

OJSC Mostotrest

Proforma Consolidated
Financial Information

for the year ended 31 December 2010 and 2009

Contents

| | |
|--|------|
| Proforma consolidated statement of income for the year ended 31 December 2009 | 3 |
| Proforma consolidated statement of financial position as at 31 December 2009 | 4 |
| Proforma consolidated statement of income for the year ended 31 December 2010 | 6 |
| Notes to the proforma consolidated financial information | 7-13 |

Proforma consolidated statement of income for the year ended 31 December 2009

| | MSTT | ETS | TSM | SUBTOTAL | Adjustment for elimination of intercompany transactions (e) | Adjustment for financing arrangements (c) | Adjustment for depreciation and amortisation (d) | TOTAL ADJUSTMENTS | PROFORMA GROUP |
|---|--------------|--------------|--------------|----------------|--|---|--|----------------------|-------------------|
| Revenues | 32 392 | 46 805 | 12 790 | 91 987 | (13 016) | - | - | (13 016) | 78 971 |
| Cost of sales | (24 211) | (44 068) | (11 555) | (79 834) | 12 914 | - | (1 440) | 11 474 | (68 359) |
| Gross profit | 8 181 | 2 737 | 1 235 | 12 153 | (102) | - | (1 440) | (1 542) | 10 611 |
| Other income | 194 | 57 | 170 | 421 | - | - | - | - | 421 |
| Administrative expenses | (3 827) | (1 049) | (513) | (5 389) | - | - | - | - | (5 389) |
| Other expenses | (261) | (618) | - | (879) | - | - | - | - | (879) |
| Results from operating activities | 4 287 | 1 127 | 892 | 6 306 | (102) | - | (1 440) | (1 542) | 4 764 |
| Finance income | 300 | 98 | 5 | 403 | (45) | - | - | (45) | 358 |
| Finance costs | (1 116) | (375) | (911) | (2 402) | 45 | (508) | - | (463) | (2 865) |
| Net finance costs | (816) | (277) | (906) | (1 999) | - | (508) | - | (508) | (2 507) |
| Profit before income tax | 3 471 | 850 | (14) | 4 307 | (102) | (508) | (1 440) | (2 050) | 2 257 |
| Income tax expense | (867) | (282) | (158) | (1 307) | 20 | 102 | 288 | 410 | (897) |
| Profit for the year from continuing operations | 2 604 | 568 | (172) | 3 000 | (82) | (406) | (1 152) | (1 640) | 1 361 |
| Discontinued operations | | | | | | | | | |
| Profit from discontinued operations | - | - | 274 | 274 | - | - | - | - | 274 |
| Profit for the year | 2 604 | 568 | 102 | 3 274 | (82) | (406) | (1 152) | (1 640) | 1 634 |
| Depreciation and amortisation | 1 421 | 99 | 432 | 1 952 | - | - | 1 440 | 1 440 | 3 392 |
| Capital expenditures | 255 | 134 | 658 | 1 047 | - | - | - | - | 1 047 |

Proforma consolidated statement of financial position as at 31 December 2009

| | MSTT | ETS | TSM | SUBTOTAL | Adjustment for elimination of intercompany transactions (e) | Adjustment for financing arrangements (c) | Adjustment for acquisition of ETS (b) | Adjustment for acquisition of TSM (a) | TOTAL ADJUSTMENTS | PROFORMA GROUP |
|--|---------------|---------------|--------------|---------------|--|---|---|---|----------------------|-------------------|
| ASSETS | | | | | | | | | | |
| Non-current assets | | | | | | | | | | |
| Goodwill | - | - | - | - | - | - | 1 091 | 918 | 2 009 | 2 009 |
| Intangible assets | 26 | 1 | 1 | 28 | - | - | 908 | 292 | 1 200 | 1 228 |
| Property, plant and equipment | 9 421 | 511 | 1 772 | 11 704 | - | - | 162 | 998 | 1 160 | 12 864 |
| Trade and other receivables | 14 | 90 | - | 104 | (46) | - | - | - | (46) | 58 |
| Other investments | 196 | - | - | 196 | - | 3 484 | (2 220) | (1 264) | - | 196 |
| Loans given | 20 | - | 25 | 45 | - | - | - | - | - | 45 |
| Deferred tax assets | - | 321 | 279 | 600 | 20 | 102 | - | - | 122 | 722 |
| Other non-current assets | 1 512 | - | - | 1 512 | - | - | - | - | - | 1 512 |
| Total non-current assets | 11 189 | 923 | 2 077 | 14 189 | (26) | 3 586 | (59) | 944 | 4 445 | 18 634 |
| Current assets | | | | | | | | | | |
| Inventories | 2 473 | 61 | 455 | 2 989 | - | - | - | - | - | 2 989 |
| Income tax receivable | 1 065 | - | - | 1 065 | - | - | - | - | - | 1 065 |
| Trade and other receivables | 810 | 1 898 | 868 | 3 576 | (77) | - | - | - | (77) | 3 499 |
| Amounts due from customers on construction contracts | 3 095 | 198 | 1 025 | 4 318 | (1 102) | - | - | - | (1 102) | 3 216 |
| Loans given | 331 | 143 | - | 474 | (268) | - | - | - | (268) | 206 |
| Prepayments | 1 103 | 5 998 | 238 | 7 339 | (88) | - | - | - | (88) | 7 251 |
| Cash and cash equivalents | 4 861 | 7 718 | 213 | 12 792 | - | - | - | - | - | 12 792 |
| Total current assets | 13 738 | 16 016 | 2 799 | 32 553 | (1 535) | - | - | - | (1 535) | 31 018 |
| TOTAL ASSETS | 24 927 | 16 939 | 4 876 | 46 742 | (1 561) | 3 586 | (59) | 944 | 2 910 | 49 652 |

Proforma consolidated statement of financial position as at 31 December 2009

| | MSTT | ETS | TSM | SUBTOTAL | Adjustment for elimination of intercompany transactions (e) | Adjustment for financing arrangements (c) | Adjustment for acquisition of ETS (b) | Adjustment for acquisition of TSM (a) | TOTAL ADJUSTMENTS | PROFORMA MSTT |
|---|-----------------|-----------------|----------------|-----------------|--|---|---|---|----------------------|------------------|
| EQUITY AND LIABILITIES | | | | | | | | | | |
| Equity | | | | | | | | | | |
| Share capital | (131) | | - | (131) | - | - | - | - | - | (131) |
| Reserve for available-for-sale financial assets | (110) | - | | (110) | - | - | - | - | - | (110) |
| Retained earnings | (9 011) | | | (9 011) | (259) | 406 | 1 144 | 878 | 2 169 | (6 842) |
| Total equity attributable to equity holders of the Company | (9 252) | - | - | (9 252) | (259) | 406 | 1 144 | 878 | 2 169 | (7 083) |
| Long-term liabilities | | | | | | | | | | |
| Loans and borrowings | (273) | (1) | (109) | (383) | - | (3 992) | - | - | (3 992) | (4 375) |
| Non-controlling interest | - | (163) | 1 180 | 1 017 | - | - | (871) | (1 564) | (2 435) | (1 418) |
| Long-term trade and other payables | (306) | - | - | (306) | 88 | - | - | - | 88 | (218) |
| Deferred tax liabilities | (356) | - | - | (356) | - | - | (214) | (258) | (472) | (828) |
| Total long-term liabilities | (935) | (164) | 1 071 | (28) | 88 | (3 992) | (1 085) | (1 822) | (6 811) | (6 839) |
| Short-term liabilities | | | | | | | | | | |
| Loans and borrowings | (6 010) | (38) | (475) | (6 523) | 444 | - | - | - | 444 | (6 079) |
| Trade and other payables | (4 565) | (7 063) | (3 598) | (15 226) | 174 | - | - | - | 174 | (15 052) |
| Amounts due to customers on construction contracts | (3 194) | (9 557) | (1 788) | (14 539) | 1 114 | - | - | - | 1 114 | (13 425) |
| Construction contracts loss provision | (170) | - | - | (170) | - | - | - | - | - | (170) |
| Other provisions | (112) | (25) | (4) | (141) | - | - | - | - | - | (141) |
| Current tax liabilities | (689) | (92) | (82) | (863) | - | - | - | - | - | (863) |
| Total short-term liabilities | (14 740) | (16 775) | (5 947) | (37 462) | 1 732 | - | - | - | 1 732 | (35 730) |
| TOTAL EQUITY AND LIABILITIES | (24 927) | (16 939) | (4 876) | (46 742) | 1 561 | (3 586) | 59 | (944) | (2 910) | (49 652) |

Proforma consolidated statement of income for the year ended 31 December 2010

| | MSTT 2010 Consolidated Financial Statements | Deconsolidation of ETS and TSM (g) | MSTT 2010 unaudited standalone Financial Information | ETS 2010 unaudited standalone Financial Information | TSM 2010 unaudited standalone Financial Information | SUBTOTAL | Adjustment for elimination of intercompany transactions (e) | Adjustment for financing arrangements for acquisition of ETS and TSM (c) | Adjustment for depreciation and amortisation (d) | Adjustment for non- controlling interest liability to minorities of ETS and TSM (f) | TOTAL ADJUSTMENTS | PROFORMA GROUP |
|--|---|---------------------------------------|---|---|---|----------------|--|--|--|--|----------------------|-------------------|
| Revenue | 60 279 | (27 891) | 32 388 | 37 714 | 14 825 | 84 927 | (10 048) | - | - | - | (10 048) | 74 879 |
| Cost of sales | (51 284) | 26 774 | (24 510) | (34 368) | (13 170) | (72 048) | 9 669 | - | (1 440) | - | 8 229 | (63 819) |
| Gross profit | 8 995 | (1 117) | 7 878 | 3 346 | 1 655 | 12 879 | (379) | - | (1 440) | - | (1 819) | 11 060 |
| Other income | 222 | 69 | 291 | 72 | 342 | 705 | (90) | - | - | - | (90) | 615 |
| Administrative expenses | (4 557) | 849 | (3 708) | (984) | (394) | (5 086) | 2 | - | - | - | 2 | (5 084) |
| Other expenses | (949) | 530 | (419) | (364) | (312) | (1 095) | 1 | - | - | - | 1 | (1 094) |
| Results from operating activities | 3 711 | 331 | 4 042 | 2 070 | 1 291 | 7 403 | (466) | - | (1 440) | - | (1 906) | 5 497 |
| Finance income | 111 | (1) | 110 | 73 | 5 | 188 | (22) | - | - | - | (22) | 166 |
| Finance costs | (1 341) | 183 | (1 158) | (45) | (173) | (1 376) | 22 | (231) | - | - | (209) | (1 585) |
| Dividends and non-controlling interest | - | - | - | (1 200) | (200) | (1 400) | - | - | - | (540) | (540) | (1 940) |
| Net finance costs | (1 230) | 182 | (1 048) | (1 172) | (368) | (2 588) | - | (231) | - | (540) | (771) | (3 359) |
| Share of profit/loss of equity accounted investees | (7) | - | (7) | - | - | (7) | - | - | - | - | - | (7) |
| Profit before income tax | 2 474 | 513 | 2 987 | 898 | 923 | 4 808 | (466) | (231) | (1 440) | (540) | (2 677) | 2 131 |
| Income tax expense | (744) | (40) | (784) | (431) | (300) | (1 515) | 93 | 46 | 288 | - | 427 | (1 088) |
| Profit for the year | 1 730 | 473 | 2 203 | 467 | 623 | 3 293 | (373) | (185) | (1 152) | (540) | (2 250) | 1 043 |
| Depreciation and amortisation | 2 777 | (1 409) | 1 368 | 126 | 580 | 2 074 | - | - | 1 440 | - | 1 440 | 3 514 |
| Capital expenditures | 1 848 | | 1 848 | 186 | 1 164 | 3 198 | - | - | - | - | - | 3 198 |

1. Explanatory notes

(a) The transaction

OJSC Mostotrest (“MSTT”) is an open joint stock company as defined by the Civil Code of the Russian Federation.

On 13 May 2010 OJSC Mostotrest obtained control over OOO Transstroyemkhanizatsiya (“TSM”) by acquiring a 50.1% interest in the company’s share capital for a consideration of RUB 1,264 million paid in cash.

In addition, during the period 13 May 2010 to 28 June 2010 OJSC Mostotrest obtained control over OOO Engtransstoy Corporation (ETS) by acquiring a 51% interest in the company’s share capital for a consideration of RUB 2,220 million paid in cash.

TSM and ETS together are further referred to as the Acquirees.

The total cost of the business combinations has been allocated to the tangible and identifiable intangible assets acquired, and liabilities and contingent liabilities assumed on the basis of their estimated fair values on the acquisition date. MSTT accounted for the business combination in its consolidated financial statements as at and for the year ended 31 December 2010.

This proforma consolidated financial information has been prepared to illustrate the effect that the acquisition of the Acquirees would have had on MSTT’s consolidated statements of comprehensive income for the years ended 31 December 2009 and 2010 and consolidated statement of financial position as at 31 December 2009 if the acquisitions had taken place on 1 January 2009.

The proforma adjustments are based on available information and a number of assumptions. Since MSTT and the Acquirees were not under common control or management for periods prior to 13 May and 28 June 2010, the proforma consolidated financial results may not be comparable to, or indicative of, future performance. This proforma consolidated financial information should be read in conjunction with the historical consolidated financial statements of MSTT and the Acquirees, respectively.

(b) Accounting principles of the underlying historical financial information

MSTT and the Acquirees prepare their financial statements in accordance with International Financial Reporting Standards (“IFRS”).

(c) Sources of information

The proforma consolidated statement of financial position as at 31 December 2009, and the proforma consolidated statement of income for the year ended 31 December 2009 have been prepared on the basis of:

- the audited consolidated financial statements of MSTT prepared in accordance with IFRS as at and for the year ended 31 December 2009;
- the audited preliminary IFRS consolidated financial statements of TSM as at and for the year ended 31 December 2009 prepared in accordance with IFRS 1 *First-time Adoption of International Financial Reporting Standards*;
- the audited preliminary IFRS financial statements of ETS as at and for the year ended 31 December 2009 prepared in accordance with IFRS 1 *First-time Adoption of International Financial Reporting Standards*.

The proforma consolidated statement of income for the year ended 31 December 2010 has been prepared on the basis of:

- the audited consolidated financial statements of MSTT prepared in accordance with IFRS as at and for the year ended 31 December 2010 (Column MSTT 2010 Consolidated Financial Statements);

- Unaudited management information of MSTT as at and for the year ended 31 December 2010 (column MSTT Unaudited Standalone Financial Information);
- Unaudited management information of ETS as at and for the year ended 31 December 2010 (column ETS Unaudited 2010 Financial Information);
- Unaudited management information of TSM as at and for the year ended 31 December 2010 (column TSM Unaudited 2010 Financial Information).

(d) Capital expenditures

The capital expenditures in the proforma consolidated statement of income include purchases of property, plant and equipment and intangible assets.

2. Underlying assumptions

The following assumptions have been made in preparing this proforma consolidated financial information:

(a) The acquisition date

The transaction described in note 1(a) occurred on 1 January 2009.

(b) The cost of the business combination

The cost that would have been incurred for the shares in the Acquirees had the acquisition taken place on 1 January 2009, would have been equal to the actual consideration paid in April 2010 amounting to RUB 1,264 million and RUB 2,220 million.

(c) Fair values

The estimated fair values of tangible assets, identifiable intangible assets, including construction contracts, liabilities and contingent liabilities of the Acquirees on 1 January 2009 were the same as their fair values at 13 May 2010 for TSM and at 28 June 2010 for ETS, adjusted for the amount of recognized gains and losses and other changes in shareholders' equity of the Acquirees from 1 January 2009 to the respective dates of acquisitions.

(d) The financing of the transaction

The transactions to acquire the respective interests in the Acquirees were financed with RUB denominated loans obtained on 1 January 2009.

The proforma consolidated financial information assumes no cash settlements of interest and principal amounts of the loans from 1 January 2009 till the actual date of their repayment in 2010.

3. Proforma adjustments

The adjustments below have been reflected in the proforma consolidated financial information.

(a) Adjustment for acquisition of TSM

The adjustment corresponds to the proforma goodwill on the investment in TSM assuming that the acquisition was made on 1 January 2009. The acquisition of TSM is assumed to involve proforma goodwill on consolidation as shown below:

| | RUB million |
|---|-------------|
| Proforma cost of business combination | 1,264 |
| Proforma fair value of the net identifiable assets acquired | (346) |
| The excess of the consideration paid over the fair value of the net identifiable assets, liabilities and contingent liabilities (proforma goodwill) | 918 |

The proforma goodwill of RUB 918 million differs from the actual goodwill on the acquisition of TSM amounting to RUB 1,113 million by the amount of recognized gains and losses and other changes in shareholders' equity of TSM from 1 January 2009 to 13 May 2010 – refer notes 2(b) and 2(c) for assumptions applied to the cost of the business combination and the fair values of the net identifiable assets.

(b) Adjustment for acquisition of ETS

The adjustment corresponds to the proforma goodwill on the investment in ETS assuming that the acquisition was made on 1 January 2009. The acquisition of ETS is assumed to involve proforma goodwill on consolidation as shown below:

| | RUB million |
|---|-------------|
| Proforma cost of business combination | 2,220 |
| Proforma fair value of the net identifiable assets acquired | (1,129) |
| The excess of the consideration paid over the fair value of the net identifiable assets, liabilities and contingent liabilities (proforma goodwill) | 1,091 |

The proforma goodwill of RUB 1,091 million differs from the actual goodwill on the acquisition of ETS amounting to RUB1,291 million by the amount of recognized gains and losses and other changes in shareholders' equity of ETS from 1 January 2009 to 28 June 2010 – refer notes 2(b) and 2(c) for assumptions applied to the cost of the business combination and the fair values of the net identifiable assets.

(c) Adjustment for financing arrangements

The adjustment represents the interest that would have been payable for 2009 and 2010 based on an assumed interest rate of 14.57% per annum determined as at 1 January 2009. The actual interest rate on the loan taken out for the acquisition of TSM and ETS was 11% per annum, and the corresponding actual interest expense for the period from the date of loan disbursement until repayment date amounted to RUB 277 million. At an interest rate of 11% per annum the interest expense on the loan would have amounted to RUB 383 million annually. The related income tax effect of 20% would have been applied to additional interest expense.

(d) Adjustment for depreciation and amortization

The adjustment represents amortization of the construction contract asset and depreciation of the difference between the fair value and cost of property, plant and equipment of TSM and ETS. The construction contract asset has been identified as part of purchase price allocation of TSM and ETS at the date of acquisition. The amortization period was set up at 24 months since this period represents the average duration of the projects. The property, plant and equipment of TSM and ETS are depreciated over 5 and 6 years, respectively, based on the average useful lives of these assets.

(e) Adjustment for elimination of intercompany transactions

The adjustment represents elimination of transactions and balances between MSTT and the Acquirees.

(f) Adjustment for non-controlling interest liability to minorities of TSM and ETS

The adjustment represents the liability to minorities of TSM and ETS with regard to their interest in profit or loss for the year. In accordance with the Law on Limited Liability Companies No.14-FZ dated 8 February 1998 and the Charters of TSM and ETS, a participant may unilaterally withdraw from the entity. In such circumstances, the entity is obliged to pay a withdrawing participant its share of the net assets of the entity, if provided in the Charter of the company. The payment should be made no later than twelve months after the end of the year in which the withdrawal occurs on the basis of the participant's share of the entity's net assets at their carrying amounts in the entity's statutory financial statements (prepared under Russian accounting standards).

As a result, the contributions of the participants of TSM and ETS are classified as debt instruments, and accordingly, profit/loss attributable to non-controlling interest is classified as a finance cost in the financial statements.

(g) Deconsolidation of TSM and ETS

The adjustment represents de-consolidation of the financial results of TSM and ETS which have been included into the annual financial statements of MSTT from May and June 2010, accordingly. Their annual financial results are further consolidated under columns ETS and TSM.

4. Breakdowns of selected proforma accounts

(a) Revenues

| | <i>mln RUB</i> | <u>2009</u> | <u>2010</u> |
|--|----------------|----------------------|----------------------|
| Revenue from contracts for construction of: | | | |
| - bridges and highways | | 41 184 | 47 546 |
| - railway infrastructure facilities | | 9 657 | 13 781 |
| - airfields and airports | | 3 220 | 6 876 |
| - other infrastructure facilities | | 20 276 | 2 959 |
| - other facilities | | 3 238 | 2 409 |
| Total revenue from construction contracts | | <u>77 575</u> | <u>73 571</u> |
| - other revenue | | 1 396 | 1 308 |
| Total revenue | | <u><u>78 971</u></u> | <u><u>74 879</u></u> |

(b) Cost of sales

| <i>mln RUB</i> | MSTT | | ETS | | TSM | | ADJUSTMENTS | | PROFORMA GROUP | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|----------------|----------------|---------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Services of subcontractors | 6 799 | 5 692 | 38 842 | 33 397 | 3 219 | 1 945 | (11 973) | (8 965) | 36 887 | 32 069 |
| Materials | 6 277 | 7 773 | 3 557 | 72 | 3 834 | 4 705 | (277) | (207) | 13 391 | 12 343 |
| Personnel expenses | 4 784 | 6 153 | - | - | 853 | 1 162 | - | 1 | 5 637 | 7 316 |
| Machinery, equipment, transport, and labor services provided by third parties | 1 054 | 1 021 | 132 | 21 | 1 576 | 2 826 | (1) | - | 2 761 | 3 868 |
| Depreciation and amortisation | 1 409 | 1 314 | 65 | 93 | 341 | 537 | 1 440 | 1 440 | 3 255 | 3 384 |
| Fuel | 405 | 530 | - | - | 202 | 272 | - | - | 607 | 802 |
| Insurance | 104 | 234 | 673 | 419 | 1 | 41 | - | - | 778 | 694 |
| Services of principal contractors | 465 | 390 | 143 | 121 | 584 | 566 | (584) | (491) | 608 | 586 |
| Other cost of sales | 2 914 | 1 403 | 655 | 245 | 945 | 1 116 | (79) | (7) | 4 435 | 2 757 |
| Total cost of sales | 24 211 | 24 510 | 44 067 | 34 368 | 11 555 | 13 170 | (11 474) | (8 229) | 68 359 | 63 819 |

(c) Administrative expenses

| <i>mln RUB</i> | MSTT | | ETS | | TSM | | ADJUSTMENTS | | PROFORMA GROUP | |
|--------------------------------------|--------------|--------------|--------------|------------|------------|------------|-------------|------------|----------------|--------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Personnel expenses | 2 098 | 1 939 | 561 | 544 | 138 | 196 | - | - | 2 797 | 2 679 |
| Consulting and audit services | 518 | 475 | 6 | 22 | 3 | 17 | - | - | 527 | 514 |
| Social expenses | 173 | 330 | - | - | - | - | - | - | 173 | 330 |
| Rent expense | 19 | 27 | 138 | 120 | 33 | 29 | - | (2) | 190 | 174 |
| Taxes other than income tax | 126 | 128 | 11 | 7 | 10 | 16 | - | - | 147 | 151 |
| Depreciation and amortisation | 20 | 56 | 34 | 33 | 67 | 44 | - | - | 121 | 133 |
| Charity | 103 | 121 | 11 | 4 | - | - | - | (4) | 114 | 121 |
| Materials | 136 | 91 | - | - | 157 | 19 | - | - | 293 | 110 |
| Bank fees | 92 | 61 | 2 | 2 | 9 | 8 | - | - | 103 | 71 |
| Other administrative expenses | 542 | 480 | 286 | 252 | 96 | 65 | - | 4 | 924 | 801 |
| Total administrative expenses | 3 827 | 3 708 | 1 049 | 984 | 513 | 394 | - | (2) | 5 389 | 5 084 |

(d) Finance income and finance costs

| <i>mln RUB</i> | MSTT | | ETS | | TSM | | ADJUSTMENTS | | PROFORMA GROUP | |
|---|----------------|----------------|--------------|----------------|--------------|--------------|--------------|--------------|----------------|----------------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| Finance income: | | | | | | | | | | |
| Interest income on bank deposits | 56 | 53 | 19 | 48 | 1 | - | - | - | 76 | 101 |
| Interest income on loans given | 150 | 30 | 55 | 19 | 3 | 4 | (45) | (22) | 163 | 31 |
| Foreign exchange gain | 92 | 14 | - | 2 | 1 | 1 | - | - | 93 | 17 |
| Other income | 2 | 13 | 24 | 4 | - | - | - | - | 26 | 17 |
| Total finance income | 300 | 110 | 98 | 73 | 5 | 5 | (45) | (22) | 358 | 166 |
| Finance costs: | | | | | | | | | | |
| Interest expense on borrowings | (1 045) | (1 081) | (12) | (39) | (169) | (57) | (463) | (209) | (1 689) | (1 386) |
| Interest expense on finance leases | (71) | (78) | (59) | (5) | (72) | (115) | - | - | (202) | (198) |
| Foreign exchange loss | - | - | (1) | (1) | - | - | - | - | (1) | (1) |
| Total finance costs | (1 116) | (1 159) | (72) | (45) | (241) | (172) | (463) | (209) | (1 892) | (1 585) |
| Dividends and non-controlling interest | - | - | (303) | (1 200) | (670) | (200) | - | (540) | (973) | (1 940) |
| Net finance costs | (816) | (1 049) | (277) | (1 172) | (906) | (367) | (508) | (771) | (2 507) | (3 359) |

5. Non-IFRS measures

(a) Earnings before interest, tax, depreciation and amortization (EBITDA)

| 2009 | MSTT | ETS | TSM | Total adjustments | PROFORMA GROUP |
|---|--------------|--------------|--------------|------------------------------|---------------------------|
| <i>(mln RUB)</i> | | | | | |
| Profit/(loss) from continuing operations | 2 604 | 568 | (172) | (1 640) | 1 361 |
| Income tax expense | 867 | 282 | 158 | (410) | 897 |
| Net finance costs | 816 | 277 | 906 | 508 | 2 507 |
| Depreciation and amortisation | 1 421 | 99 | 432 | 1 440 | 3 392 |
| EBITDA | 5 708 | 1 226 | 1 324 | (102) | 8 157 |
| <i>(mln RUB)</i> | | | | | |
| 2010 | MSTT | ETS | TSM | Total adjustments | PROFORMA GROUP |
| <i>(mln RUB)</i> | | | | | |
| Profit/(loss) from continuing operations | 2 203 | 467 | 623 | (2 250) | 1 043 |
| Income tax expense | 784 | 431 | 300 | (427) | 1 088 |
| Net finance costs | 1 048 | 1 172 | 368 | 771 | 3 359 |
| Depreciation and amortisation | 1 368 | 126 | 580 | 1 440 | 3 514 |
| EBITDA | 5 403 | 2 196 | 1 871 | (466) | 9 004 |
