

## BALANCE SHEET

According to the Russian Accounting Standards  
as of December 31, 2002

Form 1 by OKUD  
Date (year, month, day)

Region

**Central and Central-Black Soil**

Organization

Joint-Stock Central Telecommunication  
Company

By OKPO

Taxpayer Identification Number

**5000000970**

INN

Type of activity

**service**

By OKDP

Legal status/form of ownership

Open (public) joint-stock  
company

By OKOPF/OKFS

Unit:

Russian rubles (RUR) in thousands (RUR'000).

By OKEI

Address:

**101999, K-50, GSP-9, Moscow, Degtyarny per., b. 6, str. 2**

Approval date

Date of dispatch (acceptance)

CODES
<b>0710001</b>
31.03.2003
<b>01140111</b>
5000000970
6400
<b>48/30</b>
<b>384</b>


ASSETS	Line code	As at the reporting period start *	As at the reporting period start with an allowance for indices of merged companies**	As at the reporting period end with an allowance for indices of merged companies***
1	2	3	4	5
<b>I. NON-CURRENT ASSETS</b>				
Intangible assets	<b>110</b>	742	1867	297
Including:				
patents, licenses, trademarks (brand names), others similar rights and assets	111	742	1867	297
Organizational expenses	112		X	X
Business standing of the Company (goodwill)	113		X	X
Fixed assets	<b>120</b>	2909831	14583976	17549071
Including:				
land and natural resources utilization facilities	121		1285	1973
Property, plant and equipment	122	2640155	11339048	13146809
Incomplete construction facilities	130	608322	1274395	1878032
Income yielding property investment including:	<b>135</b>	1471	2472	2071
property for leasing	136			
property to be provided under hire contracts	137	1471	2472	2071
Long-term financial investment including:	<b>140</b>	3393	36089	123959
investment in daughter companies	141		3799	91162
Investment in subsidiary/affiliate companies	142		12043	12005
Investment in other organizations	143	3369	9202	8162
Loans granted to organizations for a term of over 12 months	144		1086	2533
Other long-term financial investments	145	24	9959	10097
Other non-current assets	150			
<b>TOTAL on Section I</b>	<b>190</b>	<b>3523759</b>	<b>15898799</b>	<b>19553430</b>

**For reorganized Companies:**

\* Column 3: Indices of the core company as of 01.01.2002

\*\* Column 4: Indices of the core company and merged companies as of 01.01.2002, received by per line summation

\*\*\* Column 5: Indices MRK (core company and merged companies) as of 31.12.2002

ASSETS	Line code	As at the reporting period start **	As at the reporting period start with an allowance for indices of merged companies**	As at the reporting period end with an allowance for the indices of merged companies ***
1	2	3	4	5
<b>II.CURRENT ASSETS</b>				
<b>Inventories</b>	<b>210</b>	137217	576615	647352
including:				
raw materials, auxiliary and other suchlike assets	211	117272	418785	485581
Cattle/livestock kept for feeding	212		7	7
Expenses on unfinished products (in circulation overheads)	213		1802	252
Finished products and goods for resale	214	1744	44994	38416
Shipped products	215		263	200
Prepaid expenses	216	18201	110764	122896
Other inventory and expenses	217			
VAT on acquired valuable items	220	130677	296231	789585
Accounts receivable (with payment expected not later than 12 months after the date of reporting)	<b>230</b>	109	24838	16739
Including:				
customers and buyers	231			
Notes receivable	232			
Debt of subsidiaries and affiliates	233			
Advance payments made	234		21679	10836
Other receivables	235	109	3159	5903
Accounts receivable (with payment expected within 12 months after the date of reporting)	<b>240</b>	612548	1959126	2025227
Including:				
customers and buyers	241	317860	1288080	1260034
Notes receivable	242		3607	386
Debt of subsidiaries and affiliates	243		3442	6199
Overdue unpaid contributions of shareholders (founders) into the Charter (legal) capital	244	X	X	X
Advance payments made	245	203115	369422	440983
Other receivables	246	91573	294575	317625
Short-term financial investment including:	<b>250</b>		6545	2294
loans granted to organizations for a term of less than 12 months	251		2261	2257
Own shares, bought out from shareholders	252		2211	
Other short-term financial investment	253		2073	37
Cash and cash equivalents	<b>260</b>	239505	425796	303875
including:				
cash funds	261	4230	11082	11378
accounts current	262	221043	363070	239639
currency accounts	263	4571	4785	13410
other cash	264	9661	46859	39448
Other current assets	270			
<b>TOTAL on Section II</b>	<b>290</b>	<b>1120056</b>	<b>3289151</b>	<b>3785072</b>
<b>GRAND TOTAL (sum of lines 190 and 290)</b>	<b>300</b>	<b>4643815</b>	<b>19187950</b>	<b>23338502</b>

\*

**For reorganized Companies:**

\* Column 3: Indices of the core company as of 01.01.2002

\*\* Column 4: Indices of the core company and merged companies as of 01.01.2002, received by per line summation

\*\*\* Column 5: Indices of MRK (core company and merged companies) as of 31.12.2002

LIABILITIES	Line code	As at reporting period start*	As at the reporting period start with an allowance for indices of merged companies**	As at the reporting period end with an allowance for indices of the merged companies ***
1	2	3	4	5
<b>III. CAPITAL AND RESERVES</b>				
Charter (legal) capital	410	185589	631200	631200
Additional capital	420	1761308	6437182	6405534
Reserves	<b>430</b>	27838	27838	27838
including:				
reserves allocated pursuant to effective legislation	431	27838	27838	27838
Reserves formed according to founding documents	432			
Social fund	440			
Retained profit of previous years	460	556032	6104151	5901703
Not-covered loss of previous years	465			
Retained profit of the reporting period	470	X	X	1084300
Not-covered loss of the reporting year	475	X	X	
<b>TOTAL on Section III</b>	<b>490</b>	<b>2530767</b>	<b>13200371</b>	<b>14050575</b>
Debt of merged companies to the core company	<b>497</b>	X	X	12221587
Debt of the core company to merged companies	<b>498</b>	X	X	(12221587)
<b>IV. LONG-TERM LIABILITIES</b>				
Loans and credits	<b>510</b>	600000	1481838	1982401
including:				
bank credits to be repaid in over than 12 months from the reporting date	511		381017	985046
Loans to be repaid in over than 12 months from the reporting date	512	600000	1100821	997355
Other long-term liabilities	520	33095	829600	1270415
<b>Total in section IV</b>	<b>590</b>	<b>633095</b>	<b>2311438</b>	<b>3252816</b>
<b>V. CURRENT LIABILITIES</b>				
Loans and credits	<b>610</b>	489589	1088544	2381061
including:				
bank credits with maturity within 12 months after the reporting date	611	489589	1049886	1611849
Loans to be repaid within 12 months after the reporting date	612		38658	769212
Accounts payable, including:	<b>620</b>	729417	2135182	3231745
suppliers and contractors	621	630718	1112420	1490143
notes payable	622			37025
debt to subsidiaries and affiliates	623			
debt to employees	624	91	126994	135469
debt to state off-budget funds	625	170	70210	73685
debt to budget	626	12173	282356	442887
Advance payments received	627	79726	265228	456245
Other payables	628	6539	277974	596291
Overdue income payments to shareholders (founders)	630	4241	22487	31075
Income of future periods	640	256706	429928	391230
Provisions for future expenses	650			X
Other short-term liabilities	660	X	X	X
<b>TOTAL on Section V</b>	<b>690</b>	<b>1479953</b>	<b>3676141</b>	<b>6035111</b>
<b>GRAND TOTAL</b> sum of lines 490,590 and 690)	<b>700</b>	<b>4643815</b>	<b>19187950</b>	<b>23338502</b>

\*

**For reorganized Companies:**

\* Column 3: Indices of the core company as of 01.01.2002

\*\* Column 4: Indices of the core company and merged companies as of 01.01.2002, received by per line summation

\*\*\* Column 5: Indices MRK (core company and merged companies) as of 31.12.2002

**Result of merged companies (regional subsidiaries) activity for 2002 is recorded in line 470 "Retained profit of the reporting year " or line 475 "Not-covered loss of the reporting year"**

**SUMMARY: VALUABLE ITEMS RECORDED IN OFF-BALANCE SHEET ACCOUNTS**

Description	Line code	As at the reporting period start*	As at the reporting period start with an allowance for the indices of merged companies**	As at the end of the reporting period with an allowance for the indices of merged companies ***
1	2	3	4	5
Leased fixed assets	910	216093	527080	718418
including leasing	911	24547	273910	447718
Goods and other tangibles accepted for safe custody	920	458	8241	26174
Goods accepted on commission	930	69	151	84
Debt of insolvent debtors written off as a loss	940	23151	138488	241361
Security/collateral of liabilities and payments, received	950	628807	732263	1296452
Security/collateral of liabilities and payments, granted	960	534179	2848440	3938941
Depreciation of housing facilities	970	506	27812	22104
Depreciation of external building/land improvement and other similar objects	980	276	276	780
Forms of reporting under strict control and accountability	990	25416	43079	38164

**For reorganized companies:**

\* Column 3: Indices of the core company as of 01.01.2002

\*\* Column 4: Indices of the core company and merged companies as of 01.01.2002, received by per line summation

\*\*\*Column 5: Indices MRK (core company and merged companies) as of 31.12.2002

Director \_\_\_\_\_ R. A. Amaryan  
(signature) (full name)

Chief Accountant \_\_\_\_\_ R. P. Konstantinova  
(signature) (full name)

(qualification certificate of a certified accountant dated "28" February, 2001 No 79494)

"17" March, 2003

**PROFIT AND LOSS STATEMENT**

According to the Russian accounting standards  
for 2002

Form 2 by OKUD  
Date (year, month, day)

CODES	
0710002	
31.03.2003	
01140111	
5000000970	
6400	
47/42	
384	

**Region** Central and Central-Black Soil  
**Organization** Joint-Stock Central Telecommunication Company  
Taxpayer Identification Number **5000000970**  
Type of activity **Provision of telecommunications services**  
Legal status/form of ownership **Public joint-stock company**  
Unit: **Russian rubles (RUR) in thousands (RUR'000).**

By OKPO  
By INN  
by OKDP  
By OKOPF/OKFS  
By OKEI

Approval date  
Date of dispatch (acceptance)

Description	Line code	Over the reporting period*	Over the reporting period with an allowance for merged companies**	Over the same period of the previous year with an allowance for associated companies***
1	2	3	4	5
<b>I. Ordinary activity revenues and expenses</b>				
Net revenues from sale of goods, products, works, services (less VAT, excise duties and other mandatory payments)	010	5366325	16389267	12799301
incl.: sales of telecommunications services	011	5281680	16016251	12505715
Costs of sales of goods, products, works, services	020	(4270668)	(12131919)	(9994779)
including costs of telecommunications services	021	(4224148)	(11887067)	(9578046)
Gross profit	<b>029</b>	<b>1095657</b>	<b>4257348</b>	<b>2804522</b>
Selling expenses	030			
General and administrative expenses	040			
Profit(loss) from sales (lines 010 less lines 020,030 and 040)	<b>050</b>	<b>1095657</b>	<b>4257348</b>	<b>2804522</b>
<b>II. Operating income and expenses</b> Interest receivable	060	388	2416	2454
Interest payable	070	(335654)	(556538)	(312579)
Income from participation in other organizations	080	55	562	363
Other operating income	090	376725	662787	90711
Other operating expenses	100	(763789)	(1679718)	(360953)
<b>III. Non-operating income and expenses</b>				
Non-sales income	120	61192	252970	263284
Non-sales expenses	130	(376827)	(1298320)	(741411)
Profit(loss) before tax (sum of lines 050,060,070,080,090 and 120 less lines 100 and 130)	<b>140</b>	<b>57747</b>	<b>1641507</b>	<b>1746391</b>
Profit tax and other similar mandatory payments*****	150	(64649)	(557240)	(663044)
Operating profit (loss)	<b>160</b>	<b>(6902)</b>	<b>1084267</b>	<b>1083347</b>
<b>IV. Extraordinary income and expenses</b> Extraordinary income	170	88	88	80
Extraordinary expenses	180		(55)	(236)
Net profit (undistributed profit (loss) of the reporting period) (lines 160 and 170 less line 180)	<b>190</b>	<b>(6814)</b>	<b>1084300</b>	<b>1083191</b>

**For reorganized Companies:**

\* Column 3: Indices of core company for the period from 01.01.2002 till 31.12.2002 and associated organizations for the period from the reorganization date till 31.12.2002, received by per line summation

\*\* Column 4: Indices of core company and merged companies for the period from 01.01.2002 till 31.12.2002, received by per line summation of indices of column 3 and corresponding indices of merged companies for the period from 01.01.2002 till reorganization date

\*\*\* Column 5: Indices of core company and merged companies for the period from 01.01.2001 till 31.12.2001, received by per line summation

\*\*\*\* Net profit, corresponding to index from line 470 column 5 form № 1 "Balance sheet"

\*\*\*\*\* Line 150 "Profit tax and other similar mandatory payments" by merged companies (regional subsidiaries) is not filled in

Description	Line code	Over the reporting period	Over the same period of the previous year
1	2	3	4
<b>For reference:</b>			
Dividend per share: on A type preference	201	0,07700000	0,14189000
ordinary shares	202	0,02600000	0,03305000
		3	
Projected dividend in the next reporting year, per share:*			
A type preference shares	203	0,20614000	
ordinary shares	204	0,06871000	
		3	4
Dividend per share: preference Class B	205	0,03800000	0,07094000
		3	
Projected dividend in the next reporting year, per share: preference Class B	206		

\*To be filled in by MRK indices

### Explanation of some profit and loss items

Description	Line code	Over the reporting period				Over the same period of the previous year	
		Profit		Loss		Profit**	Loss***
1	2	*	**	*	**	7	8
		3	4	5	6		
Fines, late payment charges, and claims amounts either accepted or for recovery of which a court (arbitration court) ruling was handed down	210	7674	20527	(484)	(19934)	19674	(7909)
Profit (loss) of the previous years	220	9740	34948	(34581)	(67795)	46798	(30371)
Indemnity of losses, incurred due to non-performance or inappropriate performance of duties	230	4136	17007	(116)	(1840)	4493	(338)
Foreign currency translation adjustments	240	6958	37712	(86514)	(308986)	120982	(155963)
Decrease of inventory cost value as of the end of the reporting period	250	X	X	X	X	X	X
Written-off accounts receivable and payable for recovery of which law suits can not be filed due to expiry of limitation	260	2540	29005	(4505)	(45194)	6464	(51901)

#### For reorganized Companies:

\* Columns 3, 5 : Indices of core company for the period from 01.01.2002 till 31.12.2002 and merged companies for the period from the reorganization date till 31.12.2002, received by per line summation

\*\* Column 4, 6: Indices of core company and merged companies for the period from 01.01.2002 till 31.12.2002, received by per line summation

\*\*\* Columns 7, 8: Indices of core company and merged companies for the period from 01.01.2001 till 31.12.2001, received by per line summation

Director \_\_\_\_\_ R. A. Amaryan  
(signature) (full name)

Chief Accountant \_\_\_\_\_ R. P. Konstantinova  
(signature) (full name)

"17" March, 2003

**STATEMENT OF CHANGES IN EQUITY**  
for 2002

Form 3 by OKUD  
Date (year, month, day)

КОДЫ
0710003
31.03.2003
01140111
5000000970
6400
47/42
384

**Region** Central and Central-Black Soil  
**Organization** Joint-Stock Central Telecommunication Company  
Taxpayer Identification Number **5000000970**  
Type of activity Provision of telecommunications services  
Legal status/form of ownership **Public joint-stock company**  
Unit: Russian rubles (RUR) in thousands (RUR'000)

By OKPO

INN

By OKDP

By OKOPF/OKFS

By OKEI

	Line code	Balance as at the year start of core company	Received		Spent		Balance at the year end with an allowance for indices of merged companies **
			over the reporting year*	on reorganization	Over the reporting year*	on reorganization	
1	2	3	4	5	6	7	8
<b>I. EQUITY</b>							
Charter (legal) capital	010	185589		445611		X	631200
Additional capital	020	1761308		4647332	(3106)	X	6 405 534
Growth of property value due to revaluation	021	1185432		4647332	(3106)	X	5 829 658
Reserves	030	27838		X		X	27 838
Reserves built up in accordance with constituent documents	040			X		X	
Undistributed profit of previous years - total	050	556032	3106	10014450	(24553)	(4647332)	5 901 703
including: financing source to finance capital expenditures for production purposes	051	529348	X	765130	X	X	1 294 478
	052			X		X	
Undistributed profit (not-covered loss) of the reporting - total	055	X	(6814)	1091114	X	X	1 084 300
Social fund	060					X	
<b>TOTAL on Section I</b>	<b>079</b>	<b>2530767</b>	<b>-3708</b>	<b>16198507</b>	<b>(27659)</b>	<b>(4647332)</b>	<b>14050575</b>

Description	Line code	Balance at the reporting year start of core company	Received		Spent	Balance at the reporting period end with an allowance for indices of merged companies **
			Over the reporting year*	On reorganization	Over the reporting year*	
1	2	3	4	5	6	7
<b>II. Provisions for deferred expenses - total</b>						
	<b>080</b>		<b>X</b>			<b>X</b>
including: on leaves	081		X			X
on fixed assets repair	082		X			X
on insurance	083		X			X
on bonus based on yearly results	084		X			X
other (to be detailed)	085		X			X
<b>TOTAL on Section II</b>	<b>089</b>		<b>X</b>			<b>X</b>
<b>III. Estimated reserves -total</b>	<b>090</b>		<b>278659</b>	319622	(41606)	<b>556675</b>
including: provisions for doubtful debts	091		278659	319622	(41606)	556675
for securities	092					
<b>TOTAL on Section III</b>	<b>099</b>		<b>278659</b>	319622	(41606)	<b>556675</b>

**For reorganized Companies**

\* Indices of core company for the period from 01.01.2002 till 31.12.2002 and merged companies from the reorganization date till 31.12.2002 ( without turnover on reorganization)

\*\* Indices of core company and merged companies as of 31.12.2002

**IV. CHANGE OF CAPITAL**

Description	Line code	Over the reporting	Over the same period of the previous year
1	2	3	4
Capital at the reporting period start*	<b>100</b>	<b>2530767</b>	<b>11514591</b>
Increase of capital - total**	<b>110</b>	<b>11544361</b>	<b>1807680</b>
including:			
through an additional share issue	111	x	x
due to assets revaluation	112	x	x
due property increase	113	x	x
due to legal entity reorganization (merger, acquisition)	114	11551175	x

due to income which according to accounting standards and rules is posted directly to capital increase	115	x	x
Other receipts	116	(6814)	1807680
Decrease of capital - total***	120	(24553)	(121900)
including:			
through reducing share par value	121	x	x
by reducing the number of shares (own shares, bought out from shareholders)	122		x
due to legal entity reorganization (division, appropriation)	123	x	x
due to expenses which according to accounting standards and rules are posted directly to capital decrease	124	x	x
Other expenses	125	(24553)	(121900)
Capital as of the reporting period end****	130	14050575	13200371

**For reorganized Companies:** Section IV

**Column 3 :** \* Indices of core company as of 01.01.2002

\*\* Indices of core company for the period from 01.01.2002 till 31.12.2002, merged companies as of the reorganization date and for the period from the reorganization date till 31.12.2002

\*\*\* Indices of core company for the period from 01.01.2002 till 31.12.2002, associated organizations from the reorganization date till 31.12.2002

\*\*\*\* MRK indices

Indices of core company and merged companies for the period from 01.01.2001 till

**Column 4:** 31.12.2001, received by per line summation

Description	Line code	Balance as of the reporting year start of core company	Received		Spent	Balance as of the reporting period end with an allowance for indices of merged companies **
			Over the reporting year *	On reorganization	Over the reporting year *	
1	2	3	4	5	6	7
Target financing and receipts - total	140	14992	85269	33477	(89879)	43859
including: from the budget	141	1434	33784	2634	(34132)	3720
off-budget funds	142					
legal entities	143	13282	12559	30843	(17064)	39620
individuals	144	277	38926		(38683)	520
other (to be detailed)	145					

**For reorganized Companies:**

\* Indices of core company for the period from 01.01.2002 till 31.12.2002 and merged companies from the reorganization date till 31.12.2002

\*\* Indices of core company and merged companies as of 31.12.2002

#### FOR REFERENCE

Description	Line code	Balance at the reporting year start*	Balance at the reporting year end**
1	2	3	4
Net assets	150	13613096	14397946

**For reorganized Companies:**

Indices of core company and merged companies as of 01.01.2002, received by per line

\* **Column 3 :** summation

\*\* **Column 4 :** Indices MRK (core company and merged companies) as of 31.12.2002

		From budget		From off-budget funds	
		Over the reporting period*	Over the same period of the previous year**	Over the reporting period*	Over the same period of the previous year**
1	2	3	4	5	6
Received for:					
expenses on ordinary activity - total*	160	22998	105435		
Capital investments in non-current assets	170	104	5744		
including: for facility					
construction	171	104	5057		
acquisition of equipment	172		687		
other (to be detailed)	173				
For purposes, related to extraordinary circumstances	180				

**For reorganized Companies:**

\* Indices of core company for the period from 01.01.2002 till 31.12.2002 and merged companies from the reorganization date till 31.12.2002

\*\* Indices of core company and merged companies for the period from 01.01.2001 till 31.12.2001, received by per line summation

**Director** \_\_\_\_\_ R. A. Amaryan  
(signature) (full name)

**Chief Accountant** \_\_\_\_\_ R. P. Konstantinova  
(signature) (full name)

"17" March, 2003

## STATEMENT OF CASH FLOW

According to Russian Accounting Standards

			<b>CODES</b>
	<b>for 2002</b>	Form 4 by OKUD	<b>0710004</b>
		Date (year, month, day)	31.03.2003
<b>Region</b>	<b>Central and Central-Black Soil</b>		
<b>Organization</b>	<b>Company</b>	By OKPO	01140111
Taxpayer Identification Number	<b>5000000970</b>	INN	5000000970
Type of activity	<b>Provision of telecommunication services</b>	By OKDP	6400
Legal status/form of ownership	<b>Public joint-stock company</b>	By OKOPF/OKFS	47/42
Unit:	<b>Russian rubles (RUR) in thousands (RUR'000)</b>	By OKEI	<b>384</b>

Description	Line code	Amount	of which		
			for current operations	for investment	for financing activity
1	2	3	4	5	6
<b>1. Cash balance at the year start (core company)</b>	010	237 923	X	X	X
<b>2. Received cash funds - total</b>	<b>020</b>	<b>9 462 598</b>	<b>8 640 157</b>	<b>687 025</b>	<b>0</b>
including:					
revenues from sales of goods, products, works, and services	030	5 526 087	5 526 087	X	X
revenues from sales of fixed assets and other property	040	4 708	3 503	1 205	
advance payments received from buyers (customers)*	050	456 245	456 245	X	X
disbursement sfrom budget and other specific target financing	060	85 269	33 784	51 485	
free of charge	070				
credits received	080	1 515 568	881 859	633 709	
loans received	085	600 511	600 000	511	
dividend, interest on financial investments	090	115	X	115	
other receipts	110	1 274 095	1 138 679		
<b>including: balance of accounts of merged companies as of the reorganization date</b>	<b>111</b>	<b>135 416</b>	<b>X</b>	<b>X</b>	<b>X</b>
<b>3. Allocated cash funds - total</b>	<b>120</b>	<b>9 406 713</b>	<b>5 658 351</b>	<b>1 913 192</b>	<b>0</b>
including:					
payment for acquired goods, works, services	130	2 154 940	2 154 940		
Payroll expenses***	140	1 390 953	X	X	X
Allocations to state off-budget funds	150	444 217	X	X	X
on payment of imprests	160	46 352	46 346	6	
payment of advances**	170	450 979	404 370	46 609	

payment for participation by contribution in construction	180	840	X	840	X
payment for machinery and equipment, and autovehicles	190	1 478 945		1 478 945	X
financial investment	200	96 854	X	96 854	
dividends, interest payment	210	60 690	X	60 690	
settlements with budget	220	993 684	993 684	X	
interest payments on received credits and loans	230	1 112 637	883 389	229 248	
other payments, remittances, etc.	250	1 175 622	1 175 622		
<b>4.Cash balance as of the reporting year end (MRK)</b>	<b>260</b>	<b>293 808</b>	<b>X</b>	<b>X</b>	<b>X</b>
<b>FOR REFERENCE:</b>					
From line 020 received in hard cash payment - total	<b>270</b>	<b>3 213 504</b>			
including settlements:					
with legal entities	280	317 861		293808	
individuals	<b>290</b>	<b>2 895 643</b>			
of which using:					
cash registers	291	2 822 801			
forms of strict accountability	292	70 614			
other	293	2 228			
Hard cash: received from the bank into Company's cash	295	11 158 000			
taken to the bank from the Company's cashier	296	2 532 578			

**Lines 20, 120: Indices of the core company for the period from 01.01.2002 till 31.12.2002 and merged companies for the period from the reorganization date till 31.12.2002, received by per line summation**

\* balance of third order sub-accounts 02 "Advances" of account 62 is shown

\*\* balance of sub-accounts "Advance payments in rubles", "Advance payments in currency" of account 60 is shown

\*\*\* amount payable to employees, including amounts of enlisted alimonies and other deductions by writs of execution, and issued deposits are shown

Director

R. A. Amaryan

(signature)

(full name)

"17" March, 2003

Chief Accountant

R. P. Konstantinova

(signature)

(full name)

" 17" March, 2003

**SUPPLEMENTS TO THE BALANCE SHEET**

for	According to Russian Accounting Standards	Form 5 by OKUD	<b>0710005</b>
<b>Region</b>	<b>2002</b>	Date (year, month, day)	31.03.2003
<b>Organization</b>	<b>Central and Central-Black Soil Joint-Stock Central Telecommunication company</b>	By OKPO	<b>01140111</b>
Taxpayer Identification Number	<b>5000000970</b>	INN	5000000970
Business activity	<b>Provision of telecommunications services</b>	By OKDP	6400
Legal status/form of ownership	<b>Public joint-stock company</b>	By OKOPF/OKFS	<b>47/42</b>
Unit:	<b>Russian rubles (RUR) in thousands (RUR'000)</b>	By OKEI	<b>384</b>

**1. FLOW OF BORROWED FUNDS**

Description	Line code	Balance as of the reporting year start with an allowance for indices of merged companies*	Received **	Repaid**	Balance as of the reporting year end with an allowance for indices of merged companies*
1	2	3	4	5	6
Long-term bank credits	110	381017	1160759	(556730)	985046
including: not repaid in due time	111	X	X	X	X
Other long-term loans	120	1100821	788907	(892373)	997355
including: with overdue repayment	121	X	X	X	X
Short-term bank credits	130	1049886	2727064	(2165101)	1611849
including: not repaid in due time	131	18359	9177	(27536)	
Short-term loans	140	38658	944414	(213860)	769212
including: not repaid in due time	141	3401	33018		36419

**2. ACCOUNTS PAYABLE AND ACCOUNTS RECEIVABLE**

Description	Line code	Balance as of the reporting year start with an allowance for indices of merged companies*	Liabilities incurred **	Liabilities repaid**	Balance as of the reporting year end with an allowance for indices of merged companies*
1	2	3	4	5	6
<b>Accounts receivable: short-term</b>	<b>210</b>	<b>1966904</b>	<b>42670702</b>	<b>(42055704)</b>	<b>2581902</b>
including overdue	211	646961	7739341	(7571217)	815085
with the maturity period of over 3 months till the reporting date	212	438467	5306377	(5256562)	488282
long-term	<b>220</b>	<b>24838</b>	<b>54905</b>	<b>(63004)</b>	<b>16739</b>
including overdue	221	X	X	X	X
with the maturity period of over 3 months till the reporting date	222	X	X	X	X
from line 220 debt, payments for which are to be effected in more than 12 months from the reporting date	223	24838	54905	(63004)	16739

**For reorganized Companies:**

- \* Indices of the core company and merged companies, received by per line summation
- \*\* Indices of the core company and merged companies, received by per line summation (without turnover on reorganization)

Description	Line code	Balance as of the reporting period start with an allowance for indices of merged companies*	Liabilities incurred**	Liabilities repaid **	Balance as of the end of the reporting period with an allowance for indices of merged companies*
1	2	3	4	5	6
<b>Accounts payable: short-term</b>	<b>230</b>	<b>2135182</b>	<b>35988198</b>	<b>(34891635)</b>	<b>3231745</b>
including overdue	231	116413	1682041	(1619278)	179176
of which over 3 months overdue	232	92967	1158311	(1109373)	141905
<b>long-term</b>	<b>240</b>	<b>829600</b>	<b>1086757</b>	<b>(645942)</b>	<b>1270415</b>
including overdue	241	X	X	X	X
of which over 3 months overdue	242	X	X	X	X
from line 240 indebtedness with payment expected in over 12 months from the reporting date	243	829600	1087902	(645942)	1271560
<b>Securities/collateral: received</b>	<b>250</b>	<b>732263</b>	<b>797185</b>	<b>(232996)</b>	<b>1296452</b>
including those from third party	251				
provided	260	2848440	3255197	(2164696)	3938941
including those to third party	261	88404	690398	(13484)	765318

**REFERENCE TO SECTION 2**

Description	Line code	Balance as of the reporting year start with an allowance for indices of merged companies*	Liabilities incurred**	Liabilities repaid **	Balance as of the end of the reporting period with an allowance for indices of merged companies*
1	2	3	4	5	6
<b>1) Notes/bills of exchange flow</b>	<b>262</b>	<b>20293</b>	<b>116529</b>	<b>(57498)</b>	<b>79324</b>
including overdue	263				
Notes received	264	4429	214565	(218571)	423
including overdue	265				
2) Accounts receivable for supplied products (works, services) at the actual cost	266	263	7314	(7377)	200

3) List of entities - debtors with largest indebtedness

Name of organization	Line code	Balance at reporting year end with an allowance for indices of merged companies *	
		TOTAL	Including over 3 months
1	2	3	4
State budget funded entities	270	207107	98015
Individuals	271	902523	229556
including privilege categories	272	362502	217797
Commercial organizations	273	528529	80167

**For reorganized Companies:**

- \* Indices of the core company and merged companies, received by per line summation  
\*\* Indices of the core company and merged companies, received by per line summation (without turnover on reorganization)

4) List of entities - creditors with largest indebtedness

Name of organization	Line code	Balance at reporting year end with an allowance for indices of merged companies*	
		TOTAL	Including those with maturity period of over 3 months
1	2	3	4
Settlements with JSC Rostelecom	280	270450	
Equipment suppliers (Sumitomo, Siemens, Iskratel, Alcatel, etc.)	281	776029	313572
Payments on leasing	282	726997	

**3. DEPRECIATED (AMORTIZED) PROPERTY**

Description	Line code	Balance at the reporting year start with an allowance for indices of merged companies*	Received (commissioned)**	Retired**	Balance at the reporting year end with an allowance for indices of merged companies*
1	2	3	4	5	6
<b>I.INTANGIBLE ASSETS</b>					
Rights to intellectual (industrial) property items	310	3571	99	(2645)	1025
Including the rights arising from: copyright and other contracts on scientific, literature, art items and related rights, computer software, data bases, etc.	311	3546	13	(2591)	968
invention patents, industrial samples, selection accomplishments, certificates of useful models, brands and service marks, and license agreement on their use	312	25	86	(54)	57
rights to know-how	313				
Rights to use detached nature sites	320	4		(4)	
Organizational expenses	330	X	X	X	X
Goodwill (business standing of the Company)	340	X	X	X	X
Other	349	X	X	X	X
<b>Total (sum of lines 310+320+330+340+349)</b>	<b>350</b>	<b>3575</b>	<b>99</b>	<b>(2649)</b>	<b>1025</b>

**For reorganized Companies:**

- \* Indices of the core company and merged companies, received by per line summation  
 \*\* Indices of the core company and merged companies, received by per line summation (without turnover on reorganization)

Description	Line code	Balance at the reporting year start with an allowance for indices of merged companies*	Received (commissioned)**	Retired **	Balance at the reporting year end with an allowance for indices of merged companies*
1	2	3	4	5	6
<b>II. FIXED ASSETS</b> Land plots and nature utilization sites	360	1285	688		1973
Buildings	361	3600731	306551	(41288)	3865994
Construction structures	362	7432722	658441	(133517)	7957646
Machinery and equipment	363	13797177	3041719	(239638)	16599258
Transportation vehicles	364	388101	78142	(22810)	443433
Tools and machinery	365	163733	45780	(33214)	176299
Plough cattle	366	57		(21)	36
Productive livestock	367				
Perennial plants	368	783	110	(27)	866
Other types of fixed assets	369	73426	188555	(58372)	203609
<b>Total (sum of lines 360 - 369)</b>	<b>370</b>	<b>25458015</b>	<b>4319986</b>	<b>(528887)</b>	<b>29249114</b>
including: production	371	25263672	4204275	(502127)	28965820
non-production	372	194343	115711	(26760)	283294
Low value and quickly wearable objects - total	373	X	X	X	X
including: in stock	374	X	X	X	X
in operation	375	X	X	X	X
<b>III. INCOME YIELDING INVESTMENT IN TANGIBLE ITEMS</b> Property to be leased	381				
Property provided under hire contract	382	2472	262	(663)	2071
Other	383				
<b>Total (sum of lines 381-383)</b>	<b>385</b>	<b>2472</b>	<b>262</b>	<b>(663)</b>	<b>2071</b>
Property transferred to trust	386				

**For reorganized Companies:**

\*

Indices of the core company and merged companies, received by per line summation

\*\* Indices of the core company and merged companies, received by per line summation (without turnover on reorganization)

**REFERENCE DATA TO SECTION 3**

Description	Line code	Balance at the reporting year start with an allowance for indices of merged companies*	Balance at the reporting year end with an allowance for indices of merged companies*
1	2	3	4
From line 371, columns 3 and 6 leased out - total	<b>387</b>	<b>30453</b>	<b>46456</b>
including:			
buildings	388	21283	17601
construction structures/installations	389	524	12491
transportation vehicles	390	2127	10296
other (to be detailed)	391	6519	6068
Put to long storage	392	32	9165
Wear and tear of depreciated property: Intangible assets	393	1708	728
<b>Fixed assets - total</b>	<b>394</b>	<b>10874039</b>	<b>11700043</b>
including:			
buildings and installations	395	5218747	5359434
machinery and equipment, transportation means	396	5421150	6187635
other	397	234142	152974
Income yielding investment in tangible items	398	146	164
Low value and quickly wearable objects	399	X	X
Property transferred to trust	400		
<b>For reference:</b>			
Result on indexation due to fixed assets revaluation:			
original (reproduction value)	401	93725	X
Depreciation	402	51181	X
Pledged property	403	2097781	2927667
Value of depreciated property for which depreciation is not charged - total	<b>404</b>	<b>1261200</b>	<b>1603466</b>
including: intangible assets	405	1503	
fixed assets	406	1259697	1603466
Alteration of fixed assets value due to completion, refurbishment, additional equipment	407	X	267162
Difference between the cost of goods acquisition and their selling price	408	X	X
Cost of pledged inventory	409	17001	

**For reorganized Companies:**

\*

Indices of the core company and merged companies, received by per line summation

\*\* Indices of the core company and merged companies, received by per line summation (without turnover on reorganization)

**4.FLOW OF FUNDS TO FINANCE LONG-TERM INVESTMENT AND FINANCIAL INVESTMENT**

Description	Line code	Balance at the reporting year start with an allowance for indices of merged companies*	Accrued ( formed**)	Used **	Balance at the reporting year end with an allowance for indices of merged companies*
1	2	3	4	5	6
Own funds of the Company - total	<b>410</b>	<b>156589</b>	<b>1638694</b>	<b>(1741705)</b>	<b>53578</b>
including: capital expenditure financing source	411	148787	498071	(593341)	53517
fixed assets depreciation	412	7749	1140605	(1148354)	
other (to be detailed )	413	53	18	(10)	61
Raised funds - total	<b>420</b>	<b>22928</b>	<b>2353856</b>	<b>(2360077)</b>	<b>16707</b>
including: bank credits	421		976613	(974220)	2393
borrowed funds of other organizations	422	4531	615091	(619622)	
participation by contribution to construction	423	13559	65763	(79322)	
from budget	424	1428	4311	(2103)	3636
from off-budget funds	425				
other (to be detailed )	426	3410	692078	(684810)	10678
Total own and raised funds (sum of lines 410 and 420)	<b>430</b>	<b>179517</b>	<b>3992550</b>	<b>(4101782)</b>	<b>70285</b>
<b>For reference:</b> Incomplete construction facilities	440	1191177	4886985	(4319538)	1758624
Investment in daughter companies	450	3799	87960	(597)	91162
Investment in affiliates	460	12043		(38)	12005

**For reorganized Companies:**

\* Indices of the core company and merged companies, received by per line summation  
 \*\* Indices of the core company and merged companies, received by per line summation (without turnover on reorganization)

### 5. FINANCIAL INVESTMENT

Description	Line code	Long-term		Short-term	
		Balance at the reporting year start with an allowance for indices of merged companies*	Balance at the reporting year end with an allowance for indices of merged companies*	Balance at the reporting year start with an allowance for indices of merged companies*	Balance at the reporting year end with an allowance for indices of merged companies*
1	2	3	4	5	6
Interest and stakes in other organizations	510	25044	111329		
Bonds and other debt instruments	520			281	
Loans provided	530	1086	2533	2261	2257
Other (to be detailed)	540	9959	10097	1792	37
<b>For reference.</b> Bonds and other securities at a market price	550				

### 6. OPERATING EXPENSES OF THE COMPANY

Description	Line code	Over the reporting year with an allowance for indices of merged companies*	Over the previous year with an allowance for indices of merged companies*
1	2	3	4
Tangible costs	<b>610</b>	<b>2143739</b>	<b>1221882</b>
including:			
raw materials and accessories	611	818314	591074
Fuel and energy	612	429665	369728
Spares	613	132611	106904
Payroll expenses	620	4041131	3289850
Social needs allocations	630	1395196	1166715
Fixed assets depreciation	640	1138809	1069402
Other costs	650	3413044	3182011
including:			
taxes, included in costs and expenses	651	206536	158346
Rent and lease payments	652	434838	332855
Training and refresher courses	653	28511	18948
Total for element of expenses	<b>660</b>	<b>12131919</b>	<b>9929860</b>
Change of remaining balances (growth [+], decrease [-]):			
production in progress	670	(1550)	39300
Prepaid expenses	680	12132	48513
Reserves of deferred expenses	690		(13)

**For reorganized Companies:**

- \* Indices of the core company and merged companies, received by per line summation  
 \*\* Indices of the core company and merged companies, received by per line summation (without turnover on reorganization)

**7. SOCIAL INDICES**

Description	Line code	Payable according to calculation *	Actually spent *	Transferred to the funds*
1	2	3	4	5
Allocations to off -budget funds: to social insurance fund	710	177162	(137931)	46189
to the Pension fund	720	1139232	X	1141772
to the Employment fund	730		X	
for medical insurance	740	232113	X	142237
Allocations to non-state pension funds	750	114214	X	110727
Insurance premium for voluntary pension insurance	755			
Average number of employees	760	76564		
Cash outpayments and benefits, unrelated to production, execution of works, service rendering	770	199495		
Income from stakes and interests in the Company assets	780	24053		

**For reorganized Companies:**

\*

Indices of the core company and merged companies, received by per line summation

\*\* Indices of the core company and merged companies, received by per line summation (without turnover on reorganization)

**Director** \_\_\_\_\_ R. A. Amaryan  
(signature) (full name)

**Chief Accountant** \_\_\_\_\_ R. P. Konstantinova  
(signature) (full name)

"17" March, 2003