

The number of Russian cellular customers grew 5% in March to reach 85.6 mln.

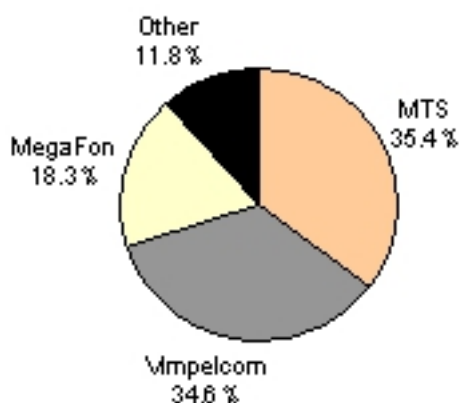
There were 59 SIM cards issued per 100 of population as of 31 March 2005 (compared to 29 in March 2004 and 51 at the end of 2004).

**Russian Mobile Subscribers**

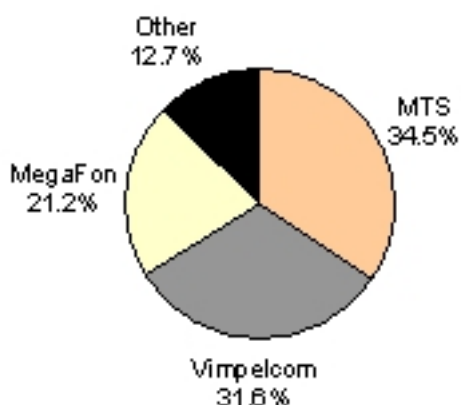
Mobile Subscribers	March 31, 2005	February 28, 2005
Total Russia	85,560,000	81,700,000
Penetration*	58.9%	56.3%
Moscow	18,608,083	18,129,914
Penetration*	109.6%	106.7%
St.Petersburg	6,053,309	5,911,085
Penetration	95.5%	93.2%
Subscribers outside Moscow and St.Pete	60,898,608	57,659,001
Penetration	50.0%	47.3%

*\* Please note that penetration figures are calculated based on official data from 2002 population census (17 mln for Moscow and 6.3 mln for St.Pete). Reportedly, the population in Moscow License Area reaches as high as 23-25 mln while St.Pete License Area population figure is above 7 mln.*

**Russian Cellular  
Market Breakdown, March 2005**



**Russian Net Additions,  
March 2005**



**Top 10 Mobile Operators**

#	Company	March 31, 2005	February 28, 2005
1	MTS	40,085,000	38,480,000
	Moscow	8,110,000	7,955,000
	Ukraine (UMC)	8,080,000	7,895,000
	Belarus	1,400,000	1,328,000
	Uzbekistan	352,000	337,000
2	Vimpelcom	30,750,000	29,450,000
	Moscow	8,120,000	7,945,000
	Kazakhstan	1,131,000	1,055,000
3	MegaFon	15,684,945	14,867,250
	Moscow	2,255,879	2,127,996
	Tajikistan	50,138	49,212
4	Uralsvyazinform	2,400,000	2,283,100
5	SMARTS Group	2,101,000	2,010,000
6	Tele2	1,490,000	1,410,000
7	Sibirtelecom	1,198,255	1,116,000
8	N.Novgorod Cellular	798,036	775,322
9	Ekaterinburg Cellular Communications - MOTIV	509,024	486,520
10	New Telephone Company	326,770	311,570

Almost 0.5 mln net additions were signed in Moscow. Penetration in the city reached 110%

(73% in March 2004). According to our estimates the real penetration in the capital (if one takes adjusted population figure of ~25 mln vs. 17 mln official and discount for inactive users) is around 60-65% at the end of March. Big 3 players were almost on par in terms of new customer additions. However, Vimpelcom did slightly better than others and returned the leadership in the capital (though 5-10k difference so far do not look very convincing).

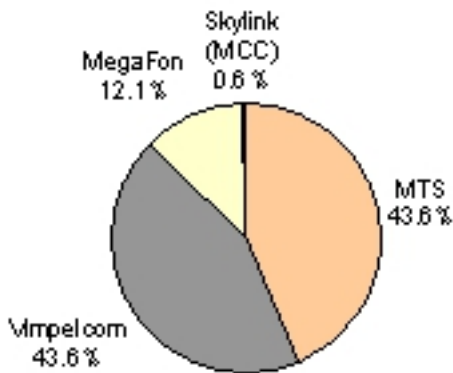
MegaFon outperformed MTS and Vimpelcom on its home market of St.Petersburg where it had been losing to competition since Oct-04, while MTS attracted the largest number of customers outside Moscow and St.Petersburg license areas.

## **Moscow and St.Petersburg**

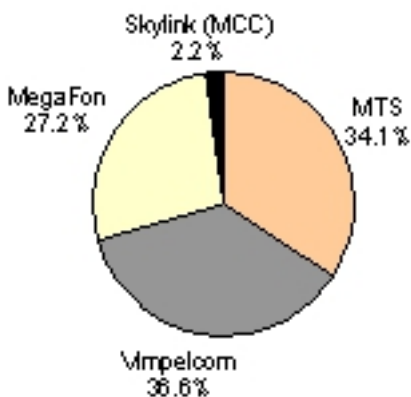
### **Moscow License Area**

#### **Moscow Market Breakdown**

March 31, 2005



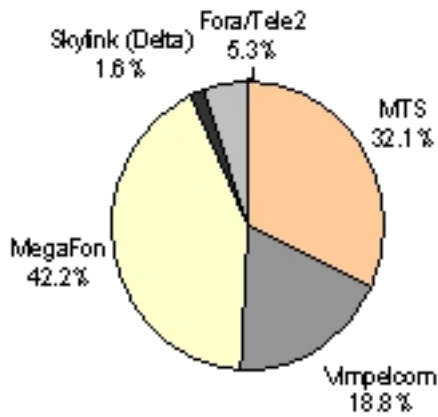
#### **Net Additions in Moscow, March 2005**



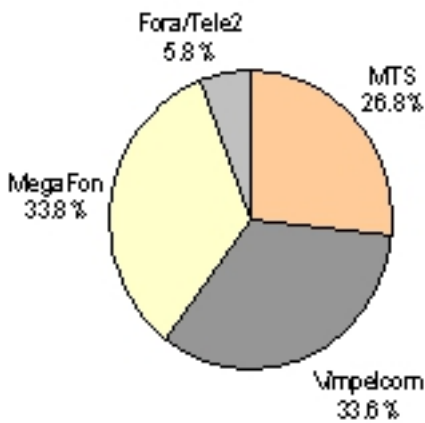
## **St.Petersburg and Leningrad Region**

### **St. Petersburg Market Breakdown**

**March 31, 2005**



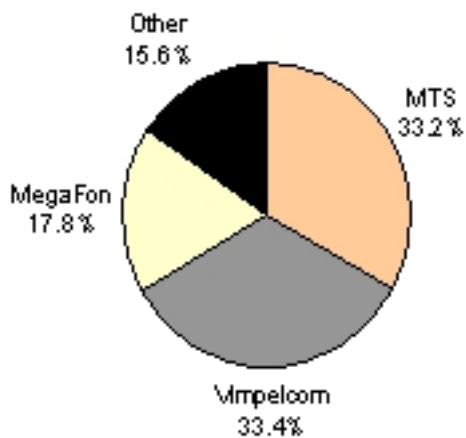
**Net Additions in St.Petersburg  
March 2005**



**Regions outside Moscow and St.Pete**

**Regional Market Breakdown**

**March 31, 2005**



**Regional Net Additions  
March 2005**

