

## MTS OJSC Net Assets Evaluation as of June 30, 2006

Procedure for evaluation of JSC's net assets was approved of by joint Order № 10Н of Ministry of Finance and Order № 03-6/ПЗ of FSCM of Russia dated January 29, 2003.

As per the Procedure for evaluation of JSC's net assets approved by Order № 10Н, 03-6/ПЗ, a net asset is an amount found by deduction of company's accountable total liabilities from the company's accountable total assets.

Net assets of MTS OJSC have been calculated with reference to accounting statements as of June 30, 2006 conforming to the accounting principles adopted in Russia.

### CALCULATION OF MTS OJSC NET ASSET VALUE

Table 1, RUR, thous.

Index	Balance Line Code	As of 01.01.2006	As of 30.06.2006
<b>1. Assets</b>			
1. Intangible assets	110	669 552	633 065
2. Fixed capital assets	120	33 652 012	38 939 134
3. Construction-in-progress	130	38 026 697	46 439 774
4. Income-bearing placements into tangible assets	135	477 133	322 863
5. Long-term and short-term financial investments	140, 250	41 433 779	33 005 148
6. Other non-current assets	145, 150	712 820	1 826 713
7. Reserves	210	20 948 677	26 644 901
8. Value added tax on purchased tangible assets	220	7 344 727	7 108 156
9. Accounts receivable	240	20 391 730	28 437 126
10. Cash assets	260	846 740	14 126 455
11. Other current assets	270	-	-
<b>12. Total accountable Assets (1-11)</b>		<b>164 503 867</b>	<b>197 483 335</b>
<b>2. Liabilities</b>			
13. Long-term loan and credit liabilities	510	75 203 831	88 065 968
14. Other long-term liabilities	515, 520	867 514	966 322
15. Short-term loan and credit liabilities	610	269 510	438 249
16. Accounts payable	620	20 240 691	22 361 484
17. Dividends payable to participants (shareholders)	630	37 626	13 682 533
18. Reserves for costs to be incurred	650	1 462 796	4 803 703
19. Other short-term liabilities	660	-	-
<b>20. Total accountable Liabilities (sum of Items 13-19)</b>		<b>98 081 968</b>	<b>130 318 259</b>
<b>21. Total net assets (Item 12 - Total Assets - minus Item 20 - Total Liabilities)</b>		<b>66 421 899</b>	<b>67 165 076</b>

President of MTS OJSC

L. Melamed

Temporary acting Chief Accountant

A. Dvoretiskikh