

## BALANCE SHEET

as of **March 31, 2007**  
 Organization **OJSC CenterTelecom (MRC)**  
 Taxpayer Identification Number **5000000970**  
 Type of business **telecommunications services**  
 Organizational-legal form/ form of ownership **mixed**  
 Measurement unit **RUR in thousands**  
 Address **Bld.2, 6, Degtiarny per., Moscow, 125993, Russia**

CODES	
Form # 01 by OCUД	<b>0710001</b>
Date (year, month, day)	<b>2007.03.31</b>
by OCPO	<b>01140111</b>
INN	<b>5000000970</b>
by OCVED	<b>64.20</b>
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by OCEI	<b>384</b>
Date of approval	
Date of sending (receipt)	

ASSETS	Notes	Item code	Line code	At the reporting period start	At the reporting period end
1	1a	2	2a	3	4
<b>I. NON-CURRENT ASSETS</b>					
Intangible assets		110	110	1 409	1 341
Fixed assets		120	120	31 482 470	30 687 652
Capital investments		130	130	2 241 669	2 426 339
Income bearing investments in tangible items		135	135	1 447	1 446
Long-term financial investments		140	<b>140</b>	1 672 181	1 473 250
<i>including:</i>					
investments in subsidiary companies			141	551 053	551 053
investments in affiliated companies			142	25	25
investments in other organizations			143	26 709	26 709
other long-term financial investments			144	1 094 394	895 463
Deferred tax assets		145	145	408 440	434 146
Other non-current assets		150	150	3 251 386	3 303 422
<b>Total on section I</b>		190	<b>190</b>	39 059 002	38 327 596

ASSETS	Notes	Item code	Line code	At the reporting period start	At the reporting period end
1	1a	2	2a	3	4
<b>II. CURRENT ASSETS</b>					
Inventories		210	<b>210</b>	2 181 929	2 066 057
<i>including:</i>					
raw materials, auxiliaries и and other similar items		211	211	524 892	582 769
expenses of production in progress (circulation expenses)		213	213	50	4
finished products and goods intended for resale		214	214	18 828	39 559
shipped products		215	215	530	419
deferred expenses		216	216	1 637 629	1 443 306
other inventories and expenses		217	217	0	0
VAT on purchased items		220	220	903 879	657 951
Accounts receivable (payments expected later than 12 months after the reporting date)		230	<b>230</b>	7 717	6 179
<i>including:</i>					
buyers and customer accounts		231	231	0	0
advanced payments made			232	0	0
other debtors			233	7 717	6 179
Accounts receivable (payments expected within 12 months from the reporting date)		240	<b>240</b>	3 146 810	3 935 638
<i>including:</i>					
buyers and customer accounts		241	241	2 360 116	3 072 923
advanced payments made			242	120 050	342 574
other debtors			243	666 644	520 141
Short-term financial investments		250	250	1 194 061	972 990
Cash and cash equivalents		260	260	875 372	424 519
Other current assets		270	270	1 300	2 128
<b>Total on section II</b>		290	<b>290</b>	8 311 068	8 065 462
<b>TOTAL ASSETS (sum of lines 190+290)</b>		300	<b>300</b>	47 370 070	46 393 058

EQUITY AND LIABILITIES	Notes	Item code	Line code	At the reporting period start	At the reporting period end
1	1a	2	2a	3	4
<b>III. CAPITAL AND RESERVES</b>					
Charter capital		410	410	6 311 999	6 311 999
Additional capital		420	420	70 946	70 946
Reserves		430	430	64 985	64 985
Shares bought-out from shareholders		411	440	(0)	(0)
Undistributed profit (not covered loss) of previous years		470	460	10 797 201	10 797 201
Undistributed profit (not covered loss) of the reporting year		470	470	X	1 111 486
<b>Total on section III</b>		490	<b>490</b>	17 245 131	18 356 617
<b>IV. LONG-TERM LIABILITIES</b>					
Loans and credits		510	<b>510</b>	17 412 971	17 152 553
<i>including:</i>					
credit facilities			511	3 028 077	2 991 300
loans			512	14 384 894	14 161 253
Deferred tax liabilities		515	515	1 124 593	1 173 038
Other long-term liabilities		520	520	1 449 011	1 222 019
<b>Total on section IV</b>		590	<b>590</b>	19 986 575	19 547 610
<b>V. SHORT-TERM LIABILITIES</b>					
Loans and credits		610	<b>610</b>	3 907 869	2 480 885
<i>including:</i>					
credit facilities			611	47 102	41 579
loans			612	3 860 767	2 439 306
Account payable		620	<b>620</b>	4 945 953	4 735 277
<i>including:</i>					
suppliers and contractors		621	621	3 573 175	2 580 920
advance payments received		625	622	425 147	397 560
debt to employees		622	623	1 587	319 790
debt to government out-of-budget funds		623	624	9 316	146 653
debt in respect of tax and duties		624	625	239 424	399 087
other creditors		625	626	697 304	891 267
Debt to participants (founders) for income payments		630	630	10 391	4 446
Deferred revenue		640	640	466 651	460 854
Deferred expenses provisions		650	650	680 930	701 890
Other short-term liabilities		660	660	126 570	105 479
<b>Total on section V</b>		690	<b>690</b>	10 138 364	8 488 831
<b>TOTAL EQUITY AND LIABILITIES (sum of lines 490+590+690)</b>		700	<b>700</b>	47 370 070	46 393 058

**Summary on items accounted for using off-the-balance sheet accounts**

Item description	Notes	Item code	Line code	At the reporting period start	At the reporting period end
1	1a	2	2a	3	4
Rented fixed items		910	901	2 614 350	2 595 484
including those under leasing terms		911	911	1 857 397	1 824 790
Goods and tangible items accepted for sale storage		920	902	135 053	123 715
Goods accepted for commission		930	903	7 788	7 720
Debt of insolvent debtors written off as a loss		940	904	591 608	597 348
Security received in respect of payments and obligations		950	905	8 998 488	8 737 838
Security provided to other parties in respect of payments and obligations		960	906	10 762 900	9 884 068
Housing facilities depreciation		970	907	14 056	14 056
Depreciation of external improvements items and other similar facilities		980	908	1 464	1 327
Means of payment in respect of telecommunications services			909	364 605	364 423

**Summary of net assets value**

Item description	Notes	Item code	Line code	At the reporting period start	At the reporting period end
1	1a	2	2a	3	4
Net assets			1000	17 711 782	18 817 471

Chief Executive Officer \_\_\_\_\_ S. V. Pridantsev  
(signature) (name)

Chief Accountant \_\_\_\_\_ A. D. Kartashov  
(signature) (name)

April 28, 2007

**PROFIT AND LOSS ACCOUNT**

for **1st Quarter 2007**  
 Organization **OJSC CenterTelecom (MRC)**  
 Taxpayer Identification Number **5000000970**  
 Type of business **telecommunications services**

Form # 02 by OCUD

Date (year, month, day)

by OCPO

INN

by OCVED

by OCOPF/OCFS

by OCEI

CODES	
0710002	
2007.03.31	
01140111	
5000000970	
64.20	
47/31	
384	

Organizational-legal form/ form of ownership **mixed**  
 Measurement unit **RUR in thousands**

Item description	Notes	Item code	Line code	Over the reporting period	Over the same period of previous year
1	1a	2	2a	3	4
<b>I. Operating revenues and expenses on ordinary activities</b>					
Revenue (net) from sales of goods, products, works, services (net of VAT, excise duties and other mandatory payments) including revenue from sales of telecommunications services		010	010	7 796 696	6 610 517
			011	7 404 491	6 181 203
Costs of sold goods, products, works, services including: telecommunications services		020	020	(5 538 251)	(4 816 395)
			021	(5 346 819)	(4 623 772)
<b>Profit (loss) from sales (lines 010-020)</b>		050	050	2 258 445	1 794 122
<b>II. OTHER REVENUES AND EXPENSES</b>					
Interest to receive		060	060	3 673	3 180
Interest payable		070	070	(482 222)	(587 692)
Income from participation on other organizations		080	080	0	5
Other revenue		090	090	238 817	122 273
Other expenses		100	100	(491 735)	(486 471)
<b>Pre-tax profit (loss) (lines 050+060-070+080+090-100)</b>		140	140	1 526 978	845 417
<b>Profit tax expenses (lines 151+152+153) including:</b>			150	(415 492)	(304 899)
deferred tax liabilities		142	151	(48 423)	(41 351)
deferred tax assets		141	152	25 705	287 561
current profit tax		150	153	(392 774)	(551 109)
<b>Net profit (loss) of reporting period (lines 140-150)</b>		190	190	1 111 486	540 518
<b>FOR REFERENCE</b>					
Conditional profit tax expenses/income			201	(366 475)	(202 900)
Permanent tax liabilities		200	202	(49 017)	(101 999)
Permanent tax assets		200	203	0	0

Item description	Notes	Item code	Line code	Over the reporting period	Over the same period of previous year
1	1a	2	2a	3	4
Basic profit (loss) per share			301	X	X
Diluted profit (loss) per share			302	X	X

\* to filled out in annual financial statements

**Explanation of some profit and loss items**

Item description	Item code	Line code	Over the reporting period		Over the same period of previous year	
			profit	loss	profit	loss
1	1a	2	3	4	5	6
Fines, damages and late payment charges accepted or for recovery of which relevant court (arbitration court) rulings were handed down		401	3 158	(102)	3 686	(6 355)
Profit (loss) of previous years		402	5 781	(16 382)	21 542	(17 904)
Indemnity of damages caused by non-performance or undue performance of obligations		403	2 031	(405)	778	(338)
Foreign currency translation adjustments (exchange rate differences)		404	71 907	(33 799)	24 416	(3 879)
Allocation to assessed reserves		405	20 618	(0)	7 815	(39 567)
Written-off accounts receivable and payable		406	4 438	(603)	2 248	(4 394)

**Chief Executive Officer** \_\_\_\_\_ S. V. Pridantsev  
 (signature) (name)

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