

- Uzbekistan plans to attract foreign investments in the amount of \$6.1b**
 The largest amount of investments for next 5 years (\$2.809b) is planned to attract to fuel and energy complex.
- Tender on the sale of 49% of OJSC “Navoiazot”**
 Starting selling price is no less than 60,009,600 USD.
- 91 state objects were sold at RREE during last week**
 This week Bukhara branch is leading by number of objects sold (33 objects), and Central Branch – by total deals (48m UZS).
- “Aloqa bank” increases credit investments**
 For 10 months JSC “Aloqa bank” net assets amounted to 35,721m UZS, portion of credit investments in the structure of total assets made up 40%.

Business update

30 November 2005

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

| | 29.11.2005 | 22.11.2005 | Chg./% |
|--------|------------|------------|---------|
| 1 USD | 1167.79 | 1164.61 | +0.27 ↑ |
| 1 EUR | 1365.26 | 1371.44 | -0.45 ↓ |
| 1 GBP | 1997.62 | 1999.52 | -0.10 ↓ |
| 10 JPY | 97.45 | 97.66 | -0.22 ↓ |
| 1 RUR | 40.56 | 40.38 | +0.45 ↑ |

Key interest rates in national currency as of 30.11.2005 (in % per annum)

| | |
|---------------------------|--------|
| Refinancing rate of CB RU | 16.00 |
| UZIBOR (12 months) | 17.75 |
| AWACRI | 22.65 |
| CBCAP (UZS) | 187.91 |
| CBCAP (USD) | 157.96 |

Corporate Bond Coupon Rate

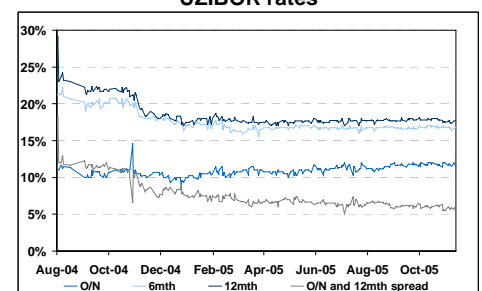


Main macroeconomic Indicators of Uzbekistan, 2002-2005

| Indicators | 2002 | 2003 | 2004 | 2004 1st Q | 2005 1st Q |
|---|------|------|------|------------|------------|
| GDP, trillion sums | 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

UZIBOR rates



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

Today

Coupon payments on CB are not expected

Upcoming events calendar

1-2 December. Exhibition «Info Business 2005» will be held in the Central show-room at the Academy of Arts.

5 December. The seminar on “Extension of export opportunities for small and private enterprises in Uzbekistan” will be held in hotel “Dedeman”.

5-7 December. Republic trade-fair on “wholesale and retail trade of consumer goods” will open in show-room at SJSC “Uzbekyengilsanoat”.

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Uzbekistan plans to attract foreign investments in the amount of \$6.1b

In 2006-2010 it is planned to attract \$6.1b for the realization of projects with foreign investments, as reported by "Prime-TASS" referencing to the source in the Dept. of External Economic Affairs and Foreign Investment at the Cabinet of Ministers RU. The Government approved a summary list on priority mid-term investment projects (191 projects). The largest amount of investments for next 5 years (\$2.809b) is planned to attract to fuel and energy complex. Thus, into oil-gas sector - \$2.38b, including \$1.41b as direct investments (DI). Among the projects in this sphere are with the participation of OJSC "Gazprom" (gas production works at Ustyurt plateau, \$900m as DI), Chinese companies CNPC and Sinopec (exploitation of low-debit oil fields in Bukhara-Khiva region, \$600m, and rehabilitation of oil fields in Andijan region, \$106m).

"Uzbekneftegaz" is planning to realize the project on the reconstruction of Mubarek GPP with the participation of Russian OJSC "Stroytransgaz" (\$225m), and the construction of first lines of gas-pipeline Akhangaran-Pungan (\$700m). "Uzbekenergo" plans to attract funds (under the guarantee of the Government) in the amount of \$374.9m for the realization of three projects. In particular, \$200m – for the reconstruction of OJSC "Navoi TPS", \$174m – for the realization of two projects on construction and modernization of energy infrastructure.

The Government is planning to attract \$1.446b (under its guarantee) to realize 26 projects in the sphere of land-improvement-irrigative works. According to the program, for 99 projects in light industry it is planned to attract \$788.1m, including \$625m as DI. The projects are aimed at the increase in the volume of processed cotton-fiber and growth of textile production. \$276.2m are to be attracted for the realization of 11 projects in the transport sphere. In particular, \$72.7m – for the modernization of repair and maintenance base of SJSRC "Uzbekiston temir yullari", \$50m – for the modernization of airports of national airline "Uzbekiston havo yullari", \$82m – for the purchase of passenger vehicles for the capital city. Since the beginning of 1990s Uzbekistan has attracted and utilized about \$14b investments, the major part of which accounted for loans of foreign commercial banks under government guarantees. This year it was planned to utilize \$865.78 as foreign investments. According to statistical data, the amount of utilized investment funds for 10 months in 2005 decreased by 6.4% comparing to analogous period in 2004 and made up 396.8b UZS.

Tender on the sale of 49% of OJSC "Navoiazot"

State Commission (on the conducting the tender trades when selling the State property to foreign investors) declared a tender on the sale of share holdings of OJSC "Navoiazot", as reported at the website of the *SPC RUz*. 369,311 nominal shares are offered for sale. Starting selling price is 60,009,600 USD. The company, being ready to offer the highest bid and to accept all investment commitments, will have an advantage. In addition, the issue on delegation the management of the plant to the winner (for next 5 years on the basis of Business Plan introduced) could be discussed. Deadline for the tender documentation to take is 30th, 2005; for tender offers to accept – 30th January, 2006. "Navoiazot" was planned as the enterprise specializing on natural gas processing for the production of chemical fertilizers and other products of organic synthesis and acrylic fiber (nitron).

91 state objects were sold at RREE during last week

91 objects were sold at Republican Real Estate Exchange (RREE), including state share in LLCs statutory funds amounted to 166,302,500 UZS, as reported at the website of the *State Property Committee RUz*. 73 objects were sold through auctions for the amount of 32,761,500 UZS by RREE branches and LLC "Kim oshdi savdolari agentligi", and through exchange trades – 18 objects for the amount of 133,541,000 UZS.

This week Bukhara branch is leading by number of objects sold (33 objects for 20.4m UZS), and Central Branch – by total amount of deals (2 objects for 48m UZS). Other regional branches' results were as follows (order by total sum): Kashkadarya – 27 objects for 31.8m UZS, Syrdarya – 5 objects for 30.25m UZS, Namangan – 1 object for 13.3m UZS, Surkhandarya – 3 objects for 11.2m UZS, Ferghana – 2 objects for 5.5m UZS, Andijan – 1 object for 2.36m UZS, Samarqand – 1 object for 1.8m UZS, Khorezm – 10 objects for 812,000 UZS, Tashkent – 5 objects for 685,000 UZS, Navoi – 1 object for 155,000 UZS.

"Aloqa bank" increases credit investments

For 10 months JSC "Aloqa bank" net assets amounted to 35,721m UZS, portion of credit investments in the structure of total assets made up 40%, as reported by «*Uzreport.com*» referencing to the press-service of the bank. Balance on loans, assigned to different branches of the economy, reached 13,899.3m UZS, from which 8,638m UZS was directed to the financial support of small business subjects. Balance on loans ("Fund for Benefit Crediting") to manufacturing micro-firms, small enterprises made up 480m UZS. 1,665m UZS were assigned as consumer loans, 90% of which as loans for the purchase of vehicles.

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