

BALANCE SHEET AS AT DECEMBER 31, 2007 AND 2006

(UA thousands - Note B)

| ASSETS | 2007 | 2006 |
|--|-------------------|-------------------|
| CASH | 95,528 | 129,329 |
| DEMAND OBLIGATIONS | 3,801 | 3,801 |
| TREASURY INVESTMENTS (Note F) | 5,303,540 | 6,093,361 |
| DERIVATIVE ASSETS (Note G) | 425,338 | 273,310 |
| NON-NEGOTIABLE INSTRUMENTS ON ACCOUNT OF CAPITAL (Note H) | 15,385 | 20,383 |
| ACCOUNTS RECEIVABLE | | |
| Accrued income and charges receivable on loans (Note I) | 267,149 | 232,935 |
| Other accounts receivable | 328,726 | 368,037 |
| | 595,875 | 600,972 |
| DEVELOPMENT FINANCING ACTIVITIES | | |
| Loans, net (Notes D & I) | 5,344,073 | 5,076,771 |
| Equity participations (Note J) | 189,248 | 119,119 |
| Other debt securities (Note K) | 94,622 | - |
| | 5,627,943 | 5,195,890 |
| OTHER ASSETS | | |
| Property, equipment and intangible assets (Note L) | 14,362 | 14,241 |
| Miscellaneous | 667 | 713 |
| | 15,029 | 14,954 |
| TOTAL ASSETS | 12,082,439 | 12,332,000 |

The accompanying notes to the financial statements form part of this statement.

| LIABILITIES & EQUITY | 2007 | 2006 |
|---|-------------------|-------------------|
| ACCOUNTS PAYABLE | | |
| Accrued financial charges | 418,706 | 328,751 |
| Other accounts payable | 165,633 | 320,209 |
| | 584,339 | 648,960 |
| SECURITIES SOLD UNDER AGREEMENTS TO REPURCHASE AND PAYABLE FOR CASH COLLATERAL RECEIVED (Note F) | - | 877,833 |
| DERIVATIVE LIABILITIES (Note G) | 591,047 | 481,937 |
| BORROWINGS (Note M) | | |
| Borrowings at fair value | 5,226,279 | 4,823,648 |
| Borrowings at amortized cost | 972,594 | 1,046,821 |
| | 6,198,873 | 5,870,469 |
| EQUITY (Note N) | | |
| Capital | | |
| Subscriptions paid | 2,336,457 | 2,303,062 |
| Cumulative Exchange Adjustment on Subscriptions (CEAS) | (160,075) | (155,742) |
| Subscriptions paid (net of CEAS) | 2,176,382 | 2,147,320 |
| Reserves | | |
| Retained earnings | 2,498,288 | 2,305,345 |
| Fair value gains on available-for-sale investments | 33,510 | 136 |
| Total reserves | 2,531,798 | 2,305,481 |
| Total equity | 4,708,180 | 4,452,801 |
| TOTAL LIABILITIES & EQUITY | 12,082,439 | 12,332,000 |