activities		**3,053**	**2,317**
Finance income	10	527	261
Finance costs	10	(986)	(326)
Net finance costs		**(459)**	**(65)**
Share of profit/(loss) of equity accounting investees, net of income tax		41	(119)
Profit before income tax		**2,635**	**2,133**
Income tax expense		(811)	(528)
Profit for the period		**1,824**	**1,605**
Other comprehensive income			
Net change in fair value of available-for-sale financial assets, net of income tax		9	(7)
Total comprehensive income		**1,833**	**1,598**
Profit attributable to:			
Owners of the parent		1,811	1,606
Non-controlling interests		13	(1)
Profit for the period		**1,824**	**1,605**
Total comprehensive income attributable to:			
Owners of the parent		1,820	1,599
Non-controlling interests		13	(1)
Total comprehensive income for the period		**1,833**	**1,598**
Earnings per share			
Basic and diluted earnings per share (RUB)	14	6.47	5.71

The condensed interim consolidated statement of comprehensive income is to be read in conjunction with the notes to, and forming part of, the condensed interim consolidated financial statements set out on pages 7 to 18.

Condensed Interim Consolidated Statement of Changes in Equity

Mln RUB	Attributable to equity holders of the Company								
	Share capital	Additional paid-in capital	Reserve for available-for-sale financial assets	Prepaid shares reserve	Reserve for acquisition of own shares	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2011	**131**	**-**	**141**	**6,185**	**(68)**	**9,940**	**16,329**	**-**	**16,329**
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	1,606	1,606	(1)	1,605
Net change in fair value of available-for-sale financial assets	-	-	(8)	-	-	-	(8)	-	(8)
Income tax on other comprehensive income	-	-	1	-	-	-	1	-	1
Total comprehensive income for the period	**-**	**-**	**(7)**	**-**	**-**	**1,606**	**1,599**	**(1)**	**1,598**
Shares issued (net of related expenses)	5	6,180	-	(6,185)	-	-	-	-	-
Treasury shares acquired	-	-	-	-	(539)	-	(539)	-	(539)
Dividends (Note 13)	-	-	-	-	-	(845)	(845)	-	(845)
Non-controlling interests arising on incorporation of a new subsidiary	-	-	-	-	-	-	-	2	2
Balance at 30 June 2011	**136**	**6,180**	**134**	**-**	**(607)**	**10,701**	**16,544**	**1**	**16,545**
Balance at 1 January 2012	**136**	**6,192**	**107**	**-**	**(561)**	**12,809**	**18,683**	**(7)**	**18,676**
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	1,811	1,811	13	1,824
Net change in fair value of available-for-sale financial assets	-	-	11	-	-	-	11	-	11
Income tax on other comprehensive income	-	-	(2)	-	-	-	(2)	-	(2)
Total comprehensive income for the period	**-**	**-**	**9**	**-**	**-**	**1,811**	**1,820**	**13**	**1,833**
Treasury shares sold (Note 13)	-	(23)	-	-	136	-	113	-	113
Dividends (Note 13)	-	-	-	-	-	(2,004)	(2,004)	-	(2,004)
Balance at 30 June 2012	**136**	**6,169**	**116**	**-**	**(425)**	**12,616**	**18,612**	**6**	**18,618**

The condensed interim consolidated statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the condensed interim consolidated financial statements set out on pages 7 to 18.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 JUNE 2011

Condensed Interim Consolidated Statement of Cash Flows

Mln RUB	Six-month period ended 30 June	
	2012	2011
Cash flows from operating activities		
Profit for the period	1,824	1,605
Adjustments for:		
Depreciation and amortisation	1,424	2,011
Share of (profit)/loss of equity accounted investees	(41)	119
Change in non-controlling interest	553	(56)
Loss on disposal of property, plant and equipment	196	59
Net finance (income)/costs	(82)	115
Change in allowance for doubtful loans given	(54)	110
Income tax expense	811	528
Cash from operating activities before changes in working capital and provisions	**4,631**	**4,491**
Increase in inventories	(3,138)	(1,230)
Decrease/(increase) in trade and other receivables	1,640	(1,750)
Increase in amounts due from customers on construction contracts	(6,720)	(2,817)
Increase in prepayments	(5,311)	(4,495)
(Decrease)/increase in provisions	(334)	46
Decrease in trade and other payables	(2,622)	(3,685)
(Decrease)/increase in amounts due to customers on construction contracts	(6,904)	5,566
Cash flows used in operations before income taxes and interest paid	**(18,758)**	**(3,874)**
Income tax paid	(572)	(964)
Net cash used in operating activities	**(19,330)**	**(4,838)**
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	356	15
Interest received	507	177
Dividends received	4	14
Loans given	(337)	(635)
Acquisition of property, plant and equipment	(1,238)	(1,369)
Placement of funds on bank deposits	(798)	(250)
Withdrawal of bank deposits	1,566	200
Acquisition of intangible assets	(66)	(31)
Repayment of the loans given	326	528
Net cash acquired with the subsidiaries	-	2
Net cash from/(used in) investing activities	**320**	**(1,349)**
Cash flows from financing activities		
Sale of treasury shares	85	-
Proceeds from loans and borrowings	3,559	3,685
Repayment of loans and borrowings	(3,700)	(7,446)
Payment of finance lease liabilities	(844)	(554)
Interest paid	(431)	(319)
Dividends paid to equity holders of the Company (Note 13)	-	(330)
Dividends paid to non-controlling interests	-	(80)
Net cash used in financing activities	**(1,331)**	**(5,044)**
Net decrease in cash and cash equivalents	(20,341)	(11,231)
Cash and cash equivalents at 1 January	29,254	19,950
Cash and cash equivalents at 30 June	**8,913**	**8,719**

The condensed interim consolidated statement of cash flows is to be read in conjunction with the notes to, and forming part of, the condensed interim consolidated financial statements set out on pages 7 to 18.

Notes to the Condensed Interim Consolidated Financial Statements

1 Background

(a) Organization and operations

OJSC Mostotrest (the "Company") and its subsidiaries (the "Group") comprise Russian open joint stock companies (OAO) and limited liability (OOO) companies as defined in the Civil Code of the Russian Federation. The Company was established as a state-owned enterprise in 1930. The Company was privatized as an open joint stock company in December 1992.

The Company's registered office is Myasnitskaya Street 24/7, Bld.3, Moscow, 101990, Russian Federation.

The Group's principal activity is the construction of transport infrastructure facilities, including railway, highway and city bridges, overpasses, interchanges, and other engineering structures for the state municipal entities. The Group's major customers are government agencies and other public bodies. The Group primarily operates in the European part of the Russian Federation.

The Company's shares are traded under MSTT symbol on the Russian Trading System (RTS) and Moscow Interbank Currency Exchange (MICEX) stock exchanges in Russia.

(b) Business environment

The Group's operations are primarily located in the Russian Federation. Consequently, the Group is exposed to the economic and financial markets of the Russian Federation which display characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in the Russian Federation. The consolidated financial statements reflect management's assessment of the impact of the Russian business environment on the operations and the financial position of the Group. The future business environment may differ from management's assessment.

2 Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do not include all of the information required for full set of annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2011 that are available upon request from the Company's registered office and at www.mostotrest.ru.

3 Significant accounting policies

The accounting policies applied by the Group in these condensed interim consolidated financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2011.

New accounting pronouncements

A number of new Standards and amendments to Standards were not yet effective for the six-month period ended June 2012, and have not been applied in these condensed interim consolidated financial statements.

Standards	**Effective for annual periods beginning on or after**
IAS 1 (Amended) *Presentation of Financial Statements*	1 July 2012
IAS 16 (Amended)*Property, plant and equipment*	1 January 2013
IAS 19 (Amended) Employee Benefits	1 July 2013
IAS 27 (Amended) Consolidated and Separate Financial Statements	1 January 2013
IAS 28 (Amended) Investments in Associates and Joint Ventures	1 January 2013
IAS 32 (Amended) *Financial instruments: presentation*	1 January 2014
IFRS 1 (Amended) *First-time adoption of international financial reporting standards*	1 July 2011
IFRS 7 (Amended) *Financial instruments: disclosure*	1 January 2013
IFRS 9 *Financial Instruments*	1 January 2015
IFRS 10 *Consolidated Financial Statements*	1 January 2013
IFRS 11 (Amended) *Joint Arrangements*	1 January 2013
IFRS 12 *Disclosure of Interests in other entities*	1 January 2013
IFRS 13 *Fair Value Measurement*	1 January 2013
IFRIC 20 (Amended) *Stripping Costs in the Production Phase of a Surface Mine*	1 January 2013

The adoption of the pronouncements listed above is not expected to have a significant impact on the Group's consolidated financial statements.

4 Use of estimates and judgments

The preparation of condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 December 2011.

5 Seasonality

The Group's construction and overhaul of highways is, to some extent, affected by seasonality. During the period from November to April each year, construction of these projects in some regions of Russia is significantly impacted by snow cover and low temperatures, reducing the speed of construction or stopping construction completely. Most of the works on these projects are performed during the period from May to October each year and therefore, revenue from these projects is biased towards the second half of the year. Further, as customers for these projects are typically invoiced in arrears, cash flows from these projects also tend to be biased towards the second half of the year. This is primarily applicable to the highway construction and overhaul projects of ETS and TSM.

6 Operating segments

The Group conducts its business through 3 major strategic business units:

- Mostotrest – construction of bridges
- ETS – engineering and principal contractor services
- TSM – construction of highways and airports

The financial information for the segments is prepared in accordance with the same accounting standards as those used to prepare the Group's consolidated financial statements under IFRS. Financial information presented to the Group's CEO is derived from the internal management reports. The Group's CEO reviews operating performances of the segments on at least a quarterly basis and allocates resources on this basis.

Financial measure / Segment	Mostotrest		ETS		TSM		Eliminations and other		Consolidated	
Six-month period ended 30 June	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**
Revenue	**26,004**	**20,266**	**12,371**	**12,033**	**11,442**	**5,191**	**(4,112)**	**(1,057)**	**45,705**	**36,433**
revenue by type of contractor:										
-*external revenue*	24,657	20,209	12,330	11,872	7,539	3,534	1,179	818	45,705	36,433
-*intersegment revenue*	1,347	57	41	161	3,903	1,657	(5,291)	(1,875)	-	-
Segment result	**1,842**	**1,701**	**(620)**	**(520)**	**359**	**216**	**243**	**208**	**1,824**	**1,605**
Total assets	**61,098**	**71,538**	**13,843**	**15,545**	**23,478**	**16,327**	**(5,895)**	**(4,755)**	**92,524**	**98,655**

Major customers

During the six-month period ended 30 June 2012 revenue from two customers individually exceeded 10% of the Group's total revenue. Revenue from one of the customers accounted for RUB 8,239 million (18% of the Group's total revenue) and is included in ETS and Mostotrest segments. The other customer contributed RUB 5,735 million (13% of the Group's total revenue) and is included in ETS, TSM and Mostotrest segments.

During the six-month period ended 30 June 2011 revenue from two customers individually exceeded 10% of the Group's total revenue. Revenue from one of the customers accounted for RUB 4,838 million (13% of the Group's total revenue). The other customer contributed RUB 3,693 million (10% of the Group's total revenue). Revenue from both customers is included in the Mostotrest segment.

7 Revenue

	Six-month period ended	
Mln RUB	**30 June 2012**	**30 June 2011**
Revenue from contracts for construction of:		
bridges and highways	31,809	23,757
airfields and airports	3,479	3,125
railway infrastructure facilities	3,167	2,055
ports and in-land water infrastructure facilities	2,297	2,275
other infrastructure facilities	973	1,530
other facilities	3,142	3,192
Total revenue from construction contracts	44,867	35,934
Other revenue	838	499
Total revenue	**45,705**	**36,433**

Below is the information on the geographical allocation of revenues from construction contracts. This allocation is made based on the geographical location of construction sites:

	Six-month period ended	
Mln RUB	**30 June 2012**	**30 June 2011**
Central Federal District	19,743	12,661
Southern Federal District	15,918	15,894
Volga Federal District	3,022	2,767
Siberian Federal District	2,174	743
Northwestern Federal District	2,068	2,077
Far Eastern Federal District	1,942	1,792
Total revenue from construction contracts	**44,867**	**35,934**

8 Cost of sales

Mln RUB	Six-month period ended 30 June 2012	Six-month period ended 30 June 2011
Services of subcontractors	20,126	14,602
Materials	7,133	5,499
Personnel expenses	5,560	4,626
Depreciation and amortisation	1,307	1,917
Machinery, equipment, transport, and labor services provided by third parties	1,139	867
Fuel	1,018	545
Insurance	577	443
Services of principal contractors	263	324
Other	2,574	1,939
	39,697	**30,762**

9 Administrative expenses

Mln RUB	Six-month period ended 30 June 2012	Six-month period ended 30 June 2011
Personnel expenses	1,801	1,656
Taxes other than income tax	199	91
Depreciation and amortisation	117	94
Social expenses	121	117
Consulting and audit services	117	207
Rent expense	116	87
Materials	81	54
Insurance	74	35
Bank fees	20	49
Charity	1	8
Other administrative expenses	326	421
	2,973	**2,819**

10 Finance income and costs recognized in profit or loss for the period

Mln RUB	Six-month period ended 30 June 2012	Six-month period ended 30 June 2011
Recognised in profit or loss:		
Interest income on bank deposits	491	182
Non-controlling interest	-	56
Interest income on loans given	19	17
Effect of discounting financial assets and liabilities	12	-
Other finance income	5	6
Total finance income	**527**	**261**
Interest expense on borrowings	(212)	(172)
Interest expense on finance leases	(221)	(148)
Foreign exchange loss	-	(6)
Non-controlling interest	(553)	-
Finance costs	**(986)**	**(326)**
Net finance costs recognized in profit or loss	**(459)**	**(65)**

11 Property, plant and equipment

During the six-month period ended 30 June 2012 the Group acquired property, plant and equipment for a total amount of RUB 3 174 million (six-month period ended 30 June 2011: RUB 2 200 million).

Property, plant and equipment with a carrying amount of RUB 596 million were disposed of by the Group during the six-month period ended 30 June 2012 (six-month period ended 30 June 2011: RUB 134 million).

12 Construction contracts in progress

Mln RUB	30 June 2012	31 December 2011
Progress billings	183,792	180,039
Unbilled revenue	11,095	3,945
Contract revenue accumulated to the period end	194,887	183,984
Contract costs accumulated to the period end	(166,248)	(157,814)
Recognised profits less recognised losses	28,639	26,170
Contract revenue accumulated to the period end	194,887	183,984
Progress payments and advances received	(226,800)	(229,521)
Net payables to customers	(31,913)	(45,537)
Due from customers	14,593	7,873
Due to customers	(46,506)	(53,410)
	(31,913)	(45,537)
Retentions	2,442	1,681

13 Capital and reserves

(a) Share capital

During the six-month period ended 30 June 2012 the Company re-sold 974,400 treasury shares for cash consideration of RUB 113 million. The difference of RUB 23 million between the consideration received and the acquisition cost of the treasury shares sold was recorded in the additional paid-in capital.

(b) Dividends

Dividends in the amount of RUB 2 004 million, or RUB 7.1 per share, were declared for payment on 27 June 2012 (six-month period ended 30 June 2011: RUB 845 million, or RUB 3 per share). Out of RUB 2 004 million, RUB 0 million dividends were paid before 30 June 2012 (six-month period ended 30 June 2011: RUB 330 million).

14 Earnings per share

The calculation of basic earnings per share at 30 June 2012 was based on the profit attributable to the ordinary shareholders of RUB 1,811 million (2011: RUB 1,606 million), and a weighted-average number of outstanding ordinary shares in the amount of 280,033,473 (2011: 281,402,482), calculated as shown below. The Company does not have dilutive potential or dinary shares.

	2012	2011
Issued shares at 1 January	279,763,273	247,755,600
Effect of share issue on 12 January 2011	-	33,975,500
(Purchase) and sale of own shares	270,200	(328,618)
Weighted-average number of shares for the period ended 30 June	280,033,473	281,402,482
Profit attributed to shareholders (mln RUB)	1,811	1,606
Basic and diluted earnings per share (RUB)	6.47	5.71

15 Loans and borrowings

Mln RUB	Currency	Face value	Carrying amount	Year of maturity
Balance at 1 January 2012		8,052	7,632	
New issues				
Secured bank loans	RUB	2,359	2,359	2012-2013
Unsecured bank loans	RUB	1,200	1,200	2012-2013
Finance lease liabilities	RUB	2,151	1,923	2012-2017
Repayments, including interest				
Secured bank loans	RUB	(37)	(37)	2011
Unsecured bank loans	RUB	(3,872)	(3,872)	2012
Finance lease liabilities	RUB	(1,066)	(1,066)	2012-2017
Other changes				
Interest accrued on bank loans			212	
Interest accrued on finance lease liabilities			221	
Balance at 30 June 2012			8,572	

Mln RUB	30 June 2012	31 December 2011
Current liabilities		
Secured bank loans	2,359	-
Unsecured bank loans	3,043	5,541
Finance lease liabilities	1,332	867
	6,734	6,408
Non-current liabilities		
Finance lease liabilities	1,838	1,224
	1,838	1,224
Total loans and borrowings	**8,572**	**7,632**

The bank loans are attracted in RUB under fixed interest rates. The weighted-average effective interest rates at the reporting dates were as follows:

	30 June 2012	31 December 2011
Bank loans	8.0%	6.8%
Finance lease liabilities	16.5%	17.3%

16 Related party transactions

(a) Control relationships

During the six-month period ended 30 June 2012 there were no material changes in the Mostotrest shareholders' structure.

(i) Management remuneration

During the six-month period ended 30 June 2012 key management received remuneration in the amount of RUB 354 million (six-month period ended 30 June 2011: RUB 328 million) that is included in personnel costs.

(b) Transactions with other related parties

The Group's other related party transactions are disclosed below.

(i) Sales

Mln RUB	Transaction value six-month period ended		Outstanding balance	
	30 June 2012	30 June 2011	30 June 2012	31 December 2011
Sale of goods to:				
Investments in equity accounting investees	2	4	2	4
Other related parties	561	14	197	94
Services rendered to:				
Investments in equity accounted investees	50	79	168	121
Other related parties	32	674	50	611
	645	**771**	**417**	**830**

(ii) Purchases

Mln RUB	Transaction value six-month period ended		Outstanding balance	
	30 June 2012	30 June 2011	30 June 2012	31 December 2011
Purchase of goods from:				
Other related parties	385	260	778	(65)
Services received from:				
Investments in equity accounted investees	194	18	(125)	-
Other related parties	5,254	7,108	830	(244)
	5,833	**7,386**	**1,484**	**(309)**

Purchases of goods and services from related parties mainly consist of purchases from companies related to shareholders of the Group and minority participants of subsidiaries.

(iii) ***Loans***

Mln RUB	Transaction value six-month period ended		Outstanding balance	
	30 June 2012	**30 June 2011**	**30 June 2012**	**31 December 2011**
Loans given:				
Other related parties	-	429	45	51
	-	**429**	**45**	**51**

Interest income on loans given to the related parties amounted to RUB 0 million for the six-month period ended 30 June 2012 (six-month period ended 30 June 2011: RUB 5 million).

Mln RUB	Transaction value six-month period ended		Outstanding balance	
	30 June 2012	**30 June 2011**	**30 June 2012**	**31 December 2011**
Loans received:				
Other related parties	40	2,316	42	37
	40	**2,316**	**42**	**37**

The loans received from the related parties during the six-month period ended 30 June 2012 are repayable in the second half of 2012. The loans bear interest at 8.5 % per annum. Interest expense on these loans amounted to RUB 2 million for the six-month period ended 30 June 2012 (six-month period ended 30 June 2011: RUB 30 million).

(iv) ***Guarantees***

The financial guarantees provided to the related parties parties during the six-month period ended 30 June 2012 amounted to RUB 500 million.

17 Events subsequent to the reporting date

Acquisition of a subsidiary

On 10 July 2012 the Group obtained control of Natsionalnaya Industrialno-Torgovaya Palata ("NITP"), a closed joint stock company, in Moscow, Russia, by acquiring 60% of equity interest for a consideration of RUB 510 million, paid in cash. NITP is a servicing company specialized in maintenance and repair, including road markings and general overhaul of roads and bridges and their operation on the territory of the Russian Federation.

Management estimates that if the acquisition had occurred on 1 January 2012 the Group's consolidated revenue and consolidated profit for the period would have been RUB 46,569 million and RUB 1,959 million, respectively. In determining these amounts management has assumed that the fair value adjustments determined as of the date of acquisition would have been the same if the acquisition had occurred on 1 January 2012.

Sale of treasury shares

In July 2012 the Company re-sold 1,810,237 treasury shares for cash consideration of RUB 304 million.

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Independent Auditors' Report on review of Consolidated Interim Condensed Financial Information

Board of Directors

OJSC Mostotrest

Introduction

We have reviewed the accompanying consolidated condensed statement of financial position of OJSC Mostotrest and its subsidiaries, as at 30 June 2012, and the related consolidated condensed statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the interim financial information (the "consolidated interim condensed financial information"). Management is responsible for the preparation and presentation of this consolidated interim condensed financial information in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this consolidated interim condensed financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim condensed financial information as at 30 June 2012 and for the six-month period then ended is not prepared, in all material respects, in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

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ZAO KPMG
28 September 2012