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[www.goldentelecom.ru](http://www.goldentelecom.ru)**FOR IMMEDIATE RELEASE****Golden Telecom Reports Strong Third Quarter Results****Highlights – Third Quarter 2001 vs. Third Quarter 2000:**

- Consolidated revenue of \$37.1 million -- up 26 percent.
- Consolidated EBITDA of \$7.4 million -- up 80 percent.
- Consolidated Data and Internet revenue of \$17.3 million -- up 66 percent.
- Consolidated CLEC revenue of \$12.2 million -- up 14 percent.
- Consolidated Long Distance revenue of \$5.4 million -- up 32 percent.

**MOSCOW, Russia (November 8, 2001)** — Golden Telecom, Inc. (Nasdaq: GLDN), a leading integrated provider of voice, data and Internet services across Russia and the Commonwealth of Independent States, today reported strong results for the third quarter of 2001.

Alexander Vinogradov, Golden Telecom President and CEO, stated, "We are more than satisfied with our third quarter results. Consolidated revenue reached a new high of \$37.1 million -- up 26 percent from the same quarter last year. Our Data and Internet services business continues its excellent revenue growth -- up 66 percent from the third quarter 2000 and up 12 percent from last quarter. We are also seeing this reflected in an improvement in EBITDA, which also reached a record high."

David Stewart, Golden Telecom's CFO reported, "The integration of recent acquisitions together with our cost reduction initiatives is starting to be reflected in the results, particularly in the significant improvement in our EBITDA. EBITDA was \$7.4 million, an increase of 80 percent from the third quarter of 2000 and up 45 percent from last quarter. Additionally, we are seeing an improvement in our net loss position. Our net loss per common share improved to (\$0.08) from a net loss of (\$0.12) in the same quarter last year and improved from a net loss of (\$0.14) last quarter."

In September, 2001 Golden Telecom completed the acquisition of a 51% ownership in ADS, which owns network infrastructure in Russia's third largest city, Nizhny Novgorod. Stan Abbeoos, Golden Telecom's COO, commented, "This acquisition, together with Golden's other Nizhny Novgorod based companies gives us a significant presence in this important market and is a major step forward for our regional expansion strategy."

On November 6, 2001 Golden Telecom announced that it executed a Memorandum of Understanding with Rostelecom concerning the acquisition of Rostelecom's 50% interest in Sovintel for cash and stock. The transaction is subject to applicable corporate and governmental approval and is expected to close in the first quarter of 2002. Golden Telecom also announced that Alexander Vinogradov, currently the

General Director of Sovintel, will take over for Stewart Reich as President and Chief Executive Officer of Golden Telecom, Inc.

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**More Third Quarter 2001 Results:**

Consolidated revenues were \$37.1 million – up 26 percent compared to the third quarter of 2000, and up 9 percent compared to last quarter.

Data and Internet business line revenues were \$17.3 million – up 66 percent compared to the third quarter of 2000, and up 12 percent compared to last quarter.

Internet subscribers increased to 158,434 – up 148 percent from 63,916 subscribers at the end of the third quarter of 2000, primarily due to the Cityline acquisition and organic growth.

CLEC revenues were \$12.2 million – up 14 percent compared to the third quarter of 2000, and up 8 percent compared to last quarter.

Long Distance business line revenues were \$5.4 million – up 32 percent compared to the third quarter of 2000, and up 4 percent compared to last quarter.

Mobile Services revenues were \$3.7 million – down 20 percent compared with the third quarter of 2000, and flat compared to last quarter.

Consolidated EBITDA was \$7.4 million – up 80 percent from \$4.1 million in the third quarter of 2000, and up 45 percent compared to last quarter.

The net loss for the period was (\$1.9) million, a 46 percent improvement from a (\$3.5) million loss last quarter -- compared to a net loss of (\$2.9) million reported in the third quarter of 2000. The decrease in net loss was achieved through the improved operational performance partly offset by reduced interest income and an increase in provision for income taxes. Equity in earnings of ventures was \$2.4 million compared to equity in earnings of ventures of \$0.1 million in the third quarter of 2000. Golden Telecom's share of the losses from MCT Corp. were more than offset by the improved net income from Sovintel.

The net loss per common share was (\$0.08) compared to a net loss of (\$0.12) for the third quarter of 2000. The weighted-average number of shares outstanding decreased to 22.9 million compared to 24.1 million in the third quarter of 2000, following the buyback of shares from GTS.

Golden Telecom closed the quarter with \$43.0 million in consolidated cash. For further clarity into our overall financial performance we have provided a condensed consolidated cash flow statement. The purchase of treasury stock, shown in the cash flow statement, refers to the buyback of 2,272,727 shares from GTS for a total sum of \$25.0 million that was completed in July 2001.

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**About Golden Telecom ([www.goldentelecom.ru](http://www.goldentelecom.ru))**

Golden Telecom, Inc., NASDAQ "GLDN" is a leading facilities-based provider of integrated telecommunications and Internet services in major population centers throughout Russia and other countries of the Commonwealth of Independent States (CIS). The company offers competitive local exchange carrier services using its overlay network in Moscow, Kiev and Saint Petersburg; data and long-distance services using a fiber optic and satellite-based network – including more than 135 combined access points in Russia and other countries of the CIS; dedicated and dial-up Internet access to businesses and consumers; Internet content through numerous web brands powered by its Russia-On-Line portal; and mobile services.

**Statements made in this press release, including the possible purchase of Sovintel, are forward looking and are made pursuant to the safe harbor provisions of the Securities Litigation Reform Act of 1995. It is important to note that such statements involve risks and uncertainties, which may cause results to differ materially from those set forth in these statements. Such risks and uncertainties include, but are not limited to, political, economic and regulatory developments in the markets where we operate, especially Russia, our ability to execute our business plan, increasing competition that may limit growth opportunities, especially in the Internet and data transmission services and the Sovintel transaction described above may not be consummated. Additional information concerning factors that could cause results to differ materially from those in the forward looking statements is contained in the Company's filing with the U.S. Securities and Exchange Commission of the Company's annual report on Form 10-K for the year ended December 31, 2000, quarterly report on Form 10-Q for the quarter ended June 30, 2001 and Form S-8 filed on October 23, 2001.**

– TABLES ATTACHED –

Golden Telecom, Inc.  
Condensed, Consolidated Statement of Operations (unaudited)  
(Amounts in millions, except per share data)

	Three Months Ended:		Nine Months Ended:	
	9/30/00	9/30/01	9/30/00	9/30/01
Revenues	\$ 29.4	\$ 37.1	\$ 80.6	\$ 103.3
Operating costs and expenses:				
Access and network services	13.3	16.9	35.4	47.6
Selling, general and administrative	12.0	12.8	33.0	38.3
EBITDA <sup>1</sup>	4.1	7.4	12.2	17.4
Depreciation and amortization	8.2	10.5	23.1	30.6
Loss from operations	( 4.1 )	( 3.1 )	( 10.9 )	( 13.2 )
Other income/(expense):				
Equity in earnings/(losses) of ventures	0.1	2.4	( 1.0 )	5.2
Foreign currency gains/(losses)	0.4	( 0.1 )	—	( 0.4 )
Interest income/(expense), net	1.4	—	4.9	1.2
Other expense	—	—	( 0.1 )	—
Minority interest	( 0.2 )	—	( 0.4 )	—
Total other income/(expense)	1.7	2.3	3.4	6.0
Net loss before income taxes	( 2.4 )	( 0.8 )	( 7.5 )	( 7.2 )
Income taxes	0.5	1.1	0.6	2.1
Net loss	<u>\$ ( 2.9 )</u>	<u>\$ ( 1.9 )</u>	<u>\$ ( 8.1 )</u>	<u>\$ ( 9.3 )</u>
Net loss per share	<u>(\$0.12)</u>	<u>(\$0.08)</u>	<u>(\$0.34)</u>	<u>(\$0.39)</u>
Weighted average common shares	<u>24.1</u>	<u>22.9</u>	<u>24.1</u>	<u>24.1</u>

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Golden Telecom, Inc.  
Condensed, Consolidated Balance Sheet  
(Amounts in millions)

	<u>12/31/00</u> <u>(audited)</u>	<u>09/30/01</u> <u>(unaudited)</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 57.9	\$ 43.0
Investments held for sale	54.3	—
Accounts receivable, net	19.3	20.0
Prepaid expenses and other assets	9.9	12.4
Total current assets	<u>141.4</u>	<u>75.4</u>
Property and equipment, net	82.4	106.4
Goodwill and intangible assets, net	70.0	83.6
Investments in and advances to ventures	49.6	53.8
Restricted cash and other assets	<u>5.0</u>	<u>6.9</u>
<b>TOTAL ASSETS</b>	<u>\$ 348.4</u>	<u>\$ 326.1</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable and accrued expenses	\$ 28.3	\$ 34.3
Debt maturing within one year	3.3	10.1
Other current liabilities	9.8	9.7
Total current liabilities	41.4	54.1
Long-term debt	15.7	4.2
Other liabilities	<u>4.8</u>	<u>13.6</u>
<b>TOTAL LIABILITIES</b>	61.9	71.9
Minority interest	3.3	4.5
<b>SHAREHOLDERS' EQUITY</b>		
Common stock	0.2	0.2
Treasury stock	—	( 25.0 )
Additional paid-in capital	412.8	413.6
Accumulated deficit	<u>( 129.8 )</u>	<u>( 139.1 )</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<u>283.2</u>	<u>249.7</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<u>\$ 348.4</u>	<u>\$ 326.1</u>

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Golden Telecom, Inc.  
Condensed, Consolidated Cash Flow  
(Amounts in millions)

	Nine Months Ended:	
	09/30/00 (unaudited)	09/30/01 (unaudited)
NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES	\$ 16.1	<b>19.1</b>
INVESTING ACTIVITIES		
Purchase of property, equipment and intangible assets	( 31.9 )	( <b>23.6</b> )
Acquisitions, net of cash acquired	( 4.2 )	( <b>34.6</b> )
Proceeds from investments available for sale	—	<b>54.3</b>
Convertible loan to MCT Corp.	( 9.0 )	—
Other investing	( 3.5 )	<b>0.9</b>
NET CASH USED IN INVESTING ACTIVITIES	( 48.6 )	( <b>3.0</b> )
FINANCING ACTIVITIES		
Proceeds from debt	22.2	<b>1.4</b>
Repayments of debt	( 20.3 )	( <b>7.0</b> )
Purchase of treasury stock	—	( <b>25.0</b> )
Other financing	—	( <b>0.3</b> )
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	1.9	( <b>30.9</b> )
Effects of exchange rate changes on cash and cash equivalents	—	( <b>0.1</b> )
Net increase (decrease) in cash and cash equivalents	( 30.6 )	( <b>14.9</b> )
Cash and cash equivalents at beginning of period	162.7	<b>57.9</b>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 132.1</u>	<u>\$ <b>43.0</b></u>



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Golden Telecom, Inc.  
Line-of-Business Statistics (unaudited)  
(Amounts in millions)

	<b>Consolidated</b>		
	Three Months Ended:		
	<u>9/30/00</u>	<u>6/30/01</u>	<u>9/30/01</u>
Revenues			
CLEC	\$ 10.7	\$ 11.3	\$ 12.2
Data and Internet	10.4	15.4	17.3
Long distance	4.1	5.2	5.4
Mobile services	4.6	3.7	3.7
Eliminations	( 0.4 )	( 1.7 )	( 1.5 )
Total revenues	<u>\$ 29.4</u>	<u>\$ 33.9</u>	<u>\$ 37.1</u>
EBITDA <sup>1</sup>			
CLEC	\$ 5.2	\$ 5.3	\$ 6.0
Data and Internet	1.0	0.9	3.1
Long distance	( 0.4 )	0.4	0.3
Mobile services	1.3	1.1	1.3
Corporate	( 3.0 )	( 2.6 )	( 3.3 )
Total EBITDA	<u>\$ 4.1</u>	<u>\$ 5.1</u>	<u>\$ 7.4</u>
	<b>Proportional</b>		
	Three Months Ended:		
	<u>9/30/00</u>	<u>6/30/01</u>	<u>9/30/01</u>
Revenues <sup>2</sup>			
CLEC	\$ 16.3	\$ 22.3	\$ 23.2
Data and Internet	10.0	12.6	15.1
Long distance	4.3	4.7	4.8
Mobile services	5.6	2.6	2.5
Total revenues	<u>\$ 36.2</u>	<u>\$ 42.2</u>	<u>\$ 45.6</u>
EBITDA <sup>3</sup>			
CLEC	\$ 8.3	\$ 9.7	\$ 11.0
Data and Internet	0.9	0.8	2.8
Long distance	( 0.2 )	0.6	0.6
Mobile services	1.8	0.7	0.9
Corporate	( 3.0 )	( 2.6 )	( 3.3 )
Total EBITDA	<u>\$ 7.8</u>	<u>\$ 9.2</u>	<u>\$ 12.0</u>

The following table presents selected operating data<sup>4</sup> related to our consolidated and non-consolidated ventures at and for the periods shown:

	Three Months Ended:		
	<u>09/30/00</u>	<u>6/30/01</u>	<u>09/30/01</u>
Points of presence	126	139	<b>139</b>
Total voice minutes (millions)			
Local	81.9	90.7	<b>93.1</b>
Domestic long distance	34.4	53.2	<b>70.2</b>
International outgoing	23.3	28.6	<b>38.4</b>
Incoming	43.8	71.6	<b>66.0</b>
Dial-up Internet access subscribers <sup>5</sup>	63,916	152,702	<b>158,434</b>
Total active cellular subscribers	32,663	40,869	<b>38,073</b>
Total employees – consolidated entities	775	1,235	<b>1,265</b>
Total employees – non-consolidated entities	482	512	<b>524</b>

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EDN Sovintel, LLC  
Condensed Statement of Operations (unaudited)  
(Amounts in millions)

	Three Months Ended:		Nine Months Ended:	
	9/30/00	9/30/01	9/30/00	9/30/01
Revenues	\$ 22.9	\$ 30.2	\$ 68.2	\$ 84.0
Operating costs and expenses:				
Access and network services	11.5	16.2	35.5	46.5
Selling, general and administrative	4.2	3.2	12.4	10.0
EBITDA <sup>1</sup>	7.2	10.8	20.3	27.5
Depreciation	2.0	2.0	6.1	6.9
Income from operations	5.2	8.8	14.2	20.6
Other income/(expense):				
Foreign currency losses	( 0.3 )	( 0.2 )	( 0.6 )	( 0.3 )
Interest income/(expense), net	—	0.1	( 0.1 )	0.2
Total other income/(expense)	( 0.3 )	( 0.1 )	( 0.7 )	( 0.1 )
Net income before income taxes	4.9	8.7	13.5	20.5
Income taxes	2.1	2.2	6.3	5.6
Net income	<u>\$ 2.8</u>	<u>\$ 6.5</u>	<u>\$ 7.2</u>	<u>\$ 14.9</u>

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EDN Sovintel, LLC  
Condensed Balance Sheet  
(Amounts in millions)

	12/31/00 (audited)	09/30/01 (unaudited)
<b>ASSETS</b>		
Current assets		
Cash	\$ 4.0	\$ 12.4
Accounts receivable, net	13.1	15.2
Prepaid expenses and other current assets	8.8	12.4
Total current assets	<u>25.9</u>	<u>40.0</u>
Property and equipment, net	51.3	57.4
Other non-current assets	2.2	2.1
<b>TOTAL ASSETS</b>	<u>\$ 79.4</u>	<u>\$ 99.5</u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
Current liabilities		
Accounts payable and accrued expenses	\$ 9.1	\$ 16.0
Debt maturing within one year	0.7	—
Other current liabilities	2.8	5.3
Total current liabilities	12.6	21.3
Other liabilities	1.6	2.1
<b>TOTAL LIABILITIES</b>	14.2	23.4
<b>TOTAL MEMBERS' EQUITY</b>	<u>65.2</u>	<u>76.1</u>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<u>\$ 79.4</u>	<u>\$ 99.5</u>

**Notes to data for Golden Telecom and Sovintel:**

1. EBITDA is earnings/(loss) from operations before interest, taxes, depreciation and amortization, foreign currency gains/(losses), other (expense)/income and non-recurring expenses. EBITDA is a measure of a company's performance commonly used in the telecommunications industry, but should not be construed as an alternative to net income/(loss) determined in accordance with generally accepted accounting principles (GAAP) as an indicator of operating performance or as an alternative to cash from operating activities determined in accordance with GAAP as a measure of liquidity.
2. Proportional revenue is calculated using the actual revenues for each entity, net of intercompany revenues, multiplied by the ownership percentage held by GTI as of September 30, 2001. MCT is excluded from the calculation.
3. Proportional EBITDA is calculated using the actual EBITDA for each entity multiplied by the ownership percentage held by GTI as of September 30, 2001. MCT is excluded from the calculation.
4. MCT is not included in the operating data shown. Operating data for the three months ended September 30, 2000 has been restated to exclude the Russian mobile ventures, which were involved in the transaction with MCT.
5. Dial-up Internet subscribers is the number of users (or logins) who have logged on to the system during the month in question, regardless of whether they are enabled or disabled at month end. It specifically excludes "on-trial" users, free users and internal users.

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