



# 1Q 2006 Earnings Conference Call

Jean-Pierre Vandromme, CEO  
Boris Svetlichny , Senior Vice President,  
CFO & Treasurer

When

Thursday, May 4, 2006

9:00 a.m. (U.S. Eastern Time Zone)

2:00 p.m. (London time)

5:00 p.m. (Moscow time)

Where to call

U.S.: +1 (800) 288-8968

International: +1(612) 332-0107

*No access code is necessary*

To hear a replay of the conference call:

May 4, 05:45 p.m. through May 11, 11:59 p.m.

(U.S. Eastern Time Zone)

U.S.: +1 (800) 475-6701

International: +1 (320) 365-3844

Enter Access Code: 827168

Live Webcast

Please go to: [http://www.goldentelecom.com/webcast\\_en](http://www.goldentelecom.com/webcast_en)

(The web cast will also be available for replay on the Internet from May 5)



# Special Note Regarding Forward Looking Statements

Statements made in this press release are forward looking and are made pursuant to the safe harbor provisions of the Securities Litigation Reform Act of 1995. Such statements include those on our future growth strategy, our broadband strategy, the expected benefits of the acquisitions of Tatintelcom and TTK, the expected benefits of GSM frequency license in Ukraine, and expected benefits of FOCL. It is important to note that such statements involve risks and uncertainties, which may cause outcomes to differ materially from those set forth in these statements.

Such risks and uncertainties include, but are not limited to, the possibility that we are not able to expand our fiber-optic project as expected, we are not able to attract subscribers as anticipated, our broadband strategy will not develop as we expect, the telecommunications environment may not develop as we expect, we are not able to close transactions as we expect, we are not able to expand our GSM network in Ukraine as planned, that our margins may weaken in the face of competition or adverse regulatory events, and that macroeconomic and political factors may restrict growth in our operating markets.

Additional information concerning factors that could cause results to differ materially from those in the forward looking statements is contained in the Company's filings with the U.S. Securities and Exchange Commission including the Company's quarterly report on Form 10-Q and current reports on Form 8-K filed during 2005 and 2006, and the Company's annual report on Form 10-K for the year ended December 31, 2005.

**For additional information please contact:**

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# Financial Overview

## 1Q06 versus 1Q05

5%\* reduction in basic EPS

3%\* reduction in Operating Income

6%\* reduction in Net Income

14% increase in Consolidated Revenues

## 1Q06 versus 4Q05

6% increase in basic EPS

6% growth of Operating Income

5% growth of Net Income

1%\*\* increase in Consolidated Revenues

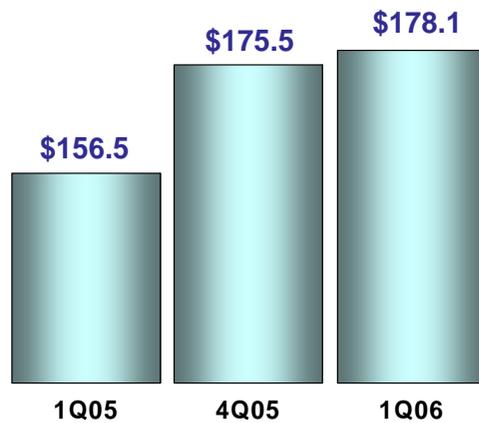
\* Mainly due to charges for SARs and Universal Service Fund in 1Q06 and reversal of tax contingency accrual in 1Q05

\*\* Despite 10% fewer number of working days

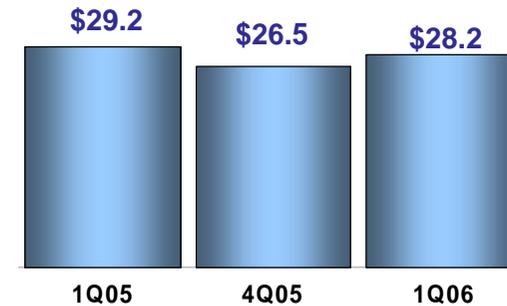


# Continuous Financial Performance

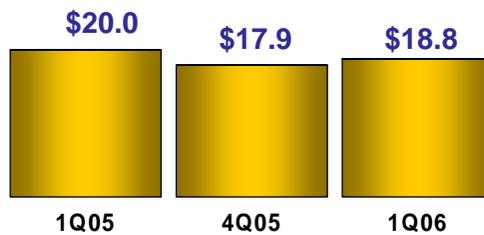
**REVENUE**  
(in mln)



**OPERATING INCOME**  
(in mln)



**NET INCOME**  
(in mln)



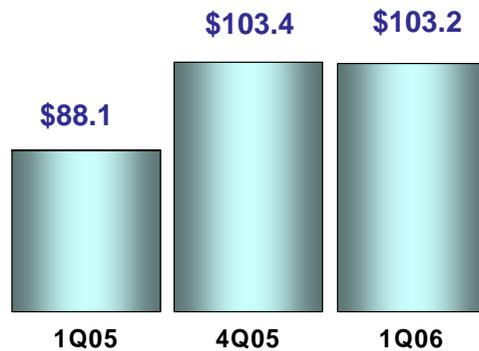
**BASIC EPS**  
(in USD)



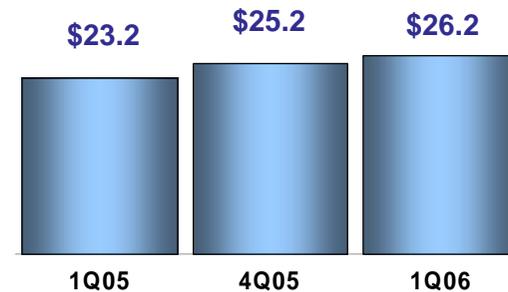


# Financial Performance by Lines of Business

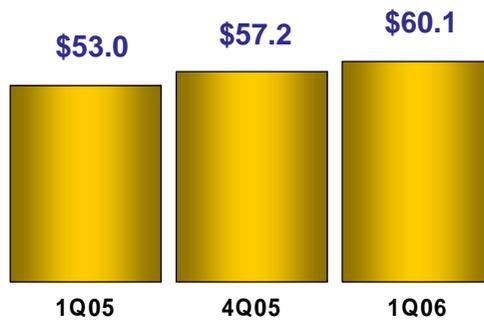
**BCS REVENUE**  
(in mln)



**BCS OPERATING INCOME**  
(in mln)



**CARRIER & OPERATOR REVENUE**  
(in mln)



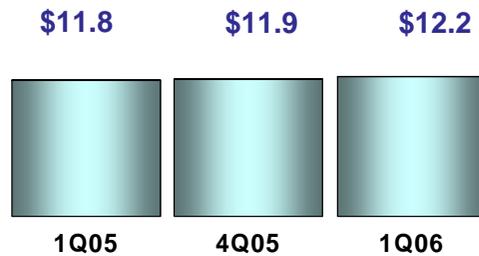
**CARRIER & OPERATOR OPERATING INCOME**  
(in mln)



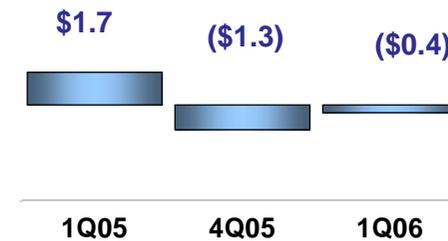


# Financial Performance by Lines of Business

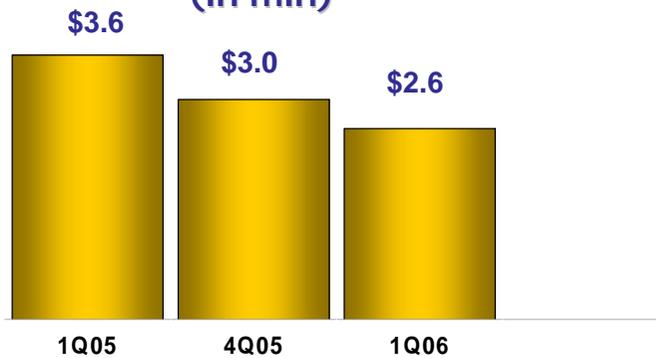
**CONSUMER INTERNET REVENUE**  
(in mln)



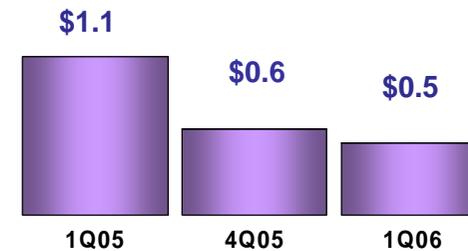
**CONSUMER INTERNET OPERATING INCOME**  
(loss)  
(in mln)



**MOBILE REVENUE**  
(in mln)



**MOBILE OPERATING INCOME**  
(in mln)





# Golden Telecom Strategy

## Long Distance License Utilization

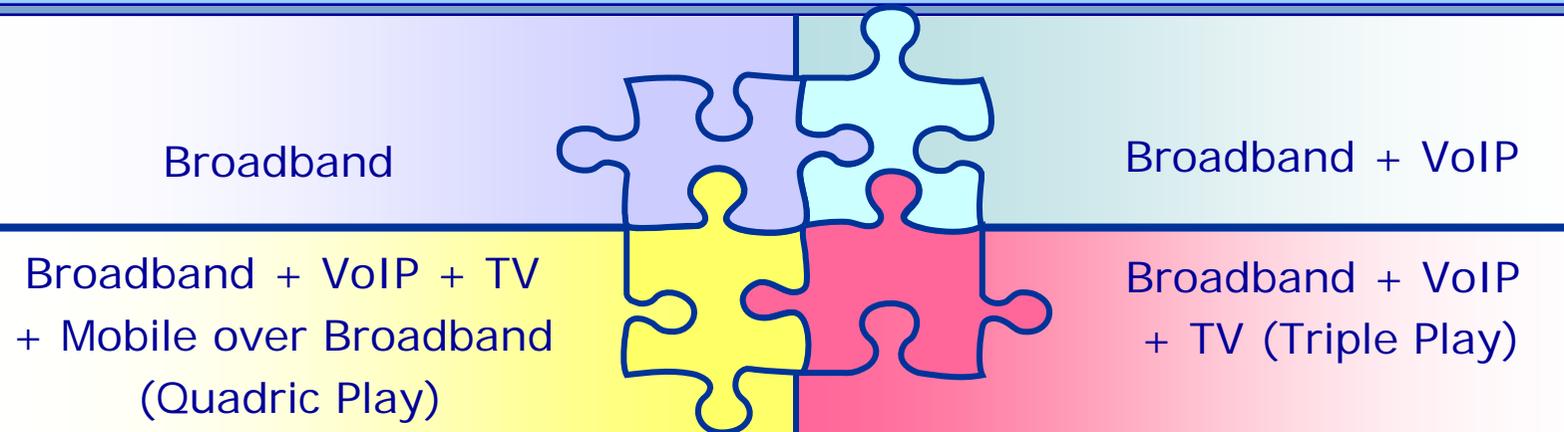
Facilitates

## Fibre Optic Cable Line construction

Moscow - N.Novgorod – Kazan – Ufa - Saratov  
Kazan - Naberezhnye Chelny - Perm - Ekaterinburg  
Moscow - Rostov-on-Don - Krasnodar

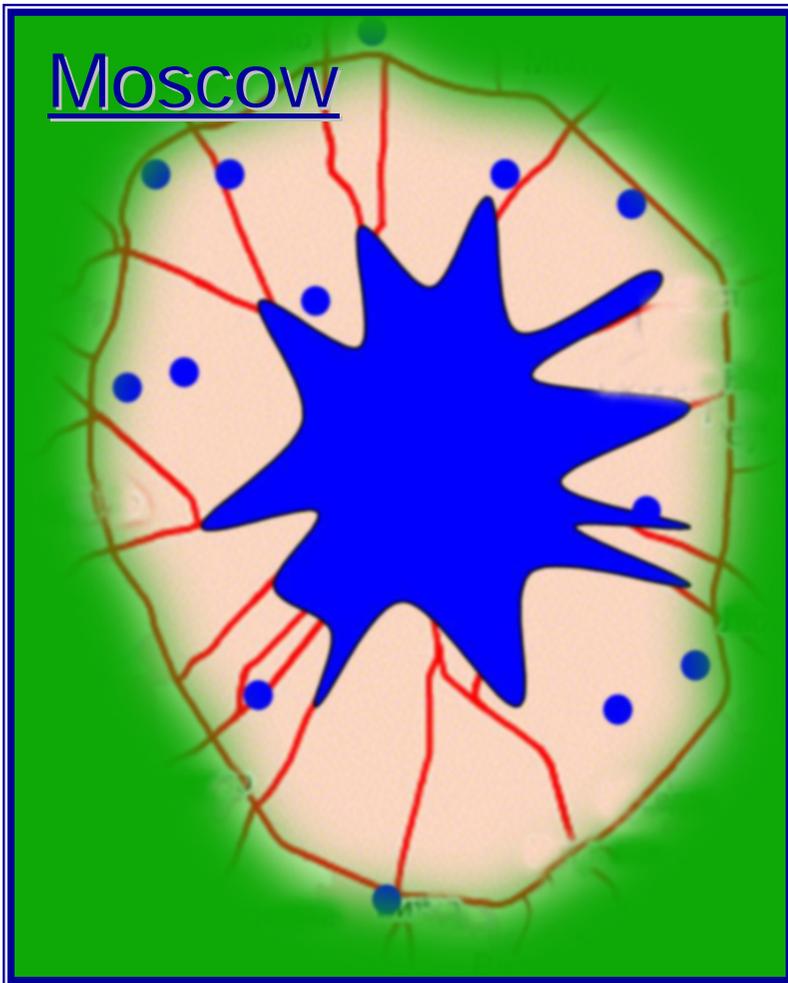
Facilitates

## Broadband development





# Broadband: Moscow Wi-Fi Project



## ➤ Wi-Fi Network is projected to provide:

- Universal broadband coverage in Moscow
  - *702 Sq km*
  - *Up to 3.9 mln households*
  - *Almost all businesses in Moscow*
- Framework agreement with Nortel for 5,000 Wi-Fi access nodes

## ➤ May 4, 2006

- 750 Wi-Fi access nodes installed
- Coverage – 70,000 households

## ➤ End of May, 2006

- 1300 Wi-Fi access nodes to be installed
- Central part of Moscow
- Coverage – 125,000 households



# Broadband: Regional Build-out





# Broadband: Regional Build-out





# Broadband: Regional Build-out





# Broadband: Regional Build-out





# Broadband: Regional Build-out





# Broadband: Regional Acquisitions and Purchases





# Broadband: Regional Acquisitions and Purchases





# Broadband: Regional Acquisitions and Purchases



## ► Kazan, Tatarstan:

- March 2006

- Acquisition of 70% of Tatar Intellectual Communications ("Tatintelcom").
- DSL nodes are installed on 8 out of 10 nodes of Kazan PSTN.
- Coverage - about 280,000 out of 350,000 households of Kazan.

## ► Ivano-Frankovsk, Ukraine:

- April 2006

- Acquisition of 100% of TTK LLC.
- Utilized capacity 11,300 numbers
- Overall network capacity - 15,000 numbers
- DSL access nodes will be installed on the TTK's network
- Coverage - 100,000 households.

## ► Ekaterinburg, Russia:

- April 2006

- Purchase of network and technical resources of ZAO BINAR
- Network:
  - 6 access nodes
  - 10 km fiber optic cable line
  - Utilized capacity 1,600 numbers
  - Overall network capacity - 10,000 numbers
  - DSL access nodes to be installed on the BINAR copper-wire distribution network
  - Coverage - 15,000 households out total 500,000 households



# Federal Transit Network

- 88 Points of Interconnection
- 4 International Long Distance Switches
- 7 Domestic Long Distance Switches
- ★ Constructed Zonal Network

➤ 4 International Switches formally commissioned by Rossvyaznadzor  
➤ 7 Domestic Switches formally commissioned by Rossvyaznadzor  
➤ 88 connection points formally commissioned by Rossvyaznadzor





# GSM Frequency Award in Ukraine

**New frequencies**

- On April 10, 2006 NCCR assigned to GTU GSM-1800 frequencies in 22 regions
- Payment of the \$5.5 million license fee is due by May 10, 2006
- Coverage – 39 million people



Source: State Committee of Statistics as of 1 February 2006 (UBL, March 2006)