

COLGRADE LIMITED
INDICATION – UNAUDITED ANNUAL RESULTS FOR THE FINANCIAL YEAR ENDED 31
DECEMBER 2009

Colgrade Limited is a member of the Rolf Group of companies, Russia's leading automotive business. These indicative unaudited results related to Colgrade Limited's standalone financial results and are not those of the consolidated Rolf Group.

Income Statement

	2009 US\$ thousand	2008 US\$ thousand
Profit before tax	5.808	8.432
Tax	(564)	(612)
Profit for the year	5.244	7.820
	=====	=====
Earnings per share, in US\$	524,36	782,04
	=====	=====

The Board of Directors of Colgrade Limited approved the above result indication regarding the financial year ended 31 December 2009, on a meeting held on 26 February 2010.

The accounting policies used for the preparation of these indicative results are the same as those used in the annual financial statements for the year ended 31 December 2008 and have been amended in accordance with any changes in standards and interpretations as of 1 January 2009, and comply with International Financial Reporting Standards as adopted by the European Union and the Cyprus Companies Law, Cap.113.

The indicative results for the year ended 31 December 2009 have not been audited by the external auditors of the Company.

Economic analysis of the results in 2009

The financial performance of the Company as presented in these indicative unaudited results is considered satisfactory.

In 2009, the principal revenue-generating activity of the Company, unchanged from last year, was that of financing entities under common control.

As part of the overall refinancing arrangement of the Rolf Group, in November 2009, the Company refinanced its bilateral facilities with each of its lenders with the proceeds of the new secured syndicated US\$ 500.000 thousand facility maturing in June 2011, with an extension option of one year subject to certain conditions, of which the amount of US\$ 120.109 thousand was repaid to the lenders in the same month.

In addition, in December 2009, the Company redeemed part of its new financing facility from one of the lenders for the total of US\$ 30.489 thousand at a discount to par, realizing a one-off gain of US\$ 8.799 thousand in 2009.

In November 2009, the Company also completed an exchange offer and the mandatory redemption of US\$ 250.000 thousand 8,25 per cent Guaranteed Notes due 2010 for US\$ 149.973 thousand 13,00 per cent Guaranteed Notes due 2011. The Company recorded a one-off gain of US\$ 15.863 thousand resulting from the exchange of the Guaranteed Notes at a discount to par.

Colgrade Limited reported revenues and other gains of US\$ 87.463 thousand for the year ended 31 December 2009, an increase of 58% compared to the year of 2008. The gains generated from redemption of part of the new financing facility at a discount and from completion of the exchange offer for the Guaranteed Notes of the Company accounted for a total of US\$ 24.662 thousand of total revenues.

Finance and administrative costs increased to US\$ 81.656 thousand in the year ended 31 December 2009, compared to finance and administrative costs of US\$ 46.901 thousand in the year of 2008 – an increase of 74%, primarily as a result of changes in the volume of bank credit facilities and other borrowings and incurring of one-off advisory costs, fee and commission costs on the refinancing arrangement and the exchange offer for the Guaranteed Notes taken place in early November 2009, and additional expenses incurred for winding up existing credit facilities.

In 2009, the principal source of finance of the Company, unchanged from last year, were bank credit facilities obtained at market interest rates, Guarantee Notes, and facilities obtained from other companies of the Rolf Group at market rates.

The Board of Directors does not expect any significant changes or developments in the operations of the Company in the foreseeable future.

The indication of annual result for the financial year 2009 will be published *in www.prnewswire.com on February 26.*

Copies of the indication of annual result will be available at the registered office of the Company at Julia House, 3 Themistocles Dervis Street, CY-1066, Nicosia, Cyprus.