

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

**Pursuant to Rule 13a-16 or 15d-16 of the
Securities Exchange Act of 1934**

Date: November 20, 2002

Commission file number 1-14748

OPEN JOINT STOCK COMPANY OF
LONG DISTANCE AND INTERNATIONAL
TELECOMMUNICATIONS ROSTELECOM
Doing Business as Rostelecom
(Translation of registrant's name into English)

THE RUSSIAN FEDERATION
(Jurisdiction of organization)

14 1ST TVERSKAYA-YAMSKAYA STR.
125047 MOSCOW, RUSSIA
(Address of principal executive offices)

Registrant's telephone number, international: +7 095 787 2849

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F

Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes

No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-_____

On November 15, 2002, OJSC Rostelecom (the “*Company*”) filed its quarterly report for the fiscal quarter ended September 30, 2002 (the “*Quarterly Report*”) with the Russian Federal Commission for the Securities Market as required by the Russian Federation’s securities legislation.

The requirements for the contents of the Quarterly Report and criteria for the information to be disclosed in the Quarterly Report are established by the laws and regulations of the Russian Federation. Such requirements and criteria for the information disclosure may, therefore, materially differ from the reporting and disclosure requirements under the U.S. securities laws to which the Company is subject, including the reporting and disclosure requirements applicable to the Annual Report on Form 20-F.

As a consequence of such differences, the Quarterly Report includes unaudited unconsolidated statutory financial statements of the Company prepared in accordance with Russian accounting standards (“*RAS*”). RAS differs in significant respects from International Accounting Standards and from generally accepted accounting principles in the United States. Therefore, the results disclosed in the Quarterly Report are prepared on a basis different from the basis used to prepare the Company's audited annual consolidated financial statements included in its Annual Reports on Form 20-F.

Terms used in the Quarterly Report have the meaning given to them by the laws and regulations of the Russian Federation, which meaning may be different from the meaning given to the same terms by the U.S. securities laws and reporting and disclosure requirements including the reporting and disclosure requirements, applicable to the Annual Report on Form 20-F.

Certain statements in the Quarterly Report are "forward-looking statements" within the meaning of the U.S. federal securities laws and are intended to be covered by the safe harbors created thereby. Those forward-looking statements include, but are not limited to:

- the Company’s plans to construct and modernize its network;
- the Company’s plans relating to the expansion of the range of its services;
- the Company’s plans concerning the restructuring of its branch network;
- the Company’s expectations as to its position in the telecommunications market;
- the Company’s expectations as to the increase of its revenues; and
- other statements regarding matters that are not historical facts.

These forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from those expressed or implied by these forward-looking statements. These risks, uncertainties and other factors include:

- risks relating to changes in political, economic and social conditions in Russia;
- risks relating to Russian legislation, regulation and taxation, including laws, regulations, decrees and decisions governing the Russian telecommunications industry and currency and exchange controls relating to Russian entities and their official interpretation by regulatory bodies;
- risks relating to the Company, including demand for and market acceptance of, its services and competitive pressure; and
- other risks and uncertainties.

For a more detailed discussion of these and other factors, see the Company's Annual Report on Form 20-F for its most recently completed fiscal year and the Company's other public filings. Many of these factors are beyond the Company's ability to control or predict. Given these and other uncertainties, readers are cautioned not to place undue reliance on any of the forward-looking statements contained herein or otherwise. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements (which speak only as of the date hereof) to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as maybe required under applicable securities laws.

For any questions concerning the Quarterly Report, contact Olga Vladimirovna Mokhoreva, Head of the Securities Department of the Company, by phone at +7 (095)973-9940, by facsimile at +7 (095)787-2850 or by email at mokhoreva@hq.rt.ru.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 20, 2002

.....

By: _____(Signature)_____

Name: Vladimir I. Androsik

Title: Deputy General Director -
Finance Director

EXHIBIT INDEX

The following exhibit has been filed as part of this Form 6-K:

<u>Exhibit Number</u>	<u>Description</u>
1.	English translation of the Company's Quarterly Report for its third fiscal quarter ended September 30, 2002 filed with the Russian Federation Commission for the Securities Market .

APPROVED
Board of Directors
Protocol No. 6 of November 11, 2002

Chairman of the Board of Directors V. N. Yashin [signature]
(Signature)

(Seal)

SECURITIES ISSUER'S QUARTERLY REPORT

For Quarter III, 2002

*Open Joint Stock Company Long Distance and International
Telecommunications Rostelecom*

Issuer Code: 00124-A

Location: 5 Delegatskaya Str., Moscow 127091.

Postal address: 14, 1st Tverskaya-Yamskaya Str., Moscow 125047

*Information included in this quarterly report is subject to disclosure in accordance with the
Russian Federation's securities legislation.*

General Director of Open Joint Stock Company Rostelecom S. I. Kuznetsov
 [signature]
(Signature)

Chief Accountant A. A. Lutsky [signature]
(Signature)

October 31, 2002

(Seal)

Contact Person: *Valentina Fedorovna Galova*
Chief Specialist
Tel.: *(095)973-9921* Fax: *(095)787-2850*
Email: *oracb@hq.rt.ru*

A. Information on the Issuer

9. Full Company Name of the Issuer

Открытое акционерное общество междугородной и международной электрической связи "Ростелеком"
Open Joint Stock Company Long-distance and International Telecommunications Rostelecom

10. Abbreviated Name

ОАО "Ростелеком"
OJSC "Rostelecom"

11. Information on Changes in the Name and Legal and Organizational Structure of the Issuer

Joint Stock Company of the Open Type Long-distance and International Telecommunications Rostelecom
JSCOT Rostelecom
Established: *September 23, 1993*

Current name established: *July 28, 1998*

12. Information on Registration of the Issuer with the State Authorities and on its Licenses

Date of state registration of the issuer: *September 23, 1993*
Number of the State Registration Certificate (or other document confirming the issuer's state registration): *021.833*
The state authority, which effected the registration: *Moscow Registration Chamber*

Licenses:

No.: *FLTs 000922-2(III)\BT*
Issue date: *December 27, 2000*
Expiry date: *December 27, 2003*
Licensing authority: *State Committee of the Russian Federation for Construction and Municipal Housing Complex*
Activities: *production of building structures and materials*

No.: *FLTs 000922-2 (II)\DT*
Issue date: *December 27, 2000*
Expiry date: *December 27, 2003*
Licensing authority: *State Committee of the Russian Federation for Construction and Municipal Housing Complex*
Activities: *building and construction activities*

No.: *FLTs 005371-1 (I)*
Issue date: *October 25, 2000*
Expiry date: *October 25, 2003*
Licensing authority: *State Committee of the Russian Federation for Construction and Municipal Housing Complex*
Activities: *building and construction activities*

No.: *FLTs 005371-1 (II)*
Issue date: *September 25, 2000*

Expiry date: **25 September, 2003**
Licensing authority: **State Committee of the Russian Federation for Construction and Municipal Housing Complex**
Activities: **building and construction activities**

No.: **FLTs 005371-1 (III)**
Issue date: **September 25, 2000**
Expiry date: **September 25, 2003**
Licensing authority: **State Committee of the Russian Federation for Construction and Municipal Housing Complex**
Activities: **production of building structures and materials**

No.: **8701**
Issue date: **October 17, 1997**
Expiry date: **November 1, 2005**
Licensing authority: **State Committee for Communications and Informatization of the Russian Federation**
Activities: **rendering local telecommunications services**

No.: **8777**
Issue date: **October 17, 1997**
Expiry date: **January 1, 2004**
Licensing authority: **State Committee for Communications and Informatization of the Russian Federation**
Activities: **rendering domestic long-distance and international telecommunications services**

No.: **3136**
Issue date: **August 16, 1996**
Expiry date: **October 1, 2006**
Licensing authority: **Ministry of Telecommunications and Informatization of the Russian Federation**
Activities: **rendering cellular telecommunications services in the 900 MHz bandwidth**

No.: **3137**
Issue date: **August 16, 1996**
Expiry date: **October 1, 2006**
Licensing authority: **Ministry of Telecommunications and Informatization of the Russian Federation**
Activities: **rendering cellular telecommunications services in the 900 MHz bandwidth**

No.: **3138**
Issue date: **August 16, 1996**
Expiry date: **October 1, 2006**
Licensing authority: **Ministry of Telecommunications and Informatization of the Russian Federation**
Activities: **rendering cellular telecommunications services**

No.: **3226**
Issue date: **May 15, 1997**
Expiry date: **May 15, 2007**
Licensing authority: **Ministry of Telecommunications and Informatization of the Russian Federation**
Activities: **rendering of telematic services**

No.: **3227**
Issue date: **May 15, 1997**

Expiry date: **May 15, 2007**
Licensing authority: **Ministry of Telecommunications and Informatization of the Russian Federation**
Activities: **rendering of data transmission services**

No.: **10857**
Issue date: **October 9, 1998**
Expiry date: **October 9, 2003**
Licensing authority: **State Committee for Communications and Informatization of the Russian Federation**
Activities: **rendering of telegraph communications services**

No.: **13378**
Issue date: **November 30, 1999**
Expiry date: **November 30, 2004**
Licensing authority: **State Committee for Communications and Informatization of the Russian Federation**
Activities: **rendering television and radio broadcasting services and transmission of additional data**

No.: **FLTs 000922-2(I)**
Issue date: **April 28, 2000**
Expiry date: **April 28, 2003**
Licensing authority: **State Committee of the Russian Federation for Construction and Municipal Housing Complex**
Activities: **structural engineering activities**

13. Taxpayer Identification Number

7707049388

14. Industry of the Issuer

OKONKh Codes:

52300

15. Issuer's Location, Postal Address and Contact Telephone Numbers

Location: **5 Delegatskaya Str., Moscow 127091.**
Postal address: **14, 1st Tverskaya-Yamskaya Str., Moscow 125047**
Tel.: **(095) 787-2849** Fax: **(095) 787-2850**
Email: **rostelecom @ nmc.rospac.ru**

16. Information on the Issuer's Auditor

Name: **Closed Joint Stock Company Ernst & Young Vneshaudit**
Location: **20/12 Podsosensky per., Moscow, 103062**
Tax payer identification number: **7717025097**
Postal address: **20/12 Podsosensky per., Moscow, 103062**
Tel: **(095) 917-3306** Fax: **(095) 917-2410**
Email: **moscow@ru.eyi.com**

Information on auditor's license:
License No.: **004768**
Issue date: **March 13, 2000**

Expiry date: **February 8, 2003**

Licensing authority: **Ministry of Finance of the Russian Federation**

17. Information on Organizations Registering Rights to Issuer's Securities

Registrar:

Name: **Branch of RTC-Registrator Closed Joint Stock Company Registrator-Svyaz**

Location: **5, Delegatskaya Str., Moscow, 127091**

Postal address: **5, Delegatskaya Str., Moscow, 127091**

Tel: **(095)200-5313** Fax: **(095)973-2700**

Email: **rtk_adm@ropnet.ru**

License:

License No.: **01147**

Issue date: **October 5, 1996**

Expiry date: **October 8, 2002**

Licensing authority: **Federal Commission for the Securities Market of the Russian Federation (FCSM)**

Date on which the above registrar started maintaining the register of the issuer's registered securities: **May 5, 1997**

Centralized keeping of issuer's Securities was not performed in the reporting quarter.

18. The Issuer's Depository

None

19. The Issuer's Participants

Total number of shareholders (participants): **21,933**

Shareholders (participants) having in their ownership at least 5 % of the issuer's charter capital:

19.1 Name: **Open Joint Stock Company Svyazinvest**
Location: **55, Bldg. 2, Plyuschikha Str., 119121, Moscow**
Postal address: **55, Bldg. 2, Plyuschikha Str., 119121, Moscow**
Share in the issuer's charter capital: **38.005 %**
Shareholders (participants) having in their ownership at least 25 % of the charter capital of the issuer's shareholder (participant):

19.1.1 Name: **Ministry of Property Relations of the Russian Federation**
Location: **9, Nikolskiy Per., 103685, Moscow**
Postal address: **9, Nikolskiy Per., 103685, Moscow**
Share in the charter capital of the issuer's shareholder (participant): **50 % + 1**

19.1.2 Name: **MUSTCOM LIMITED**
Location: **3 Themistoklis Dervis street Julyia House CY-1066 Nicosia Cyprus**
Postal address: **22/13, Voznesensky Per., 103009, Moscow**
Share in the charter capital of the issuer's shareholder (participant): **25 % + 1**

19.2 Name: **ING Bank (Eurasia) ZAO / ING DEPOSITARY-ING Barings**
Location: **31, Krasnaya Presnya Str., 123022, Moscow**
Postal address: **31, Krasnaya Presnya Str., 123022, Moscow**
Share in the issuer's charter capital: **18.676 % (nominee holder)**

- Shareholders (participants) having in their ownership at least 25 % of the charter capital of the issuer's shareholder (participant):
- 19.3 Name: ***National Depository Center, a non-commercial partnership***
Location: ***12, Zhitnaya Str., 117049, Moscow***
Postal address: ***1/13, Sredniy Kislovskiy Per., 103009, Moscow***
Share in the issuer's charter capital: ***8.193 % (nominee holder)***
Shareholders (participants) having in their ownership at least 25 % of the charter capital of the issuer's shareholder (participant): ***None***
- 19.4 Name: ***Closed Joint Stock Company Depository Clearing Company***
Location: ***13, 1st Tverskaya-Yamskaya Str., 125047, Moscow***
Postal address: ***14/2, Bldg. 4, Staraya Basmannaya Str., 103064, Moscow***
Share in the issuer's charter capital: ***5.47 % (nominee holder)***
Shareholders (participants) having in their ownership at least 25 % of the charter capital of the issuer's shareholder (participant): ***None***
- 19.5 Name: ***Closed Joint Stock Company ING Bank (Eurasia) ZAO***
Location: ***31, Krasnaya Presnya Str., 123022, Moscow***
Postal address: ***31, Krasnaya Presnya Str., 123022, Moscow***
Share in the issuer's charter capital: ***5.46 % (nominee holder)***
Shareholders (participants) having in their ownership at least 25 % of the issuer's shareholder (participant) charter capital: ***None***

20. Management Structure of the Issuer

Management bodies of the issuer are: General Shareholders Meeting, Board of Directors, General Director and Management Board

Competence of the issuer's general shareholders (participants) meeting under the issuer's charter (foundation documents):

14.2.1. introduction of amendments and additions to this Charter with the exception of cases stipulated in Clause 4.3. hereof, or approval of a restated version of the Charter of the Company, which is adopted by not less than three quarters of the votes of shareholders holding voting shares of the Company and participating in the meeting, with the exception of cases stipulated in Clause 31.3. hereof;

14.2.2. the Company's reorganization, the decision on which shall be adopted by not less than three quarters of the voting shares of the Company participating in the meeting;

14.2.3. the Company's liquidation, appointment of the Liquidation Commission, approval of the interim and final liquidation balance sheets, the decisions on which shall be adopted by shareholders holding voting shares not less than three quarters of the Company's voting shares participating in the meeting;

14.2.4. election of members to the Board of Directors, the decision on which is adopted by cumulative voting. Premature termination of powers of the members of the Board of Directors, the decision on which shall be adopted by a simple majority of the shareholders holding voting shares of the Company participating in the meeting;

14.2.5. determination of amount, nominal value, category (class) of authorized shares, the decision on which shall be adopted by not less than three quarters of the shareholders holding voting shares of the Company participating in the meeting;

14.2.6. decrease of the Charter Capital of the Company, the decision on which shall be adopted by a simple majority of the shareholders holding voting shares of the Company participating in the meeting;

14.2.7. election of members to the Audit Commission and premature termination of their powers, the decision on which shall be adopted by a simple majority of the shareholders holding voting shares of the Company participating in the meeting;

14.2.8. approval of the external auditor of the Company, the decision on which shall be adopted by a simple majority of the voting shares of the Company participating in the meeting;

14.2.9. approval of the annual reports of the Company; annual accounting statements, including the profit and loss statements of the Company; distribution of profit, including the payment (declaration) of dividends, approval of the amount, form and term of dividends payable in each category and class of shares, approval of losses upon the results of a financial year, the decisions on which shall be adopted by a simple majority of the Shareholders holding voting shares of the Company participating in the meeting;

14.2.10. approval of the Regulations on the Board of Directors, Regulations on the Audit Commission, Regulations on the General Director, Regulations on the General Shareholders Meeting, as well as of amendments and additions to such Regulations, the decisions on which shall be adopted by a simple majority of the shareholders holding voting shares of the Company participating in the meeting;

14.2.11. determination of the procedure for holding a General Shareholders' Meeting drawn up in the form of the Regulations on the General Shareholders Meeting, introduction of amendments and additions to such Regulations, the decision on which shall be adopted by a simple majority of the shareholders holding voting shares of the Company participating in the meeting;

14.2.12. increase of the charter capital of the Company through increase of the nominal value of shares, the decision on which shall be adopted by a simple majority of shareholders;

14.2.13 increase of the charter capital of the Company through placement of additional shares by way of public subscription in the event the number of additionally placed shares exceeds twenty-five (25) percent of the ordinary shares previously placed by the Company; such decision shall be adopted by at least three-quarters of votes of the shareholders holding the Company's voting shares and participating in the meeting;

14.2.14 increase of the charter capital of the Company through placement of additional Company shares by way of closed subscription; such decision shall be adopted by at least three-quarters of votes of the shareholders holding the Company's voting shares and participating in the meeting;

14.2.15 placement by the Company of bonds convertible into shares and of other securities convertible into shares in the event such bonds (other securities) are placed by way of closed subscription or public subscription provided that, in the event of public subscription, bonds convertible into Company shares (other issue securities) may be converted into ordinary shares of the Company totaling more than twenty-five (25) percent of the previously placed ordinary shares; such decision shall be approved by at least three-quarters of votes of the shareholders holding the Company's voting shares and participating in the meeting;

14.2.16. splitting and consolidation of the Company's shares, the decision on which shall be adopted by a simple majority of the shareholders holding voting shares of the Company participating in the meeting;

14.2.17. approval of transactions in cases and through the procedures stipulated in Clause 32 of this Charter;

14.2.18. approval of major transactions in cases and through the procedure stipulated in Clause 31 of this Charter;

14.2.19. decision on the payment (declaration) of annual dividends, approval of the amount, form and term of payment of the dividends payable for each category and class of shares, which is adopted upon the distribution of the Company's profit and loss, upon results of the financial year;

14.2.20. decision on the acquisition by the Company of its placed shares in cases stipulated by this Charter and the Law of the Russian Federation "On Joint Stock Companies", which shall be adopted by not less than three quarters of the shareholders holding voting shares of the Company participating in the meeting;

14.2.21. decision on participation in holding companies, financial and industrial groups, associations and other affiliations of commercial organizations, which shall be adopted by a simple majority of the shareholders holding voting shares of the Company participating in the meeting;

14.2.22. decision on matters on which members of the Board of Directors have failed to vote unanimously, as required by this Charter or the federal laws of the Russian Federation, in order to adopt such decision;

14.2.23. reimbursement, at the Company's expense, of expenses in connection with the preparation and holding of an extraordinary General Shareholders' Meeting in the event that, in violation of the requirements of the applicable laws of the Russian Federation, the Board of Directors has failed to adopt the decision on convening the extraordinary General Shareholders' Meeting and such meeting has been convened by third persons, the decision on which is to be adopted by a simple majority of the Shareholders holding voting shares of the Company participating in the meeting;

14.2.24. formation of the Counting Commission of the General Shareholders' Meeting, if the number of shareholders of the Company is less than 500, the decision on which is to be adopted by a majority of the shareholders holding voting shares of the Company participating in the meeting;

14.2.25. decisions on other matters referenced by this Charter, to the competence of a General Shareholders' Meeting.

14.3. The General Shareholders' Meeting shall be entitled to adopt decisions on the matters stipulated in Clauses 14.2.2, 14.2.10, 14.2.12, 14.2.13, 14.2.14, 14.2.15, 14.2.16, 14.2.17, 14.2.18, 14.2.19, 14.2.20, 14.2.21, 14.2.22 and 14.2.23, if proposed by the Board of Directors only.

14.4. The General Shareholders' Meeting shall also be competent to decide on other issues which are regarded by the applicable laws of the Russian Federation, as within the competence of a General Shareholders' Meeting.

The powers of the issuer's Board of Directors (Supervisory Council) in accordance with the charter (foundation documents):

23.2 The competence of the Board of Directors of the Company shall include decision-making on matters of the overall management of the Company's operations, except in matters

cited hereunder, which are relegated to the competence of the General Shareholders' Meeting.

23.3 The following issues shall be within the competence of the Board of Directors:

23.3.1 determination of the priority aspects of the Company's activities, including the approval of the Company's budgets, business plans and development strategies and programs;

23.3.2 convening of the annual and extraordinary General Shareholders' Meetings of the Company, except in instances provided for under Section 55.8 of the Law of the Russian Federation "On Joint Stock Companies";

23.3.3 approval of the agenda of the General Shareholders' Meeting;

23.3.4 determination of the date for the preparation of the list of persons entitled to take part in the General Shareholders' Meeting and other issues relegated to the competence of the Board of Directors of the Company pursuant to the law of the Russian Federation and this Charter, and related to the preparation and conduct of the General Shareholders' Meeting;

23.3.5 submission of the matters provided for under Clause 14.3 hereof to the General Shareholders' Meeting for decision;

23.3.6 increase of the Company's charter capital by having the Company place additional shares, within the limits of the number and categories of authorized shares, as determined hereunder;

23.3.7 determination of the market value of property under applicable law of the Russian Federation and this Charter;

23.3.8 decision-making pertaining to the acquisition of shares placed by the Company, namely bonds and other securities;

23.3.9 determination of the numerical membership of the Management Board of the Company and appointment and early termination of the powers of its members, as proposed by the General Director;

23.3.10 recommendations pertaining to the amount of the remuneration and compensation payable to the members of the Audit Commission and determination of the amount to be paid for the services of the external auditor;

23.3.11 recommendations pertaining to the amount of dividends on the shares of each category and class and procedure for their payment;

23.3.12 decision-making pertaining to the use of the reserves and other funds of the Company;

23.3.13 approval of the Company's internal documents governing the matters within the competence of the Board of Directors of the Company, in accordance with the laws of the Russian Federation, this Charter and the Regulations of the Board of Directors, except the documents for which approval is relegated to the competence of the General Shareholders' Meeting and the executive bodies of the Company;

23.3.14 establishment and liquidation of branches; establishment and closing of the Company's representative offices, approval of the Model Regulations on the Company

Branch (Representative Office) and approval of regulations on branches (representative offices) approved by the General Director and of amendments and additions thereto;

23.3.15 decision-making pertaining to the Company's participation (accession as a member, termination of participation or change of participatory interest) in other organizations, including by the sale or purchase of shares or interest in other organizations, except for the instances provided under Clause 14.2.21 of this Charter;

23.3.16 decision-making pertaining to the approval of major transactions in the instance provided for under Article 31 hereof;

23.3.17 decision-making pertaining to the approval of the transactions in the instance provided for under Article 32 hereof;

23.3.18 appointment and early dismissal of the General Director of the Company;

23.3.19 determination of the composition, scope and procedure for the protection of information constituting a commercial secret;

23.3.20 approval of decisions to issue securities, prospectuses and reports on the results of the issuance of securities; amendments and additions thereto;

23.3.21 approval of the registrar and the terms of the agreement on maintaining the Company's shareholder register; decision-making on the termination of such an agreement with the registrar;

23.3.22 decision-making pertaining to the reimbursement to the Company officers, including members of the Board of Directors, for losses incurred by such officers in connection with the performance of their official duties and/or the exercise of the powers of the Company as its representative as a result of claims, complaints, demands or amounts of liability against them from any third parties, including the government and municipal agencies;

23.3.23 decision-making pertaining to the making of insurance agreements to cover the liability of Company's officers, including members of the Board of Directors, for losses inflicted on third parties by the Company's officers in the performance of their official duties and/or exercise of the powers of the Company's representatives;

23.3.24 consideration of the opinions of the Audit Commission and the external auditor of the Company;

23.3.25 approval of the terms of the agreements made with the General Director and members of the Management Board;

23.3.26 consideration of matters related to the remuneration of the General Director for performance results pursuant to the terms of the agreement with the General Director of the Company;

23.3.27 termination of the agreement with the General Director in the event of early termination of his/her powers;

23.3.28 decision-making pertaining to the placement by the Company of bonds, and other issued securities where, under the terms of the placement of such shares and other issued securities, they are not convertible into Company shares;

23.3.29 decision-making pertaining to the placement, by the Company, of bonds convertible into shares and of other issued securities convertible into shares where such bonds (other issue securities) are placed by way of public subscription and may be converted into the

Company's ordinary shares, amounting to 25 or less percent of the Company's previously placed ordinary shares;

23.3.30 decision-making pertaining to the introduction of amendments and additions hereto related to the establishment and liquidation of branches, to the establishment and closing of representative offices of the Company and to the results of the placement of the Company's shares in the instances provided for under this Charter;

23.3.31 election (re-election) of the Chairman and Vice-Chairman of the Board of Directors;

23.3.32 appointment of the Secretary of the Board of Directors and determination of the amount of his/her remuneration;

23.3.33 increase of the charter capital of the Company by way of the Company's placement of additional shares by public subscription, within the limits of the number of authorized shares, if the number of additionally placed shares is twenty-five (25) or less percent of the ordinary shares previously placed by the Company;

23.2.34 determining the procedure for interacting with the organizations in which the Company participates, including the passing of decisions on agenda items of the general meetings of participants of the subsidiaries (the highest governing bodies of organizations having other legal or organizational forms), in which the Company is the sole participant; and

23.3.35 other matters relegated to the competence of the Board of Directors under this Charter and the law of the Russian Federation "On Joint Stock Companies".

Competence of the issuer's sole and collegial executive body in accordance with the charter (foundation documents):

27.4 The General Director acts, without a power of attorney, on behalf of the Company for the following:

- representing the Company in the Russian Federation and abroad;***
- presiding at the General Shareholders' Meeting, in accordance with the Regulations on the General Shareholders Meeting;***
- arranging for execution of the resolutions of the General Shareholders' Meeting and the Board of Directors;***
- supervising the Directorate General of the Company, approving the Regulations on the Directorate General (an apparatus of corporate management of the Company) and determining the structure and numerical composition of the Directorate General of the Company and the amounts, procedures and forms of remuneration;***
- exercising overall supervision of the operation of the Company's branches and approving Regulations on branches and amendments and additions thereto subject to approval by the Board of Directors of the Company in accordance with the Model Regulations on the Branch (Representative Office) of the Company as approved by the Board of Directors of the Company;***
- appointing and dismissing the directors of branches, and entering into and terminating employment agreements with them;***

- *approving and endorsing the Company's internal regulations except those to be approved, in accordance with Clauses 14.2.11 and 23.3.13 hereof, by the General Shareholders' Meeting and the Board of Directors;*
- *issuing orders, directives and instructions that are binding on all the Company's employees;*
- *approving, under an order, the List of Branch Employees to be appointed (dismissed) directly by the General Director under an employment agreement (contract);*
- *performing any transactions on behalf of the Company within the limits determined under the Federal Law of the Russian Federation "On Joint Stock Companies" and this Charter;*
- *the right to affix the first signature to financial documents;*
- *issuing powers of attorney on behalf of the Company;*
- *opening bank accounts for the Company;*
- *organizing and arranging for the compilation of a list of information that can be designated "commercial secrets"; issuing orders and instructions on compliance with the requirements to protect such commercial secrets;*

27.5 The Management Board, the Company's collective executive body, is guided in its operation by this Charter and the Regulations on the Management Board, which are approved at the General Shareholders' Meeting.

27.6 The number and personal membership of the Management Board of the Company is to be determined by a decision of the Board of Directors, as nominated by the General Director, in accordance with this Charter.

27.7 The following management matters of the Company's current operations fall within the competence of the Management Board of the Company:

- (1) determination of the Company's technical, financial, economic and tariff policy;*
- (2) preparation of proposals on the main aspects of the Company's operation, including draft budgets, business plans, development strategies and programs of the Company;*
- (3) arrangements to monitor the Company's business operations;*
- (4) determination of the Company's personnel and social policy;*
- (5) preparation of materials and draft resolutions on matters to be considered by the General Shareholders' Meeting and the Board of Directors, including preparation of proposals on the performance of transactions to be approved by the General Shareholders' Meeting and the Board of Directors of the Company on the Company's participation in other organizations, etc.;*
- (6) organizational and technical support for the operations of the Company's bodies;*
- (7) approval of internal regulations governing matters within the competence of the Management Board of the Company except internal regulations which should be approved by the General Shareholders' Meeting, the Board of Directors and the Management Board of the Company;*

- (8) *analysis of performance results of the Company's structural subdivisions, branches and other separate subdivisions and issuance of binding instructions to improve their performance;*
- (9) *discussion of organizational matters related to the Company's branches and representative offices and of other matters, in accordance with the Regulations on the Management Board.*

The Management Board of the Company may also decide other matters pertaining to the management of the Company's current operations, based on instructions from the Board of Directors, or as proposed by the General Director of the Company, except decisions pertaining to matters relegated to the competence of the General Shareholders' Meeting or the Board of Directors of the Company.

21. Members of Issuer's Board of Directors (Supervisory Council) of the Issuer

The Board of Directors

Chairman: *Valery Nikolaevich Yashin*

Members of the Board of Directors:

Vadim Evgenievich Belov

Year of birth: *1958*

Positions held during the last 5 years:

Period: *1997 - 1998*

Organization: *Joint Stock Commercial Bank "Mezhdunarodnaya Finansovaya Kompaniya" ("International Financial Company")*

Scope of activities: *banking*

Title: *Deputy Chairman of the Management Board*

Period: *1998 - 1999*

Organization: *Moscow representative office of SPK Capital Limited*

Scope of activities: *finance*

Title: *managing director*

Period: *1999 – present time*

Organization: *Open Joint Stock Company Svyazinvest*

Scope of activities: *communications*

Title: *Deputy General Director, Member of the Management Board*

Share in the issuer's charter capital: *None*

Shares in the issuer's subsidiaries/dependent companies: *None*

Remuneration paid in reporting quarter:

This information is confidential

Nikolai Pavlovich Emelianov

Year of birth: *1948*

Positions held during the last 5 years:

Period: *1995 - present time*

Organization: *Open Joint Stock Company Novgorodtelecom*

Scope of activities: **communications**
Title: **General Director**

Share in the issuer's charter capital: **None**
Shares in the issuer's subsidiaries/dependent companies: **None**

Remuneration paid in reporting quarter:
This information is confidential

Sergei Ivanovich Kuznetsov

Year of birth: **1953**

Positions held during the last 5 years:

Period: **1995 - 1998**
Organization: **Open Joint Stock Company Telecominvest**
Scope of activities: **communications**
Title: **General Director**

Period: **1998 - 2001**
Organization: **Open Joint Stock Company Peter Star**
Scope of activities: **communications**
Title: **General Director**

Period: **2001 - present time**
Organization: **Open Joint Stock Company Rostelecom**
Scope of activities: **communications**
Title: **General Director**

Share in the issuer's charter capital: **None**
Shares in the issuer's subsidiaries/dependent companies: **None**

Remuneration paid in reporting quarter:
This information is confidential

Alexander Vladimirovich Lopatin

Year of birth: **1964**

Positions held during the last 5 years:

Period: **1995 - 1999**
Organization: **RAO UES Russia**
Scope of activities: **energy**
Title: **Deputy Director for Asset Management, Director for Asset Management – Deputy Chief of Finance Department, Director of Treasury**

Period: **1999 - 2000**
Organization: **Open Joint Stock Company Svyazinvest**
Scope of activities: **communications**
Title: **First Deputy General Director**

Period: **2000 - present time**
Organization: **Open Joint Stock Company Svyazinvest**
Scope of activities: **communications**
Title: **Deputy General Director, Member of the Management Board**

Share in the issuer's charter capital: *None*
Shares in the issuer's subsidiaries/dependent companies: *None*

Remuneration paid in reporting quarter:
This information is confidential

Anton Igorevich Osipchuk

Year of birth: *1967*

Positions held during the last 5 years:

Period: *1997 - 2000*

Organization: *Open Joint Stock Company Telecominvest*

Scope of activities: *communications*

Title: *Deputy General Director of Economics and Finance*

Period: *2000 - present time*

Organization: *Open Joint Stock Company Svyazinvest*

Scope of activities: *communications*

Title: *First Deputy General Director, member of the Management Board*

Share in the issuer's charter capital: *None*
Shares in the issuer's subsidiaries/dependent companies: *None*

Remuneration paid in reporting quarter:
This information is confidential

Stanislav Nikolaevich Panchenko

Year of birth: *1945*

Positions held during the last 5 years:

Period: *1996 - present time*

Organization: *Open Joint Stock Company Svyazinvest*

Scope of activities: *communications*

Title: *Deputy General Director, member of the Management Board*

Share in the issuer's charter capital: *None*
Shares in the issuer's subsidiaries/dependent companies: *None*

Remuneration paid in reporting quarter:
This information is confidential

Viktor Abramovich Polishuk

Year of birth: *1938*

Positions held during the last 5 years:

Period: *1995 - present time*

Organization: *Open Joint Stock Company Rossiyskaya Telekommunikatsionnaya Set ("Russian Telecommunications Network")*

Scope of activities: *communications*

Title: *President*

Share in the issuer's charter capital: *None*
Shares in the issuer's subsidiaries/dependent companies: *None*

Remuneration paid in reporting quarter:

This information is confidential

Irina Mikhailovna Ragozina

Year of birth: **1950**

Positions held during the last 5 years:

Period: **1997 - 1999**

Organization: **Open Joint Stock Company Svyazinvest**

Scope of activities: **communications**

Title: **Head of Service for Share Blocks Management**

Period: **1999 - present time**

Organization: **Open Joint Stock Company Svyazinvest**

Scope of activities: **communications**

Title: **Director of Corporate Governance Department**

Share in the issuer's charter capital: **None**

Shares in the issuer's subsidiaries/dependent companies: **None**

Remuneration paid in reporting quarter:

This information is confidential

Mikhail Viktorovich Slipenchuk

Year of birth: **1965**

Positions held during the last 5 years:

Period: **1997 - 1998**

Organization: **Commercial Bank Metropol**

Scope of activities: **finance**

Title: **Head of Securities Department, Chairman of the Management Board on Equity Market**

Period: **1998 - present time**

Organization: **Limited Liability Company Investment Financial Company Metropol**

Scope of activities: **finance**

Title: **General Director**

Share in the issuer's charter capital: **None**

Shares in the issuer's subsidiaries/dependent companies: **None**

Remuneration paid in reporting quarter:

This information is confidential

Grigory Moiseevich Finger

Year of birth: **1966**

Positions held during the last 5 years:

Period: **1995 - present time**

Organization: **Lindsell Enterprises Limited**

Scope of activities: **finance**

Title: **Authorized Representative**

Share in the issuer's charter capital: *None*
Shares in the issuer's subsidiaries/dependent companies: *None*

Remuneration paid in reporting quarter:
This information is confidential

Valeriy Nikolaevich Yashin

Year of birth: *1941*

Positions held during the last 5 years:

Period: *1995 - 1999*

Organization: *Open Joint Stock Company "Peterburgskaya Telefonnaya Set" ("Petersburg Telephone Network")*

Scope of activities: *communications*

Title: *General Director*

Period: *1999 - present time*

Organization: *Open Joint Stock Company Svyazinvest*

Scope of activities: *communications*

Title: *General Director*

Share in the issuer's charter capital: *None*
Shares in the issuer's subsidiaries/dependent companies: *None*

Remuneration paid in reporting quarter:
This information is confidential

22. Sole and Collegial Management Bodies of the Issuer and Executive Officers of the Management Organization of the Issuer

Sole executive body and members of the collective executive body of the issuer:

Sergei Ivanovich Kuznetsov

Year of birth: *1953*

Positions held during the last 5 years:

Period: *1995 - 1998*

Organization: *Closed Joint Stock Company Telecominvest*

Scope of activities: *communications*

Title: *General Director*

Period: *1998 - 2001*

Organization: *Closed Joint Stock Company Peter Star*

Scope of activities: *communications*

Title: *General Director*

Period: *2001 - present time*

Organization: *Open Joint Stock Company Rostelecom*

Scope of activities: *communications*

Title: *General Director*

Share in the issuer's charter capital: *None*
Shares in the issuer's subsidiaries/dependent companies: *None*

Remuneration paid in reporting quarter:

This information is confidential

Vladimir Ivanovich Androsik

Year of birth: **1975**

Positions held during the last 5 years:

Period: **1997 - 2001**

Organization: **Closed Joint Stock Company Peter Star**

Scope of activities: **communications**

Title: **Junior Specialist, Specialist, Senior Specialist, Finance Manager, Deputy Finance Director for Management Accounting**

Period: **2001 - 2001**

Organization: **Open Joint Stock Company Rostelecom**

Scope of activities: **communications**

Title: **Advisor to General Director for Economy and Finance**

Period: **2001 - present time**

Organization: **Open Joint Stock Company Rostelecom**

Scope of activities: **communications**

Title: **Deputy General Director – Finance Director**

Share in the issuer's charter capital: **None**

Shares in the issuer's subsidiaries/dependent companies: **None**

Remuneration paid in reporting quarter:

This information is confidential

Dmitry Evgenievich Erokhin

Year of birth: **1950**

Positions held during the last 5 years:

Period: **1997 - 2001**

Organization: **Open Joint Stock Company Rostelecom**

Scope of activities: **communications**

Title: **Deputy General Director – Director of TTsMS-9 Branch**

Period: **2001 - present time**

Organization: **Open Joint Stock Company Rostelecom**

Scope of activities: **communications**

Title: **First Deputy General Director**

Share in the issuer's charter capital: **0.0004%**

Shares in the issuer's subsidiaries/dependent companies: **None**

Remuneration paid in reporting quarter:

This information is confidential

Igor Viktorovich Zabolotny

Year of birth: **1967**

Positions held during the last 5 years:

Period: **1997 - 1998**

Organization: **Open Joint Stock Company Rostelecom**

Scope of activities: **communications**

Title: **Executive Director – Chief of Local Long-Distance and International Telephone Services and Tariffs Operations and Planning Department**

Period: **1998 - 1999**

Organization: **Open Joint Stock Company Rostelecom**

Scope of activities: **communications**

Title: **Executive Director – Chief of General Operations of Telecommunications Services Department**

Period: **1999 - present time**

Organization: **Open Joint Stock Company Svyazinvest**

Scope of activities: **communications**

Title: **Executive Director – Director of Marketing and Service Sales Department**

Share in the issuer's charter capital: **None**

Shares in the issuer's subsidiaries/dependent companies: **None**

Remuneration paid in reporting quarter:

This information is confidential

Vadim Yurievich Izotov

Year of birth: **1968**

Positions held during the last 5 years:

Period: **1995 - 2001**

Organization: **Closed Joint Stock Company Severo-Zapadny GSM**

Scope of activities: **communications**

Title: **System Programmer, Senior Engineer, Head of Group, Deputy Director – Chief of Information Technology Department Group**

Period: **2001 - 2001**

Organization: **Open Joint Stock Company Rostelecom**

Scope of activities: **communications**

Title: **advisor to General Director on informational technologies**

Period: **2001 - present time**

Organization: **Open Joint Stock Company Rostelecom**

Scope of activities: **communications**

Title: **Deputy General Director – Director for Informational Technologies**

Share in the issuer's charter capital: **None**

Shares in the issuer's subsidiaries/dependent companies: **None**

Remuneration paid in reporting quarter:

This information is confidential

Alexander Vladimirovich Lopatin

Year of birth: **1964**

Positions held during the last 5 years:

Period: **1995 - 1999**

Organization: **RAO UES Russia**

Scope of activities: **energy**

Title: **Deputy Director for Asset Management, Director for Asset Management – Deputy Finance Director, Director of Treasury**

Period: **1999 - 2000**

Organization: **Open Joint Stock Company Svyazinvest**

Scope of activities: **communications**

Title: **First Deputy General Director**

Period: **2000 - present time**

Organization: **Open Joint Stock Company Svyazinvest**

Scope of activities: **communications**

Title: **Deputy General Director, Member of the Management Board**

Share in the issuer's charter capital: **None**

Shares in the issuer's subsidiaries/dependent companies: **None**

Remuneration paid in reporting quarter:

This information is confidential

Alexander Alexandrovich Lutsky

Year of birth: **1972**

Positions held during the last 5 years:

Period: **1997 - 2000**

Organization: **Closed Joint Stock Company Sankt-Peterburgskie Taksofony**

Scope of activities: **communications**

Title: **Finance Director**

Period: **2000 - 2001**

Organization: **Closed Joint Stock Company Petersburg Transit Telecom**

Scope of activities: **communications**

Title: **Finance Director**

Period: **2001 - present time**

Organization: **Open Joint Stock Company Rostelecom**

Scope of activities: **communications**

Title: **Chief Accountant**

Share in the issuer's charter capital: **None**

Shares in the issuer's subsidiaries/dependent companies: **None**

Remuneration paid in reporting quarter:

This information is confidential

Vladimir Konstantinovich Mironov

Year of birth: **1956**

Positions held during the last 5 years:

Period: **1997 - 2000**

Organization: **Armed Forces of the Russian Federation**

Scope of activities: **military**

Title: ***Military Servant***

Period: ***2001 - 2002***

Organization: ***Closed Joint Stock Company Peter Star***

Scope of activities: ***communications***

Title: ***Regime and Security Department Director, Security Department Director***

Period: ***2002 - present time***

Organization: ***Open Joint Stock Company Rostelecom***

Scope of activities: ***communications***

Title: ***Deputy General Director for Human Resources and Security***

Share in the issuer's charter capital: ***None***

Shares in the issuer's subsidiaries/dependent companies: ***None***

Remuneration paid in reporting quarter:

This information is confidential

Alexander Viktorovich Mikhalev

Year of birth: ***1958***

Positions held during the last 5 years:

Period: ***1997 - 1999***

Organization: ***Closed Joint Stock Company Delta Telecom***

Scope of activities: ***communications***

Title: ***Senior Construction Manager, Senior Network Maintenance Manager***

Period: ***1999 - 2001***

Organization: ***Closed Joint Stock Company Peter Star***

Scope of activities: ***communications***

Title: ***Deputy Director for General Matters***

Period: ***2001 - 2002***

Organization: ***Closed Joint Stock Company Petersburg Transit Telecom***

Scope of activities: ***communications***

Title: ***Acting Director of Administrative Department, Administrative Department Director***

Period: ***2002 - present time***

Organization: ***Open Joint Stock Company Rostelecom***

Scope of activities: ***communications***

Title: ***Counsel to General Director, Deputy General Director - Administrative Director***

Share in the issuer's charter capital: ***None***

Shares in the issuer's subsidiaries/dependent companies: ***None***

Remuneration paid in reporting quarter:

This information is confidential

Marina Dmitrievna Oleshek

Year of birth: ***1961***

Positions held during the last 5 years:

Period: ***1997 - 1998***

Organization: ***Erport Management Company Limited***

Scope of activities: *information and human resources service*
Title: **Human Resources Director**

Period: **1998 - 1999**
Organization: *Vacant*
Scope of activities: *information and human resources service*

Title: **General Director**

Period: **1999 - 2001**
Organization: *Open Joint Stock Company Vypelcom*
Scope of activities: *communications*
Title: **Personnel Director**

Period: **2001 - present time**
Organization: *Open Joint Stock Company Rostelecom*
Scope of activities: *communications*
Title: **Deputy General Director of Rostelecom-Director for Structure Development and Personnel Administration**

Share in the issuer's charter capital: *None*
Shares in the issuer's subsidiaries/dependent companies: *None*

Remuneration paid in reporting quarter:
This information is confidential

Vladimir Vladimirovich Terekhov
Year of birth: **1958**

Positions held during the last 5 years:

Period: **1997 - 2001**
Organization: *Closed Joint Stock Company Peter Star*
Scope of activities: *communications*
Title: **Engineer of radio relay stations, Manager, Senior Manager, Deputy Technical Director on Development and Engineering**

Period: **2001 - 2002**
Organization: *Closed Joint Stock Company Petersburg Transit Telecom*
Scope of activities: *communications*
Title: **Deputy General Director for Technical Development, Deputy General Director – Technical Director**

Period: **2002 - present time**
Organization: *Open Joint Stock Company Rostelecom*
Scope of activities: *communications*
Title: **Deputy General Director and Technical Director**

Share in the issuer's charter capital: *None*
Shares in the issuer's subsidiaries/dependent companies: *None*

Remuneration paid in reporting quarter:
This information is confidential

Person performing the functions of the sole executive body of the issuer: ***Sergei Ivanovich Kuznetsov***

23. Remuneration Paid to the Board of Directors (Supervisory Council) Members and Other Executive Officers of the Issuer

Total remuneration paid to all persons listed in items 21 and 22 in reporting period:

Salary (rub. **4,856,254**)

Bonuses (rub.): **3,979,631**

Commission (rub.): **0**

Other benefits in kind (rub.): **7,800,000**

Total (rub.): **16,635,885**

See also items 21 and 22

24. Information on Legal Entities with Issuer's Participation

Legal entities in which the issuer owns not less than 5 percent of the charter capital

Name: ***Subsidiary Rest House Malakhit***

Location: ***15, Scherbakova Str., 334200, Yalta, Autonomous Republic of Crimea, Ukraine***

Postal address: ***15, Scherbakova Str., 334200, Yalta, Autonomous Republic of Crimea, Ukraine***

Issuer's share in the charter capital of the legal entity: ***100 %***

Name: ***Limited Liability Company INFORMTECH***

Location: ***7, Sohanya Str., 334200, Yalta, Autonomous Republic of Crimea, Ukraine***

Postal address: ***7, Sohanya Str., 334200, Yalta, Autonomous Republic of Crimea, Ukraine***

Issuer's share in the charter capital of the legal entity: ***99.9 %***

Name: ***Closed Joint Stock Company RTC-Center***

Location: ***5, Delegatskaya Str., 127091, Moscow***

Postal address: ***15a, Kalanchevskaya Str., 107078, Moscow***

Issuer's share in the charter capital of the legal entity: ***99.001 %***

Name: ***Closed Joint Stock Company ROSPAK***

Location: ***2a, Bryusov Per., 103009, Moscow***

Postal address: ***2a, Bryusov Per., 103009, Moscow***

Issuer's share in the charter capital of the legal entity: ***90.8 %***

Name: ***Limited Liability Company Eniseyskoye Televideniye ("Enisey Broadcasting")***

Location: ***246, Karl Marx Str., 660100, Krasnoyarsk***

Postal address: ***246, Karl Marx Str., 660100, Krasnoyarsk***

Issuer's share in the charter capital of the legal entity: ***90 %***

Name: ***Closed Joint Stock Company Telecomcity***

Location: ***5, Delegatskaya Str., 127091, Moscow***

Postal address: ***5, Delegatskaya Str., 127091, Moscow***

Issuer's share in the charter capital of the legal entity: ***80 %***

Name: ***Commercial Bank Russky Akseptny Bank ("Russian Acceptance Bank")***

Location: ***15a, Kalanchevskaya Str., 107078, Moscow***

Postal address: ***15a, Kalanchevskaya Str., 107078, Moscow***

Issuer's share in the charter capital of the legal entity: ***77.59 %***

Name: ***Closed Joint Stock Company RTC-Internet***

Location: ***5, Delegatskaya Str., 127091, Moscow***

Postal address: ***15a, Kalanchevskaya Str., 107078, Moscow***

Issuer's share in the charter capital of the legal entity: ***63.5 %***

Name: **Closed Joint Stock Company Insurance Company Costars**
Location: **Apt. 33-08, 42, Bldg. 3, Leninsky Prospect, 117119, Moscow**
Postal address: **15a, Kalanchevskaya Str., 107078, Moscow**
Issuer's share in the charter capital of the legal entity: **60 %**

Name: **Closed Joint Stock Company Inzhenerny Tsentr ("Engineering Center")**
Location: **16, Kazakova Str., 103064, Moscow**
Postal address: **16, Kazakova Str., 103064, Moscow**
Issuer's share in the charter capital of the legal entity: **60 %**

Name: **Closed Joint Stock Company Incom**
Location: **27/26, Bldg. 3d, Zubovsky Boulevard, 119021, Moscow**
Postal address: **27/26, Bldg. 3d, Zubovsky Boulevard, 119021, Moscow**
Issuer's share in the charter capital of the legal entity: **54.4 %**

Name: **Closed Joint Stock Company Telebarents**
Location: **37, Parkovaya Str., 185014, Petrozavodsk**
Postal address: **37, Parkovaya Str., 185014, Petrozavodsk**
Issuer's share in the charter capital of the legal entity: **51 %**

Name: **Closed Joint Stock Company Globalstar Space Telecommunications (Globaltel)**
Location: **25, Bldg. 2, Dubovaya Roscha Str., 127427, Moscow**
Postal address: **Office 500, 15, B. Cherkassky Per., 103626 Moscow**
Issuer's share in the charter capital of the legal entity: **51 %**

Name: **Closed Joint Stock Company Rostelecomport**
Location: **22, Oktyabrskaya Str., 188450 Kingisepp, Russia**
Postal address: **22, Oktyabrskaya Str., 188450 Kingisepp, Russia**
Issuer's share in the charter capital of the legal entity: **50 %**

Name: **Closed Joint Stock Company Aquapark-RT**
Location: **5, Delegatskaya Str., 127091, Moscow**
Postal address: **5, Delegatskaya Str., 127091, Moscow**
Issuer's share in the charter capital of the legal entity: **50 %**

Name: **Closed Joint Stock Company Westelcom**
Location: **26, Sushevsky Val Str., 127018, Moscow**
Postal address: **26, Sushevsky Val Str., 127018, Moscow**
Issuer's share in the charter capital of the legal entity: **50 %**

Name: **Closed Joint Stock Company Telecom-Tsentr**
Location: **25, Dubovaya Roscha Str., 127427, Moscow**
Postal address: **25, Dubovaya Roscha Str., 127427, Moscow**
Issuer's share in the charter capital of the legal entity: **45 %**

Name: **Closed Joint Stock Company Teleport-TP**
Location: **All-Russia Exhibition Center, Prospect Mira, 129223 Moscow**
Postal address: **All-Russia Exhibition Center, Prospect Mira, 129223 Moscow**
Issuer's share in the charter capital of the legal entity: **44 %**

Name: **Open Joint Stock Company Tsentralnaya Kompaniya Delovaya Set ("Central Company Business Network")**
Location: **1, Bldg. 2, Marshala Vasilevskogo Str., 123098 Moscow**
Postal address: **1, Bldg. 2, Marshala Vasilevskogo Str., 123098 Moscow**
Issuer's share in the charter capital of the legal entity: **43.5 %**

Name: **Autonomous Non-Commercial Organization NTTsS TsNIIS-RTC**
Location: **8, 1st Proezd Perova Poly, 111141 Moscow**
Postal address: **8, 1st Proezd Perova Poly, 111141 Moscow**
Issuer's share in the charter capital of the legal entity: **40 %**

Name: **Open Joint Stock Company MMTS-9**
Location: **7, Butlerova Str., 117485 Moscow**
Postal address: **7, Butlerova Str., 117485 Moscow**
Issuer's share in the charter capital of the legal entity: **36.86 %**

Name: **Closed Joint Stock Company Razbeg-Marafon**
Location: **56, Trifonovskaya, 129110 Moscow**
Postal address: **56, Trifonovskaya, 129110 Moscow**
Issuer's share in the charter capital of the legal entity: **33.33 %**

Name: **Open Joint Stock Company Teleradiocompaniya Yalta**
Location: **7, Sokhanya Str., 334200 Yalta, Crimea, Ukraine**
Postal address: **7, Sokhanya Str., 334200 Yalta, Crimea, Ukraine**
Issuer's share in the charter capital of the legal entity: **30 %**

Name: **Open Joint Stock Company RTC-Leasing**
Location: **5, Delegatskaya Str., 127091 Moscow**
Postal address: **42, Bld. 2 Schepkina Str., 129110 Moscow**
Issuer's share in the charter capital of the legal entity: **27.12 %**

Name: **Closed Joint Stock Company Informcouriersvyaz**
Location: **6, Bldg. 1, 4th Mikhailovsky Proezd, 117419 Moscow**
Postal address: **6, Bldg. 1, 4th Mikhailovsky Proezd, 117419 Moscow**
Issuer's share in the charter capital of the legal entity: **25.25 %**

Name: **Open Joint Stock Company RTComm.RU**
Location: **15a, Kalanchevskaya Str., 107078 Moscow**
Postal address: **15a, Kalanchevskaya Str., 107078 Moscow**
Issuer's share in the charter capital of the legal entity: **25.00001 %**

Name: **Closed Joint Stock Company Rustel**
Location: **10/4, Staraya Ploschad, 103070, Moscow**
Postal address: **10/4, Staraya Ploschad, 103070, Moscow**
Issuer's share in the charter capital of the legal entity: **25 %**

Name: **Non-governmental Pension Fund Rostelecom-Garantia**
Location: **5, Delegatskaya Str., 127091 Moscow**
Postal address: **15a, Kalanchevskaya Str., 107078 Moscow**
Issuer's share in the charter capital of the legal entity: **24.85 %**

Name: **Open Joint Stock Company Moskovskaya Sotovaya Svyaz ("Moscow Cellular Communications")**
Location: **18/20, Vorontsovskaya Str., 109044, Moscow**
Postal address: **18/20, Vorontsovskaya Str., 109044, Moscow**
Issuer's share in the charter capital of the legal entity: **23.5 %**

Name: **Closed Joint Stock Company NTTs Comset**
Location: **7, Zelyony Pr., 111141, Moscow**
Postal address: **7, Zelyony Pr., 111141, Moscow**
Issuer's share in the charter capital of the legal entity: **22.18 %**

Name: **Limited Liability Company ChOP Rostelecom-Bezopasnost**
Location: **2, Bldg. 2, Deguninskaya Str., 127486, Moscow**
Postal address: **2, Bldg. 2, Deguninskaya Str., 127486, Moscow**
Issuer's share in the charter capital of the legal entity: **20 %**

Name: **Closed Joint Stock Company Telmos**
Location: **15, Zemledelchesky Per., 119121, Moscow**
Postal address: **15, Zemledelchesky Per., 119121, Moscow**
Issuer's share in the charter capital of the legal entity: **20 %**

Name: **Closed Joint Stock Company Moskovsky Center Novikh Technologiy Telekommunikatsiy**
Location: **46, Arbat Str., 121002, Moscow**
Postal address: **46, Arbat Str., 121002, Moscow**
Issuer's share in the charter capital of the legal entity: **20 %**

Name: **Closed Joint Stock Company MS-Trust**
Location: **18/20, Bldg. 2, Vorontsovskaya Str., 109044, Moscow**
Postal address: **18/20, Bldg. 2, Vorontsovskaya Str., 109044, Moscow**
Issuer's share in the charter capital of the legal entity: **20 %**

Name: **Limited Liability Company Medicom-33**
Location: **16, Malakhitovaya Str., 129128, Moscow**
Postal address: **16, Malakhitovaya Str., 129128, Moscow**
Issuer's share in the charter capital of the legal entity: **18.52 %**

Name: **Limited Liability Company Arkhangelskaya GTS**
Location: **4, Priorova Str., 163071, Arkhangelsk**
Postal address: **4, Priorova Str., 163071, Arkhangelsk**
Issuer's share in the charter capital of the legal entity: **17 %**

Name: **Closed Joint Stock Company RT-Radiotext**
Location: **12, Akademika Korolyova Str., 127427, Moscow**
Postal address: **12, Akademika Korolyova Str., 127427, Moscow**
Issuer's share in the charter capital of the legal entity: **15 %**

Name: **Closed Joint Stock Company Transportniye Tsifroviye Seti ("Transport Digital Networks")**
Location: **TTsMS-21, Posyolok Sosnovka, Odintsovsky District, Moscow Region, 143070**
Postal address: **TTsMS-21, Posyolok Sosnovka, Odintsovsky District, Moscow Region, 143070**
Issuer's share in the charter capital of the legal entity: **15 %**

Name: **Limited Liability Company Tver Telecom**
Location: **24, Novotorzhskaya Str., 170000, Tver**
Postal address: **24, Novotorzhskaya Str., 170000, Tver**
Issuer's share in the charter capital of the legal entity: **15 %**

Name: **Golden Telecom, Inc.**
Location: **National Corporate Research Ltd. In the City of Dover, County of Kent, State of Delaware, USA**
Postal address: **615 South DuPont, Highway, Dover, 19901 USA**
Issuer's share in the charter capital of the legal entity: **15 %**

Name: **Closed Joint Stock Company RTC-Invest**

Location: **5, Delegatskaya Str., 127091, Moscow**
Postal address: **5, Delegatskaya Str., 127091, Moscow**
Issuer's share in the charter capital of the legal entity: **13.5 %**

Name: **Limited Liability Partnership RON**
Location: **5, Delegatskaya Str., 127091, Moscow**
Postal address: **5, Delegatskaya Str., 127091, Moscow**
Issuer's share in the charter capital of the legal entity: **12.4 %**

Name: **Closed Joint Stock Company Expo-Telecom**
Location: **7, Tverskaya Str., 103375, Moscow**
Postal address: **7, Tverskaya Str., 103375, Moscow**
Issuer's share in the charter capital of the legal entity: **11.1 %**

Name: **Closed Joint Stock Company TV-Inform**
Location: **1, Rusakovskaya Nab., 106076, Moscow**
Postal address: **1, Rusakovskaya Nab., 106076, Moscow**
Issuer's share in the charter capital of the legal entity: **10.5 %**

Name: **Open Joint Stock Company Avianet**
Location: **Apartment 7, 37, Leningradsky Prospect., 109052, Moscow**
Postal address: **Apartment 7, 37, Leningradsky Prospect., 109052, Moscow**
Issuer's share in the charter capital of the legal entity: **10.3 %**

Name: **Closed Joint Stock Company Telekros**
Location: **27, Presnensky Val, 123557, Moscow**
Postal address: **27, Presnensky Val, 123557, Moscow**
Issuer's share in the charter capital of the legal entity: **10 %**

Name: **Closed Joint Stock Company VestBalt Telecom**
Location: **32, Leninsky Pr., 236040, Kaliningrad**
Postal address: **32, Leninsky Pr., 236040, Kaliningrad**
Issuer's share in the charter capital of the legal entity: **10 %**

Name: **Closed Joint Stock Company Sankt-Peterburgskiy Center Electrosvyazi**
Location: **24, Prospect Bolshevikov, 193232, Saint-Petersburg**
Postal address: **24, Prospect Bolshevikov, 193232, Saint-Petersburg**
Issuer's share in the charter capital of the legal entity: **9.4 %**

Name: **Association of Telecommunications of Povolzhye Region**
Location: **1/3, Kuprina Str., 440606, Penza**
Postal address: **1/3, Kuprina Str., 440606, Penza**
Issuer's share in the charter capital of the legal entity: **9.09 %**

Name: **Closed Joint Stock Company Registrator-svyaz**
Location: **27, Presnensky Val, 123557, Moscow**
Postal address: **15a, Bolshaya Olenya Str., 107014, Moscow**
Issuer's share in the charter capital of the legal entity: **8.64 %**

Name: **Closed Joint Stock Company Ramsatcom**
Location: **32-A, Leninsky Prospect, 117334, Moscow**
Postal address: **3, Bldg, 2, 109028, Moscow**
Issuer's share in the charter capital of the legal entity: **6.55 %**

Name: **Closed Joint Stock Company Teleinf**
Location: **Office 1042, 19, Akademika Korolyova Str., 127427, Moscow**

Postal address: **Office 1042, 19, Akademika Korolyova Str., 127427, Moscow**
Issuer's share in the charter capital of the legal entity: **6.25 %**

Name: **Closed Joint Stock Company Rossiyskiye Informatsionniye Tsentry**
Location: **3, 1st Tverskaya-Yamskaya Str., 125047, Moscow**
Postal address: **3, 1st Tverskaya-Yamskaya Str., 125047, Moscow**
Issuer's share in the charter capital of the legal entity: **6.18 %**

Name: **Limited Liability Company Svyaz Expertiza**
Location: **22, Bldg. 22, Marxistskaya Str., 109147, Moscow**
Postal address: **22, Bldg. 22, Marxistskaya Str., 109147, Moscow**
Issuer's share in the charter capital of the legal entity: **5.7 %**

Name: **Non-Commercial Partnership Tsentr Issledovaniy Problem Razvitiya Telekommunikatsiy**
Location: **55., Bldg. 2, Plyuschikha Str., 119121, Moscow**
Postal address: **55., Bldg. 2, Plyuschikha Str., 119121, Moscow**
Issuer's share in the charter capital of the legal entity: **0 %**

Name: **Association of Telecommunications of Tsentralno-Tchernozemny Region**
Location: **Central District of the City of Voronezh**
Postal address: **35, Prospect Revolyutsii, 394000, Voronezh**
Issuer's share in the charter capital of the legal entity: **0 %**

Name: **Association of Operators of the Federal Network of Business Services ISKRA**
Location: **40, Leninsky Prospect, 117334, Moscow**
Postal address: **40, Leninsky Prospect, 117334, Moscow**
Issuer's share in the charter capital of the legal entity: **0 %**

Name: **Association of Communications Enterprises of Sibir and Far East**
Location: **8, Bogdanova Per., 664011, Irkutsk**
Postal address: **8, Bogdanova Per., 664011, Irkutsk**
Issuer's share in the charter capital of the legal entity: **0 %**

25. Participating Shares of All Legal Entities where the Issuer Owns 5 % of the Charter Capital, and Shares of the Executives of Such Legal Entities in the Issuer's Charter Capital

25.1 Name: **Subsidiary Rest House Malakhit**
Location: **15, Scherbakova Str., Yalta, Autonomous Republic of Crimea, 334200, Ukraine**
Postal address: **15, Scherbakova Str., Yalta, Autonomous Republic of Crimea, 334200, Ukraine**
Issuer's share in the charter capital of the legal entity: **100 %**
This entity's share in the issuer's charter capital: **None**

25.2 Name: **Limited Liability Company INFORMTEK**
Location: **7, Sokhanya Str., Yalta, Autonomous Republic of Crimea, 334200, Ukraine**
Postal address: **7, Sokhanya Str., Yalta, Crimea, 334200, Ukraine**
Issuer's share in the charter capital of the legal entity: **99.9 %**
This entity's share in the issuer's charter capital: **None**

Officers:

25.2.1 **Yuly Pavlovich Konontsev**

Functions of this person: **Sole Executive Body**

This person's share in the issuer's charter capital: **0.0002 %**

- 25.3 Name: **Closed Joint Stock Company RTC-Center**
Location: **5, Delegatskaya Str., 127091, Moscow**
Postal address: **15a, Kalanchevskaya Str., 107078 Moscow**
Issuer's share in the charter capital of the legal entity: **99.001 %**
This entity's share in the issuer's charter capital: **None**

Officers:

- 25.3.1 **Pavel Ivanovich Alpetyan**
Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.001 %**

- 25.4 Name: **Closed Joint Stock Company Rospak**
Location: **2a, Bryusov Per., 103009, Moscow**
Postal address: **2a, Bryusov Per., 103009, Moscow**
Issuer's share in the charter capital of the legal entity: **90.8 %**
This entity's share in the issuer's charter capital: **None**

Officers:

- 25.4.1 **Viktor Anatolievich Grishkevich**

Functions of this person: **Sole Executive Body**

This person's share in the issuer's charter capital: **0.0007 %**

- 25.4.2 **Pavel Ivanovich Alpetyan**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.001 %**

- 25.5 Name: **Limited Liability Company Eniseyskoye Televideniye**
Location: **246, Karla Marxa Str., 660100, Krasnoyarsk**
Postal address: **246, Karla Marxa Str., 660100, Krasnoyarsk**
Issuer's share in the charter capital of the legal entity: **90 %**
This entity's share in the issuer's charter capital: **None**

- 25.6 Name: **Closed Joint Stock Company Telecomcity**
Location: **5, Delegatskaya Str., 127091, Moscow**
Postal address: **5, Delegatskaya Str., 127091, Moscow**
Issuer's share in the charter capital of the legal entity: **80 %**
This entity's share in the issuer's charter capital: **None**

- 25.7 Name: **Commercial Bank Russkiy Aktseptny Bank**
Location: **15a Kalanchevskaya Str., 107078 Moscow**
Postal address: **15a Kalanchevskaya Str., 107078 Moscow**
Issuer's share in the charter capital of the legal entity: **77.59 %**
This entity's share in the issuer's charter capital: **None**

- 25.8 Name: **Closed Joint Stock Company RTC-Internet**
Location: **5 Delegatskaya Str., 127091 Moscow**
Postal address: **15a Kalanchevskaya Str., 107078 Moscow**
Issuer's share in the charter capital of the legal entity: **63.5 %**
This entity's share in the issuer's charter capital: **None**

Officers:

25.8.1 **Pavel Ivanovich Alpetyan**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.001 %**

25.8.2 **Igor Vladimirovich Kocheshkov**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0007 %**

25.8.3 **Viktor Anatolievich Grishkevich**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0007 %**

25.9 Name: **Closed Joint Stock Company Inzhenerny Center**

Location: **16, Kazakova Str., 103064, Moscow**

Postal address: **16, Kazakova Str., 103064, Moscow**

Issuer's share in the charter capital of the legal entity: **60 %**

This entity's share in the issuer's charter capital: **None**

25.10 Name: **Closed Joint Stock Company Insurance Company Costars**

Location: **Apartment 33-08, 42, Bldg. 42, Leninsky Prospect, 117119, Moscow**

Postal address: **15a Kalanchevskaya Str., 107078 Moscow**

Issuer's share in the charter capital of the legal entity: **60 %**

This entity's share in the issuer's charter capital: **None**

Officers:

25.10.1 **Dmitry Evgenievich Erokhin**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0004 %**

25.11 Name: **Closed Joint Stock Company Incom**

Location: **27/26, Bldg. 3d, Zubovsky Blvd., 119021, Moscow**

Postal address: **27/26, Bldg. 3d, Zubovsky Blvd., 119021, Moscow**

Issuer's share in the charter capital of the legal entity: **54.4 %**

This entity's share in the issuer's charter capital: **None**

Officers:

25.11.1 **Dmitry Evgenievich Erokhin**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0004 %**

25.12 Name: **Closed Joint Stock Company Telebarents**

Location: **37, Parkovaya Str., 185014, Petrozavodsk**

Postal address: **37, Parkovaya Str., 185014, Petrozavodsk**

Issuer's share in the charter capital of the legal entity: **51 %**

This entity's share in the issuer's charter capital: **None**

Officers:

25.12.1 **Alexei Alexeevich Domoroschin**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0075 %**

25.13 Name: **Closed Joint Stock Company Globalstar Space Telecommunications (Globaltel)**

Location: **25, Bldg. 2, Dubovaya Roscha Str., 127427 Moscow**

Postal address: **Office 500, 15, Bolshoy Cherkassky Per., 103626 Moscow**

Issuer's share in the charter capital of the legal entity: **51 %**

This entity's share in the issuer's charter capital: **None**

Officers:

25.13.1 **Dmitry Evgenievich Erokhin**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0004 %**

25.14 Name: **Closed Joint Stock Company Acquapark-RT**

Location: **5, Delegatskaya Str., 127091, Moscow**

Postal address: **5, Delegatskaya Str., 127091, Moscow**

Issuer's share in the charter capital of the legal entity: **50 %**

This entity's share in the issuer's charter capital: **None**

25.15 Name: **Closed Joint Stock Company Westelcom**

Location: **26, Sushevsky Val, 127018, Moscow**

Postal address: **26, Sushevsky Val, 127018, Moscow**

Issuer's share in the charter capital of the legal entity: **50 %**

This entity's share in the issuer's charter capital: **None**

25.16 Name: **Closed Joint Stock Company Rostelecomport**

Location: **22, Oktyabrskaya Str., 188450, Kingisepp**

Postal address: **22, Oktyabrskaya Str., 188450, Kingisepp**

Issuer's share in the charter capital of the legal entity: **50 %**

This entity's share in the issuer's charter capital: **None**

25.17 Name: **Closed Joint Stock Company Telecom-Center**

Location: **25, Dubovaya Roscha Str., 127427, Moscow**

Postal address: **25, Dubovaya Roscha Str., 127427, Moscow**

Issuer's share in the charter capital of the legal entity: **45 %**

This entity's share in the issuer's charter capital: **None**

Officers:

25.17.1 **Anatoly Grigorievich Uryev**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.001 %**

25.17.2 **Gennady Efimovich Itkis**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.001 %**

25.17.3 **Dmitry Evgenievich Erokhin**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0004 %**

25.18 Name: **Closed Joint Stock Company Teleport-TP**

Location: **All-Russia Exhibition Center, Prospect Mira, 129223, Moscow**

Postal address: **All-Russia Exhibition Center, Prospect Mira, 129223, Moscow**

Issuer's share in the charter capital of the legal entity: **44 %**

This entity's share in the issuer's charter capital: **None**

25.19 Name: **Open Joint Stock Company Tsentralnaya Kompaniya Delovaya Set**

Location: **1, Bldg. 2, Marshala Vasilevskogo Str., 123098, Moscow**

Postal address: **1, Bldg. 2, Marshala Vasilevskogo Str., 123098, Moscow**

Issuer's share in the charter capital of the legal entity: **43.5 %**

This entity's share in the issuer's charter capital: **None**

Officers:

25.19.1 **Oleg Gennadievich Belov**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0051 %**

25.19.2 **Viktor Anatolievich Grishkevich**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0007 %**

25.20 Name: **Autonomous Non-Commercial Organization NTTsS TsNIIS-RTC**

Location: **8, 1st Proezd Perova Poly, 111141, Moscow**

Postal address: **8, 1st Proezd Perova Poly, 111141, Moscow**

Issuer's share in the charter capital of the legal entity: **40 %**

This entity's share in the issuer's charter capital: **None**

25.21 Name: **Open Joint Stock Company MMTS-9**

Location: **7, Butlerova Str., 117485, Moscow**

Postal address: **7, Butlerova Str., 117485, Moscow**

Issuer's share in the charter capital of the legal entity: **36.86 %**

This entity's share in the issuer's charter capital: **None**

Officers:

25.21.1 **Boris Vasilyevich Zverev**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0178 %**

25.21.2 **Dmitry Evgenievich Erokhin**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This entity's share in the issuer's charter capital: **0.0004 %**

25.22 Name: **Closed Joint Stock Company Razbeg-Marafon**

Location: **56, Trifonovskaya Str., 129110, Moscow**

Postal address: **56, Trifonovskaya Str., 129110, Moscow**

Issuer's share in the charter capital of the legal entity: **33.33 %**
This entity's share in the issuer's charter capital: **None**

25.23 Name: **Open Joint Stock Company Teleradiocompaniya Yalta**
Location: **Sokhanya Str., Yalta, Autonomous Republic of Crimea, 334200, Ukraine**
Postal address: **Sokhanya Str., Yalta, Autonomous Republic of Crimea, 334200, Ukraine**

Issuer's share in the charter capital of the legal entity: **30 %**
This entity's share in the issuer's charter capital: **None**

Officers:

25.23.1 **Yuly Pavlovich Konontsev**

Functions of this person: **Sole Executive Body**

This person's share in the issuer's charter capital: **0.0002 %**

25.24 Name: **Open Joint Stock Company RTC-Leasing**
Location: **5, Delegatskaya Str., 127091, Moscow**
Postal address: **42, Bldg. 2, Schepkina Str., 129110, Moscow**
Issuer's share in the charter capital of the legal entity: **27.12 %**
This entity's share in the issuer's charter capital: **None**

Officers:

25.24.1 **Oleg Gennadievich Belov**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0051 %**

25.25 Name: **Closed Joint Stock Company Informcouriersvyaz**
Location: **6, Bldg. 1, 4th V. Mikhailovsky Pr., 117419, Moscow**
Postal address: **6, Bldg. 1, 4th V. Mikhailovsky Pr., 117419, Moscow**
Issuer's share in the charter capital of the legal entity: **25.25 %**
This entity's share in the issuer's charter capital: **None**

25.26 Name: **Open Joint Stock Company RTComm.Ru**
Location: **15a, Kalanchevskaya Str., 107078, Moscow**
Postal address: **15a, Kalanchevskaya Str., 107078, Moscow**
Issuer's share in the charter capital of the legal entity: **25.00001 %**
This entity's share in the issuer's charter capital: **None**

25.27 Name: **Closed Joint Stock Company Rustel**
Location: **10\4, Staraya Pl., 103070, Moscow.**
Postal address: **10\4, Staraya Pl., 103070, Moscow.**
Issuer's share in the charter capital of the legal entity: **25 %**
This entity's share in the issuer's charter capital: **None**

25.28 Name: **Non-Commercial Pension Fund Rostelecom-Garantia**
Location: **5, Delegatskaya Str., 127091, Moscow**
Postal address: **15a Kalanchevskaya Str., 107078 Moscow**
Issuer's share in the charter capital of the legal entity: **24.85 %**
This entity's share in the issuer's charter capital: **None**

25.29 Name: **Open Joint Stock Company Moskovskaya Sotovaya Svyaz (Moscow Cellular Communications)**
Location: **18/20, Vorontsovskaya Str., 109044, Moscow**

Postal address: **18/20, Vorontsovskaya Str., 109044, Moscow**
Issuer's share in the charter capital of the legal entity: **23.5 %**
This entity's share in the issuer's charter capital: **None**

Officers:

25.29.1 **Yury Anatolievich Khromov**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0001 %**

- 25.30 Name: **Closed Joint Stock Company NTTs Comset**
Location: **7, Zeleny Pr., 111141, Moscow**
Postal address: **7, Zeleny Pr., 111141, Moscow**
Issuer's share in the charter capital of the legal entity: **22.18 %**
This entity's share in the issuer's charter capital: **None**

Officers:

25.30.1 **Mikhail Ivanovich Slyshenkov**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0012 %**

- 25.31 Name: **Closed Joint Stock Company Moskovskiy Tsentr Novykh Tekhnologiy Telekommunikatsiy**
Location: **46, Arbat Str., 121002, Moscow.**
Postal address: **46, Arbat Str., 121002, Moscow.**
Issuer's share in the charter capital of the legal entity: **20 %**
This entity's share in the issuer's charter capital: **None**

Officers:

25.31.1 **Dmitry Evgenievich Erokhin**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0004 %**

- 25.32 Name: **Closed Joint Stock Company Telmos**
Location: **15, Zemledelchesky Per., 119121, Moscow**
Postal address: **15, Zemledelchesky Per., 119121, Moscow**
Issuer's share in the charter capital of the legal entity: **20 %**
This entity's share in the issuer's charter capital: **None**

- 25.33 Name: **Limited Liability Company ChOP Rostelecom-Bezopasnost**
Location: **2, Bldg. 2, Deguninskaya Str., 127486, Moscow**
Postal address: **2, Bldg. 2, Deguninskaya Str., 127486, Moscow**
Issuer's share in the charter capital of the legal entity: **20 %**
This entity's share in the issuer's charter capital: **None**

- 25.34 Name: **Closed Joint Stock Company MS-Trust**
Location: **18\20, Bldg. 2, Vorontsovskaya Str., 109044, Moscow**
Postal address: **18\20, Bldg. 2, Vorontsovskaya Str., 109044, Moscow**
Issuer's share in the charter capital of the legal entity: **20 %**
This entity's share in the issuer's charter capital: **None**

- 25.35 Name: **Limited Liability Company Medicom-33**
Location: **16, Malakhitovaya Str., 129128, Moscow**
Postal address: **16, Malakhitovaya Str., 129128, Moscow**
Issuer's share in the charter capital of the legal entity: **18.52 %**
This entity's share in the issuer's charter capital: **None**
- Officers:
- 25.35.1 **Roman Borisovich Kreynin**
Functions of this person: **Member of the Board of Directors (Supervisory Council)**
This person's share in the issuer's charter capital: **0.0035 %**
- 25.35.2 **Vladimir Yuzovich Kolker**
Functions of this person: **Member of the Board of Directors (Supervisory Council)**
This person's share in the issuer's charter capital: **0.0006 %**
- 25.36 Name: **Limited Liability Company Arkhangelskaya GTS**
Location: **4, Priorova Str., 163071, Arkhangelsk**
Postal address: **4, Priorova Str., 163071, Arkhangelsk**
Issuer's share in the charter capital of the legal entity: **17 %**
This entity's share in the issuer's charter capital: **None**
- 25.37 Name: **Closed Joint Stock Company Transportniye Tsifroviye Seti**
Location: **Posyolok Sosnovka, Odintsovsky District, Moscow Region, 143070, TTsMS-21**
Postal address: **Posyolok Sosnovka, Odintsovsky District, Moscow Region, 143070, TTsMS-21**
Issuer's share in the charter capital of the legal entity: **15 %**
This entity's share in the issuer's charter capital: **None**
- Officers:
- 25.37.1 **Valery Petrovich Zavyalov**
Functions of this person: **Sole Executive Body**
This person's share in the issuer's charter capital: **0.0021 %**
- 25.37.2 **Galina Vladimirovna Garanina**
Functions of this person: **Member of the Board of Directors (Supervisory Council)**
This person's share in the issuer's charter capital: **0.0007 %**
- 25.37.3 **Yury Vasilyevich Zhilin**
Functions of this person: **Member of the Board of Directors (Supervisory Council)**
This person's share in the issuer's charter capital: **0.005 %**
- 25.38 Name: **Closed Joint Stock Company RT_Radioteletext**
Location: **12, Akademika Koroleva Str., 127427, Moscow**
Postal address: **12, Akademika Koroleva Str., 127427, Moscow**
Issuer's share in the charter capital of the legal entity: **15 %**
This entity's share in the issuer's charter capital: **None**
- 25.39 Name: **Golden Telecom Inc.**
Location: **National Corporate Research Ltd. In the City of Dover, County of Kent,**

State of Delaware, USA

Postal address: **615 South DuPont, Highway, Dover, 19901 USA**

Issuer's share in the charter capital of the legal entity: **15 %**

This entity's share in the issuer's charter capital: **None**

- 25.40 Name: **Limited Liability Company Tver-Telecom**
Location: **24, Novotorzhskaya Str., 170000, Tver**
Postal address: **24, Novotorzhskaya Str., 170000, Tver**
Issuer's share in the charter capital of the legal entity: **15 %**
This entity's share in the issuer's charter capital: **None**
- 25.41 Name: **Closed Joint Stock Company RTC-Invest**
Location: **5, Delegatskaya Str., 127091, Moscow**
Postal address: **5, Delegatskaya Str., 127091, Moscow**
Issuer's share in the charter capital of the legal entity: **13.5 %**
This entity's share in the issuer's charter capital: **None**
- 25.42 Name: **Limited Liability Partnership RON**
Location: **5, Delegatskaya Str., 127091, Moscow**
Postal address: **5, Delegatskaya Str., 127091, Moscow**
Issuer's share in the charter capital of the legal entity: **12.4 %**
This entity's share in the issuer's charter capital: **None**
- 25.43 Name: **Closed Joint Stock Company Expo-Telecom**
Location: **7, Tverskaya Str., 103375, Moscow**
Postal address: **7, Tverskaya Str., 103375, Moscow**
Issuer's share in the charter capital of the legal entity: **11.1 %**
This entity's share in the issuer's charter capital: **None**

Officers:

25.43.1 **Evgeny Georgievich Kalinikhin**

Functions of this person: **Sole Executive Body**

This person's share in the issuer's charter capital: **0.0051 %**

- 25.44 Name: **Closed Joint Stock Company TV-Inform**
Location: **1, Rusakovskaya Nab., 106076, Moscow**
Postal address: **1, Rusakovskaya Nab., 106076, Moscow**
Issuer's share in the charter capital of the legal entity: **10.5 %**
This entity's share in the issuer's charter capital: **None**
- 25.45 Name: **Open Joint Stock Company Avianet**
Location: **37, Bldg. 7, Leningradsky Pr., 109052, Moscow**
Postal address: **37, Bldg. 7, Leningradsky Pr., 109052, Moscow**
Issuer's share in the charter capital of the legal entity: **10.3 %**
This entity's share in the issuer's charter capital: **None**

Officers:

25.45.1 **Boris Vasilyevich Zverev**

Functions of this person: **Member of the Board of Directors (Supervisory Council)**

This person's share in the issuer's charter capital: **0.0178 %**

- 25.46 Name: **Closed Joint Stock Company Telekros**
Location: **27, Presnensky Val, 123557, Moscow**

- Postal address: **27, Presnensky Val, 123557, Moscow**
Issuer's share in the charter capital of the legal entity: **10 %**
This entity's share in the issuer's charter capital: **None**
- 25.47 Name: **Closed Joint Stock Company WestBalt Telecom**
Location: **32, Leninsky Pr., 236040, Kaliningrad**
Postal address: **32, Leninsky Pr., 236040, Kaliningrad**
Issuer's share in the charter capital of the legal entity: **10 %**
This entity's share in the issuer's charter capital: **None**
- 25.48 Name: **Closed Joint Stock Company Sankt-Peterburgskiy Tsentr Elektrosvyazi**
Location: **24, Bolshevikov Pr., 193232, St. Peterburg**
Postal address: **24, Bolshevikov Pr., 193232, St. Peterburg**
Issuer's share in the charter capital of the legal entity: **9.4 %**
This entity's share in the issuer's charter capital: **None**
- 25.49 Name: **Association of Telecommunications Enterprises of Povolzhye Region**
Location: **1/3, Kuprina Str., 440606, Penza**
Postal address: **1/3, Kuprina Str., 440606, Penza**
Issuer's share in the charter capital of the legal entity: **9.09 %**
This entity's share in the issuer's charter capital: **None**
- 25.50 Name: **Closed Joint Stock Company Registrator-Svyaz**
Location: **27, Presnensky Val, 123557, Moscow**
Postal address: **15a, Bolshaya Olenya Str., 107014, Moscow**
Issuer's share in the charter capital of the legal entity: **8.64 %**
This entity's share in the issuer's charter capital: **None**
- 25.51 Name: **Closed Joint Stock Company Ramsatcom**
Location: **32-A, Leninsky Pr., 117334, Moscow**
Postal address: **3, Bldg. 3, Solyanka Str., 109028, Moscow**
Issuer's share in the charter capital of the legal entity: **6.55 %**
This entity's share in the issuer's charter capital: **None**
- 25.52 Name: **Closed Joint Stock Company Teleinf**
Location: **Office 1042, 19, Akademika Korolyova Str., 127427, Moscow**
Postal address: **Office 1042, 19, Akademika Korolyova Str., 127427, Moscow**
Issuer's share in the charter capital of the legal entity: **6.25 %**
This entity's share in the issuer's charter capital: **None**
- Officers:
- 25.52.1 **Evgeny Ivanovich Mishin**
Functions of this person: **Member of the Board of Directors (Supervisory Council)**
This person's share in the issuer's charter capital: **0.0102 %**
- 25.53 Name: **Closed Joint Stock Company Rossiyskiye Informatsionniye Tstentry**
Location: **3, 1st Tverskaya-Yamskaya Str., 125047, Moscow**
Postal address: **3, 1st Tverskaya-Yamskaya Str., 125047, Moscow**
Issuer's share in the charter capital of the legal entity: **6.18 %**
This entity's share in the issuer's charter capital: **None**
- 25.54 Name: **Limited Liability Company Svyazexpertiza**
Location: **22, Bldg. 1, Marksistskaya Str., 109147, Moscow**
Postal address: **22, Bldg. 1, Marksistskaya Str., 109147, Moscow**

- Issuer's share in the charter capital of the legal entity: **5.7 %**
This entity's share in the issuer's charter capital: **None**
- 25.55 Name: **Association of Telecommunications of Tsentralno-Chernozemny Region**
Location: **Central District of the City of Voronezh**
Postal address: **35, Pr. Revolyutsii, 394000, Voronezh**
Issuer's share in the charter capital of the legal entity: **0 %**
This entity's share in the issuer's charter capital: **None**
- 25.56 Name: **Association of Communications Enterprises of Sibir and Far East**
Location: **8, Bogdanova Per., 664011, Irkutsk**
Postal address: **8, Bogdanova Per., 664011, Irkutsk**
Issuer's share in the charter capital of the legal entity: **0 %**
This entity's share in the issuer's charter capital: **None**
- 25.57 Name: **Non-Commercial Partnership Tsentr Issledovaniy Problem Razvitiya Telekommunikatsiy**
Location: **55, Bldg. 2, Plyuschikha Str., 119121, Moscow**
Postal address: **55, Bldg. 2, Plyuschikha Str., 119121, Moscow**
Issuer's share in the charter capital of the legal entity: **0 %**
This entity's share in the issuer's charter capital: **None**
- 25.58 Name: **Association of Operators of Federal Network of Business Services ISKRA**
Location: **40, Leninsky Pr., 117334, Moscow**
Postal address: **40, Leninsky Pr., 117334, Moscow**
Issuer's share in the charter capital of the legal entity: **0 %**
This entity's share in the issuer's charter capital: **None**

26. Other Affiliates of the Issuer

- 26.1 Name: **Open Joint-Stock Company Electrosvyaz of the Republic of Adygeya**
Location: **18, Gogolya Str., Maikop, 352700, Adygeya Republic**
Postal address: **18, Gogolya Str., Maikop, 352700, Adygeya Republic**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.2 Name: **Open Joint Stock Company Elektricheskaya Svyaz of the Republic of Khakasiya**
Location: **20, Schetinkina Str., 662600, Abakan**
Postal address: **20, Schetinkina Str., 662600, Abakan**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.3 Name: **Open Joint-Stock Company Artelecom of Arkhangelsk Region**
Location: **45, Troitsky Pr., 163061, Arkhangelsk**
Postal address: **45, Troitsky Pr., 163061, Arkhangelsk**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.4 Name: **Open Joint-Stock Company Electrosvyaz of Vologda Region**
Location: **4, Sovetsky Pr., 160035, Vologda**
Postal address: **4, Sovetsky Pr., 160035, Vologda**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.5 Name: **Open Joint-Stock Company Cherepovestelectrosvyaz**

- Location: **12, Komsomolskaya Str., 162600, Cherepovets**
Postal address: **12, Komsomolskaya Str., 162600, Cherepovets**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.6 Name: **Open Joint-Stock Company Murmanelectrosvyaz**
Location: **82-A, Pr. Lenina, 183038, Murmansk**
Postal address: **82-A, Pr. Lenina, 183038, Murmansk**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.7 Name: **Open Joint-Stock Company Electrosvyaz of the Republic of Karelia**
Location: **5, Dzerzhinskogo Str., 185000, Petrozavodsk**
Postal address: **5, Dzerzhinskogo Str., 185000, Petrozavodsk**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.8 Name: **Open Joint-Stock Company Lensvyaz**
Location: **61, Morskaya Str., 190000, St.-Petersburg**
Postal address: **61, Morskaya Str., 190000, St.-Petersburg**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.9 Name: **Open Joint-Stock Company Severo-Zapadny Telecom**
Location: **24, Morskaya Str., 191186, St.-Petersburg**
Postal address: **24, Morskaya Str., 191186, St.-Petersburg**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.10 Name: **Open Joint-Stock Company Novgorodtelecom**
Location: **2, B. Dvortsovaya St., 170000, Novgorod**
Postal address: **2, B. Dvortsovaya St., 170000, Novgorod**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.11 Name: **Open Joint-Stock Company Electrosvyaz of Pskov Region**
Location: **5, Oktyabrsky Pr., 180000, Pskov**
Postal address: **5, Oktyabrsky Pr., 180000, Pskov**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.12 Name: **Open Joint-Stock Company of Telecommunications and Informatics of the Bryansk Region Bryansksvyazinform**
Location: **9, Karla Marxa St., 241000, Bryansk**
Postal address: **9, Karla Marxa St., 241000, Bryansk**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.13 Name: **Open Joint-Stock Company Electrosvyaz of Vladimir Region**
Location: **42, Gorkogo St., 600000, Vladimir**
Postal address: **42, Gorkogo St., 600000, Vladimir**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.14 Name: **Open Joint-Stock Company Ivanovskiye Telekommunikatsionniye Seti**
Location: **17, Pr. Lenina, 153000, Ivanovo**

- Postal address: **17, Pr. Lenina, 153000, Ivanovo**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.15 Name: **Open Joint-Stock Company Electrosvyaz of the Tver Region**
Location: **24, Novotorzhskaya St., 170000, Tver**
Postal address: **24, Novotorzhskaya St., 170000, Tver**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.16 Name: **Open Joint-Stock Company Electrosvyaz of the Kaluga Region**
Location: **38, Teatralnaya St., 248600, Kaluga**
Postal address: **38, Teatralnaya St., 248600, Kaluga**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.17 Name: **Open Joint-Stock Company Electrosvyaz of the Kostroma Region**
Location: **1, Podlipaeva St., 156601, Kostroma**
Postal address: **1, Podlipaeva St., 156601, Kostroma**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.18 Name: **Open Joint-Stock Company Tsentralnaya Telekommunikatsionnaya Kompaniya**
Location: **33, Proletarskaya St., Khimki, 141400, Moscow Region**
Postal address: **29, Bldg. 2, Narodnogo Opolcheniya St., 123154, GSP-317, Moscow**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.19 Name: **Open Joint-Stock Company Central Telegraph**
Location: **7, Tverskaya St., 103375, Moscow**
Postal address: **7, Tverskaya St., 103375, Moscow**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.20 Name: **Open Joint-Stock Company Electrosvyaz of the Orel Region**
Location: **43, Lenina St., 302000, Orel**
Postal address: **43, Lenina St., 302000, Orel**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.21 Name: **Open Joint-Stock Company Electrosvyaz of the Ryazan Region**
Location: **49, Pochtovaya St., 390000, Ryazan**
Postal address: **49, Pochtovaya St., 390000, Ryazan**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.22 Name: **Open Joint-Stock Company of Communications and Informatics of the Smolensk Region Smolenskvyazinform**
Location: **6, Oktyabrskoy Revolyutsii St., 214000, Smolensk**
Postal address: **6, Oktyabrskoy Revolyutsii St., 214000, Smolensk**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.23 Name: **Open Joint-Stock Company Tulatelecom**
Location: **33, Pr. Lenina, 300000, Tula**

- Postal address: **33, Pr. Lenina, 300000, Tula**
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.24 Name: **Open Joint-Stock Company Yaroslavskiy Telekommunikatsionnyy Seti**
Location: **22/28, Bogoyavlenskaya Pl., 150000, Yaroslavl**
Postal address: **22/28, Bogoyavlenskaya Pl., 150000, Yaroslavl**
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.25 Name: **Open Joint-Stock Company VolgaTelecom**
Location: **Dom Svyazi, Maxima Gorkogo Pl., 603000, Nizhny Novgorod**
Postal address: **Dom Svyazi, Maxima Gorkogo Pl., 603000, Nizhny Novgorod**
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.26 Name: **Open Joint-Stock Company Kirovelectrosvyaz**
Location: **43/1, Drelevskogo St., 610000, Kirov**
Postal address: **43/1, Drelevskogo St., 610000, Kirov**
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.27 Name: **Open Joint-Stock Company Martelecom of the Republic Mariy El**
Location: **138, Sovetskaya St., 424000, Yoshkar-Ola, Mariy-El Republic**
Postal address: **138, Sovetskaya St., 424000, Yoshkar-Ola, Mariy-El Republic**
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.28 Name: **Open Joint-Stock Company Svyazinform of the Republic of Mordovia**
Location: **13, Bolshevistskaya St., 430000, Saransk, Mordovia Republic**
Postal address: **13, Bolshevistskaya St., 430000, Saransk, Mordovia Republic**
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.29 Name: **Open Joint-Stock Company Svyazinform of the Republic of Chuvashia**
Location: **2, Pr. Lenina, 428000, Cheboksary, Chuvashskaya Republic**
Postal address: **2, Pr. Lenina, 428000, Cheboksary, Chuvashskaya Republic**
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.30 Name: **Open Joint-Stock Company Belgorodskaya Elektricheskaya Svyaz**
Location: **3, Pl. Revolyutsii, 308800, Belgorod**
Postal address: **3, Pl. Revolyutsii, 308800, Belgorod**
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.31 Name: **Open Joint-Stock Company of Communications and Informatics of the Voronezh Region**
Location: **35, Pr. Revolyutsii, 394000, Voronezh**
Postal address: **35, Pr. Revolyutsii, 394000, Voronezh**
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.32 Name: **Open Joint-Stock Company Electrosvyaz of the Kursk Region**
Location: **8, Krasnaya Pl., 305000, Central District, Kursk**
Postal address: **8, Krasnaya Pl., 305000, Central District, Kursk**

- Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.33 Name: ***Open Joint-Stock Company Lipetskelectrosvyaz***
Location: ***2, Zegelya St., 398000, Lipetsk***
Postal address: ***2, Zegelya St., 398000, Lipetsk***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.34 Name: ***Open Joint-Stock Company Tambovskaya Electrosvyaz***
Location: ***2V, Antonova-Ovseenko, 392002, Tambov***
Postal address: ***2V, Antonova-Ovseenko, 392002, Tambov***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.35 Name: ***Open Joint-Stock Company Svyazinform of the Astrakhan Region***
Location: ***7/8, Teatralny Per., 414000, Astrakhan***
Postal address: ***7/8, Teatralny Per., 414000, Astrakhan***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.36 Name: ***Volgograd Open Joint-Stock Company Electrosvyaz***
Location: ***9, Mira St., 400066, Volgograd***
Postal address: ***9, Mira St., 400066, Volgograd***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.37 Name: ***Open Joint-Stock Company Svyazinform of the Samara Region***
Location: ***24, Leningradskaya St., 443099, Samara***
Postal address: ***24, Leningradskaya St., 443099, Samara***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.38 Name: ***Open Joint-Stock Company Svyazinform of the Penza Region***
Location: ***1/3, Kuprina St., 440606, Penza***
Postal address: ***1/3, Kuprina St., 440606, Penza***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.39 Name: ***Open Joint-Stock Company Saratovelectrosvyaz***
Location: ***40, Kiseleva St., 410600, Saratov***
Postal address: ***124, Pervomayskaya St., 410600, Saratov***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.40 Name: ***Open Joint-Stock Company Electrosvyaz of the Ulyanovsk Region***
Location: ***60, L. Tolstogo St., 432601, Ulyanovsk***
Postal address: ***60, L. Tolstogo St., 432601, Ulyanovsk***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.41 Name: ***Open Joint-Stock Company Elektricheskaya Svyaz of the Republic of Kalmykiya***
Location: ***255, Lenina St., 358000, Elista, Kalmykia Republic***
Postal address: ***255, Lenina St., 358000, Elista, Kalmykia Republic***
Share of the issuer in the charter capital of this entity: *None*

- This entity's share in the issuer's charter capital: *None*
- 26.42 Name: ***Open Joint-Stock Company Yuzhnaya Telekommunikatsionnaya Kompaniya***
Location: ***66, Karasunskaya St., 350000, Krasnodar***
Postal address: ***66, Karasunskaya St., 350000, Krasnodar***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.43 Name: ***Open Joint-Stock Company Electrosvyaz of the Stavropol Region***
Location: ***10/12, Oktyabrskoy Revolutsii Pr., 355035, Stavropol***
Postal address: ***10/12, Oktyabrskoy Revolutsii Pr., 355035, Stavropol***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.44 Name: ***Open Joint-Stock Company Karachaevo-Cherkesskelectrosvyaz***
Location: ***17, Soyuzny Per., 357100, Cherkessk, Karachaevo-Cherkesskaya Republic***
Postal address: ***17, Soyuzny Per., 357100, Cherkessk, Karachaevo-Cherkesskaya Republic***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.45 Name: ***Open Joint-Stock Company Electrosvyaz of the Rostov Region***
Location: ***50, Budennovsky Pr., 344007, Rostov-on-Don***
Postal address: ***50, Budennovsky Pr., 344007, Rostov-on-Don***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.46 Name: ***Dagestan Open Joint-Stock Company of Communications and Informatics***
Location: ***1, Pr. Lenina, 367012, Makhachkala, Dagestan Republic***
Postal address: ***1, Pr. Lenina, 367012, Makhachkala, Dagestan Republic***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.47 Name: ***Open Joint-Stock Company Kabardino-Balkarskiye Telekommunikatsii***
Location: ***14, Shogentsukova, 360051, Nalchik***
Postal address: ***14, Shogentsukova, 360051, Nalchik***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.48 Name: ***Open Joint-Stock Company Sevostinelectrosvyaz***
Location: ***8-a, Butyrina St., 362040, Vladikavkaz, Republic of Northern Osetia-Alania***
Postal address: ***8-a, Butyrina St., 362040, Vladikavkaz, Republic of Northern Osetia-Alania***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.49 Name: ***Open Joint-Stock Company Electrosvyaz of the Orenburg Region***
Location: ***11, Volodarskogo St., 460000, Orenburg***
Postal address: ***11, Volodarskogo St., 460000, Orenburg***
Share of the issuer in the charter capital of this entity: *None*
This entity's share in the issuer's charter capital: *None*
- 26.50 Name: ***Open Joint-Stock Company Uralsvyazinform***

- Location: **68, Lenina St., 614096, Perm**
Postal address: **68, Lenina St., 614096, Perm**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.51 Name: **Open Joint-Stock Company Telekommunikatsionniye Seti Svyazi of the Republic of Udmurtia**
Location: **278, Pushkinskaya St., 426000, Izhevsk**
Postal address: **278, Pushkinskaya St., 426000, Izhevsk**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.52 Name: **Open Joint-Stock Company Altaiskaya Telefonno-Telegrafnaya Kompaniya**
Location: **54, Lenina St., 656099, Barnaul, Altai Territory**
Postal address: **54, Lenina St., 656099, Barnaul, Altai Territory**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.53 Name: **Open Joint-Stock Company Electrosvyaz of the Republic of Altai**
Location: **36, Choros Gurkina St., 659700, Gorno-Altaysk, Altay Republic**
Postal address: **36, Choros Gurkina St., 659700, Gorno-Altaysk, Altay Republic**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.54 Name: **Open Joint-Stock Company Elektricheskoy Svyazi of the Kemerovo Region**
Location: **61, Sovetsky Pr., 650099, Kemerovo**
Postal address: **61, Sovetsky Pr., 650099, Kemerovo**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.55 Name: **Open Joint-Stock Company Sibirtelecom**
Location: **5, Lenina St., 630099, Novosibirsk**
Postal address: **5, Lenina St., 630099, Novosibirsk**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.56 Name: **Open Joint-Stock Company Elektricheskaya Svyaz of the Omsk Region**
Location: **36, Gagarina St., 644099, Omsk**
Postal address: **36, Gagarina St., 644099, Omsk**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.57 Name: **Open Joint-Stock Company Tomsktelecom**
Location: **21, Krylova St., 634050, Tomsk**
Postal address: **21, Krylova St., 634050, Tomsk**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.58 Name: **Open Joint-Stock Company Electrosvyaz of the Krasnoyarsk Territory**
Location: **102, Pr. Mira, 660017, Krasnoyarsk**
Postal address: **102, Pr. Mira, 660017, Krasnoyarsk**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.59 Name: **Open Joint-Stock Company Electrosvyaz of the Irkutsk Region**
Location: **37, Sverdlova St., 664011, Irkutsk**

Postal address: **37, Sverdlova St., 664011, Irkutsk**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**

- 26.60 Name: **Open Joint-Stock Company Electrosvyaz of the Chita Region**
Location: **107, Lenina St., 672076, Chita**
Postal address: **107, Lenina St., 672076, Chita**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.61 Name: **Open Joint-Stock Company Electrosvyaz of the Republic of Buryatia**
Location: **61, Lenina St., 670000, Ulan-Ude**
Postal address: **61, Lenina St., 670000, Ulan-Ude**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.62 Name: **Open Joint-Stock Company Dalnevostochnaya Kompaniya Electrosvyazi**
Location: **57, Svetlanskaya St., 690600, Vladivostok**
Postal address: **57, Svetlanskaya St., 690600, Vladivostok**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.63 Name: **Open Joint-Stock Company Electrosvyaz of the Kaliningrad Region**
Location: **24, Bolnichnaya St., 236040, Kaliningrad**
Postal address: **24, Bolnichnaya St., 236040, Kaliningrad**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.64 Name: **Open Joint-Stock Company Giprosvyaz**
Location: **11, 3rd Khoroshevskaya St., 123298, Moscow**
Postal address: **11, 3rd Khoroshevskaya St., 123298, Moscow**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**
- 26.65 Name: **Closed Joint-Stock Company Mobilniye Telekommunikatsii ("Mobile Telecommunications")**
Location: **55, Bldg. 2, Plyuschikha St., 119121, Moscow**
Postal address: **55, Bldg. 2, Plyuschikha St., 119121, Moscow**
Share of the issuer in the charter capital of this entity: **None**
This entity's share in the issuer's charter capital: **None**

27. The Issuer's Share in Charter Capitals of Affiliated Legal Entities

See sections 24, 25, 26

28. Share of the Issuer's Affiliates as Well as the Share of Founders and Executive Officers of Such Affiliates in the Issuer's Charter Capital

See sections 24, 25, 26

29. Persons Holding at Least 5 % of Votes in the Issuer's Supreme Management Body

Name: **Open Joint-Stock Company Svyazinvest**
Share: **50.669 %**

Name: **ING Bank (Eurasia) ZAO / ING Depository-ING Barings (nominee holder)**

Share: **24.9 %**

Name: **National Depository Center, a non-commercial partnership (nominee holder)**

Share: **8.694 %**

30. Issuer's Participation in Industrial, Banking and Financial Groups, Holdings, Concerns and Associations

Organization: **Association of Telecommunications Enterprises of the Povolzhye Region**

Issuer's position and role in the organization: **The issuer is one of the members of the Association and, equally with the other members, has the rights and obligations in connection with Association's main objectives: development and popularization of telecommunications and services rendered by the members of the Association, co-ordination of activities of telecommunications enterprises in the region and representation of joint interests in governmental and other authorities, international organizations.**

Organization: **Association of Telecommunications Enterprises of Sibir and Far East**

Issuer's position and role in the organization: **The issuer is one of the members of the Association and, equally with the other members, has the rights and obligations in connection with Association's main objectives: co-ordination of entrepreneurial activities of the Association members, contributing to development of cooperation and production specialization, arrangement of meetings, seminars for directors and specialists of telecommunications enterprises.**

Organization: **Association of Telecommunications Of Tsentralno-Tchernozemny Region**

Issuer's position and role in the organization: **The issuer is one of the members of the Association and, equally with the other members, has the rights and obligations in connection with Association's main objectives: development and popularization of telecommunications and services rendered by the members of the Association, co-ordination of activities of telecommunications enterprises in the region and representation of joint interests in governmental and other authorities, international organizations.**

Organization: **Association of Operators of the Federal Network of Business Services ISKRA**

Issuer's position and role in the Organization: **The issuer is one of the members of the Association and, equally with the other members, has the rights and obligations in connection with Association's main objectives: contributing to development of Interrelated Communications Network of the Russian Federation, contributing to development of allocated federal network of the business services Iskra.**

31. Issuer's Subsidiaries and Representative Offices

Name: **Territorialny Tsentri Mezhdugorovnykh Svyazey i Televideniya No. 3**

Location: **5, Dostoyevskogo Str., 191002, Saint-Petersburg**

Postal address: **5, Dostoyevskogo Str., 191002, Saint-Petersburg**

The head: **Evgeny Vladimirovich Gerasimov**

Opening date: **September 23, 1993**

Power of Attorney expiry date: **September 27, 2004**

Name: **Territorialny Tsentri Mezhdugorovnykh Svyazey i Televideniya No. 5**

Location: **292, Sadovaya Str., 443001, Samara**

Postal address: **292, Sadovaya Str., 443001, Samara**

The head: **Sergei Valeryevich Omelchenko**

Opening date: **September 23, 1993**

Power of Attorney expiry date: **January 15, 2005**

Name: **Territorialny Tsentri Mezhdugorovnykh Svyazey i Televideniya No. 6**

Location: **19, Petelina Str., 610014, Kirov**
Postal address: **19, Petelina Str., 610014, Kirov**
The head: **Valery Timofeevich Ivanov**
Opening date: **February 5, 1993**
Power of Attorney expiry date: **October 1, 2002**

Name: **Territorialny Tsentri Mezhdugorovnykh Svyazey i Televideniya No. 8**
Location: **33, 2nd Soyuza Molodyozhi Str., 630122, Novosibirsk**
Postal address: **33, 2nd Soyuza Molodyozhi Str., 630122, Novosibirsk**
The head: **Anatoly Ivanovich Parfenov**
Opening date: **February 5, 1993**
Power of Attorney expiry date: **December 13, 2004**

Name: **Territorialny Tsentri Mezhdugorovnykh Svyazey i Televideniya No. 12**
Location: **34a, 4th Zheleznodorozhnaya Str., 664039, Irkutsk**
Postal address: **34a, 4th Zheleznodorozhnaya Str., 664039, Irkutsk**
The head: **Pavel Remirovich Fisenko**
Opening date: **February 5, 1993**
Power of Attorney expiry date: **October 1, 2002**

Name: **Territorialny Tsentri Mezhdugorovnykh Svyazey i Televideniya No. 13**
Location: **44, Moskovskoye Shosse, 160025, Vologda**
Postal address: **44, Moskovskoye Shosse, 160025, Vologda**
The head: **Anatoly Dmitrievich Staroverov**
Opening date: **February 5, 1993**
Power of Attorney expiry date: **October 1, 2002**

Name: **Territorialny Tsentri Mezhdugorovnykh Svyazey i Televideniya No. 14**
Location: **4a, Asbestovskiy Per., 620067, Ekaterinburg**
Postal address: **4a, Asbestovskiy Per., 620067, Ekaterinburg**
The head: **Nikolay Ivanovich Vydrya**
Opening date: **February 5, 1993**
Power of Attorney expiry date: **December 13, 2004**

Name: **Territorialny Tsentri Mezhdugorovnykh Svyazey i Televideniya No. 15**
Location: **23, Pushkina Str., 680000, Khabarovsk**
Postal address: **23, Pushkina Str., 680000, Khabarovsk**
The head: **Vladimir Viktorovich Novishkov**
Opening date: **February 5, 1993**
Power of Attorney expiry date: **December 14, 2004**

Name: **Territorialny Tsentri Mezhdugorovnykh Svyazey i Televideniya No. 16**
Location: **23, B. Gornaya Str., 410005, Saratov**
Postal address: **23, B. Gornaya Str., 410005, Saratov**
The head: **Alexei Filimonovich Yaremchuk**
Opening date: **February 5, 1993**
Power of Attorney expiry date: **July 1, 2002**

Name: **Territorialny Tsentri Mezhdugorovnykh Svyazey i Televideniya No. 17**
Location: **246, K. Marxa Str., 660100, Krasnoyarsk**
Postal address: **246, K. Marxa Str., 660100, Krasnoyarsk**
The head: **Mikhail Petrovich Tischenko**
Opening date: **February 5, 1993**
Power of Attorney expiry date: **October 1, 2002**

Name: **Territorialny Tsentri Mezhdugorovnykh Svyazey i Televideniya No. 18**

Location: **1, Gogolya Str., 677008, Yakutsk**
Postal address: **1, Gogolya Str., 677008, Yakutsk**
The head: **Georgy Georgievich Ipatyev**
Opening date: **February 5, 1993**
Power of Attorney expiry date: **October 1, 2002**

Name: **Territorialny Tsentri Mezhdugorovnykh Svyazei i Televideniya No. 19**
Location: **9, Magadanka River Embankment, 685000, Magadan**
Postal address: **9, Magadanka River Embankment, 685000, Magadan**
The head: **Nikolai Ivanovich Kungurov**
Opening date: **February 5, 1993**
Power of Attorney expiry date: **October 1, 2002**

Name: **Territorialny Tsentri Mezhdugorovnykh Svyazei i Televideniya No. 23**
Location: **37, Parkovaya Str., 185630, Petrozavodsk, Republic of Karelia**
Postal address: **37, Parkovaya Str., 185630, Petrozavodsk, Republic of Karelia**
The head: **Alexei Alexeevich Domoroschin**
Opening date: **February 5, 1993**
Power of Attorney expiry date: **October 1, 2002**

Name: **Territorialny Tsentri Mezhdugorovnykh Svyazei i Televideniya No. 26**
Location: **36, Permyakova Str., 625013, Tyumen**
Postal address: **36, Permyakova Str., 625013, Tyumen**
The head: **Vladimir Ivanovich Sokolov**
Opening date: **February 5, 1993**
Power of Attorney expiry date: **October 1, 2002**

Name: **Mezhdunarodnaya Svyaz (MnS RT)**
Location: **7, Butlerova Str., 117485, Moscow**
Postal address: **7, Butlerova Str., 117485, Moscow**
The head: **Anatoly Dmitrievich Orlov**
Opening date: **June 5, 1995**
Power of Attorney expiry date: **October 1, 2002**

Name: **Uchebno-Proizvodstvenny Tsentri (UPTs RT)**
Location: **p/o Bekasovo, Naro-Fominsky District, 143380, Moscow Region**
Postal address: **p/o Bekasovo, Naro-Fominsky District, 143380, Moscow Region**
The head: **Olga Viktorovna Zaytseva**
Opening date: **26.08.1997**
Power of Attorney expiry date: **September 30, 2005**

Name: **Long-Distance and International Telephone (MMT)**
Location: **30, Goncharnaya Str., 109172, Moscow**
Postal address: **30, Goncharnaya Str., 109172, Moscow**
The head: **Boris Vasilyevich Zverev**
Opening date: **September 23, 1993**
Power of Attorney expiry date: **December 3, 2004**

Name: **Main Control Center of Long-Distance Communications and Television (GTsUMS)**
Location: **25, Dubovaya Roscha Str., 127427, Moscow**
Postal address: **25, Dubovaya Roscha Str., 127427, Moscow**
The head: **Alexei Evgenyevich Shevchenko**
Opening date: **February 5, 1993**
Power of Attorney expiry date: **July 19, 2005**

Name: **Central Branch of Open Joint Stock Company Rostelecom**

Location: *17, Bldg. 1, 3rd Khoroshevskaya Str., 123298, Moscow*
Postal address: *17, Bldg. 1, 3rd Khoroshevskaya Str., 123298, Moscow*
The head: *Vladimir Alexandrovich Petrov*
Opening date: *January 1, 2002*
Power of Attorney expiry date: *January 9, 2005*

Name: *South Branch of Open Joint Stock Company Rostelecom*
Location: *344006, 152 Pushkinskaya Str., Rostov-on-Don*
Postal address: *344006, 152 Pushkinskaya Str., Rostov-on-Don*
The head: *Afanasiev Aleksandr Leonidovich*
Opening date: *February 5, 1993*
Power of Attorney expiry date: *October 8, 2004*

Name: *Representative Office of the Open Joint-Stock Company Long-Distance and International Telecommunications Rostelecom in Geneve, Switzerland*
Location: *Le Chateau Banquet, rue de Lausanne 94 - 1202 Geneve\Suisse*
Postal address: *Le Chateau Banquet, rue de Lausanne 94 - 1202 Geneve\Suisse*
The head: *Alexander Ivanovich Kushtuev*
Opening date: *May 14, 1999*
Power of Attorney expiry date: *December 18, 2003*

Name: *Representative office in Erevan, Republic of Armenia (28, Nalbandyana Str., 375010, Erevan)*
Location: *28, Nalbandyana Str., 375010, Erevan*
Postal address: *28, Nalbandyana Str., 375010, Erevan*
The head: *Igor Alexandrovich Slavgorodsky*
Opening date: *April 11, 2002*
Power of Attorney expiry date: *May 28, 2003*

32. Number of the Issuer's Employees

The Issuer's average staff on the payroll, including those employed at its branches and representative offices, was **30,525** in the reporting period.

33. Description of the Issuer's Principal Activities

Rostelecom is the principal provider of international and domestic long-distance telecommunications services in Russia. The Company renders international and domestic long-distance traffic throughput services to each of 89 local telephone operators. Additionally, Rostelecom provides long-distance traffic throughput services to overlay networks operators as well as international and long-distance services to end-users in Moscow. Rostelecom does not practice any types of seasonal operations.

Rostelecom operates its own trunk network, which transmits the bulk of Russia's domestic and international traffic. The Company's trunk network is comprised of nearly 200,000 kilometers of digital and analog lines. Its digitalization level in terms of channel kilometers exceeded 73% as of the end of 2001. For its network, the Company uses switching and network equipment of such manufacturers as Siemens, NEC, Alcatel, Fujitsu, Iskratel, Ericsson, and Ericsson Nicola Tesla. At that, none of these manufacturers contributes more than 10% to Rostelecom's total supplies.

The "backbones" of the Rostelecom network are its modern fiber optic lines: Moscow – Novorossiisk, Moscow – Khabarovsk, and Moscow – St. Petersburg. The Company has completed a major part of construction of its domestic long-distance digital transit network based on eight powerful Automatic Switching Nodes ("UAKs"). Today, 90% of the Automatic

Trunk Exchanges ("AMTS") are connected through two or more paths to the Company's UAKs.

Rostelecom has completed construction of a fully connected, redundant international digital network based on 11 international switching centers ("ISCs"). Due to the Rostelecom's network, the international telecommunication services are currently available in any geographic area of Russia. The Company has direct access to 74 countries and participates in 28 international cable systems. Rostelecom interacts with 295 international operators and network administrators, and tries to frame up its extensive relationship with the relevant agreements.

Rostelecom participates in a number of organizations specializing in the provision of modern communication services in Russia, including multimedia communication, access to the Internet, and other value added services.

In spite of the fact that international and long-distance services remain the main source of its revenues, Rostelecom continues working on expanding the range of services to be rendered to both end-users and operators.

Integrated Service Digital Network (ISDN) Services: in 2001, 19 regions of Russia and 3 overlay network operators, Telmos, Comstar and Sovintel, got connected to Rostelecom ISDN network. Rostelecom launched the international ISDN project in cooperation with 4 international operators: Finnet (Finland), Slovak Telecom (Slovakia), Teleglobe (Canada) and Ukrtelecom (Ukraine). This made the ISDN network available for 51 regions and 5 overlay network operators. The international ISDN services are being offered to 30 countries and 34 international operators.

Frame Relay Technology Services: The Company uses the Moscow Center for International Access to provide the international Frame Relay technology services to Russian corporate customers and international service providers.

International Roaming: Rostelecom routes international roaming signal messages to 108 countries (253 international mobile operators). During 2001, the access was provided to the networks of 45 operators. Major mobile operators of Russia use the Rostelecom's international signal network.

Intellectual Platform-Based Services: in March 2001, FreePhone 800, the first service based on the Company's intellectual platform, was introduced to the market. The international companies broadly employ this service as an effective advertising and marketing tool. Rostelecom made this service available for Russian consumers. In July 2001, the Company launched the 809 Information Service available for an extra pay.

Plastic Cards Used for Payment of Domestic Long-Distance and International Services: in early 2001, the Company and Closed Joint Stock Company KB Guta Bank implemented a new technology which enabled customers to pay for international and long-distance services by VISA, EC/MC and Union Card plastic cards of any bank. In the autumn of 2001, together with Guta Bank, Rostelecom issued the ROSTELECOM Visa Electron international plastic card. Further, the Company kept expanding the availability of its international and long-distance services through various types of specialized cards, including the World Card and telephone service cards STC, and STC-Intertone.

International and long-distance traffic is a prime source of the Company's revenues. At that, Rostelecom's share in the international communications revenues is practically equal to shares of overlay network operators and local operators.

Structure of Rostelecom's revenues in 1999-2002.

Type of operation:	1999	2000	2001	1Q 2002	2Q 2002	3Q 2002
1. Long-distance traffic	34.17%	33.37%	37.34%	41.02%	38.25%	42.53%
2. International traffic	57.94%	54.85%	45.07%	41.72%	39.38%	39.01%
3. Channel lease	3.93%	4.63%	7.53%	9.66%	10.45%	10.34%
4. TV, radio broadcasting	0.83%	2.17%	2.30%	2.40%	2.46%	2.41%
5. Internet	1.00%	2.02%	2.15%	0.02%	0.03%	0.03%
6. Other	2.13%	2.96%	5.61%	5.18%	9.44%	5.69%
7. Total revenues	100%	100%	100%	100%	100%	100%

The licenses obtained authorize Rostelecom to provide international and long-distance telecommunications services on the whole territory of the Russian Federation. Rostelecom's network interconnects all LTOs, which operate their own local telephone networks. Rostelecom does not bill most end-users directly, except for certain enterprises, Russian governmental bodies and individual customers in Moscow, but instead collects payments from LTOs and other entities, which charge their local customers for domestic and international outgoing calls independently. As a result, Rostelecom does not have any customers, which account for more than 10% of its total service sales.

Inventory

Rostelecom is pursuing a stringent policy on inventory optimization. The volume of inventory is determined by standards developed and approved in order to ensure for uninterrupted functioning and operation of Rostelecom trunk networks.

Principal Competitors

Currently, Rostelecom strives to take a lead role in the ongoing liberalization of the telecommunications market in Russia, and for this purpose develops effective and competitive businesses able to anticipate customer needs.

Rostelecom believes that unique networks, which it created during the ten years of its existence, would secure its goals.

The Company is monitoring its competitors in order to better understand their impact on Rostelecom's activities. To further build its development strategy, the Company evaluates activities of alternative operators and operators of overlay networks. Rostelecom's primary competitors are as follows:

Closed Joint Stock Company TransTeleCom Company. The company was established in 1997 with the intent to upgrade the information and technology segment in the infrastructure of the Ministry of Railways of the Russian Federation and, for this purpose, construct and profitably operate a high-bandwidth telecommunications network along rail routes. Today, TransTelecom holds operator licenses to lease out communications paths and channels, provide telematics services (including the Internet), data transmission (ATM, Frame Relay, IP, X.25) as well as services for local, intra-zonal and domestic long-distance communications.

Initially, TransTelecom was planned to use a part of its capacity to satisfy telecommunications needs of the Ministry of Railroads and sell the remaining capacity to third parties. TransTelecom however does not currently have a license to render trunk communications services. At the end of May 2002, representatives of Sviazinvest were elected to the Board of Directors of TransTelecom.

In the first half of 2002, a group of representatives of the Ministry of Telecommunications, Ministry of Railroads and Ministry of Economic Development and Trade was organized to decide on the future of TransTelecom.

Closed Joint Stock Company Sonera Rus incorporates Sonera Corporation. Closed Joint Stock Company Sonera Rus, which has two offices in Moscow and Saint Petersburg, has been representing Sonera Corporation on the Russian market since 1993.

Closed Joint Stock Company Sonera Rus has created its own network comprising two fiber-optic lines between Finland and Russia: FRL (Finnish – Russian Line) and FROG (Finnish – Russian Optical Gateway). Sonera Rus is licensed to lease out channels in Moscow, Saint Petersburg and northwestern region of Russia. It provides data transmission and telematics services, but does not hold a license to render international telecommunication services. Sonera services are addressed for both telecom operators and Internet providers as well as corporate clients seeking for high-quality communication services.

Golden Telecom, Inc. is a lead operator of integrated telecommunications and Internet in major cities of Russia, Ukraine, Kazakhstan and other CIS countries. In particular, the company renders local access services, using its own overlay networks in Moscow, Kiev, Saint Petersburg and Nizhny Novgorod; it also provides data transmission, Internet, domestic long-distance and cellular services.

Golden Telecom, Inc. comprises three principal operators including TeleRoss, Sovintel and Golden Telecom–Ukraine, and bases its activities in Russia and the CIS countries on a network of its branches and joint ventures being in its ownership or controlled. Today the company offers a complete range of data and voice transmission services in 15 Russian cities: Moscow, Arkhangelsk, Vladivostok, Volgograd, Voronezh, Irkutsk, Krasnodar, Nizhny Novgorod, Novosibirsk, Samara, Syktyvkar, Tyumen, Ufa, and Khabarovsk.

Sistema Telecom was established on 1 July 1998 as a subsidiary of OAO Aktsionernaya Finansovaya Kompania Sistema (OAO AFK Sistema).

Sistema Telecom holds presence in various market segments, including telephony, data transmission, the Internet, cellular, satellite, paging and trunking communications. MTU-Intel, Comstar, MTU-Inform, Telmos, Vypel-Sistema, MSS, MTS, Golden-Line and other companies are members of the Sistema Telecom group.

Open Joint Stock Company Comincom comprises Norwegian telecommunications operator Telenor as shareholder.

The key components of the Open Joint Stock Company Comincom communications network are satellite communications network and integrated transportation network operating mostly on-land communications facilities and providing for joint transmission of any type of traffic. Currently, Comincom services include local communications, domestic long-distance and international telephone communications through allocated and public service networks, data transmission, Internet, ISDN, videoconferencing, and other services. Open Joint Stock Company Comincom's subsidiary Closed Joint Stock Company Combella is its main Internet provider in Moscow.

Besides the above competitors, Rostelecom is also challenged by a high level of competition from alternative operators such as Open Joint Stock Company Gazcom and Open Joint Stock Company Enifcom. These companies are acting under the corporate patronage of Open Joint Stock Company Gazprom and RAO UES respectively.

The Company realizes that it should develop and change abreast of the market evolution in order to remain competent. For this purpose, the Company has prepared and started implementing a program of priority measures, which the Company expects will ensure

achievement of its goals. The further development of the Company will be driven by commercial priorities indicated by customer demands.

Rostelecom's primary objectives for 2002 are as follows:

- implementing a system of monitoring competition environment in the market; and*
- developing and implementing an aggressive marketing strategy.*

The Company's marketing strategy for 2002 is to strengthen its position on both Moscow retail market by optimizing the end-user tariffs and the operator market by increasing the traffic volumes passing through Rostelecom network.

The reform of telecommunications industry and continuing company's reorganization implemented by Sviazinvest will certainly affect the competitors' balance in the sector. The yet-to-be-agreed conditions of the liberalized telecommunications market, pending uncertainty in the future legal environment in the industry and terms on which Rostelecom will enter the demonopolized market do not allow to make a more precise assessment of the competitive environment. Until Rostelecom's non-core businesses, cross-subsidy costs and other public obligations are finally negotiated with the Government, it would be premature to count on a fair competition on the Russian telecommunications market or calculate its influence on the Company's operations.

The Characterization of Telecommunications Industry

The telecommunications industry in Russia is divided between local providers and long-distance and international providers.

Eighty-nine Russian local telephone operators ("LTOs") install and maintain subscriber access lines, provide local switching and transmission services and interconnect subscribers with Rostelecom's domestic long-distance and international network.

The current reorganization of local operators, including Open Joint Stock Company Sviazinvest, affects the interests of all Russian operators. In 2001, Open Joint Stock Company Sviazinvest engaged into restructuring and creating 7 entities that will form a base for the 89 existing local operators. Each stage of this project is subject to approval by the Ministry of Communications and Ministry of Anti-Monopoly Policy and Support of Entrepreneurship. It should also be noted that the holding company restructuring is designed to prepare the member companies of Sviazinvest, including Rostelecom, for the future liberated market conditions.

Rostelecom, on its part, is planning to complete the branch network restructuring, which will create 7 regional branches formed on the basis of the existing 15. The Company plans to merge 20 branches into 10, which it believes will improve its manageability and reduce internal operating costs. The Company will also finalize the principles for interaction between the merged Rostelecom branches and combined local operators of Open Joint Stock Company Sviazinvest, including the master plan of network data interconnection, which will provide for effective cooperation with interregional companies in unregulated market conditions.

The successful implementation of the Company's marketing strategy, including the strengthened position on the long-distance communication market, entry into the international market of transit services, and captured dominant position on the high-tech services market, as well as implementation of the Company's technological strategy envisaging an increase in throughput capacity and digital network intellectualization,

creation and development of a multiservice network are the accomplishments which will allow Rostelecom to prepare for the oncoming market liberalization.

The principal factor affecting the Company's position in the telecommunications market is the imperfect legal and regulatory base governing the telecommunications industry in Russia, which is reflected in the current tariff policy, social obligations of Rostelecom, accession procedures and licensing policy dictated by the Ministry of Communications.

Being aware of the importance and value in retaining the position of Rostelecom, Svyazinvest supports the Company's monopoly on the telecommunications market and actively participates, jointly with Rostelecom, in the governmental reform of the telecommunications industry, asserts Rostelecom's rights for reimbursement for "social costs" and even distribution of social obligations among all market participants, and contributes to the optimization of the Company's interaction with other dependent entities of the Svyazinvest Group.

In light of the future market reform, the state also recognizes the influence exerted by Rostelecom on the current market and its future development.

Today, the Company almost fully satisfies other operators' demand for trunk network services and has the potential to retain this dominant position in the future. As a result of the arrangements undertaken by the state in light of the market liberalization, the Company may expect the long-distance market to become more attractive once the cross-subsidies practice is abandoned.

The Company expects that the market reform will shift the demand structure towards end-users' increased requests for modern digital services and increase pressure from alternative operators working in deregulated segments.

The Russian government has stated the importance to retain, in the process of reform, the system of integral control over the public network to assure effective management of network resources and national security. The efforts of the Russian government are also focused on providing for general conditions for effective utilization of investments in the sector, rendering modern communications services to bodies of state administration in accordance with their growing demand, creating conditions for Russia's integration into the European and global telecommunications complex, and ensuring efficient management of the state property.

34. Investment Declaration. Description of the Issuer's Activity

To be provided by investment funds only.

35. Plans for the Issuer's Future Activity

Since its foundation, the Company has been heavily investing into modernization and development of its international and long-distance communications networks. The first stage of the investment program provided for construction of new and modernization of existing primary network facilities. The second stage included the switching capacity expansion, construction of new modern communication lines and upgrading of the existing trunks and stations of the Russian network of international communications.

Main Directions of Issuer's Development in 2002

As a priority for 2002, the Company views construction and modernization of its network in order to increase the volume of existing and future services. The amount of the Company's capital investments in 2002 will reach 4.2 billion rubles, 1.1 billion of which will be spent on

the technical servicing of the Company's network. An estimated 1.1 billion rubles construction of new fiber optic lines intended to reach the most promising markets and a 2 billion ruble modernization project intended to increase the network throughput capacity and promote new services are considered as the priority investment projects. New types of services are also planned to be developed.

The most significant projects in 2002 will be as follows:

- FOL Ioshkar-Ola – Kirov with a link to Cheboksary;*
- International FOL Russia – Kazakhstan;*
- Baltic Cable System, Stage I;*
- Reconstruction of FOL Moscow – Novosibirsk;*
- Additional equipment of FOL Moscow – Novorossiisk;*
- FOL Gatikha - D. Konstantinovo with a link to Nizhny Novgorod;*
- FOL Kaliningrad – Gvardeisk with a link to the state border with Lithuania; as well as construction of international telephone exchange in Kaliningrad, and*
- International FOL Russia – Azerbaidzhan.*

The new fiber-optic cables will give the Company an access to strategically important international directions and connect major cities with the Company's trunk network.

In early 2002, the Company has completed construction of FOL Russia – Kazakhstan that gave it an access to Kazakhstan.

The new FOL Russia - Kazakhstan has provided Rostelecom's trunk network with a second outlet to Kazakstan (Western Segment). The commissioned project completed a high-speed ring network based on the existing lines not only in the Russian Federation and the Republic of Kazakhstan, but also in the Chinese Peoples Republic.

FOL Russia - Kazakhstan passes in the vicinity of the settlements of Volzhski – Khulkhluta – Yashkul - Elista. Its total length is 456 kilometers. The commissioned line makes part of the already existing FOL Samara – Saratov - Volgograd, with a branch to Rostov-on-Don, Elista and Budennovsk. The construction project was financed by Rostelecom itself.

The Company expects that the new telecommunications trunk line will significantly improve conditions of the Russian traffic transit through Kazakhstan to Central Asia republics and Kazakh traffic transit through Russia to Europe and the Asia-Pacific region. The newly commissioned FOL will also improve the quality of Russia's telephone communications with Central Asia countries because the new line will not only add new channels to this direction, but will also ensure the traffic passage in digital format.

The projects listed below are planned by the Company for 2002:

- FOL Yoshkar - Ola - Kirov will connect the cities of Kirov and Cheboksary to Rostelecom's trunk network;*
- Construction of FOL Kaliningrad - Gvardeisk will provide access to Kaliningrad and Russia's state borders with Lithuania and Poland;*

- Construction of two new FOLs: FOL Russia-Azerbaijan and FOL Gatikha - D.Konstantinovo - Nizhny Novgorod.

The Company is upgrading its networks in order to increase the throughput capacity and offer new services:

- Construction of the Baltic Cable System (1st Stage) jointly with the Swedish company Telia, in the course of which the Moscow - St. Petersburg - Kingisepp line using the dense wavelength division multiplexing ("DWDM") technology will also be upgraded and the Company's operations in respect of the international cable systems will be expanded.

- Expansion of the Moscow - Novosibirsk line throughput capacity based on DWDM technology.

- The existing FOLs will be additionally equipped with wavelength-division multiplex equipment that will ensure effective operation of the existing communications lines for a long term and provide them with the required throughput capacity. The upgrading of these lines will use modern DWDM technology, without decommissioning of the existing PDH and SDH systems operable in parallel with DWDM, which will allow to transfer all types of information at rates higher than 10 Gb/s.

- Creation of Rostelecom data transmission centers accompanied by introduction of intellectual network services and a flexible multiplexor network.

In addition, in 2002 the Company plans to:

- upgrade of a 34Mb/s microwave line to Arkhangelsk;***
- upgrade of a microwave line by two digital paths of 17 Mb/s each, to Yakutsk;***
- continue increasing the capacity of the Eastern segment of Rostelecom's satellite network;***
- upgrade a ground satellite communications station in Petropavlovsk-Kamchatsky and complete equipment of a ground station in Arkhangelsk;***
- reconstruct telecommunications facilities at the Main Russian Television Center (GTsRT) in Ostankino;***
- put into operation the Moscow-based MTS-9 switching center, which will significantly broaden the offered range of services;***
- expand the platform of a packet telephony exchange in Moscow, introduce intellectual services, and construct packet telephony gateways to St. Petersburg, Rostov-on-Don, Samara, Novosibirsk, Ekaterinburg, Khabarovsk. The first stage is planned to implement services for international vocal/facsimile transit via IP, mutual settlements among operators, and IP telephony-based international and long-distance communications services for corporate customers.***

Rostelecom has implemented and is developing a variety of new services, which largely complement the already existing international and long-distance services. Rostelecom plans to start offering packet telephony and intellectual network services.

Marketing Strategy of the Company

The marketing strategy of the Company provides for acquiring a stronger position on the market of end-users in Moscow and on the market of operators.

In order to implement this strategy, the Company has established a Commercial Directorate. Within the next year the Company will also organize marketing subdivisions in all branches.

To achieve its principal commercial objectives, in 2002 Rostelecom will:

- ***Set up a system of market monitoring ;***
- ***Optimize its tariff policy with respect to end-users in Moscow;***
- ***Expand its activities on the operator market in order to increase the traffic through its network, which activities will include:***
 - ***upgrading the system of settlements with regional operators so as to eliminate the cross-subsidy practice;***
 - ***introducing a flexible system of discounts on package services, which system will allow local operators to offer a more flexible subscriber rating system to, and thereby retain, important regional clients in the Rostelecom network;***
 - ***optimizing the tariff policy with respect to alternative operators;***
 - ***reviewing agreements with all international operators so as to reverse the trend of decreasing incoming international traffic; and***
 - ***penetrating the market of traffic transit from Europe to Asia;***
- ***Expand the range of its services by:***
 - ***introducing intellectual networks;***
 - ***offering package services and implementing a "one-stop shopping" marketing strategy;***
- ***Introduce a new approach to managing client relations; and***
- ***Build a sales and service system, offer incentives to stimulate the demand and sales.***

The principal objective of Rostelecom in the national operators market in 2002 will be to improve the system of settlements with the regional operators.

The introduction of an integrated billing system will improve inter-operator settlements on all offered services, keeping of contractual records, monitoring of client profiles, and provision of statistics and managerial information to relevant subdivisions. Also, the Company expects that the billing system will help to:

- ***improve the technology of settlements on international and domestic long-distance traffic exchange with international and Russian operators and adjust it to international standards;***
- ***create a flexible automated system for tariffication and keeping contractual documentation;***

- automate the processes of keeping normative and reference information; and*
- resolve issues related to transmission from settlements with associated operators based on integral settlement rates to settlements based on traffic throughput.*

The Company believes that these new technologies will create additional traffic in the existing public network and secure additional revenues for both the Company and national operators. The "free call," "televoting," "premium tariff" and "virtual private networks" services are planned to be based not only on the intellectual platform of Rostelecom but also on platforms of other operators which will become connected to Rostelecom network in the next year.

The marketing strategy of the Company seeks to develop relations with international operators, optimize outgoing and incoming rates, and consider opportunities for entering the market of international traffic transit.

To continue work with individual consumers in Moscow, the Company plans to develop two programs for the end-user market, including pre-paid cards communication services as well as public phones network and centers.

The implementation of its marketing strategy will enable the Company to increase its revenues considerably, strengthen its position on the international operator market and position itself as a national operator on the Russian market.

The Company's current priority is to retain its position on the markets of long-distance telephone communication, channel lease, data transmission and other services, and simultaneously improve Rostelecom consumer image by offering new services to, and thereby conquering new segments of, the market.

To make customer work more efficient and secure loyalty of its clientele, the Company is planning the following programs to be renovated:

- 1) Upgrade of customer contracts;*
- 2) Debit and credit cards;*
- 3) Unified inquiry service;*
- 4) Retail outlets.*

36. Data on the Issuer's Charter Capital

Amount of the issuer's charter capital (rub.): **2,428,819.4725**

Charter capital breakdown by share category:

Ordinary shares:

total amount (rub.): **1,821,740.8**

Share of the charter capital: **75.005196 %**

Preferred shares:

total amount (rub.): **607,078.6725**

Share of the charter capital: **24.994804 %**

37. Data on the Participation of the State (Municipal Formation) in the Issuer's Charter Capital

Share of the issuer's charter capital being the state (municipal) property: **None**

Share of the block of the issuer's shares held in the state (municipal) property: *None*

Existence of the special right of the Russian Federation, its subjects and municipal formations to participate in the issuer's management ("golden share"): *no such right exists*

38. Data on the Issuer's Authorized Shares

38.1

Category of shares: *ordinary*

Form of shares: *registered, non-documentary*

Full name of category/class of authorized shares: *ordinary*

Par value (rub.): *0.0025*

Number: *905,330,221*

Total (rub.): *2,263,325.5525*

Terms of placement: *8.1. the company is entitled to place its shares, and other securities that are convertible into shares through both public and closed subscriptions, except in cases when the applicable laws of the Russian Federation permit the placement of shares only through public subscription.*

The procedure and term of the shares' placement through public or closed subscription shall be determined by the Board of Directors or the General Shareholders' Meeting of the Company, as stipulated in Clause 6.4. and Clause 6.5. [of its Charter].

8.2. When increasing the charter capital by placing additional shares, the placed shares should be paid for at the market value, which shall be established by the Board of Directors together with the issue of the charter capital increase, through the procedure and by methods stipulated by the applicable laws of the Russian Federation. Herewith, the market value of the shares being placed may not be established lower than their nominal value.

The Company shall place shares at equal market price which shall be applicable to all buyers of the securities during the whole term of placement of shares.

8.3. When additional shares are placed, the Company and any buyer of shares execute a civil law agreement on the purchase of shares. Pursuant to such agreement, the placed shares shall be paid for within the term specified pursuant to the decision on their placement, but not later than one year following the moment of placement thereof. The shares payable in monetary form shall be paid for at the moment of acquisition thereof in accordance with the decision on placement of such shares. The shares which are not paid in monetary form, are to be paid in full at their acquisition unless the decision on placement of additional shares provides for otherwise.

8.4. The shares being placed may be paid for in money, securities, other property or property rights, or other rights which have a monetary value.

Herewith, the shares being placed may not be paid by offsetting the buyer's claims to the Company, nor may such shares be paid with other securities of the Company.

The form of payment for the additional shares is to be determined by the decision on the placement of such shares.

In the event that additional shares are placed through public subscription, payment for the shares shall be effected only in monetary form unless the decision on the placement of additional shares provides otherwise.

8.5. Where the shares are to be paid for in non-monetary form, the monetary value of the property contributed as payment for the shares shall be determined by a majority of votes of members of the Board of Directors present at the meeting. Herewith, the market value of the

property contributed as payment for the shares shall be determined through a procedure established by the applicable laws.

8.6. The Audit Commission of the Company shall select and retain an independent evaluator whose participation in assessing the market value of the contributed property is a mandatory requirement of the applicable laws of the Russian Federation for the payment of shares with non-monetary means.

38.2

Category of shares: *preferred*

Class of shares: *A*

Form of shares: *registered non-documentary*

Full name of category/class of authorized shares: *preferred, class A*

Par value (rub.): *0.0025*

Number: *531*

Total amount (rub.): *1.3275*

Terms of placement: *see previous section*

39. Material Contracts and Obligations of the issuer

None

40. Issuer's Obligations Associated with the Issuance of Shares and Securities Convertible into Shares

9.6. In the event of placement by the Company of additional shares and the issuance of securities that are convertible into shares, which are placed through public subscription, the Company's shareholders shall have the preemptive rights to acquire such shares to the extent proportional to their shareholdings of the respective category (class), which shall be exercised in accordance with the procedure established under federal law.

41. Information on Sanctions Against the Issuer and the Issuer's Involvement in Proceedings and Investigations

Sanctions against the issuer imposed by governmental bodies, court, during reporting quarter financial year and three financial prior years.

Sanction imposed on: *July 14, 1999*

Imposing body: *Ministry of Antimonopoly Policy of the Russian Federation*

Reasons for imposing: *violation of paragraph 4 of Article 17 of the RSFSR Law "On Competition and Limitation of Monopolistic Activities on the Commodities Markets"*

Type of sanction: *administrative penalty (fine)*

Amount of sanction (rub.): *2,087.25*

Degree of execution of the sanction: *executed*

Sanction imposed on: *August 17, 2001*

Imposing body: *Sverdlovsk Territorial Department of Ministry of Antimonopoly Policy of Russia*

Reasons for imposing: *violation of Article 18 of the Law "On Competition and Limitation of Monopolistic Activities on Commodities Markets"*

Type of sanction: *administrative penalty (fine)*

Sanction amount (rub.): *25,000*

Degree of execution of the sanction: *executed*

Sanction imposed on: *October 6, 2001*

Imposing body: *Federal Commission on the Securities Markets of the Russian Federation*

Reasons for imposing: *violation of paragraph 5 of the Regulations on Quarterly Report of the*

issuer of Securities, adopted by the Resolution of FCSM of Russia as of August 11, 1998 No. 31

Type of sanction: *administrative penalty (fine)*

Sanction amount (rub.): *10,000*

Degree of execution of the sanction: *executed*

Description of substance of all on-going or ceased trials in the reporting quarter, that may substantially influence issuer's activities:

Case considered by the Arbitrazh Court of the City of Moscow upon the claim of OJSC Rostelecom to Savings Bank of the Russian Federation arising from the undue performance of the bank account agreement dated October 22, 1998, write-off of the monetary funds according to the payment order of August 2, 1999 No. 99666 in the electronic form.

Pursuant to its ruling of May 31, 2000, the court of the first instance left the claim without consideration due to the non-observance of the pre-trial procedure for the dispute settlement envisaged by the agreement. Appellate division of the court upheld the above ruling in its ruling dated July 27, 2000.

In its ruling dated September 28, 2000, the Federal Arbitrazh Court of the Moscow Region repealed the above acts, and the case was transferred to the first instance of the Arbitrazh Court of the City of Moscow.

Arbitrazh Court of the City of Moscow ruled against the Company, and the appellate division upheld that decision. On March 22, 2001 cassational division repealed the acts of the lower divisions and transferred the case to a new consideration. In the decision of July 6, 2001, the Arbitrazh Court of the City of Moscow ruled that a technical expertise should be held to examine electronic payment system of the "Client-Sberbank" system. The next court hearing will be scheduled upon the expertise is completed.

Description of grounds for all on-going or finalized investigations of the issuer in the reporting quarter, carried out by the governmental authorities, and audits of the issuer carried out at the request of its participants (shareholders):

None

42. Material Facts (Events, Actions) Taking Place in the Reporting Quarter

Date of occurrence of the fact (event, action): *July 3, 2002*

Code: *0400124A03072002*

Full name of the legal entity, issuer's share in the charter capital of which has changed: *Closed Joint-Stock Company Registrator-Svyaz*

Location of the legal entity: *27 Presnensky Val, Moscow 123557*

Postal address of the legal entity: *P.O. Box 128, 15A Bolshaya Olenya Str., Moscow 107014*

Share of Open Joint Stock Company Rostelecom in the charter capital of the legal entity before change: *5%*

Share of Open Joint Stock Company Rostelecom in the charter capital of the legal entity after change: *8.64%*

Date of occurrence of the fact (event, action): *September 5, 2002*

Code: *0400124A05092002*

Full name of the legal entity, issuer's share in the charter capital of which has changed: *Golden Telecom, Inc.*

Location of the legal entity: *615 South DuPont, Highway, Dover, 19901 USA*

Postal address of the legal entity: **615 South DuPont, Highway, Dover, 19901 USA**
Share of Open Joint Stock Company Rostelecom in the charter capital of the legal entity before change: **0%**
Share of Open Joint Stock Company Rostelecom in the charter capital of the legal entity after change: **15%**

Date of occurrence of the fact (event, action): **September 5, 2002**
Code: **0400124A05092002**

Full name of the legal entity, issuer's share in the charter capital of which has changed: **Limited liability company STsS Sovintel**
Location of the legal entity: **25 Dubovaya Roscha, Moscow 127427**
Postal address of the legal entity: **25 Dubovaya Roscha, Moscow 127427**
Share of Open Joint Stock Company Rostelecom in the charter capital of the legal entity before change: **50%**
Share of Open Joint Stock Company Rostelecom in the charter capital of the legal entity after change: **0%**

Date of occurrence of the fact (event, action): **September 5, 2002**
Code of the fact (event, action): **0700124A05092002**

Sale of 50% share in the charter capital of the limited liability company STsS Sovintel

Total amount (value) of funds received (spent) by the issuer in the transaction: **3,076,473,000 rub.**

Contracting parties and beneficiaries in the transaction:

1. Name: **Limited Liability Company TeleRoss**
Location: **27-29, Bldg. 2, Smolenskaya-Sennaya Pl., Moscow 119121**
Postal address: **27-29, Bldg. 2, Smolenskaya-Sennaya Pl., Moscow 119121**
2. Name: **SFMT-CIS, Inc**
Location: **4400 MasArthur Boulevard, N.W. Offise 200, Washington DC 20007, USA**
Postal address: **4400 MasArthur Boulevard, N.W. Offise 200, Washington DC 20007, USA**

43. Information on Reorganization of the Issuer, its Subsidiaries and Dependent Companies

Reorganization of Open Joint Stock Company Rostelecom, its subsidiaries and dependent companies was not performed during the reporting quarter.

44. Additional Material General Information on the Issuer

No information.

B. Information on the Issuer's Financial and Economic Activitiy

45. Annual Accounting Statements for Last Three Financial Years

This information does not have to be presented for the reporting period.

46. Accounting Statements of the Issuer for the Reporting Quarter

See Attachment

47. Events Resulting in Increase or Decrease of the Issuer's Assets in the Reporting Quarter by Over 10 Percent

Date of occurrence of the event (events): *November 10, 2002*

Description: *The issuer's assets value as of October 30, 2002 as compared to assets value as of June 30, 2002 has increased by 3,746,205 thousand rub., which equals 10 %. Increase of assets comprises of:*

- investments in other organizations in the amount of 1,306,160 thousand rub., purchase of Golden-Telecom shares;

- short-term financial investments in the amount of 2,731,181 thousand rub., purchase of promissory notes.

Nominal change in the value of assets as of the end of the reporting quarter is *3,746,205 thousand rub.*, as compared to the value of assets as of the end of the quarter preceding the reporting quarter.

Value of issuer's assets as of the end of the quarter preceding the reporting quarter:

36,666,638 thousand rub.

Value of issuer's assets as of the end of the reporting quarter: *40,412,843 thousand rub.*

48. Events Resulting in the Increase in the Issuer's Profit (Loss) in the Reporting Quarter by Over 20 Percent, as Compared with the Previous Quarter

Date of occurrence of the fact: *November 10, 2002*

Description: *As compared to the second quarter of the year 2002, the profit has grown for 3,864,970 thousand rub., which constitutes 805%. The increase is comprised of:*

- increase in non-operating gains for the amount of 2,428,191 thousand rub., due to realization of financial investments;

- the decrease in operating expenses for the amount of 988,982 thousand rub., mostly, due to the fact that the greater part of doubtful debt accrued in the second quarter

Nominal change of profit (loss) for the reporting quarter as compared with the profit (loss) for the quarter preceding the reporting quarter: *3,864,970 thousand rub.*

The issuer's profit (loss) for the quarter preceding the reporting quarter: *480,344 thousand rub.*

The issuer's profit (loss) for the reporting quarter: *4,345,314 thousand rub.*

49. Information on Establishment and Use of the Issuer's Reserve Fund and Other Special-Purpose Funds

No funds have been established or used in the reporting quarter.

50. The Issuer's Transactions in the Reporting Quarter Amounting at Least to 10 Percent of the Issuer's Assets as per the End of the Quarter Preceding the Reporting Quarter.

50.1 Date of the transaction: *September 5, 2002*

Subject and description of the transaction: *Sale of 50% share in the charter capital of Limited Liability Company STsS Sovintel*

Total amount (value) of funds received (spent) by the issuer in the transaction: *3,076,473,000 thousand rub.*

Share of the amount (value) of funds received (spent) by the issuer under transaction in the issuer's assets: *7.6 %*

Contracting parties and beneficiaries in the transaction:

50.1.1 Name: *Limited Liability Company TeleRoss*

Location: *27-29, Bldg. 2, Smolenskaya-Sennaya Pl., Moscow 119121*

Postal address: **27-29, Bldg. 2, Smolenskaya-Sennaya Pl., Moscow 119121**
Telephone: **(7 095) 787-1000**
Fax: **(7 095) 787-1010**

50.1.2 Name: **SFMT-CIS, Inc**
Location: **4400 MacArthur Boulevard, N.W Office 200, Washington DC 20007, USA**
Postal address: **4400 MacArthur Boulevard, N.W Office 200, Washington DC 20007, USA**
Telephone: **(1-202) 332-4877**
Fax: **(1-202) 332-5997**

Persons who are interested in completion of the above transaction pursuant to the legislation of the Russian Federation: **None**

Authorized body of the issuer, which adopted a resolution to approve the conclusion of the transaction: **The Board of Directors**

Date of the resolution to approve the conclusion of the transaction: **March 29, 2002**

51. Information on Allocation of Funds Raised by the Issuer as a Result of Placement of Issue Securities.

The funds were not applied as mentioned above in the reporting quarter.

52. Borrowed Assets Received by the Issuer and Its Subsidiaries in the Reporting Quarter

Data on the Issuer's borrowed assets as of the end of the reporting quarter:

Item Name	Balance at the Beginning of the Year (Thousand rubles)	Received (Thousand rubles)	Paid (Thousand rubles)	Balance at the End of the Reporting Quarter (Thousand rubles)
Long-term Bank Credits	-	-	-	-
Including past-due	-	-	-	-
Other Long-term Loans	1,542,582	-	487,097	1,055,431
Including past-due	-	-	-	-
Short-term Bank Credits	777,186	-	770,912	274,000
Including past-due	-	-	-	-
Employee Bank Credits	-	-	-	-
including past-due	-	-	-	-
Other Short-term Loans	4,541,920	1,763,705	1,901,232	4,404,393
including past-due	-	-	-	-

53. Accounts Payables and Receivables of the Issuer and Its Subsidiaries for the Reporting Quarter

Data on the issuer's accounts payable and receivables as of the end of the reporting quarter:

Item Name	Balance at the Beginning of the Year (Thousand rubles)	Received (Thousand rubles)	Paid (Thousand rubles)	Balance at the End of the Reporting Quarter (Thousand rubles)
1) Accounts Receivables:				
short-term	6,415,733	-	-	6,549,585
including past-due	-	-	-	-
including over 3 months	-	-	-	-
including by:				
long-term	834,879	-	-	653,529

including past-due	-	-	-	-
including over 3 months	834,879			653,529
including by:				
2) Accounts payable				
short-term	10,926,352	-	-	11,164,218
including past-due	-	-	-	-
including over 3 months	-	-	-	-
including by:				
long-term	9,338,977	-	-	8,068,897
including past-due	-	-	-	-
including over 3 months	-	-	-	-
including by:				
Security:				
Received	-	-	-	-
including third parties	-	-	-	-
including by:				
Granted	-	-	-	-
including third parties	-	-	-	-
including by:				
3) Bills of Exchange Movement:				
Issued Bills of Exchange	-	-	-	-
including past-due	-	-	-	-
including by:				
Received Bills of Exchange	-	-	-	-
including past-due	-	-	-	-
including by:				

54. Issuer's Financial Investments

Data on the issuer's financial investments as of the end of the reporting period:

Item Name	Investment Amount as of the End of the Reporting Quarter (Thousand rubles)		
	Short-term (under 1 year)	Long –term (over 1 year)	Total
Investments in the state securities of the Russian Federation	-	-	-
Investments in the state securities of the Subjects of the Russian Federation	-	-	-
Investments in the securities of the local authorities	-	-	-
Investments in shares, participation interests of other organizations	-	1,332,861	1,332,861
Investments in bonds and other debts instruments	3,701,223	511,113	4,212,336
Other loans granted	-	393,400	393,400
Investments in the Issuer's subsidiaries	-	77,468	77,468
Investments in the Issuer's dependent companies	-	18,288	18,288
Financial Investments In Organizations Liquidated In Accordance with the Russian Legislation			
Name of the Organization	Liquidation date	Authority Which Made the Decision on Liquidation	Investment Amount (Thousand rubles)
None			
Total			-
Financial Investments In Organizations Considered Bankrupt In Accordance with Russian Legislation			
Name of the Organization	Liquidation date	Authority Which Made the Decision of Liquidation	Investment Amount (Thousand rubles)
None			

Total			-
Issuer's Assets as of the End of the Reporting Period (Thousand rubles)			-
Financial Investments In Organizations Constituting 10 or More Percent of the Issuer's Assets as of the End of the Reporting Quarter			
Name of the Organization	Investment Amount (Thousand rubles)		Share of Assets
None			
Total			-

55. Other Material Information on the Issuer's Financial and Economic Activity

No information

C. Data on the Issuer's Securities

56. Data on the Issuer's Shares

Issue Number: *1*

Category: *Ordinary*

Form of Shares: *registered non-documentary shares*

Nominal Price of One Issued Share: *0.0025*

Number of Issued Shares: *700,312,800*

Total Issue Amount: *1,750,782*

Data on the Issue State Registration:

Date of Registration: *November 10, 1993*

Registration Number: *73-I"n"-1947*

Body of State Registration: *Financial authorities*

Offering Method: *Placement in accordance with the privatization plan*

Offering Period: *From November 30, 1993 to April 28, 1994*

Present Issue State: *Securities have been partially redeemed (cancelled)*

Number of Placed Securities in Accordance with the Registered Report of the Issue: *700,312,800*

Number of Outstanding Securities: *700,276,141*

Number of Redeemed (Cancelled) Securities: *36,659*

Data on State Registration of the Report of the Issue:

Registration Date: *August 9, 1999*

Body of State Registration: *FCSM*

Limitations on circulation of issue securities (if any): *None*

Market information on the issue securities:

Currently, the Company maintains agreements for the listing of shares with the exchanges licensed by the Federal Commission for the Securities Market of the Russian Federation, which are recognized traders of securities of the Russian issuers, namely:

a) Moscow Interbanking Currency Exchange (MICEX). Address: build. 1, 1-13 Bolshoy Kislovsky Pereulok. Telephone: 234-4816. General Director: A.V. Zakharov. Agreement No. 449-2.8, dated 12 November 1997.

b) Noncommercial Partnership RTS Stock Exchange. Address: 15 Chayanova Ulitsa. Telephone: 705-9031. President: I.A. Tyryshkin. Cooperation Agreement No. LK-17, dated 17 October 1997.

c) The ordinary shares of the Company are traded as the level II American depositary receipts (ADR) on the New-York, London, Berlin, Frankfurt, Dusseldorf, Stuttgart, Bavaria, and Hamburg stock exchanges. The options for ADRs are traded on the Chicago Stock Exchange.

Additional material information on the issue securities:

In accordance with the privatization plan approved by the Resolution No. 1507-r of the State Property Committee, dated August 27, 1993, the amount of the charter capital of the issuer was 2,334,376,000 (two billion three hundred thirty-four million three hundred seventy-six thousand) non-denominated rubles; 2,334,376 registered shares were issued with the nominal value of 1,000 non-denominated rubles, including 583,594 Class A and 47,007 Class B preferred shares, and 1,703,775 ordinary shares.

The shares were issued in non-documentary form.

The state registration of the shares of Joint Stock Company of the Open Type Rostelecom for the amount of 2,334,376,000 non-denominated rubles, including 1,703,775 ordinary shares for the amount of 1,703,775,000 non-denominated rubles with the nominal value of 1,000 non-denominated rubles and 630,601 preferred shares for the amount of 630,601,000 non-denominated rubles with the nominal value of 1,000 non-denominated rubles was effected by the Finance Department of the Government of Moscow (Letter No. 06-22/1947, dated November 15, 1993) in accordance with the Resolution No. 547 of the Government of the Russian Federation, dated 4 August 1992. The code of the state registration No. 71-I "n" – 1947 was assigned to the issue of shares on November 10, 1993.

The initial placement of the shares of OJSC Rostelecom was effected in accordance with the requirements of the First variant of privatization privileges. The date of disclosure of the information on the issuance and the date of the beginning of the initial placement was November 30, 1993, the relevant announcement having been published in "Rossiiskaya Gazeta," on November 30, 1993.

The shares were distributed on the basis of the applications of shareholders, the minutes of the meetings of the employees' representatives, the minutes of the meeting of the commission on privatization and minutes of the auctions for the sale of shares.

The following shares were placed through private subscription, which took place from November 30, 1993 to January 13, 1994:

- ***9.16% of the ordinary shares were placed among employees and former employees of the company on preferential terms (with a 30% discount from the nominal value);***
- ***4.94% of the ordinary shares were placed among executive officers of the administration at the nominal value;***
- ***25% of the preferred shares were placed among employees and former employees of the company without charge;***
- ***38% of the ordinary shares were retained at the disposition of the State Property Committee for the three-year period; and***

- **22.9% of the ordinary shares were retained at the disposition of the Russian Fund of Federal Property for the sale at auctions.**

21.88% of the shares were sold at the interregional voucher auction held by the Russian Fund of Federal Property from March 14, 1994 to April 12, 1994. The auction resulted in the eighty to one split of the shares. After the split the total amount of the ordinary shares amounted to 140,062,560 and the total amount of the preferred shares to 46,687,520 with the nominal value of 12.5 non-denominated rubles.

April 28, 1994 is considered as the date of completion of the initial placement of the shares, which was the date of the closing of the voucher auction (Minutes No. 9358 of the voucher auction held by the Russian Fund of Federal Property, dated April 28, 1994) and the date of the global operation in the shareholders register. The special cash auction held by the Russian Fund of Federal Property from July 10, 1995 to August 11, 1995, on which 0.87% of the shares were sold, resulted in the subsequent five to one split of the shares. As a result the nominal value of the shares amounted to 2.5 of non-denominated rubles, the total amount of the ordinary shares amounted to 700,312,800 shares, including 18,802,800 Class B registered preferred shares and 233,437,600 Class A preferred shares.

As a result of the change of the face value of the ruble on January 1, 1998, the nominal value of the shares amounted to 0.0025 ruble. In addition, two cash auctions were held on July 26, 1994 (0.13% shares were sold) and 31 January 1996 (0.022% of the shares were sold).

The date of the global operation in the shareholders register was April 28, 1994. Closed Joint Stock Company Irkol, the specialized registrar, effected the global operation (Agreement No. 188 on Registrar Services, dated 7 April 1994). The registered address of the registrar: build. 1, 7 Novatorov Unlitsa, Moscow 107078. Telephone: 208-1515. General Director: Vladislav Victorovich Moskalchuk.

On July 8, 1997 the Russian Fund of Federal Property transferred 354,825,200 ordinary shares as the contribution into the charter capital of Open Joint Stock Company Svyazinvest, which amounted to 38.005% of the charter capital of the Company.

Issue Number: **1**
Category: **Preferred**
Class: **A**
Form of Shares: **registered non-documentary shares**
Nominal Price of One Issued Share: **0.0025**

Number of Issued Shares: **233,437,600**
Total Issue Amount: **583,594**

Data on the Issue State Registration:
Date of Registration: **November 10, 1993**
Registration Number: **73-I"n"-1947**
Body of State Registration: **Financial authorities**

Offering Method: **Placement in accordance with the privatization plan**
Offering Period: **From November 30, 1993 to April 28, 1994**

Present Issue State: **Securities have been partially redeemed (cancelled)**
Number of Placed Securities in Accordance with the Registered Report of the Issue: **233,437,600**
Number of Outstanding Securities: **233,358,300**
Number of Redeemed (Cancelled) Securities: **79,300**

Data on State Registration of the Report of the Issue:
Registration Date: **August 9, 1999**
Body of State Registration: **FCSM**

Limitations on Circulation of Issue Securities (if any): **None**

Market Information on the Issue Securities:

Currently, the Company maintains agreements for the listing of shares with the exchanges licensed by the Federal Commission for the Securities Market of the Russian Federation, which are recognized traders of securities of the Russian issuers, namely:

a) Moscow Interbanking Currency Exchange (MICEX). Address: build. 1, 1-13 Bolshoy Kislovsky Pereulok. Telephone: 234-4816. General Director: A.V. Zakharov. Agreement No. 449-2.8, dated 12 November 1997.

b) Noncommercial Partnership RTS Stock Exchange. Address: 15 Chayanova Ulitsa. Telephone: 705-9031. President: I.A. Tyryshkin. Cooperation Agreement No. LK-17, dated 17 October 1997.

Additional Material Information on the Issue Securities: **No information**

Issue Number: **2**
Category: **Ordinary**
Form of Shares: **registered non-documentary shares**
Nominal Price of One Issued Share: **0.0025**

Number of Issued Shares: **28,420,603**
Total Issue Amount: **71,051.5075**

Data on the Issue State Registration:
Date of Registration: **August 16, 1999**
Registration Number: **1-02-00124-A**
Body of State Registration: **FCSM**

Offering Method: **conversion in the course of reorganization**
Offering Period: **from August 28, 2000 to August 28, 2000**

Present Issue State: **Placement has been completed**
Number of Placed Securities in Accordance with the Registered Report of the Issue: **28,420,179**

Data on State Registration of the Report of the Issue:
Registration Date: **October 11, 2000**
Body of State Registration: **FCSM**

Limitations on Circulation of Issue Securities (if any): **none**

Market Information on the Issue Securities:
See paragraph 56

Additional Material Information on the Issue Securities:
No information

Issue Number: **2**
Category: **A**
Form of Shares: **registered non-documentary shares**
Nominal Price of One Issued Share: **0.0025**

Number of Issued Shares: **9,473,534**
Total Issue Amount: **23,683.835**

Data on the Issue State Registration:
Date of Registration: **August 16, 1999**
Registration Number: **2-02-00124-A**
Body of State Registration: **FCSM**

Offering Method: **conversion in the course of reorganisation**
Offering Period: **from August 28, 2000 to August 28, 2000**

Present Issue State: **placement has been completed**
Number of Placed Securities in Accordance with the Registered Report of the Issue: **9,473,169**

Data on State Registration of the Report of the Issue:
Registration Date: **October 11, 2000**
Body of State Registration: **FCSM**

Limitations on Circulation of Issue Securities (if any): **none**

Market Information on the Issue Securities: **see paragraph 56**

Additional Material Information on the Issue Securities: **no information**

57. Data on the Issuer's Bonds

No bonds have been issued by the issuer

D. Other Data on the Issuer's Securities

58, 59, 60. Rights of the Issuer's Shareholders. Dividends on the Issuer's Shares

58.1

Category of Shares: **preferred**
Class: **A**
Form of Shares: **registered non-documentary shares**
Full Name of Category/ Class of Authorized Shares: **class A preferred shares**
Holder Rights for Shares of this Category (Class):

10.1. Each preferred share of Class A shall provide to its holder an equal scope of rights.

10.2. The holders of preferred shares of the Company shall not be entitled to vote at a General Shareholders' Meeting unless the applicable laws of the Russian Federation and this Charter provide for otherwise.

10.3. The holders of preferred shares of Class A shall be entitled to receive a fixed annual dividend, unless this Charter stipulates otherwise. The total amount payable as a dividend on each preferred share of Class A shall be established as 10 (ten) percent of the Company's net profits upon results of the last financial year, divided by the number of shares constituting 25 (twenty five) percent of the Charter Capital of the Company. Herewith, if the amount of dividends payable by the Company on each ordinary share in a given year exceeds the

amount payable as dividend on each preferred share of Class A, the amount of the latter dividend may be increased up to the amount of the dividend payable on ordinary shares.

10.4. Each holder of a preferred share of Class A shall be entitled:

10.4.1. to sell and otherwise dispose of the shares held at any time without a prior agreement with the other shareholders or approval from the bodies of the Company;

10.4.2. to participate in a General Shareholders' Meeting with the right to vote on issues relating to reorganization and liquidation of the Company;

10.4.3. the holders of preferred shares of Class A are entitled to vote at the meetings of shareholders in cases when the adoption of amendments or additions to this Charter shall involve restriction of rights of the holders of preferred shares, including establishment or increase of the amount of the dividend and (or) establishment or increase of the liquidation quota payable on preferred shares of the previous order of priority, or in the case of providing to the holders of preferred shares of other types of privileges in respect of the order of priority for paying the dividend and (or) liquidation value of the shares.

The holders of preferred shares of Class A, the amount of dividend on which is established in this Charter, shall be entitled to participate in a General Shareholders' Meeting with the right to vote on all issues on the meeting's agenda, starting from the meeting following an annual General Shareholders' Meeting, which has decided not to pay out the dividends or has decided to pay out only a part of the dividends on preferred shares of Class A. The right of holders of preferred shares of Class A to participate in a General Shareholders' Meeting shall be terminated as of the moment the dividends on such shares are paid in full;

10.4.4. in the event of the Company's liquidation, to receive a part of the property or the value of a part of the property remaining after settlements with the Company's creditors. Herewith, the property remaining after the creditors' claims have been satisfied, shall be used to effectuate payments through the following procedure:

- *available unpaid dividends on preferred shares of Class A shall be paid out;*
- *holders of preferred shares of Class A shall be paid the nominal value of the shares they hold;*
- *the remaining property shall be distributed among the holders of preferred shares of Class A and of ordinary shares in proportion to their shareholdings in the total number of the shares placed by the Company, adjusted for the value of the preferred shares of Class A (liquidation value of preferred shares of Class A) paid out earlier;*

10.4.5. to receive from the Company's Registrar extracts from the shareholders register and other information through the procedure stipulated for the holders of ordinary shares of the Company in Clause 9.2.5. hereof;

10.4.6. to receive information contained in the Company's documents listed in Clause 9.2.6. hereof, through the procedure stipulated by this Charter for the holders of ordinary shares of the Company;

10.4.7. to exercise rights specified in Clauses 9.2.1., 9.2.7., 9.2.8., 9.2.9. hereof, in accordance with the applicable laws and this Charter.

Dividends on Shares of this Category (Class):

Period: **1999**

Dividends Accrued per Share (rub): **0.8093**

Total Amount of Dividends Accrued to Shares of this Category (Class) (rub): **188,856,872.19**

Total Amount of Dividends Paid to Shares of this Category (Class) (rub): **187,441,932.54**

Period: **2000**

Dividends Accrued per Share (rub): **0.4243**

Total Amount of Dividends Accrued to Shares of this Category (Class) (rub): **103,033,392.3**

Total Amount of Dividends Paid to Shares of this Category (Class) (rub): **101,675,955.61**

Period: **2001**

Dividends Accrued per Share (rub): **0.919524**

Total Amount of Dividends Accrued to Shares of this Category (Class) (rub): **223,289,290.85**

Total Amount of Dividends Paid to Shares of this Category (Class) (rub): **64,429,397.18**

Amount of Dividends Accrued per Share of this Category (Class) with Due Date Yet to Come (rub): **0**

58.2

Category of Shares: **ordinary**

Form of Shares: **registered non-documentary**

Full Name of Category/ Class of Authorized Shares: **ordinary**

Holder's Rights for Shares of this Category (Class):

9.1. Each ordinary share of the Company shall provide to its holder an equal scope of rights.

9.2. Each holder of ordinary shares of the Company shall be entitled:

9.2.1. to sell and otherwise dispose of the shares held at any time without a prior agreement other shareholders or approval from the bodies of the Company;

9.2.2. to participate in a General Shareholders' Meeting with the right to vote on all issues within its competence. In the event that the shareholder has acquired the ownership of the shares after the approval by the Board of Directors of the list of shareholders entitled to participate in the General Shareholders' Meeting, the shareholder shall be entitled to participate in the meeting only on the basis of a power of attorney issued by the former holder of the shares;

9.2.3. to receive dividends if such are declared and paid out through the procedure stipulated by this Charter;

9.2.4. to receive a part of the property or the value of a part of the Company's property remaining during the Company's liquidation, after the settlements with creditors, in proportion to the shares held by the shareholder, through the procedure and in the order stipulated by the applicable laws of the Russian Federation and this Charter;

9.2.5. to receive from the Company's registrar extracts from the shareholders register certified with the registrar's seal, to receive information on its personal account as well as other information provided for by the legal acts of the Russian Federation, in the form, on the conditions, through the procedure and within the term established in the Regulations on Maintaining the Shareholders' Register approved by the Company's registrar within its authority;

9.2.6. to obtain information contained in this Charter, the Certificate of State Registration of the Company and other Company documents other than documents containing state or commercial secrets;

9.2.7. in cases provided for by the applicable laws of the Russian Federation, to defend, through legal procedures, its infringed civil rights and demand recovery for damages suffered from the Company;

9.2.8. to require from the Company a buy-out of all or a part of the holder's shares, in cases and through the procedure stipulated by the applicable laws of the Russian Federation;

9.2.9. to sell shares to the Company in the event that the Company decides to buy-out such shares;

9.2.10. to require from the Company an extract from the list of persons entitled to participate in the general meeting of the shareholders, containing information on the shareholder.

A shareholder has to pay for the services related to the provision of the required documents in accordance with the price list approved by the Management Board of the Company. Herewith, the prices for such services shall not exceed the cost of making copies of the documents and sending the documents by mail.

9.3. A shareholder or a group of shareholders holding, in aggregate, not less than 2 (two) percent of the ordinary shares of the total number of the placed voting ordinary shares of the Company, as of the date of proposing issues to the agenda, are entitled to introduce issues into the agenda for the annual shareholders meeting, as well as to propose candidates to the Board of Directors, the Audit Commission and the counting commission of the Company for the election, at the annual or extraordinary General Shareholders' Meeting, through the procedure, on conditions and within the term established by this Charter.

9.4. A shareholder or a group of shareholders holding, in aggregate, not less than 10 (ten) percent of the ordinary shares of the total number of the placed voting ordinary shares of the Company, is entitled:

- **to require the convening of and, in cases stipulated by the applicable laws of the Russian Federation, to convene an extraordinary General Shareholders' Meeting of the Company;**

- **to require the revision (audit) of the financial and business activities of the Company.**

9.6. In the event of placement by the Company of additional shares and the issuance of securities that are convertible into shares, which are placed through public subscription, the Company's shareholders shall have the preemptive rights to acquire such shares to the extent proportional to their shareholdings of the respective category (class), which shall be exercised in accordance with the procedure established under federal law.

9.7 The Company's shareholders shall have the right of access to the documents provided for under Section 35.1 of this Charter in the manner determined under Article 91 of the Federal Law "On Joint Stock Companies" and Article 35 of this Charter.

Dividends on Shares of this Category (Class):

Period: **1999**

Dividends Accrued per Share (rub): **0.1645**

Total Amount of Dividends Accrued to Shares of this Category (Class) (rub): **115,195,425.2**

Total Amount of Dividends Paid to Shares of this Category (Class) (rub): **114,163,202.17**

Period: **2000**

Dividends Accrued per Share (rub): **0.1634**

Total Amount of Dividends Accrued to Shares of this Category (Class) (rub): **119,068,978.69**

Total Amount of Dividends Paid to Shares of this Category (Class) (rub): **117,803,656.47**

Period: **2001**

Dividends Accrued per Share (rub): **0.214496**

Total Amount of Dividends Accrued to Shares of this Category (Class) (rub): **156,302,518.72**

Total Amount of Dividends Paid to Shares of this Category (Class) (rub): **37,382,826.92**

Amount of Dividends Accrued per Share of this Category (Class) with Due Date Yet to Come (rub): **0**

61. Limitations on the Circulation of Securities

See paragraphs 56 and 57

62. Other Material Information on the Issuer's Securities

No information

ANNEX

Accounting Report for the 9 Months of 2002

APPROVED
By Order No. 289 of OJSC Rostelecom
dated December 31, 2001

REGULATIONS
"ACCOUNTING POLICIES FOR THE YEAR 2002"
OJSC Rostelecom

Introduction

These Regulations were developed on the basis of normative documents regulating accounting and tax accounting at the state level.

Besides the general mandatory requirements and rules, in these Regulations the specifics of OJSC Rostelecom have been reflected (hereinafter referred to as "Company"), related to:

- industry specifics of the Company's activities;
- specifics of organizational structure, namely the presence of a considerable number of structural divisions geographically remote from the location of Company's Directorship.

For the purposes of these Regulations, the Company's accounting policies stand for the substantiated totality of principles, organization rules and implementation techniques of accounting methods – primary observation, cost estimation, current grouping, and final summarization of economic activity facts, as selected by the Company.

The accounting methods include the ways of grouping and assessment of economic activity facts, redemption of assets cost, organization of document circulation, inventory count, the methods of using accounts, the system of accounting registers, data processing, and other appropriate methods and techniques.

In forming its accounting policies, the Company proceeds from the following assumptions:

- the organization having separate property;
- continuous operation;
- sequential application of accounting policies;
- definite timing of economic activity facts.

The organization's accounting policies are formed based on the necessity for providing prompt, complete, timely, objective, reliable, non-contradictory reflection of all factors of the Company's economic activities to form indices of financial, tax, and administrative statements.

In doing so, the Company is guided by the principles of prudence (it is readier to recognise its expenses and liabilities than possible incomes and assets in accounting and does not allow formation of hidden reserves) and rationality (rational accounting based on the economic activity conditions and activity specifics). In forming its accounting policies, the Company proceeds from the priority of the economic content of the facts and conditions of economic activities over their legal form.

These Regulations shall guide the activities of all persons involved in solving the issues regulated by the accounting policies:

- the Company's management staff;
- the personnel of services and sections responsible for timely development, revision, and communication of reference data to the executive divisions;
- the personnel of all services and divisions responding for timely submission of basic documents to the Accounts Department;

- the personnel of accounting service responsible for timely and high-quality execution of all types of accounting tasks and preparation of reliable statements of all types;
- other personnel if their functions are related to the origination of information necessary for timely and full reflection of economic activity facts in accounting.

The revisions in the text of these Regulations for the Company's accounting policies are to be approved by the Company's General Director.

1. Organizational Aspects of Accounting Policies

1.1. General Information on Company

Open Joint Stock Company Long Distance and International Telecommunications Rostelecom was established in accordance with the Russian Federation Law No. 1531-1 "On Privatization of State-owned and Municipal Enterprises in the Russian Federation" of July 3, 1991, with revisions and additions introduced by the Russian Federation Law of June 5, 1992, and the State Program for Privatization of State-owned and Municipal Enterprises in the Russian Federation for 1992, approved by the Resolution No. 2980-1 of the Russian Federation Supreme Council of July 11, 1992. The Company founder is the Russian Federation State Committee for State Property.

According to the Charter, the Company's main goal is to satisfy the demand of the population, the participants of economic turnover, the state authorities, administrative, and other state bodies of the Russian Federation and other consumers of telecommunication services for transmission of information via long distance and international telecommunication channels, in radio broadcasting and television, in data transmission, and also to earn profit.

The Company's Charter specifies the following activity types:

- The Company provides services of long distance and international communications in compliance with its licenses, arranges for, on a contractual basis, the transfer of information through backbone and central office networks, leases (by means of rendering services) communication lines, line links, group and network paths, voice frequency channels, lines and means of sound and visual broadcast and data transfer channels, and carries out marketing research and sales of services.
- The Company operates, acquires, leases, reconstructs, builds, performs design and exploration works, and acts as the general developer in respect of communication links, data networks, and switching facilities, television, broadcasting, and radio communication facilities and other communication objects both in- and outside the Russian Federation to satisfy the consumer demand for various inter-urban communication, television, broadcasting, and radio communication services. For its own needs, the Company performs design, exploration, and construction works connected with the building and reconstruction of housing, social and recreational facilities, warehouses, garages, transport communications, and other infrastructural objects.
- The Company performs goods and passenger transportation to ensure the operation of the existing and the building of new communication facilities (urban, suburban, intra republican, intra territory, intra regional, inter urban, inter republican (within the Russian Federation), inter territory, inter regional, and inter urban transportation).
- In the cases envisaged by the Russian Federation legislation, the Company executes individual activities on the basis of licenses obtained through the established procedure.

The Company has three levels of management:

- the Company Directorship managing the affiliates;
- the affiliates each managing its own structural divisions;
- the divisions of affiliates.

The divisions are guided by regulations approved by the Company's General Director. The division heads are appointed by the Company's General Director and act on the basis of their authorizations. The relations within the Company between the Directorship and the divisions are based on administrative subordination.

The divisions act in economic turnover on behalf of the Company.

To perform their economic activities, the divisions of the Company are allotted with property owned by the Company.

1.2. Main Accounting Tasks of the Company

In accordance with the Russian Federation's system of normative regulation of accounting and with regard to the organizational structure and specific conditions of financial and economic activities, the main accounting tasks of the Company are as follows:

- forming complete and reliable information about the activities and property status of the Company, necessary for the internal users of accounting statements – the managers, founders, participants and owners of the Company, and also for the external users – investors, creditors and others;
- control over the availability and transfer of property, the use of material, labor and financial resources (including that as per the approved norms, standards, and estimates);
- preventing negative results of the Company's economic activities and revealing internal reserves to ensure its financial stability;
- compiling information necessary for correct and timely computation and payment of taxes, duties, and other mandatory payments;
- preparing special accounting forms for the system of company's corporate management.

1.3. Organizational Principles of the Company's Accounting Service

The accounting service of OJSC Rostelecom is a structural division of OJSC Rostelecom headed by the Chief Accountant and responsible for accounting within the Company.

The accounting service of OJSC Rostelecom consists of sections which have different functions. The first group of sections performs the general functions of the Company's accounting service related to:

- methodology of accounting and taxation,
- summary statements and tax calculation;
- preparing accounting statements in accordance with international standards;

The second group of accounting service sections is in charge of forming parts of the general ledger and the tax liabilities of OJSC Rostelecom in the General Directorship and structural divisions.

The principles of distribution of authority and responsibility between the accounting service and the personnel of organization's functional sections (departments) performing individual accounting functions as well as the distribution of obligations as to the formation and processing of documents between the accounting service and the personnel of functional sections (departments) performing individual accounting functions are regulated by the organizational and regulatory documents of the Company.

1.4. Accounting Form

OJSC Rostelecom employs an automated form of accounting. The forms of accounting in individual structural divisions and in OJSC Rostelecom at large are established in the Regulations on the Forms of Accounting in OJSC Rostelecom. In preparing the Regulations, the Letter of the Ministry of Finance of the Russian Federation No. 59 "On Recommendations for Application of Accounting Registers at Enterprises" of July 24, 1992, and the methodical recommendations of the USSR Finance

Ministry and the USSR Central Statistics Office No. 35/34-R/426 "On Organization of Accounting Using Computers" of February 20, 1981, were used.

The automated accounting systems at various sections of accounting service are built according to the principle "basic document – general ledger" or "general journal – general ledger".

The main accounting register serving as the basis for collecting and processing of accounting data and for forming the Company general ledger is the system of cross-movement account and balance spreadsheets based on the working plan of accounts, which was developed by the organization.

1.5. Procedure for Documents Circulation Organization and Accounting Documents Processing Techniques

The rules and order of documents circulation organization applied within the Company, the documents circulation schedule, and the techniques of basic accounting documents processing, including:

- the procedure for primary document creation;
- the procedure for primary document check;
- the procedure and timing of their transfer for reflection in accounting statements;
- the procedure of document archiving

are regulated by the organizational and regulatory documents of the Company.

The organization employs unified forms of accounting for primary accounting documentation approved by the State Committee for Statistics of the Russian Federation.

In reflecting the financial and economic operations for which no unified forms are provided, the internally developed forms of primary accounting documents are used.

The right to sign primary accounting documents is assigned by internal organizational and regulatory documents.

1.6. Procedure for Organizing and Executing Inventory Count of Property and Liabilities

The order of performing inventory count of property and liabilities in the Company is specified in the Regulations on Inventory Count of Property and Liabilities developed on the basis of norms of the Methodical Guidelines on Inventory Count of Property and Financial Liabilities approved by the Order of the Ministry of Finance of the Russian Federation No. 49 of June 13, 1995, and other normative documents on accounting.

The entire property of the Company regardless of its location and all liability types are subject to inventory count.

The following periodicity of inventory count is established:

- fixed assets – biannually or more often as of November 1 of the reporting year;
- intangible assets – annually as of December 1 of the reporting year;
- unfinished capital construction and other capital investment – annually as of November 1 of the reporting year;
- raw and other materials, precious metals, equipment to be installed, pre-fabricated goods, goods, finished products in warehouse – annually as of November 1 of the reporting year;
- unfinished production – quarterly as of the quarter end;
- future incomes and expenses – annually as of December 31 of the reporting year;
- funds on bank accounts – annually as of December 31 of the reporting year;
- cash on hand – quarterly or more often;
- long-term investments – annually as of December 31 of the reporting year;
- short-term investments, money equivalents – quarterly as of the quarter end;

- settlements with debtors and reserve on doubtful debts – annually or more often as of December 31;
- settlements with creditors: with communications operators – quarterly as of the quarter end; with the other creditors – annually as of December 31 of the reporting year;
- settlements on taxation and mandatory deductions into the budget and off-budget funds, on purpose financing – annually as of December 31 of the current year;
- settlements between divisions on transfer of assets and liabilities – monthly as of the last date of reporting month;
- settlements with personnel and advance holders – quarterly as of the quarter end.

Permanent inventory count commissions are established to count the inventories at the levels of Company's Directorship, affiliates, and their structural divisions. Their composition is approved by:

- for the Company's Directorship – by the Company's General Director;
- for an affiliate – by the affiliate Director;
- for divisions within affiliates – by the divisions' Directors

1.7. The Procedure to Prepare Accounting Statements of the Company

The procedure to compile, submit and publish the organization's statements is specified in the Regulations for accounting statements of OJSC Rostelecom.

The Regulations were developed on the basis of the Order of the Ministry of Finance of the Russian Federation No. 43n "On approval of the Regulations "Accounting statements of an organization" (PBU 4/99)" of July 6, 1999, and the Methodical recommendation on compilation and submission of summary accounting statements approved by the RF Finance Ministry Order No. 112 of December 30, 1996, with regard to the specifics of organizational structure and activities of OJSC Rostelecom.

The Company applies standard forms of external accounting statements, approved by the Ministry of Finance of the Russian Federation.

The accounting statements of OJSC Rostelecom are formed by the section of summary statements and taxes computation of the accounting service on the basis of internal accounting and reporting documents developed to ensure a centralized procedure of statements formation. The internal reporting and accounting forms shall not be provided to external users. The internal reporting documents are collected and processed in accordance with the documents circulation procedure developed by the Company.

1.8. Company's Working Plan of Accounts

All divisions of the Company use a uniform working plan of accounts in accounting, which is mandatorily applied by all employees of the Company's accounting service. These operations are guided by its internal documents – the working plan of accounts and the instruction for its application.

The revisions of the working plan of accounts are approved by the General Director of the Company. The divisions of OJSC Rostelecom have the right to add to and extend the analytical accounts to enhance the effectiveness of accounting. The information arriving in the section of summary statements and taxes computation shall be formed on the basis of uniform working plan of accounts.

1.9. Procedure for Control Economic Operations

To ensure safety of property, observance of the law, and expediency of financial and economic activities of the organization, and also to procure reliable accounting and reporting data, an internal auditing system is established in the organization. The structure and composition of the controlling

bodies, their functions, the procedures of their activities and other issues are specified in the Regulations for The Internal Auditing System in OJSC Rostelecom.

2. Methodical Aspects of Accounting Policies

2.1. Procedure for Intangible Assets Accounting

The intangible assets of the organization are taken into account on the basis of the Regulations for Intangible Assets Accounting in OJSC Rostelecom. The Regulations are developed on the basis of the Regulations "Intangible Assets accounting" PBU 14/2000", approved by the Order of the Ministry of Finance of the Russian Federation No. 91n of October 16, 2000.

The assets shall be accepted for accounting as intangible if the following conditions are simultaneously met:

- no material (physical) structure;
- can be identified (isolated, separated) from other property;
- are used in production, performance of works or rendering of services, or for managerial purposes;
- have a useful life of more than 12 months or a usual operational cycle if the latter is longer than 12 months;
- no resale of this property is planned;
- are capable of yielding economic profit (income) in the future;
- availability of properly executed documents, which confirm the existence of the asset and the organization's exclusive right to the results of intellectual activity (patents, certificates, other protective documents, an agreement of assignment (acquisition) of patent, trade mark, etc.).

The intangible assets are accepted for accounting at their original cost.

The sum of depreciation charges on intangible assets is determined monthly as per the norms calculated on the basis of their original cost and their useful life, using a linear method.

The intangible assets' useful life is estimated based on:

- the term of patent (certificate) or other limitations of the service life of intellectual property objects in accordance with the legislation of Russian Federation;
- the expected useful life of the object, during which the organization will be able to earn economic profit (income). The expected useful life of the intangible assets shall be estimated by a specially appointed commission in accordance with the Regulations for the intangible assets accounting and shall be approved by the General Director of the Company.

For the intangible assets the useful life of which cannot be determined, the depreciation accrual norms are set on the expectation term of 20 years.

The redemption of intangible assets value is reflected by accumulating accrued depreciation sums on account 05 "Intangible assets depreciation".

2.2. Procedure for Fixed Assets Accounting

The fixed assets are taken into account on the basis of Regulations for Fixed Assets Accounting in OJSC Rostelecom. The Regulations were developed with regard to the Regulations "Fixed Assets Accounting" (PBU 6/01), approved by the Order of the Ministry of Finance of the Russian Federation No. 26n of March 30, 2001, other normative documents on accounting, and the specifics of organization's activities.

2.2.1. The Procedure for Classing Assets as Fixed

The fixed assets are the Company's assets with respect to which the following conditions are simultaneously met:

- are used in production of goods, performing works or rendering services, or for the organization's managerial purposes;
- are used during a long term, i.e. have useful life of more than 12 months or a usual operational cycle if the latter is longer than 12 months;
- no resale of this property is planned by the organization;
- are capable of yielding economic profit (income) to the organization in the future;

The fixed assets include: buildings, structures, materials-working machinery and equipment, power plants and equipment, metering and regulating instruments and devices, computer equipment, transportation facilities, tools, production and household implements and accessories, work, productive and breeding stock, perennial planting, intra organization roads and other objects as listed in the Russian classifier of fixed assets (OKOF) (approved by the Decision No. 359 of the RF State Committee for Standardization of December 26, 1994).

Also taken into account as fixed assets are: capital investments in land reclamation (draining, irrigation, and other reclamation works); capital investments in leased fixed asset objects; land plots, nature resources (water, mineral resources and other natural resources). Land plots, forests and water holdings, and mines handed over to the enterprise for utilization are taken into account off-balance-sheet and only in kind by their areas.

Fixed assets are registered on the basis of transfer-for-operation reports. Thus, the objects kept in warehouse are taken into account with investment in capital assets until they are transferred for operation.

Starting from January 1, 2002, immovable objects are accounted as fixed assets at the moment of documents submission for registration of immovable objects. The immovables (real estate) include the objects firmly linked with land (buildings, structures), the movement of which causes freeing of land plots.

Formation of inventory object is performed with regard to the Recommendations on Organization of Fixed Assets (Funds) Accounting at Telecommunication Enterprises and Organizations approved by the USSR Ministry of Communications on June 30, 1988.

2.2.2. Fixed Assets Evaluation Procedure

The fixed assets are accepted for accounting at their original cost.

The sum of actual organization's expenses on its acquisition, building, manufacturing, and bringing to the usable condition, excluding the value-added tax and other refundable taxes (except for the cases envisaged by the legislation of the Russian Federation) is accounted as the original cost.

For financial lease property acquired before January 1, 2002, the previous accounting treatment is maintained:

- the cost of fixed assets acquired under a financial lease contract is determined basing on the amount of lease payments under the contract,
- the expenses incurred by the organization as the lessee in acquiring financial lease property are accounted as capital expenses and constitute a separate inventory object of fixed assets.

The cost of a fixed asset acquired under a financial lease contract concluded after January 1, 2002, is determined by the amount of financial lease payments under the contract. On the accounts 08 and 01

(provided that the property is accounted on the balance sheet of OJSC Rostelecom as the lessee), the sum of lessor's expenses on acquisition of the fixed asset (excluding the sums of taxes taken into account with expenses) and the remuneration of lessor's services are taken into account independently. The expenses incurred by the organization as the lessee in acquiring financial lease property are accounted as capital expenses and constitute a separate inventory object of fixed assets.

2.2.3. The Procedure for Accruing Depreciation for Fixed Assets

Depreciation for fixed asset objects is accrued using a linear method based on the original value or the current (recovery) value (in the case of re-evaluation) of the fixed asset object and the depreciation rate calculated basing on the object's useful life.

The fixed asset objects costing up to 10 thousand rub., which are transferred for operation starting from January 1, 2002, are allocated to the debit of the expenses account at the moment of their transfer for operation. Accounting of such objects off-balance sheet is organized.

Depreciation for fixed asset objects put into operation before January 1, 2002, is accrued using a linear method based on the useful life established at the object's acceptance for accounting. The fast depreciation mechanism introduced by the Decision of the Government of the Russian Federation No. 967 "On Using the Fast Depreciation Mechanism and Re-evaluation of Fixed Assets" of August 19, 1994, and the Letter of the Ministry of Communications of the Russian Federation No. 24-u "On Depreciation of the Fixed Assets Active Component" of February 10, 1995, is not applied starting from January 1, 2002.

The useful life of fixed asset objects commissioned after January 1, 2002, is established at the object's registration within the time limits specified for the relevant depreciation group, as selected for such object based on the classification determined by the RF Government Decision No. 1 "On classification of fixed assets included in depreciation groups" of January 1, 2002.

For the fixed assets excluded from this classification, the useful life is determined based on:

- the object's expected service life in accordance with its expected capacity or power;
- expected physical wear and tear depending on the mode of operation (the number of shifts), the ambient conditions and the effect of corrosive environment, the repair system;
- normative and legal and other limitations on the object's utilization (for example, the term of lease).

For depreciable fixed assets that are the subject of a financial lease contract, application of a special coefficient (no higher than 3) to the basic depreciation rate is determined by the terms of contract.

2.3. Procedure for Inventory Accounting

2.3.1. The Procedure for Classing Property as Inventories

The Company takes into account its inventories on the basis of the Regulations for Inventory Accounting in OJSC Rostelecom.

The Regulations were prepared with regard to the Regulations for Inventory Accounting PBU 5/01, approved by the Order of the Ministry of Finance of the Russian Federation No. 44n of June 9th, 2001, other accounting documents, and the specifics of Company's activities.

The inventories include the following assets of the Company:

- used as raw or other materials, etc. in producing goods for sale (performing works, rendering services);

- intended for sale;
- used for the organization's managerial purposes.

The Company's assets used in producing goods, performing works or rendering services or else for the organization's managerial purposes for a period exceeding 12 months or a usual operating cycle if the latter exceeds 12 months are not classed as inventories, except when under the capital asset classifier (The Russian Classifier of Capital Assets OK 013-94; approved by the Decision of the State Committee for Standardization of the Russian Federation No. 359 of December 26, 1994; effective date January 1, 1996.; as amended on April 14, 1998) the object is not classed as a capital asset.

The asset types taken into account as inventories are listed in the Appendix to the Regulations for inventory accounting of OJSC Rostelecom.

As production assets are transferred for operation, their value is allocated to the debit of expenses account. The operating objects are taken into account off-balance-sheet.

2.3.2. The Procedure to Assess Inventories Reflecting Operations of their Procurement or Acquisition

The inventories are accepted for accounting at the actual cost of their acquisition or manufacture.

The actual cost of inventories shall be determined in accordance with the relevant normative documents on accounting. The sum of actual expenses on acquisition includes the sum differences and interest on the credit (loan) used to acquire the inventories, until the moment of inventories arriving to the location of their actual utilization.

The actual cost is estimated using the balance sheet account 15 "Procurement and Acquisition of Materials and Capital Equipment".

On account 15 "Procurement and Acquisition of Materials and Capital Equipment" the full actual cost of inventories – materials and goods – is calculated.

The purchase value of inventories, with respect to which suppliers' settlement documents have arrived to the organization, and other expenses related to acquisition of materials and capital equipment are recognized as debit items.

Since the inventories are taken into account at their actual cost, the sums recognized as debit items of account 15 for specific types of inventories are written down from the credit of account 15 to the debit of the corresponding subaccounts 10 "Materials" and 41 "Goods" in their total amounts.

The writing-down of the actual cost of centrally procured inventories to the debit of relevant accounts is effected by OJSC Rostelecom accounting service section belonging to the Company's structural division, in which the inventories' utilization is contemplated.

The balance on account 15 "Procurement and Acquisition of Materials and Capital Equipment" at the end of relevant month indicates that some inventories are on the way.

The sum differences, interest on the credit (loan) used to acquire the inventories, and the other expenses related to inventory acquisition but excluded from the inventory cost are written down in their totality to account 91 "Other Incomes and Expenses".

The finished products are taken into account at the actual cost of manufacture without using account 40 "Output of Products (Works, Services)".

2.3.3. The Procedure to Evaluate Individual Inventory Types at Writing-Down

When inventories are brought into operation or otherwise disposed of, they are evaluated at the cost of each unit.

2.4. Procedure for Conversion of Assets and Liabilities Denominated in Foreign Currency

The values of the Company's cash on hand, the funds on accounts with credit organizations, money equivalents and payment documents, short-term securities, funds in settlements (including those on loan commitments) with legal entities and individuals, the balances of purpose financing funds received from the budget or foreign sources as part of technical or other assistance rendered to the Russian Federation in accordance with the agreements (contracts) concluded, which are denominated in foreign currencies, are converted in rubles as of the date when the operation in foreign currency was effected and also as of the reporting date of accounting statements.

2.5. Income Formation Procedure

Increase of the Company's economic profits due to receipt of assets (money or other property) and/or redemption of liabilities, which leads to a growth of the organization's capital, excluding the holdings of participants (owners of property), is accounted as the Company's incomes.

The Company's incomes, depending on their nature, the conditions of receipt, and the directions of organization activity, fall into the following categories:

- incomes from customary activities;
- other incomes.

The additional criterion of incomes being classed as the incomes from customary activities is their regular receipt.

For the purpose of income accounting, the Company's customary activities are subdivided into the profile and non-profile activities:

The profile activities are those directly linked with provision of communication services. The other activities are non-profile.

Customary activities:

Profile activities:

- Long distance telephony services
- International telephony services
- Document communication services
- Provision of communications service
- Local telephony services
- Provision of connection
- Television and broadcasting services
- Leasing communication equipment and structures
- Operation and maintenance of communication equipment and structures
- Other communication services

Non-profile activities:

- Leasing other assets
- Transportation services
- Heat supply services
- Cold water supply services
- Hot water supply services

- Power supply services
- Construction and installation works
- Repair works
- Publishing activities
- Design and exploration works
- Research and development
- Preparation of advertisement products
- Services of training centers
- Certification services
- Public catering services
- Trading services
- Farming services
- Health care services
- Holiday center services
- Children's health centers services
- Services of sports facilities
- Educational services
- Cultural and instruction services
- Hiring of housing
- Utilities
- Other services

The incomes other than those from customary activities are accounted as other incomes. The other incomes include the operational, non-sale, and extraordinary incomes.

The income accounting treatment is specified in the regulations on income accounting.

The incomes received by the organization from granting for a charge of rights arising from patents for inventions, industrial design and other types of intellectual property as well as from participation in charter capitals of other organizations are taken into account with the operational incomes.

The interest on the commercial credits granted are taken into account with the operational incomes.

The positive exchange rate difference on foreign currency accounts and operations is accounted with the organization's non-sale incomes and is carried as income to account 91 "Other Incomes and Expenses" for the reporting period in which it arose.

Any sum differences are linked by the organization with the liabilities in connection with which deferred payments occurred. The sum differences are not calculated with advance calculation patterns.

The sum difference arising ruble settlements when the liabilities are expressed in foreign currency is taken into account:

- in the property cost if it arose before the moment of the relevant objects being recognized in the balance sheet.
- with the non-sale incomes if it arose after the relevant objects were recognized in the balance sheet or its occurrence is not connected with acquisition of assets.

2.6. Expense Formation Procedure

The expenses are taken into account by the organization on the basis of Regulations for expenses accounting in OJSC Rostelecom. The Regulations were developed basing on the Accounting Regulations "Expenses of Organization" PBU 10/99 approved by the Order of the Ministry of Finance of the Russian Federation No. 33n of May 6, 1999, (as amended by the Orders of the Ministry of Finance of the Russian Federation No. 107n of December 30, 1999, No. 27n of March 30, 2001), other accounting documents, and specifics of the Company's organizational structure and activities.

Decrease of the Company's economic profits due to disposal of assets (money or other property) and/or occurrence of liabilities, which leads to a decrease of the organization's capital, excluding the reduction of contributions to the charter capital upon the decision of participants (owners of property), is accounted as the Company's expenses.

The Company expenses, depending on their nature, the conditions of disposal, and the directions of organization activity, fall into:

- expenses on customary activities;
- other expenses including:
 - operational expenses;
 - non-sale expenses;
 - extraordinary expenses.

The expenses on customary activities are accepted for accounting in the sum calculated in monetary expression and equal to the amount of payments in monetary or other form or the amount of accounts payable.

For the purpose of expense accounting, the Company's customary activities are subdivided into the profile and non-profile activities.

The profile activities are those directly linked with provision of communication services. The other activities are non-profile.

The expenses other than those on customary activities are classed as other expenses.

The expenses incurred by the organization and connected with granting for a charge of rights arising from patents for inventions, industrial specimens and other types of intellectual property as well as with participation in charter capitals of other organizations are taken into account with the operational expenses.

The expenses on current repair and overhauling of fixed assets are accounted in their totality in the reporting period.

The interest on loans and credits received is taken into account:

- within the property cost if they are accrued before the relevant objects are recognized in the balance sheet;
- within the operational expenses if they are accrued after the relevant objects are recognized in the balance sheet or the credits/loans are not linked with acquisition of assets.

Interest accrual is reflected in the accounting in accordance with the terms of concluded contracts.

The negative exchange rate difference on foreign currency accounts and operations is recognized with the organization's non-sale expenses and is carried as expense to account 91 "Other Incomes and Expenses" for the reporting period in which it arose.

Any sum differences are linked by the organization with the liabilities on which deferred payments occurred. The sum differences are not calculated with advance calculation schemes.

The sum difference arising with ruble settlements when the liabilities are denominated in foreign currency is taken into account:

- in the property cost if it arose before the moment of the relevant objects being reflected in the balance sheet.
- within the non-sale expenses if it arose after the relevant objects were recognized in the balance sheet or its occurrence is not connected with acquisition of assets.

2.7. The Order of Production Expenses Accounting and Calculation of the Cost of Products (Works, Services)

For the purposes of the organization estimating the financial result of its customary activities the cost of sold goods, products, works, and services is determined, which is formed on the basis of expenses of customary activities accounted both in the reporting year and in the previous reporting periods and also carry-over expenses related to receipt of incomes in the subsequent reporting periods, with regard to adjustments depending on the specifics of production of goods, performance of works and provision of services and their sale and also on the actual sale (resale) of goods.

The following accounts are used for accounting production expenses: No. 20 "Production Expenses", No. 26 "General Economic Expenses", No. 44 "Sale-related Expenses".

Account No. 20 "Production Expenses" reflects, in particular:

- the expenses on communication services (including operational costs), which are related to maintaining a communication network in a functional state and do not depend on the volume and the timing of repayment of the communication services provided in the reporting period;
- the expenses related to lease of property;
- the expenses of the Company's ancillary productions on providing transportation facilities, equipment repair works, and other ancillary works to the main activity divisions;
- the expenses of the Company's ancillary productions on providing services to outside customers;
- the expenses of the Company's servicing productions and enterprises on providing social services to the main activity divisions;
- the expenses of the Company's servicing productions and enterprises on providing services and works to outside customers. The servicing productions and enterprises are those whose activities are not linked with the Company's main activity. Those include the municipal housing and utilities (operation of housing, boarding houses, bath-houses, laundries, etc.), domestic services, canteens and snack-bars, children day-care centers, rest houses, sanatoria, cultural and consumer institutions and children's summer camps put on the balance sheet.

For the purposes of compiling the Company's accounting statements, two calculation objects are selected: the profile activities and the non-profile activities.

The expenses of ancillary and servicing productions are distributed between individual activities on the basis of calculating a distribution base. The distribution base depends on the type of ancillary and servicing productions. The calculations are made in the division where these activities are performed.

The analytical accounting on account 20 "Production Expenses" is effected in accordance with analytical indices: the type of production (main, ancillary, servicing), the activity direction (to Company's divisions, to outside customers), the service type (as per services classification), the item of expenses.

The managerial and commercial expenses are recognized as reporting period expenses and are written down in their totality to decrease of revenues from sales of products.

The organization does not apply the accounts 46 "Completed Stages of Unfinished Works" and 40 "Output of Products (Works, Services)".

2.8. Procedure for Future Expense Accounting

The expenses of future periods are taken into account by the Company on the basis of the Regulations for Future Expense Accounting in OJSC Rostelecom. The Regulations were prepared on the basis of normative accounting documents with regard to the specifics of organization's activities.

The future period expenses are the costs incurred by the organization in the reporting period, whose accounting as expenses (or losses) is planned for the subsequent reporting periods.

If the period during which the expenses incurred are to be written down cannot be determined in a reliable manner, the settlement period is determined by a specially appointed commission and approved by an order of division head.

The future period expenses include, in particular:

- the expenses related to the mastering of new productions or product types before there are facts of their realization;
- the expenses on payment of future vacations;
- the expenses on acquisition of licenses.

The sums of advance payments on agreements of lease, subscription, education, etc. are not taken into account with the future period expenses. Such expenses are taken into account with the originated advance payments.

The future period expenses are taken into account without regard to the value-added tax and other refundable taxes.

2.9. Procedure for Received Credits and Loans Accounting

The Company's indebtedness on the credits and loans received are divided into the short-term and long-term payables. The short-term payables on the credits and loans received have payment terms not exceeding 12 months under the provisions of agreement. The long-term payables on the credits and loans received have payments terms in excess of 12 months under the terms of agreement. Within the long-term indebtedness on credits and loans, a part of indebtedness is isolated which is intended for settlement in the next reporting year, it is reflected in the financial statements at the end of reporting year with the short-term indebtedness.

The extra expenses linked with attraction of loans and credits or placement of borrowing liabilities are recognized as the expenses of the reporting period in which they were incurred.

2.10. Procedure for Organization Accounting of Operations between Divisions

Account 79 "Auxiliary Account" is introduced for accounting of settlements and information exchanges between divisions. It is intended for facilitating control functions during interaction of divisions while performing their economic activities. The account is used to:

- take into account the transfer of assets and liabilities between divisions in the course of their current activities;
- trace the division financing process;
- for the divisions to report on expending the funds they received in the way of financing.

The procedure to organize accounting of operations between divisions is regulated by the order of accounting for interaction between divisions.

2.11. Procedure for Establishing Special-Purpose Funds

The Company does not establish funds from the profits remaining at its disposal except when establishment of such funds is envisaged by the legislation or the Company's constitutive documents (reserve fund). In this case, the procedure of their establishment and use is determined based on a decision by a shareholders' general meeting.

2.12. Procedure for Reserves Establishment

The Company may establish the following reserve types:

- the reserve for impairment of investment in securities. The reserve covers the difference between the actual cost of the Company's investment in shares of other organizations quoted in the stock exchange, with quotations published on a regular basis, and their market value at the end of reporting year if the latter is below the value accepted for accounting;
- reserves for dubious debts;
- the reserve for devaluation of inventories. The reserve is formed from the organization's financial results in the amount of the difference between the current market value and the actual cost of inventories if the latter is higher than the former.

The order of reserve establishment is regulated by the Regulations for reserve formation.

2.13. Procedure for Government Assistance Accounting (the Budgetary Funds Component)

The budgetary funds (subventions, subsidies) are recognized in accounting as the actual money and non-monetary resources are received.

The Company accepts budgetary funds, including non-monetary resources, for accounting if the following conditions are met:

- there is a confidence that the organization will fulfill the conditions of such funds being granted. The confirmation may be agreements concluded by the organization, decisions taken and made public, technical and economic assessments, approved design estimates, etc.;
- there is a confidence that the given funds will be received.

The treatment for budgetary funds accounting depends neither on the type of resources granted to the Company (money, non-monetary assets) nor on the way they are granted (actual transfer, reduction of liabilities to the state).

The procedure for budgetary funds accounting is specified in the regulations for purpose financing accounting.

BALANCE SHEET

as at **September 30, 2002**

Organization: **OJSC Rostelecom**

Taxpayer Identification Number:

Type of Activity: **Telecommunications**

Organizational and legal form/ form of ownership:

Open joint-stock company

Unit of measure: **Thousand rubles**

	Codes
OKUD Form No. 1	0710001
Date (year, month, day)	
OKPO code	17514186
INN	7707049388
OKPD	52300
OKOPF/ OKFS	47/ 16
OKEI code	

ASSET	Line code	At the beginning of the reporting period	At the end of the reporting period
1	2	3	4
I. NON-CIRCULATING ASSETS			
Intangible assets (04, 05)	110	23	21
patents, licenses, trademarks (service marks), other similar rights and assets	111	23	21
formation expenses	112	-	-
goodwill	113	-	-
Fixed assets (01, 02, 03)	120	19,550,604	17,561,329
land plots and natural resources	121	116	123
buildings, plant and equipment	122	13,976,157	11,152,523
Construction in progress (07, 08, 16, 61)	130	2,950,952	3,056,591
Profitable investments in tangible assets (03)	135	-	-
property for leasing	136	-	-
property provided under lease contract	137	-	-
Long-term financial investments (06, 82)	140	1,053,469	2,333,130
investments in subsidiaries	141	63,639	77,468
investments in dependent companies	142	22,578	18,287
investments in other organizations	143	26,964	1,332,861
loans to organizations payable in more than 12 months	144	777,360	828,108
other long-term financial investments	145	162,928	76,406
Other non-circulating assets	150	-	-
TOTAL for Section I	190	23,555,048	22,951,071
II. CIRCULATING ASSETS			
Inventories	210	1,167,248	1,101,983
raw materials, consumables, and other assets (10, 12, 13, 16)	211	541,579	519,635
livestock in breeding and feeding (11)	212	44	-
work in progress costs (distribution costs) (20, 21, 23, 29, 30, 36, 44)	213	2,713	45,893
finished products and goods for resale (16, 40, 41)	214	6,549	6,041
shipped goods (45)	215	1,516	-
deferred expenses (31)	216	614,847	530,414
other reserves and expenses	217	-	-
Value-added tax on acquired assets (19)	220	2,337,482	2,033,584
Accounts receivable (payment expected more than 12 months after the reporting date)	230	834,879	653,529
buyers and customers (62, 76, 82)	231	452,606	275,039
bills of exchange receivable (62)	232	-	-
amounts owed by subsidiaries and dependent companies (78)	233	-	-
advances made (61)	234	382,273	378,490
other debtors	235	-	-
Accounts receivable (payment expected within 12 months of the reporting date)	240	6,415,733	6,549,585
buyers and customers (62, 76, 82)	241	5,359,187	4,994,194
bills of exchange receivable (62)	242	-	-
amounts owed by subsidiaries and dependent companies (78)	243	-	-
amounts owed by participants (founders) in respect of contributions to charter capital (75)	244	-	-

advances made (61)	245	457,350	731,744
other debtors	246	599,196	823,647
Short-term financial investments (56, 58, 82)	250	1,129,842	3,701,223
including:		-	-
loans to organizations payable in less than 12 months	251		
own shares redeemed from shareholders	252	-	-
other short-term financial investments	253	1,129,842	3,701,223
Monetary assets	260	1,534,000	3,421,868
cash (50)	261	1,563	2,004
settlement accounts (51)	262	723,759	2,819,966
foreign-currency accounts (52)	263	268,532	337,211
other monetary assets (55, 56, 57)	264	540,146	262,687
Other circulation assets	270	-	-
TOTAL for Section II	290	13,419,184	17,461,772
BALANCE (sum of lines 190+290)	300	36,974,232	40,412,843

LIABILITIES	Line code	At the beginning of the reporting period	At the end of the reporting period
1	2	3	4
III. CAPITAL AND RESERVES			
Charter capital (85)	410	2,429	2,429
Additional capital (87)	420	12,495,346	12,308,652
Reserve capital (86)	430	364	364
statutory reserves	431	364	364
reserves formed in accordance with foundation documents	432	-	-
Social fund (88)	440	-	-
Special-purpose financing and receipts (96)	450	-	-
Retained earnings of previous years (88)	460	4,848,241	3,591,681
Uncovered losses of previous years (88)	465	(1,047,412)	-
Undistributed profit of the reporting year (88)	470	-	4,900,818
Uncovered losses of the reporting year (88)	475	-	-
TOTAL for Section III	490	16,298,968	20,803,944
IV. LONG-TERM LIABILITIES			
Loans and credits (92, 95)	510	1,542,528	1,055,431
bank credits repayable more than 12 months after the reporting date	511	-	-
loans repayable more than 12 months after the reporting date	512	1,542,528	1,055,431
Other long-term liabilities	520	7,796,449	7,013,466
TOTAL for Section IV	590	9,338,977	8,068,897
V. SHORT-TERM LIABILITIES			
Loans and credits (90, 94)	610	5,319,106	4,404,667
bank credits repayable within 12 months of the reporting date	611	777,186	274
loans repayable within 12 months of the reporting date	612	4,541,920	4,404,393
Accounts payable	620	5,586,754	6,460,202
suppliers and contractors (60, 76)	621	348,716	222,615
bills of exchange payable (60)	622	-	-
amounts owed to subsidiaries and dependent companies (78)	623	-	-
amounts owed to employees (70)	624	49,395	93,798
amounts owed to state extrabudgetary fund (69)	625	28,995	55,438
amounts owed to the budget (68)	626	307,028	1,215,107
advances received (64)	627	60,726	80,611
other creditors	628	4,791,894	4,792,633
Income payable to participants (founders) (75)	630	20,492	299,349
Deferred income (83)	640	409,935	375,784
Provisions for expenses (89)	650	-	-
Other short-term liabilities	660	-	-
TOTAL for Section V	690	11,336,287	11,540,002
BALANCE (sum of lines 490 + 590 + 690)	700	36,974,232	40,412,843

**STATEMENT
OF ASSETS ON OFF-BALANCE ACCOUNTS**

Item	Line code	At the beginning of the reporting period	At the end of the reporting period
1	2	3	4
Rented fixed assets (001)	910	31,826	31,350
including leased assets	911	-	-
Valuables in custody (002)	920	4,849	3,907
Consigned goods (004)	930	104	152
Bad debts written off as losses (007)	940	6,794	6,345
Received security for obligations and payments (008)	950	132,165	132,165
Issued security for obligations and payments (009)	960	8,289,570	8,282,371
Depreciation of housing (014)	970	224,192	215,961
Depreciation of amenities and similar facilities (015)	980	590	590

STATEMENT OF PROFIT AND LOSSES

as at **9 months 2002**

Organization: **OJSC Rostelecom**

Taxpayer Identification Number:

Type of Activity: **Telecommunications**

Organizational and legal form/ form of ownership:

Open joint-stock company

Unit of measure: **Thousand rubles**

OKUD Form No. 2	Codes
Date (year, month, day)	0710002
OKPO code	17514186
INN	7707049388
OKPD	52300
OKOPF/ OKFS	47/ 16
OKEI code	

Item	Line code	For the reporting period	For the same period of the preceding year
1	2	3	4
I. Income and expenses for usual activities			
Proceeds (net) from sale of goods, products, work, services (less the VAT, excises, and similar obligatory payment)	010	15,184,056	14,293,785
Cost price of goods, products, work, and service sold	020	7,794,297	8,784,208
Gross profit	029	7,389,759	5,509,577
Trading costs	030	31,438	140,565
Management costs	040	1,238,061	1,087,707
Profit (loss) from sales (lines (010 – 020 – 030 – 040))	050	6,120,260	4,281,305
II. Operating income and expenses			
Interest receivable	060	162,612	76,370
Interest payable	070	289,969	504,939
Income from participation in other organizations	080	87,439	68,386
Other operating income	090	5,653,903	2,258,854
Other operating expenses	100	4,013,341	2,688,550
III. Non-sales income and expenses			
Non-sales income	120	439,656	767,849
Non-sales expenses	130	1,697,572	1,115,786
Profit (loss) before tax (lines (050 + 060 – 070 + 080 + 090 – 100 + 120 – 130))	140	6,462,988	3,143,489
Tax on profit and other similar compulsory payments	150	1,559,613	1,344,327
Profit (loss) from usual activities	160	4,903,375	1,799,162
IV. Extraordinary income and expenses			
Extraordinary income	170	-	-
Extraordinary expenses	180	2,557	1,253
Net profit (undistributed profit (loss) for the reporting period) (lines (160 + 170 – 180))	190	4,900,818	1,797,909

INDIVIDUAL INCOME AND EXPENSE ITEMS

Item	Line code	For the reporting period		For the same period of the preceding year	
		profit	loss	profit	Loss
1	2	3	4	5	6
Fines, penalties, and charges acknowledged by payer or payable pursuant to the decision of a court (arbitral tribunal)	210	14,362	1,020	11,690	125,450
Accumulated income (loss)	220	20,655	252,042	9,957	84,508
Compensation for losses caused by nonperformance or undue performance of obligations	230	2,911	84	671	335

Exchange-rate differences in foreign-exchange operations	240	397,324	845,320	723,917	614,235
Reduction of cost price of manufacturing inventory by the end of the reporting period	250	-	-	-	-
Write-off of receivables and payables upon expiration of limitation period	260	399	1,145	124	209