

BALANCE SHEET

As at **March 31, 2005**
 Organization: **Dalsviaz MRK OJSC**
 Taxpayer's identification number **2540014227**
 Business:
 Corporate structure / ownership status
 Quantity unit: **ths. rub.**
 Address:

| | |
|-------------------------|----------------|
| | CODES |
| OKUD Form No. 01 | 0710001 |
| Date (year, month, day) | |
| OKPO code | |
| INN | |
| OKVED code | |
| OKOPF/OKFS code | |
| OKEI code | 384 |

[OKUD stands for the General Classification of Administrative Documents;
 OKPO stands for the General Classification of Enterprises and Organizations;
 INN stands for the taxpayer's identification number;
 OKVED stands for the General Classification of Foreign Economic Activities;
 OKOPF stands for the General Classification of Corporate Structures;
 OKFS stands for the General Classification of Ownership Statuses;
 OKEI stands for the General Classification of Quantity Units]

Approval date
 Submission / filing date

| ASSETS | Explanations | Indicator code | Line code | At accounting period open | At accounting period close |
|---|--------------|----------------|------------|---------------------------|----------------------------|
| 1 | 1a | 2 | 2a | 3 | 4 |
| I. NON-CURRENT ASSETS | | | | | |
| Intangible assets | | 110 | 110 | 109 | 104 |
| Fixed assets | | 120 | 120 | 7 006 591 | 6 822 709 |
| Capital outlays | | 130 | 130 | 879 647 | 1 208 601 |
| Income-bearing lease investments | | 135 | 135 | | |
| Long-term financial investments | | 140 | 140 | 6 298 | 3 660 |
| including: | | | | | |
| investments in subsidiaries | | | 141 | | |
| investments in dependent companies | | | 142 | 330 | 330 |
| investments in other companies | | | 143 | 5 875 | 3 237 |
| other long-term financial investments | | | 144 | 93 | 93 |
| Deferred tax assets | | 145 | 145 | 148 235 | 133 263 |
| Other non-current assets | | 150 | 150 | 656 625 | 679 231 |
| Total for Section I | | 190 | 190 | 8 697 505 | 8 847 568 |
| | | | | | |
| ASSETS | Explanations | Indicator code | Line code | At accounting period open | At accounting period close |
| 1 | 1a | 2 | 2a | 3 | 4 |
| II. CURRENT ASSETS | | | | | |
| Inventories | | 210 | 210 | 522 801 | 591 320 |
| including: | | | | | |
| raw and other materials, and other similar inventories | | 211 | 211 | 451 755 | 445 890 |
| work in process / distribution costs | | 213 | 213 | 14 996 | 14 996 |
| finished products and goods for reselling | | 214 | 214 | 12 297 | 11 138 |
| goods shipped | | 215 | 215 | 51 | 51 |
| deferred expenses | | 216 | 216 | 43 702 | 119 245 |
| other inventories and expenses | | 217 | 217 | | |
| Value-added tax on acquired inventories | | 220 | 220 | 767 213 | 681 457 |
| Accounts receivable (payment expected more than 12 months after the balance sheet date) | | 230 | 230 | 83 183 | 84 168 |

| ASSETS | Explanations | Indicator code | Line code | At accounting period open | At accounting period close |
|--|---------------------|-----------------------|------------------|----------------------------------|-----------------------------------|
| 1 | 1a | 2 | 2a | 3 | 4 |
| <i>including:</i> | | | | | |
| due from buyers and customers | | 231 | 231 | | |
| prepaid expenses | | | 232 | 47 275 | 47 275 |
| receivables from other debtors | | | 233 | 35 908 | 36 893 |
| Accounts receivable ((payment expected within 12 months after the accounting date) | | 240 | 240 | 885 424 | 861 679 |
| <i>including:</i> | | | | | |
| due from buyers and customers | | 241 | 241 | 601 905 | 645 095 |
| prepaid expenses | | | 242 | 81 238 | 81 998 |
| receivables from other debtors | | | 243 | 202 281 | 134 586 |
| Short-term financial investment | | 250 | 250 | 1 422 | 9 |
| Monetary assets | | 260 | 260 | 129 114 | 418 451 |
| Other current assets | | 270 | 270 | 96 | 152 |
| Total for Section II | | 290 | 290 | 2 389 253 | 2 637 236 |
| GRAND TOTAL (line 190 + line 290) | | 300 | 300 | 11 086 758 | 11 484 804 |
| | | | | | |
| LIABILITIES | Explanations | Indicator code | Line code | At accounting period open | At accounting period close |
| 1 | 1a | 2 | 2a | 3 | 4 |
| III. CAPITAL AND PROVISIONS | | | | | |
| Charter capital | | 410 | 410 | 2 535 006 | 2 535 006 |
| Additional capital | | 420 | 420 | 651 765 | 651 652 |
| Reserve capital | | 430 | 430 | 126 751 | 126 751 |
| Treasury shares repurchased from shareholders | | 411 | 440 | | |
| Past retained profits / uncovered losses | | 470 | 460 | 1 285 991 | 1 286 103 |
| Retained profits / uncovered losses for the accounting year | | 470 | 470 | X | 273 549 |
| Total for Section III | | 490 | 490 | 4 599 513 | 4 873 061 |
| IV. FIXED LIABILITIES | | | | | |
| Loans and credits | | 510 | 510 | 377 097 | 728 065 |
| <i>including:</i> | | | | | |
| loans | | | 511 | 317 000 | 317 000 |
| credits | | | 512 | 60 097 | 411 065 |
| Deferred tax liabilities | | 515 | 515 | 151 649 | 170 450 |
| Other fixed liabilities | | 520 | 520 | 1 902 362 | 1 968 759 |
| Total for Section IV | | 590 | 590 | 2 431 108 | 2 867 274 |
| V. CURRENT LIABILITIES | | | | | |
| Loans и credits | | 610 | 610 | 1 119 982 | 1 118 668 |
| <i>including:</i> | | | | | |
| loans | | | 611 | 101 490 | 63 192 |
| credits | | | 612 | 1 018 492 | 1 055 476 |
| Accounts payable | | 620 | 620 | 2 444 488 | 2 144 562 |
| <i>including:</i> | | | | | |
| owing to suppliers and contractors | | 621 | 621 | 1 689 517 | 1 403 228 |
| precollected revenue | | 625 | 622 | 249 930 | 203 155 |
| compensation owed to employees | | 622 | 623 | 112 070 | 165 031 |
| owing to government extra-budgetary funds | | 623 | 624 | 29 849 | 42 095 |
| taxes and levies owing | | 624 | 625 | 142 438 | 97 180 |
| owing to other creditors | | 625 | 626 | 220 684 | 233 873 |
| Outstanding revenue distributions due to participants (founders) | | 630 | 630 | 12 047 | 11 366 |
| Deferred revenue | | 640 | 640 | 78 816 | 80 479 |
| Provisions for future expenses | | 650 | 650 | 400 804 | 389 394 |
| Other current liabilities | | 660 | 660 | | |

| ASSETS | Explanations | Indicator code | Line code | At accounting period open | At accounting period close |
|---|---------------------|-----------------------|------------------|----------------------------------|-----------------------------------|
| 1 | 1a | 2 | 2a | 3 | 4 |
| Total for Section V | | 690 | 690 | 4 056 137 | 3 744 469 |
| GRAND TOTAL (line 490 + line 590 + line 690) | | 700 | 700 | 11 086 758 | 11 484 804 |
| Assets recorded on below-line accounts | | | | | |
| Filing entry | Explanations | Indicator code | Line code | At accounting period open | At accounting period close |
| 1 | 1a | 2 | 2a | 3 | 4 |
| Fixed assets taken on lease | | 910 | 901 | 413 594 | 414 476 |
| including: those obtained by way of leasing | | 911 | 911 | 236 001 | 236 001 |
| Inventories accepted for custody | | 920 | 902 | 199 302 | 200 474 |
| Goods accepted for sale on a commission basis | | 930 | 903 | 18 | 8 |
| Dues from insolvent debtors written off as losses | | 940 | 904 | 124 065 | 126 371 |
| Collateral received to secure obligations and payments | | 950 | 905 | 5 969 | 5 969 |
| Collateral provided to secure obligations and payments | | 960 | 906 | 2 332 811 | 2 221 078 |
| Wear of housing stock | | 970 | 907 | 25 346 | 25 475 |
| Wear of landscaping facilities and other like amenities | | 980 | 908 | | |
| Payments for communications services | | | 909 | 151 931 | 144 859 |
| Net asset value statement | | | | | |
| Filing entry | Explanations | Indicator code | Line code | At accounting period open | At accounting period close |
| 1 | 1a | 2 | 2a | 3 | 4 |
| Net assets | | | 1000 | 4 678 329 | 4 953 540 |

Chief Executive Officer _____
 (Signature) (Signature transcript)

Chief Accountant _____
 (Signature) (Signature transcript)

[month, date, year]

PROFIT AND LOSS STATEMENT

for **March 31, 2005**
 Organization: **Dalsviaz MRK OJSC**
 Taxpayer's identification number **2540014227**
 Business:
 Corporate structure / ownership
 structure:
 Quantity unit: **ths. rub.**

| | |
|-------------------------|----------------|
| | CODES |
| OKUD Form No. 2 | 0710002 |
| Date (year, month, day) | |
| OKPO code | |
| INN | |
| OKVED code | |
| OKOPF/OKFS code | |
| OKEI code | 384 |

| Filing entry | Explanations | Indicator code | Line code | For the accounting period | For the corresponding period of the previous year |
|---|--------------|----------------|------------|---------------------------|---|
| 1 | 1a | 2 | 2a | 3 | 4 |
| I. Revenue from and expenditure for regular business operations | | | | | |
| (Net) proceeds from the sale of goods, products, works, and services (less value-added tax, excises, and other similar obligatory deductions) | | 010 | 010 | 2 388 288 | 2 030 007 |
| including: proceeds from the sale of communications services | | | 011 | 2 353 306 | 1 997 666 |
| Costs of goods, products, works, and services sold | | 020 | 020 | (2 015 107) | (1 757 028) |
| including: costs of communications services | | | 021 | (2 001 604) | (1 740 310) |
| Profits / losses from sales (line 010 - line 020) | | 050 | 050 | 373 181 | 272 979 |
| II. OPERATING REVENUE AND EXPENDITURE | | | | | |
| Interest revenue due | | 060 | 060 | 487 | 848 |
| Interest expense payable | | 070 | 070 | (57 972) | (44 286) |
| Revenue from equity participation in other organizations | | 080 | 080 | | |
| Other operating revenue | | 090 | 090 | 225 022 | 1 004 |
| Other operating expenditure | | 100 | 100 | (93 195) | (124 587) |
| III. NON-OPERATING REVENUE AND EXPENDITURE | | | | | |
| Non-operating revenue | | 120 | 120 | 10 277 | 35 846 |
| Non-operating expenditure | | 130 | 130 | (45 995) | (44 066) |
| Pretax profits / losses (line 050+ line 060 - line 070 + line 080 + line 090 - line 100 + line 120 - line 130) | | 140 | 140 | 411 805 | 97 738 |
| Profit tax (line -151+/- line 152 +/- line 153), including: | | | 150 | (138 225) | (59 792) |
| deferred tax liabilities | | 142 | 151 | (18 856) | (30 959) |
| deferred tax assets | | 141 | 152 | (14 925) | (2 898) |
| Profit tax for the accounting period | | 150 | 153 | (104 444) | (25 935) |
| Profits / losses from regular business operations (line 140 - | | | 160 | 273 580 | 37 946 |

| Filing entry | Explanations | Indicator code | Line code | For the accounting period | For the corresponding period of the previous year |
|--|--------------|----------------|------------|---------------------------|---|
| 1 | 1a | 2 | 2a | 3 | 4 |
| line 150) | | | | | |
| IV. EXTRAORDINARY REVENUE AND EXPENDITURE | | | | | |
| Extraordinary revenue | | | 170 | 170 | 4 |
| Extraordinary expenditure | | | 180 | (201) | |
| Net profits (retained profits / losses) for the accounting period) (line 160 + line 170 – line 180) | | 190 | 190 | 273 549 | 37 950 |
| MEMORANDUM | | | | | |
| Contingent profit tax expenditure / revenue | | | 201 | (98 826) | (23 458) |
| Standing tax liabilities | | 200 | 202 | (39 898) | (37 627) |
| Standing tax assets | | 200 | 203 | 499 | 1 293 |
| | | | | | |
| Filing entry | Explanations | Indicator code | Line code | For the accounting period | For the corresponding period of the previous year |
| 1 | 1a | 2 | 2a | 3 | 4 |
| Base profits / losses per share | | | 301 | X | X |
| Diluted profits / losses per share | | | 302 | X | X |
| * To be completed in annual financial statements | | | | | |

Breakdown of individual categories of profits and losses

| Filing entry | Indicator code | Line code | For the accounting period | | The corresponding period of the preceding year | |
|--|----------------|-----------|---------------------------|----------|--|----------|
| | | | profits | losses | profits | losses |
| 1 | 1a | 2 | 3 | 4 | 5 | 6 |
| Fines, late charges, and penalties acknowledged or which are to be recovered under judgments issued by courts of general jurisdiction or courts of state arbitration | | 401 | 1 608 | (28) | 990 | (80) |
| Past profits / losses | | 402 | 3 884 | (10 900) | 11 236 | (16 549) |
| Compensation for losses caused by the non-performance or improper performance of obligations | | 403 | 268 | (1 437) | 375 | (323) |
| Exchange rate differentials in transactions executed in foreign currency | | 404 | 7 | (23) | 6 752 | (5 352) |
| Deductions towards assessed reserves | | 405 | | (40 364) | | (75 305) |
| Receivables and payables forgiveness | | 406 | 81 | (785) | 127 | (714) |

Chief Executive Officer _____
(Signature) (Signature transcript)

Chief Accountant _____
(Signature) (Signature transcript)

[month, date, year]