

INSTITUTE OF CORPORATE LAW AND CORPORATE GOVERNANCE

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PRESS RELEASE

**The first corporate governance rating assigned to
25 largest Russian companies**

Today the Director of the Institute of Corporate Law and Corporate Governance D. Vasiliev announced about the release of corporate governance ratings to 25 largest Russian companies, most actively traded on Russian stock exchanges and OTC markets. "The assessment of the corporate governance quality of a company is a crucial component of a well-balanced investment decision. The key purpose of our rating is to help investors evaluate the risks of investing into a specific company" - told D. Vasiliev to journalists during the press conference at the "Interfax" information agency.

The corporate governance rating is calculated based on the proprietary methodology developed by the specialists of the Institute of Corporate Law and Corporate Governance jointly with a group of international experts called "Blue Ribbon Panel". The rating is assigned on a CORE-Rating scale, ranging from CORE-100 (the highest rating) to CORE-0 (bankrupt companies, the lowest rating).

3 groups of source data are used for calculations: public information, subject to compulsory disclosure; voluntary information disclosure and the opinions of stock market analysts. Companies are evaluated by such crucial corporate governance aspects, as information disclosure, equity structure, corporate governance structure, declared shareholders' rights, risk assessment, corporate environment. Specific emphasis is made on the evaluation of risks associated with investing in the company, including the analysis of possible "legal mines" incorporated into the company's founding by-laws. Pilot ratings of four Russian companies were presented in November 2000.

As of January 1, 2001 the absolute leader among companies, included in the corporate governance rating, is AO "Vypelcom" (scoring 82.12). This company was given highest scores both for factual data about existing corporate governance practices and for opinions, expressed by investment analysts and corporate governance experts.

In April 2001 the Institute of Corporate Law and Corporate Governance is planning to hold a working meeting with company managers in order to discuss rating results and corporate governance practices and prospects.

By the end of 2001 the Institute is planning to assess the corporate governance quality in 100 leading Russian companies. Ratings are going to be updated quarterly.

Please visit the web site of the Institute of Corporate Law and Corporate Governance www.iclg.ru to read analytic materials, describing various corporate governance aspects of specific companies, included in the rating, as well as to see the ratings themselves.

Corporate Governance Rating ("CORE"-Rating)
based on data as of 01.01.2001

Rank	COMPANIES	Total rating score (as percentage of max possible score)
1	VimpelCom	82,12
2	GUM Trading House	71,51
3	Irkutskenergo	68,37
4	Lenenergo	68,37
5	Petersburg Telephone Network	62,08
6	Rostelecom	61,49
7	Krasnyj Ochyabr Co.	60,31
8	RostovTelecom	59,92
9	Kusbassenergo	59,14
10	Mosenergo	58,35
11	Uralsvyazinform	58,35
12	UESR	57,37
13	Tatneft	55,8
14	Bashinformsvyaz	54,22
15	AEROFLOT	53,83
16	MGTS	52,85
17	GAZPROM	52,26
18	Severstal	50,88
19	Sibneft	49,9
20	Kubanelectrosvyaz	49,71
21	LUKOIL	49,71
22	YUKOS Corp.	45,38
	Zone of very high risk	
23	GAZ	44,6
24	Norilsk Nickel	44,2
25	Surgutneftegas	43,81