

MINUTES №1

of the Annual General Meeting of Shareholders JSC Concern "Kalina"

Yekaterinburg

May, 14, 2007

Place of carrying out:

JSC Concern "Kalina"

Ekaterinburg,

80 Komsomolskaya str.

Time of registration:

Starts: 09:00 a.m.

Ends: 09:50 a.m.

Total votes of shareholders according to list of shareholders are 9752311, including 9752311 voting.

The number of votes participating in general meeting is 4985913

that amounts 51,12 %.

Chairman: Johan Vreeman Secretary: D. A. Argunov

AGENDA:

1. Election of the Counting Commission.
2. The Board of Directors report “Operational results of the year 2006 and outlooks for the year of 2007”. Approval of the Annual report, balance sheet, profits and losses accounts, and profit distribution. The Inspection commission and Auditors’ opinions.
3. Dividend payment for the second half of the year 2006. Approval of its size, way and terms of payment.
4. Election of the Board of Directors.
5. Approval of the Charter of JSC Concern “KALINA” in a new edition.
6. On cancellation of the By-Law “On remuneration of the members of the Board of Directors of OJSC Concern “KALINA” for fulfilling their duties and compensation of expenses connected with execution of their functions as members of the Board of Directors of JSC Concern “KALINA”.
7. On making changes and additions to the By-Law “On the Board of Directors” of the Company.
8. On making changes and additions to the By-Law “On the Board of Directors” of the Company.
9. Election of the Revision commission.
10. Approval of the Company’s auditor.
11. Approval of a large transaction (several related transactions) regarding the bond issuance.

At 10-00 a.m. the meeting was opened by the Chairman of the Board of Directors Mr. Johan Vreeman who proposed Dmitry Argunov, a secretary of the Board of Directors, to be elected as a secretary of the meeting in order to keep the Minutes.

Elected unanimously.

The agenda is being approved.

Permission to speak is given to Semchenko E. M., the Chairman of the Counting commission, who informed the shareholders about the way the ballot-papers should be filled in.

On the first issue Johan Vreeman was listened to. He informed the meeting that due to power termination of the Counting Commission, elected on the Annual meeting of shareholders JSC Concern "KALINA" on 7th April 2006, the meeting is to elect the new membership of the Counting Commission.

Johan Vreeman proposed three members for election to the Counting Commission for a term of one year. Personally:

- Semchenko Elena Mikhailovna
- Gorelik Olga Vasilievna
- Filinkova Natalia Yurievna

Voting results: - 4,315,726 votes

FOR - 4,085,576 votes

AGAINST - none

ABSTINENT - 230,150 votes

Elected by the majority of votes.

On the second issue permission to speak is given to:

Petrov A.Yu.- Chief Financial Officer (report is included);

Babina T.G. – Chief accountant (report and auditors' conclusion are attached);

Miskhailov O.V. – A member of the Inspection commission (inspection commission report is attached).

There were no questions to the speakers.

It is offered to vote the following decision:

“To approve the Annual report, balance sheet, accounts of profits and losses for the year 2006, Auditors’ report for the year 2006, as well as the use of the net profit of the year 2006 at the sum of 288 233 963 (two hundred eighty eight million two hundred thirty three thousand nine hundred sixty three) roubles 45 (fourty five) kopecks including dividend payment on the results of the first half of the year 2006 at the sum of 90 111 353.64 (ninghty millions one hundred eleven thousand three hundred and fifty three) roubles 64 (sixty four) kopecks.

The rest of profit should be used for paying dividends on results of the second half of the year 2006 at the sum of 107 763 036.55 (one hundred seven million seven hundred sixty three thousand and thirty six) roubles 55(fifty five) kopecks”.

Voting results: - 4,317,261 votes

FOR - 4,087,111 votes

AGAINST - none

ABSTINENT - 230,150 votes

The wording of decision on the second decision put to the vote:

“To approve the Annual report, balance sheet, accounts of profits and losses, Auditors’ report for the year 2006, as well as to use the net profit 2006 at the sum of 288 233 963 (two hundred eighty eight million two hundred thirty three thousand nine hundred sixty three) roubles 45 (fourty five) kopecks including dividend payment on the results of the first half of the year 2006 at the sum of 90 111 353.64 (ninghty million one hundred eleven thousand three hundred and fifty three) roubles 64 (sixty four) kopecks. . The rest of profit is to pay dividends on results of the second half of the year 2006 at the sum of 107 763 036.55 (one hundred seven million seven hundred sixty three thousand and thirty six) roubles 55(fifty five) kopecks”.

On the third issue it was listened to Johan Vreeman who put to consideration of the meeting recommendations of the Board of Directors to pay dividends for the second half of the year of 2006 at the sum of 11 roubles 05 kopecks per one ordinary share.

It is offered to vote the following decision:

“- To approve the dividend payment for the second half of the year of 2006 at the sum of 11 (eleven) roubles 05 (five) kopecks per one ordinary share.

- to do payments in cash.

- to do payments within 30 days from the moment of announcing at the meeting.”

Voting results:	- 4,317,261 votes
FOR-	- 4,087,111 votes
AGAINST –	-none
ABSTINENT	-230,150 votes

The decision taken:

“- To pay the dividends for the second half of the year of 2006 at the sum of 11 (eleven) roubles 05 (five) kopecks per one ordinary share in cash and within 30 days from the moment of announcing at the meeting.”

On the fourth issue Johan Vreeman informs the meeting about the election of the Board of Directors and proposes the following candidates for election:

Vasiliev Mikhail Borisovich representative office in	St. Petersburg	–Head of the NCH Advisors, Inc.
Geller Nikolay Arkadievich ‘Kalina’		– Director of Development, JSC Conern
Goryaev Timur Rafkatovich ‘Kalina’		– Chief Executive Officer, JSC Concern
Petrov Alexander Yurievich ‘Kalina’		– Chief Financial Officer, JSC Concern

Johan Grietsen Hendrik Vreeman	– Managing Director at Corpoeq B.V.,
Reinhold Schlensok Scheller Cosmetics AG,	– member of the Management Board Dr.
Christophe Clave	– Director of Kalina International SA,

After discussion the question was put to vote.

Voting results:

“FOR”:

Vasiliev Mikhail Borisovich	– 9,143,534 votes
Geller Nikolay Arkadieievich	– 3,361,812 votes
Goryaev Timur Rafkatovich	– 3,819,677 votes
Petrov Alexander Yurievich	– 3,445,012 votes
Reinhold Schlensok	– 5,249,894 votes
Johan Grietsen Hendrik Vreeman	– 3,454,137 votes
Christophe Clave	– 3,350,887 votes

The decision taken: “ To elect to the new Board of Directors JSC Concern ‘KALINA’

Vasiliev Mikhail Borisovich representative office in St. Petersburg	–Head of the NCH Advisors, Inc.
Geller Nikolay Arkadieievich ‘Kalina’	– Director of Development, JSC Conern
Goryaev Timur Rafkatovich ‘Kalina’	– Chief Executive Officer, JSC Concern

Petrov Alexander Yurievich
'Kalina'

– Chief Financial Officer, JSC Concern

Johan Grietsen Hendrik Vreeman

– Managing Director at Corpoeq B.V.,

Reinhold Schlensok
Scheller Cosmetics AG,

– member of the Management Board Dr.

Christophe Clave
citizen of France

– Director of Kalina International SA, a

On the fifth issue it was listened to Johan Vreeman who proposed to approve the Charter of OJSC Concern "KALINA" in new edition

It is offered to vote for the following;

"To approve the new edition of the Charter of OJSC Concern "KALINA"

Voting results:	-4,317,261 votes
FOR-	-4,312,429 votes
AGAINST –	-none
ABSTINENT	- 4,832 votes

The decision taken: "To approve the new edition of the Charter of OJSC Concern "KALINA"

On the sixth issue it Johan Vreeman was listened to. He informed the meeting that the Board of Directors of the Company received a proposal of a shareholder – Lindsell Enterprises Limited, - to cancel the By-Law "On remuneration of the members of the Board of Directors of OJSC Concern

“KALINA” for fulfilling their duties and compensation of expenses connected with execution of their functions of members of the Board of Directors of JSC Concern “KALINA” approved by the General meeting of shareholders (Minutes #2 dd. August 11, 2005) because this document became outdated and contains a number of contradictions and unclear statements and also in purposes of improvement of corporate governance practice.

It was offered to vote for the following decision;

“To cancel the By-Law “On remuneration of the members of the Board of Directors of OJSC Concern “KALINA” for fulfilling their duties and compensation of expenses connected with execution of their functions of members of the Board of Directors of JSC Concern “KALINA”

Voting results:	-4,277,178 votes
FOR-	-3,949,956 votes
AGAINST –	-97,072 votes
ABSTINENT	-230,150 votes

The decision taken:

”To cancel the By-Law “On remuneration of the members of the Board of Directors of OJSC Concern “KALINA” for fulfilling their duties and compensation of expenses connected with execution of their functions of members of the Board of Directors of JSC Concern “KALINA”

On the seventh issue it was listened to Johan Vreeman who informed the meeting that the Board of Directors of the Company received a proposal of a shareholder – Lindsell Enterprises Limited, - to make some changes in and additions to the By-Law “On the Board of Directors” of the Company in purposes of improvement of corporate governance practice

It was offered to vote for the following decision;

“To make the following changes in and additions to the By-Law “On the Board of Directors” of the Company: “The Article 15 of the By-Law “On the Board of Directors” of the Company set forth as follows:

“Article 15. Remuneration of the members of the Board of Directors and compensation of expenses, connected with execution of their duties.

15.1. The members of the Board of Directors of the Company shall be remunerated for fulfilling their duties of the members of the Board of Directors. The Company shall bear expenses connected with activity of the Board of Directors including compensation of all document supported expenses of the members of the Board of Directors connected with fulfilling of their duties.

15.2. Remuneration of the members of the Board of Directors consists of quarterly and annual remuneration.

15.3. Quarterly remuneration to each member of the Board of Directors is set in the amount of 80,000 rubles. The remuneration of the Chairman of the Board of Directors is set with x2 ratio. Quarterly remuneration of a member of the Board of Directors to be reduced on: 30% - in case the member was presented on less than one half of meetings of the Board of Director in form of presence; 100% - in case of his presence on less than one half of all meetings of the Board of Directors. For a quarter when re-election of the Board of Directors was held, remuneration of a member of the Board of Directors to be paid pro rata to his membership time in such quarter. Quarterly remuneration of a member of the Board of Directors to be paid not later than 40 days before the end of current quarter.

15.4. Annual remuneration for whole composition of the Board of Directors is set as 1% of a part of net profit of the Company for an accounting year to be paid as dividends. Annual remuneration to be allot to the members of the Board of Directors in equal shares. Annual remuneration of a member of the Board of Directors to be reduced on 50% in case of his presence on less than one half of all meetings of the Board of Directors held during his membership in the Board of Directors. Annual remuneration of a member of the Board of Directors to be paid not later than 3 months after a date of the general meeting of shareholders approved an amount of dividends.

15.5. The members of the Board of Directors who at the same time are the members of a Committee of the Board of Directors of the Company shall be paid with rise in quarterly remuneration, connected with fulfilling of their duties of members of a Committee of the Board of Directors, in amount of 15,000 rubles. At that a member of the Board of Directors may not be a member of more than 2 Committees of the Board of Directors. The Chairman of a Committee of the Board of Directors such rise to be paid with x1.25 ratio”

Voting results: -4,277,178 votes

FOR-	-3,796,720 votes
AGAINST –	-97,072 votes
ABSTINENT -	-383,386 votes

The decision taken;

“ To make the following changes and additions to the By-Law “On the Board of Directors” of the Company: “The Article 15 of the By-Law “On the Board of Directors” of the Company set forth as follows:

“Article 15. Remuneration of the members of the Board of Directors and compensation of expenses, connected with execution of their duties.

15.1. The members of the Board of Directors of the Company shall be remunerated for fulfilling their duties of the members of the Board of Directors. The Company shall bear expenses connected with activity of the Board of Directors including compensation of all document supported expenses of the members of the Board of Directors connected with fulfilling of their duties.

15.2. Remuneration of the members of the Board of Directors consists of quarterly and annual remuneration.

15.3. Quarterly remuneration to each member of the Board of Directors is set in the amount of 80,000 rubles. The remuneration of the Chairman of the Board of Directors is set with x2 ratio. Quarterly remuneration of a member of the Board of Directors to be reduced on: 30% - in case the member was presented on less than one half of meetings of the Board of Director in form of presence; 100% - in case of his presence on less than one half of all meetings of the Board of Directors. For a quarter when re-election of the Board of Directors was held, remuneration of a member of the Board of Directors to be paid pro rata to his membership time in such quarter. Quarterly remuneration of a member of the Board of Directors to be paid not later than 40 days before the end of current quarter.

15.4. Annual remuneration for whole composition of the Board of Directors is set as 1% of a part of net profit of the Company for an accounting year to be paid as dividends. Annual remuneration to be allot to the members of the Board of Directors in equal shares. Annual remuneration of a member of

the Board of Directors to be reduced on 50% in case of his presence on less than one half of all meetings of the Board of Directors held during his membership in the Board of Directors. Annual remuneration of a member of the Board of Directors to be paid not later than 3 months after a date of the general meeting of shareholders approved an amount of dividends.

15.5. The members of the Board of Directors who at the same time are the members of a Committee of the Board of Directors of the Company shall be paid with rise in quarterly remuneration, connected with fulfilling of their duties of members of a Committee of the Board of Directors, in amount of 15,000 rubles. At that a member of the Board of Directors may not be a member of more than 2 Committees of the Board of Directors. The Chairman of a Committee of the Board of Directors such rise to be paid with x1.25 ratio”

On the eighth issue it was listened to Johan Vreeman who informed the meeting that the Company top-management suggests Annual general meeting shareholders of JSC Concern “KALINA” to approve some changes in and additions to the By-Law “On the Board of Directors” of the Company in purposes of improvement of corporate governance practice.

It was offered to vote for the following decision:

”To make the following changers and alterations to the By-Law “On the Board of Directors” of the Company:

To set forth the paragraph 2.3 of the article 2 of the By-law “On the Board of Directors” of the Company as follows:

“2.3. Powers of the Board of Director in the sphere of the Company strategic management:

- 2.3.1. determination of priority directions of the Company activity;
- 2.3.2. approval of the annual budgets and investments plan of the Company;
- 2.3.3. establishment of subsidiaries and representative offices;
- 2.3.4. approval of deals aimed at participation of the company in other organizationsif as a result of such deals the company has a right to dispose of more than 25% of the charter capital of an other organization: approval of decision on establishment of the company subsidiaries;
- 2.3.5. approval of deals aimed at alienation of participant interest (shares) in other organizations if the participant interest to be alienated under one or several related deals exceeds 25% of the charter capital of an other organization;

2.3.6. making up the report of the Company observation of the Corporate Governance Code”.

To set forth the paragraph 7 of the article 7 of the By-law “On the Board of Directors” of the Company as follows:

“7.1. Election to the Company Board of Directors shall be made by cumulative voting. Here the number of votes belonging to each shareholder shall be multiplied to the number of persons to be elected to the Company Board of Directors and the shareholder shall have the right to give his votes to one candidate or distribute them among several or all candidates. Fractional part of vote resulted from multiplying number of votes owned by a shareholder-owner of a fractional share, by number of persons to be elected to the Board of directors, can be used to vote only one candidate”.

To set forth the paragraph 11.15. of the article 11 of the By-law “On the Board of Directors” of the Company as follows: “11.15. Decisions about increase of the authorized capital of the Company through additional shares placement, about approval of the large transaction, with the subject being property with the value from 25 to 50% of the book value of Company assets, approval of the Company’s registrar, terms of agreement with him and dissolution of the agreement with the registrar are taken by all members of the Board of Directors unanimously without taking into account the leaving members of the Board of Directors. The leaving members of the Board are those members whose powers were terminated ahead of time by resolution of the general meeting of shareholders, and the deceased”.

To add to the article 11 of the By-law “On the Board of Directors” of the Company the following paragraph 11.16.: “11.16. The resolution on formation of the sole executive body of the Company, termination of his powers ahead of time, approval of terms of any agreements and resolutions regarding hiring, dismissing and compensation payments to the General Director of the Company should be passed by the qualified majority of votes of all members of the company Board of Directors (6 from 7)”.

The Article 15 of the By-Law “On the Board of Directors” of the Company set forth as follows:

“Article 15. Remuneration of the members of the Board of Directors and compensation of expenses, connected with execution of their duties.

15.1. The members of the Board of Directors of the Company shall be remunerated for fulfilling their duties of the members of the Board of Directors. The Company shall bear expenses connected with activity of the Board of Directors including compensation of all document supported expenses of the members of the Board of Directors connected with fulfilling of their duties.

15.2. Remuneration of the members of the Board of Directors consists of quarterly and annual remuneration.

15.3. Remuneration to each member of the Board of Directors is set in the amount of 80,000 rubles for one meeting of the Board of Directors in form of presence. The remuneration of the Chairman of the Board of Directors is set with x2 ratio. Remuneration of a member of the Board of Directors to be paid not later than 40 days after the date of respective meeting of the Board of Directors.

15.4. Annual remuneration for whole composition of the Board of Directors is set as 1% of a part of net profit of the Company for an accounting year to be paid as dividends. Annual remuneration to be allot to the members of the Board of Directors in equal shares. At that annual remuneration of the Chairman of the Board of Directors amount to two shares. Annual remuneration of a member of the Board of Directors to be reduced on 50% in case of his presence on less than one half of all meetings of the Board of Directors held during his membership in the Board of Directors. Annual remuneration of a member of the Board of Directors to be paid not later than 3 months after a date of the general meeting of shareholders approved an amount of dividends.

15.5. The members of the Board of Directors who at the same time are the members of a Committee of the Board of Directors of the Company shall be paid with rise in remuneration, connected with fulfilling of their duties of members of a Committee of the Board of Directors, in amount of 15,000 rubles per each meeting of a Committee of the Board of Directors in form of presence (but not more than for five meeting of a Committee per annum). At that a member of the Board of Directors may not be a member of more than 2 Committees of the Board of Directors. The Chairman of a Committee of the Board of Directors such rise to be paid with x1.25 ratio”.

Voting results:	-4317261 votes
FOR-	-3933875 votes
AGAINST	-none
ABSTINENT	-383386 votes

The decision taken ;

”To make the following changes and alterations to the By-Law “On the Board of Directors” of the Company:

To set forth the paragraph 2.3 of the article 2 of the By-law “On the Board of Directors” of the Company as follows:

2.3. Powers of the Board of Director in the sphere of the Company strategic management:

- 2.3.6. determination of priority directions of the Company activity;
- 2.3.7. approval of the annual budgets and investments plan of the Company;
- 2.3.8. establishment of subsidiaries and representative offices;
- 2.3.9. approval of deals aimed at participation of the company in other organizations if as a result of such deals the company has a right to dispose of more than 25% of the charter capital of an other organization: approval of decision on establishment of the company subsidiaries;
- 2.3.10. approval of deals aimed at alienation of participant interest (shares) in other organizations if the participant interest to be alienated under one or several related deals exceeds 25% of the charter capital of an other organization;
- 2.3.7. making up the report of the Company observation of the Corporate Governance Code”.

To set forth the paragraph 7 of the article 7 of the By-law “On the Board of Directors” of the Company as follows:

“7.1. Election to the Company Board of Directors shall be made by cumulative voting. Here the number of votes belonging to each shareholder shall be multiplied to the number of persons to be elected to the Company Board of Directors and the shareholder shall have the right to give his votes to one candidate or distribute them among several or all candidates. Fractional part of vote resulted from multiplying number of votes owned by a shareholder-owner of a fractional share, by number of persons to be elected to the Board of directors, can be used to vote only one candidate”.

To set forth the paragraph 11.15. of the article 11 of the By-law “On the Board of Directors” of the Company as follows: “11.15. Decisions about increase of the authorized capital of the Company through additional shares placement, about approval of the large transaction, with the subject being property with the value from 25 to 50% of the book value of Company assets, approval of the Company’s registrar, terms of agreement with him and dissolution of the agreement with the registrar are taken by all members of the Board of Directors unanimously without taking into

account the leaving members of the Board of Directors. The leaving members of the Board are those members whose powers were terminated ahead of time by resolution of the general meeting of shareholders, and the deceased”.

To add to the article 11 of the By-law “On the Board of Directors” of the Company the following paragraph 11.16.: “11.16. The resolution on formation of the sole executive body of the Company, termination of his powers ahead of time, approval of terms of any agreements and resolutions regarding hiring, dismissing and compensation payments to the General Director of the Company should be passed by the qualified majority of votes of all members of the company Board of Directors (6 from 7)”.

The Article 15 of the By-Law “On the Board of Directors” of the Company set forth as follows:

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15.1. The members of the Board of Directors of the Company shall be remunerated for fulfilling their duties of the members of the Board of Directors. The Company shall bear expenses connected with activity of the Board of Directors including compensation of all document supported expenses of the members of the Board of Directors connected with fulfilling of their duties.

15.2. Remuneration of the members of the Board of Directors consists of quarterly and annual remuneration.

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15.4. Annual remuneration for whole composition of the Board of Directors is set as 1% of a part of net profit of the Company for an accounting year to be paid as dividends. Annual remuneration to be allot to the members of the Board of Directors in equal shares. At that annual remuneration of the Chairman of the Board of Directors amount to two shares. Annual remuneration of a member of the Board of Directors to be reduced on 50% in case of his presence on less than one half of all meetings of the Board of Directors held during his membership in the Board of Directors. Annual remuneration of a member of the Board of Directors to be paid not later than 3 months after a date of the general meeting of shareholders approved an amount of dividends.

15.5. The members of the Board of Directors who at the same time are the members of a Committee of the Board of Directors of the Company shall be paid with rise in remuneration, connected with fulfilling of their duties of members of a Committee of the Board of Directors, in amount of 15,000 rubles per each meeting of a Committee of the Board of Directors in form of presence (but not more than for five meeting of a Committee per annum). At that a member of the Board of Directors may not be a member of more than 2 Committees of the Board of Directors. The Chairman of a Committee of the Board of Directors such rise to be paid with x1.25 ratio”.

On the ninth issue Johan Vreeman proposed the following candidates to be elected to the Revision commission:

Marina Borisovna Buinova

Oleg Valerievich Mikhailov

Olga Viktorovna Fedorova

After discussion and answering the question , it was proposed to vote for the following:

“To vote for the election of the above mentioned candidates”.

Voting results:	-4,078,192 votes
FOR-	-3,258,153 votes
AGAINST	-820,039 votes
ABSTINENT	-239,069 votes

The decision taken:

“To elect the following candidates as the members of the Revision commission:

Marina Borisovna Buinova

Oleg Valerievich Mikhailov

Olga Viktorovna Fedorova “

On the tenth issue it was listened to Johan Vreeman who on behalf of the Board of Directors suggests to offered to approve CJSC Audit-centre “Ural-Audit” as the auditor of the Company.

The following question was put to vote:

“To approve CJSC “Audit centre «Ural-Audit”” as the auditor of the company.”

Voting results:	-4,078,192 votes
FOR-	-3,258,153 votes
AGAINST –	-820,039 votes
ABSTINENT -	-239,069 votes

The decision taken:

“To approve CJSC “Audit centre”Ural-Audit” as the auditor of the company.”

On the eleventh issue it was listened to Johan Vreeman who informed the meeting that the Board of Directors JSC Concern “KALINA” approved the public placement of the Company bonds 03 series during its meeting on March 21, 2007. Since a sum of the Bonds face value and the total amount of obligations of the Issuer to pay accumulated coupon income under the Bonds series 03 exceeds 25% (but less than 50%) of the total Company’s assets as of December 31, 2006 (according to RAS financial statements) then the placement of bonds is a large deal and shall be approved unanimously by the Board of Directors of the Company (Articles 78 and 79 of the Russian Law “On joint stock companies”). The issue was put on voting during the Board meeting on March 21, 2007 but the decision was not approved unanimously. That’s why according to the paragraph 2 article 79 of the Law the issue is put on voting of the Annual general meeting of shareholders of the Company.

It was proposed to vote for the following:

“To approve a large deal (several related deals) of public placement of non-convertible interest-bearing documentary bearer bonds with mandatory centralized keeping of 03 series in amount of 2,100,000 (Two million one hundred thousand) bonds at face value of 1,000 (One thousand) rubles per bond, secured by a guarantee of LLC “Kalina Finance” with maturity date on 1,820 days from the date of placement beginning, placed at the price of placement equal to 1,000 (One thousand) rubles per Bond (starting from a second day of placement purchasers shall pay also an accumulated

coupon income. The price of mentioned deal is a sum of the Bonds face value - i.e. 2,100,000,000 (Two billion one hundred million) rubles, and the total amount of obligations of the Issuer to pay accumulated coupon income under the Bonds series 03. Counterparties under this deal are Open joint stock company Concern "KALINA" and holders of the series 03 bonds"

Voting results:	-4,317,261 votes
FOR-	-3,958,194 votes
AGAINST	-67,155 votes
ABSTINENT-	-291,912 votes

The decision taken:

"To approve a large deal (several related deals) of public placement of non-convertible interest-bearing documentary bearer bonds with mandatory centralized keeping of 03 series in amount of 2,100,000 (Two million one hundred thousand) bonds at face value of 1,000 (One thousand) rubles per bond, secured by a guarantee of LLC "Kalina Finance" with maturity date on 1,820 days from the date of placement beginning, placed at the price of placement equal to 1,000 (One thousand) rubles per Bond (starting from a second day of placement purchasers shall pay also an accumulated coupon income. The price of mentioned deal is a sum of the Bonds face value - i.e. 2,100,000,000 (Two billion one hundred million) rubles, and the total amount of obligations of the Issuer to pay accumulated coupon income under the Bonds series 03. Counterparties under this deal are Open joint stock company Concern "KALINA" and holders of the series 03 bonds"

The agenda is concluded.

The Meeting is announced to be closed. It is offered to hand in the voting papers to the Counting Committee.

Chairman of the meeting:
Vreeman/

/Johan

Secretary of the Meeting:
D.A./

/Argunov

Date of drawing up the minutes: 15.05.2007