

**RECOMMENDATIONS OF THE BOARD OF DIRECTORS
TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS
OF MMC NORILSK NICKEL**

Re: Dividends on the shares of MMC Norilsk Nickel in 2006.

The year of 2006 saw high and at some point historically maximal prices for non-ferrous and precious metals produced by MMC Norilsk Nickel (hereinafter, the Company). Average Stock prices for metals in 2006 were much higher than in 2005, price growth reached:

- 82.7% to USD 6,731 for Cu;
- 64.9% to USD 24,287 for Ni;
- 58.4% to USD 320 for Pd;
- 27.4% to USD 1,143 for Pt.

2006 showed high financial results. Net profit from continuing operations (net of gold mining assets) in 2006 amounted to USD 5 bln.

Taking into account the financial results achieved, the Board of Directors recommends to the Annual General Meeting of Shareholders approving dividend payable upon the results of the year 2006 in the amount of RUB 176 per ordinary share.

The amount suggested complies with the Company's dividend policy, whereby 20-25% of the Company's annual net profit as reported under IFRS shall be used for dividend payout to shareholders.

Taking into account the fact that the Company has already paid interim dividends for 9 months of 2006, additional dividends will amount to RUB 120 per ordinary share.