

MOBILE TELESYSTEMS OJSC

Auditor's Report

On adequacy of financial statements for 2003

AUDITOR: ZAO DELOITTE & TOUCHE CIS

Legal address: Business Center "Mokhovaya", bldg. 2, 4/7 Vozdvizhenka Street, Moscow 125009, Russia.

Location: Business Center "Mokhovaya", bldg. 2, 4/7 Vozdvizhenka Street, Moscow 125009, Russia.

Tel.: +7 (095) 787 0600.

License to perform audit, No. E 002417, issued by order the Ministry of Finance of the RF on November 6, 2002 for a term of five years.

Certificate of making an entry of information on a legal entity registered until July 1, 2002 into the Uniform State Register of Legal Entities. Issued on November 13, 2002 by Moscow Interdistrict Inspection under the Ministry for Taxes and Duties of Russia No. 39. No.1027700425444.

Certificate of State Registration of Closed Joint Stock Company "Deloitte & Touche CIS" No. 018.482. Issued by the Moscow Registration Chamber on October 30, 1992.

Settlement account in Russian rubles 40702810500700961028 in ZAO CB "CITIBANK", cor. account 30101810300000000202, BIK 044525202.

AUDITED ENTITY: MTS OJSC

Legal address: 4 Marksistskaya, Moscow 109147

Location: 4 Marksistskaya, Moscow 109147

Certificate of making an entry of information on a legal entity registered until July 1, 2002 into the Uniform State Register of Legal Entities. Issued on September 2, 2002 by Moscow Department of the Ministry for Taxes and Duties of Russia, No 1027700149124.

Certificate of State Registration of Mobile TeleSystems Open Joint Stock Company No. 10268. Issued by the Moscow Registration Chamber on March 22, 2000.

AUDITOR'S REPORT

To shareholders of Mobile TeleSystems Open Joint Stock Company (hereinafter "the Company"):

We have audited the accompanying financial statements of the Company for the period from January 1, 2003 to December 31, 2003 inclusive. Financial statements of the Company include:

- the Balance Sheet as of December 31, 2003;
- the Income Statement for 2003;
- the Statement of Changes in Equity for 2003;
- the Cash Flow Statement for 2003;
- Attachments to the Balance Sheet for 2003
- Explanatory note.

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on adequacy in all material respects of these financial statements and the compliance of accounting procedure with the legislation of the Russian Federation based on our audits.

We conducted our audit in accordance with the Federal Law "On Auditing" dated August 7, 2001, No. 119-Φ3; Federal Auditing Rules (Standards) approved by Russian Federation Government Regulation No. 696 of September 23, 2002, including amendments approved by Russian Federation Government Regulation No. 405 of July 4, 2003, as well as applicable Auditing Rules (Standards) approved by the Commission for Auditing under the Russian Federation President, and the company internal standards.

Our audit was planned and performed to obtain reasonable assurance about whether the accounting statements are free from material misstatement. The audit included sampling examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements of information regarding financial and business activities, evaluation of the accounting principles and procedures used, the rules for preparing financial (accounting) statements, examination of significant estimates made by the management of the Company when preparing accounting reports, and evaluation of financial statement presentation.

We conducted our audits in accordance with generally accepted auditing standards in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

We believe that our audit provides a reasonable basis to express our opinion about the trustworthiness in all material respects of the financial statements presented and the compliance of the accounting procedure with the legislation of the Russian Federation.

In our opinion, the financial statements of Mobile TeleSystems Open Joint Stock Company present fairly, in all material respects, the financial position of the Company as of

December 31, 2003, and the results of its financial and business operations for the period from January 1, 2003 to December 31, 2003 inclusive, in conformity with the Federal Law of the Russian Federation "On Accounting" of November 21, 1996, No. 129-Φ3.

In accordance with the effective accounting policies, the Company does not create any provision for bad debts. If such provision were created as of December 31, 2003, accounts receivable as of December 31, 2003 and the net profit of the Company for 2003 would have been decreased by approximately 1.3 bln. Rubles, i.e. up to 7,863,165 thousand rubles and 11,986,665 thousand rubles respectively.

General Director

Dan Collinson Koch

Audit Manager

V.N. Sorokin

General Audit Certificate No. 009779,
issued January 31, 2002 with unlimited
effective period

March 26, 2003

ZAO Deloitte & Touche CIS