

Main economic events

- 1st International Cotton Fair will take place in Tashkent**
 This event, organized by the Government of the Republic of Uzbekistan with the assistance of "Cotton outlook", is an important event for the world market of cotton.
- Security issues for 53B UZS have been registered**
 Total increase in corporate securities issue volume made up 52B UZS for the last two decades of August of the current year, including corporate bonds for the total amount of UZS 650M.
- Uzbek enterprises' profit has been risen to 732B UZS**
 The financial result of enterprises and organizations (without taking into account) agricultural and budgetary organizations was UZS 604,61B positive in the first half of 2005.
- Uzgeoburneftegazdobycha will pay out dividends**
 Shareholders of JSC "Uzgeoburneftegazdobycha" have decided to pay out dividends of 50% in 2004 for each preferred stock with face value of 1 000.
- Alcatel has signed "multimillion" contract with Coscom**
 "Fulfillment of this multimillion frame agreement will enable Alcatel to widen the Coscom net capacity and renew the existing infrastructure with the help of the latest mobile technology NGN".

Main macroeconomic indicators of Uzbekistan (2000-2004)

Indicators	2002	2003	2004	2004 1Q	2005 1Q
GDP, trln. soum	7.45	9.84	12.2	2.1	2.5
Real GDP growth, %	4.0	4.4	7.7	4.8	4.8
State budget execution, % to GDP (-def./+prof.)	-0.8	-0.4	-0.4	4.0	1.9
Foreign trade turnover, billion USD	5.7	6.7	8.7	2.1	2.3
Inflation (CPI), %	-	3.8	3.7	1.1	2.2

Source: State Statistics Committee, Avesta Research

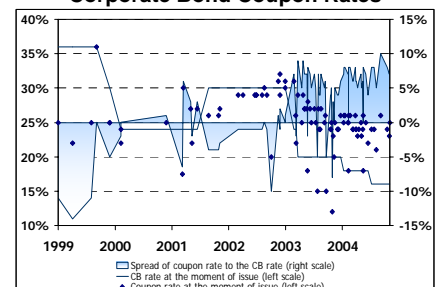
Official exchange rate of the CB RU to major world currencies (USZ)

	06.09.2005	30.08.2005	Chg./%
1 USD	1134.41	1132.69	+0.15 ↑
1 EUR	1426.41	1395.59	+2.21 ↑
1 GBP	2095.71	2044.17	+2.52 ↑
10 JPY	103.98	102.72	+1.23 ↑
1 RUR	40.08	39.81	+0.68 ↑

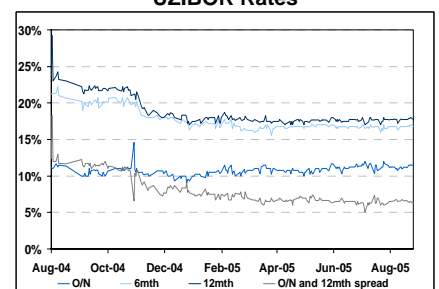
Key interest rates in national currency as of 12.09.2005 (in % per annum)

Refinancing rate of CB RU	16.00
UZIBOR (12 months)	17.75
AWACRI	23.24
CBCAP* (UZS)	195.09
CBCAP* (USD)	168.62

Corporate Bond Coupon Rates



UZIBOR Rates



Sources: Avesta Research, Central Bank of RU, Uzbekistan Banking Association

Today

Coupon payments on corporate bonds:

JV "Tezintom Ltd"-3 (80M soum)

1st coupon payment

- coupon rate – 24%

- amount of coupon payment – 4,8M soum

Upcoming events calendar

September 13: Payment of 4th coupon of the 1st CB issue of LLC "Poli-Pro" is expected.

September 13: Payment of 2nd coupon of the 1st CB issue of JV LLC "Unifam Co., LTD" is expected.

September 16: Payment of 6th coupon of the 3rd CB issue of JV "Coscom" is expected.

September 16: Payment of 6th coupon of the 3rd CB issue of LLC "Favorit-Intel" is expected.

September 20-22: 6th Uzbek International Exhibition "Telecommunications and Information Technologies".

I International Cotton Fair will be held in Tashkent

In pursuance of the decree of the President of the Republic of Uzbekistan of August 25, 2005 preparations for the 1st International Uzbek Cotton Fair which is to be held in Tashkent on 10-11 October, 2005 have begun, informed *UzRCE (Republican Commodity Exchange)*.

The main aim of the event is negotiating contracts for cotton fiber supply, building long-term relationship between market participants as well as familiarizing Uzbek cotton consumers with its qualitative characteristics, latest innovations in the cotton production industry, trade and logistics.

During the Fair the auction will be held where big consignments of Uzbek cotton will be traded. Companies from south-eastern Asia, CIS countries and Europe will participate in this fair.

Security issues for 53B UZS have been registered

According to *"Uzreport.com"*, authorized government body regulating security market has registered 6 security issues in the period under consideration. The following security issues have been registered: OJSC "Jizzakh elektr tarmoklari", OJSC "Yangi Angren issiklik elektr stantsiyasi", OJSC "Aloqabank", OJSC "Andijon elektr tarmoklari", CJSC JV "Ipak Yoli-Buhara Turizm Invest", OJSC "Horazm elektr tarmoklari". Total volume of issues of shares registered in the period under consideration was 52.4 bln. soum.

Also, in accordance with the decision of CSM in the period of August 10-31, 2005 registration of corporate bond issues of LLC "Alyans Investment" for 300M UZS and of LLC "Doka toreks korporatsiya" for 350M UZS and has been accomplished.

Total amount of corporate bonds cancelled during this period was 650 mln. soum. As a result, total increase in corporate securities issue volume was UZS 52 bln. for the last two decades of August of the current year, including corporate bonds for the total amount of UZS 650 mln.

Uzbek enterprises' profit has risen to 732B soum

The financial result of enterprises and organizations (without taking into account agricultural and budgetary organizations) was UZS 604.61B plus in the first half of 2005, reports *"PRIME-TASS"* with reference to SSC. Total profit has risen by 34.7% to 732.24 bln. soum. 55,1% of total profit was received by industry enterprises (compared to 55,8% in 2004).

According to State Statistics Committee total amount of losses made by Uzbek enterprises between January and June 2005 rose by 35% as compared to the same period of 2004 and amounted to 127.63B soum. The share of industry enterprises in total losses was 51.3%, and that of transportation organizations was 29.1%.

In 2004 the financial result of enterprises and organizations (without agricultural and budgetary organizations) was 1,092B UZS. Total profit rose by 1.57 times to 1.263B UZS, total losses fell by 23,7%.

Uzgeoburneftegazdobycha will pay out dividends

The shareholders of JSC "Uzgeoburneftegazdobycha" decided to pay out 50% dividends for 2004 for each preferred stock with face value of UZS1 000 each, reports *"PRIME-TASS"* with reference to security department of the company.

JSC "Uzgeoburneftegazdobycha" was established in May, 2004 as a result of merger of two companies JSC "Uzgeoneftegazdobycha" and JSC "Uzburneftegeaz".

The announced statutory capital is 101,756 bln. soum and consists of 97.299 mln. common and 4.454 mln. preferred shares with face value of 1 000 soum each.

In accordance with issue prospectus, 44,62% of company shares are offered for free sale, including foreign investors, 51% of shares are state-owned and transferred to statutory fund of NHC "Uzbekneftegaz".

Alcatel has signed "multimillion" contract with Coscom

French Alcatel has signed a "multimillion" contract for expanding mobile network GSM/GPRS of cellular operator Coscom, according to the press-release of the second biggest telecommunication systems manufacturer in Europe. The sum of the contract is not stated precisely in the report.

"Fulfillment of this multimillion frame agreement will enable Alcatel to widen the Coscom's network capacity and renew the existing infrastructure with the help of the latest mobile technology NGN", - is stated in press-release.

As a result Coscom will have the opportunity of effective and economic switch to cellular technologies of the third generation.

Contact information

Avesta Investment Group (CJSC)

License of CSM for Investment advisor №1012

Address: 25, Amir Temur str., 700000,
Tashkent, Uzbekistan Republic

Tel: +998 (71) 132-6202, 134-1383

Tel/fax: +998 (71) 132-6203

E-mail: info@avestagroup.com

Internet: <http://www.avesta.uz>

Depository Avesta Trust (LLC)

License of CSM for Securities custodian №1053, registry holder №1054 and nominal securities holder №1055

tel: +998 (71) 134-1283

tel/fax: +998 (71) 132-6203

E-mail: trust@avestagroup.com

Internet: <http://trust.avestagroup.com>

Avesta Research

E-mail: research@avestagroup.com

Internet: <http://research.avestagroup.com>

The information and opinions in this report were prepared by Avesta Investment Group or one of its affiliates (collectively "Avesta"). The information herein is believed by Avesta to be reliable and has been obtained from public sources believed to be reliable, but Avesta makes no representation as to the accuracy or completeness of such information. Important Information Regarding Our Independence. The research analysts responsible for the preparation of this report receive compensation that is based upon, among other factors, Avesta's overall revenues. Avesta may engage in securities transactions in a manner inconsistent with this research report and with respect to securities covered by this report, will sell to or buy from customers on a principal basis. Disclosures of conflicts of interest, if any, are discussed at the end of the text of this report or on the Avesta Investment Group's website at <http://www.avestagroup.com>. Opinions, estimates and projections in this report constitute the current judgement of the author as of the date of this report. They do not necessarily reflect the opinions of Avesta and are subject to change without notice. Avesta has no obligation to update, modify or amend this report or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate, or if research on the subject company is withdrawn. Prices and availability of financial instruments also are subject to change without notice. This report is provided for informational purposes only. It is not to be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy in any jurisdiction. The financial instruments discussed in this report may not be suitable for all investors and investors must make their own investment decisions using their own independent advisors as they believe necessary and based upon their specific financial situations and investment objectives. If a financial instrument is denominated in a currency other than an investor's currency, a change in exchange rates may adversely affect the price or value of, or the income derived from, the financial instrument, and such investor effectively assumes currency risk. In addition, income from an investment may fluctuate and the price or value of financial instruments described in this report, either directly or indirectly, may rise or fall. Furthermore, past performance is not necessarily indicative of future results. Unless governing law provides otherwise, all transactions should be executed in the investor's home jurisdiction. Additional information relative to securities, other financial products or issuers discussed in this report is available upon request. This report may not be reproduced, distributed or published by any person for any purpose without Avesta prior written consent. Please cite source when quoting. Copyright 2004-2005 Avesta Investment Group