

- JSC «Uzbektelecom»: 2005 revenues exceeded 123b UZS**
 The level of tariff revenues increased by 16.6%, including 19% as increase in revenues by branches in long-distance and international communication, 11.6% - by local communication, and 157% as revenues from data transfer and Internet.
- «Uzbekistan airways technics» is concluding new contracts**
 The net profit for 10 months of 2005 exceeded 1.0b UZS.
- «SAIPRO» has given credit ratings to insurance companies**
 The company «SAIPRO» has rated 4 national insurance companies NEIC «Uzbekinvest», SJSIC «Uzagrosugurta», IC «ALSKOM» and IA «Madad».

Business update

29 December 2005

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

	27.12.2005	20.12.2005	Chg./%
1 USD	1180.00	1177.09	+0.25 ↑
1 EUR	1395.94	1413.45	-1.24 ↓
1 GBP	2044.11	2083.92	-1.91 ↓
10 JPY	101.39	101.22	+0.17 ↑
1 RUR	41.00	41.08	-0.19 ↓

Key interest rates in national currency as of 29.12.2005 (in % per annum)

Refinancing rate of CB RU	16.00
UZIBOR (12 months)	17.44
AWACRI	22.75
CBCAP (UZS)	184.52
CBCAP (USD)	153.09

Corporate Bond Coupon Rate

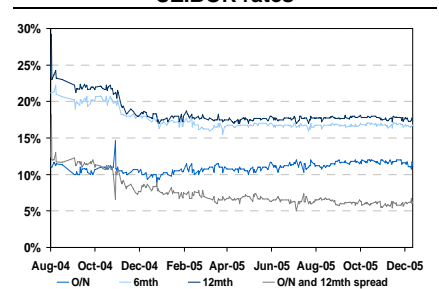


Main macroeconomic Indicators of Uzbekistan, 2000-2005.

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

JV «Coscom», 4 (600.0m UZS)
Start of 5th coupon payment
 - coupon rate – CB+8%
 - coupon payment amount 36.0m UZS

Upcoming events calendar

30 December. Start of payment of 5th coupon of the 3rd CB issue of **OJSC «Marvel Juice Co.»** is expected.
1 January. Start of payment of 2nd coupon of the 1st CB issue of **BE «Cassidy Trade & Finance»** is expected.
2 January. Start of payment of 5th coupon of the 1st CB issue of **LLC «Elektron Servis»** is expected.

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JSC "Uzbektelecom": 2005 revenues exceeded 123b UZS

2005 was very successful for JSC "Uzbektelecom", as reported at the company's website quoting the interview with the General director Mukhitdinov H.A. The revenues from operations made up 123.8b UZS. The level of tariff revenues increased by 16.6%, including 19% as increase in revenues by branches in long-distance and international communication, 11.6% - by local communication, and 157% as revenues from data transfer and Internet. Today local telecommunication operator "Uzbektelecom" consists of more than 2,000 ATCs with combined capacity of more than 1.96m numbers, out of which 813,600 (41.6%) are digital.

The reconstruction projects of analog telephone networks in Tashkent, Andijan, Namangan, Ferghana, Syrdarya, Djizak, Samarqand regions, financed via the loan of the Chinese Government, were completed. The projects "Modernization and reconstruction of Tashkent CTS" in the context of the contract with "Huawei Technologies" (delivery of digital communication equipment, total capacity of 110,000 ports) were accomplished. The reconstruction of analog communication equipment (total capacity of 63,176 ports) was completed in the context of the contract with "Siemens AG", and "Alcatel" (total capacity of 77,982 ports).

In 2005 the company took steps in the development of own wireless network. It did attract additional funds in the amount of 2.0b UZS via the issue of 3 year corporate bonds (to invest into the development of mobile connection network in standard CDMA-450 and the network of data transfer on the basis of branch "UzNet"). In the beginning of 2006 it is planned to issue additional bonds (totally 3.0b UZS) to invest into the development of the cellular communication segment, the project realized through the branch "Uzbektelecom Mobile". The project on the development of cellular communication in standard CDMA 450 is very prospective; by the end of the 3rd year of its implementation, it is forecasted that the subscribers' number will reach 16,700 that will result in the revenues of about 4.0b UZS.

In 2005 the company did undertake a number of important actions in the sphere of development of international cooperation and development of data transfer networks. The passing capacity of the international channels was increased up to 78 Mb/sec and by the end of 2005 it was brought to 122 Mb/sec.

«Uzbekistan airways technics» is concluding new contracts

«Uzbekistan airways technics» is (the only enterprise in the Central Asia and CIS territory on the technical servicing of the western made aircrafts) is coming to a new level. The net profit for 10 months of 2005 exceeded 1.0b UZS. Indicators of the plan on currency replacement made up 181%, «Uzreport.com» informs. For 2005 125 A-Check (linear servicing the aircrafts, every 500 hours) and 12 C-Check (basic servicing including repair services, every 18 months) were carried out. The contract on carrying out the C-Check of Russian company "Sibir" aircrafts was signed; there is a preliminary contract on the technical servicing of aircrafts A-310. The company is planning to cooperate with airline companies "Air Kazakhstan" and "Air Astana" on the servicing the aircrafts Boeing-757.

In addition, the preliminary negotiations with Indian company, Russian "Kras Air" and number of other companies are carried on. Moreover, according to program 2006, 11 western made planes of the National Company "Uzbekiston Havo Yullari" are to go through the technical servicing at Uzbekistan airways technics.

«SAIPRO» has given credit ratings to insurance companies

The seminar "Rating of insurance companies is the guarantee of the clients trust", organized by the company "SAIPRO" with the participation of leaders of more than 20 local insurance companies, was held in Tashkent. The primary purpose is familiarization of the participants with the rating method, developed by the company, and presentation of the first rating certificates given to 4 insurance companies, as reported at the website of «Uzreport.com». At the beginning of 2005 "SAIPRO" began the realization of the pilot project "Rating of reliability of insurance companies in Uzbekistan" in the basic insurance sector. The purpose of this project is independent rating of Uzbek companies to determine their financial strength and trustworthiness. The developed method is internal and rated according to the national scale.

«SAIPRO» has rated 4 national insurance companies NEIIC "Uzbekinvest", SJSIC "Uzagrosugurta", IC "ALSKOM" and IA "Madad". Joint Uzbek-Russian IC «ALSKOM» was given *uzbB+*, "acceptable level of trustworthiness" determined by dynamical development, established relationships with local and Russian companies during relatively short period, active actions on further extension of business activity through the rise of statutory fund to receive the license on carrying out the obligatory insurance, etc. IA "Madad" was given *uzbB*, "satisfactory level of trustworthiness", determined by the long activity in the Uzbek insurance market, actions on further extension of business activity through the rise of statutory fund to receive the license on carrying out the obligatory insurance, increase in the number of important insurance indicators, etc. SJSIC "Uzagrosugurta" was given *uzbB++*, "sufficient level of trustworthiness" determined by the ability to carry out the payments in complete and timely manner, and successive ability to pay on the condition that the insurance market will be stable, etc. NEIIC "Uzbekinvest" was given *uzbA+*, "high level of trustworthiness", determined by the multi-profile of the business activity, the company that carries out simultaneously the functions of the state agency on the insurance of export contracts and loans of banks.

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