

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

Re.: Profit and loss distribution based on the financial year results

Revenues of MMC Norilsk Nickel (the Company) in 2006 as reported under Russian Accounting Standards amounted to RUB 262,600,253 thousand, and the Company's net profit reached RUB 121,174,531 thousand.

Based on the results of the Company operations in the first 9 months of 2006, the Extraordinary General Meeting of Shareholders of November 24, 2006 has approved the distribution of interim dividends in the amount of RUB 56 per ordinary share. This payout was carried out in December 2006. Total sum of interim dividends paid to shareholders amounted to RUB 10.6 bln.

Taking into consideration the Company's outstanding financial results in 2006, the Board of Directors recommends to this General Meeting to approve dividend for 2006 in the amount of RUB 176 per share.

Thus, taking into account previously paid interim dividends for the first 9 months of 2006, this means an additional payout of RUB 21.9 bln.

The Board of Directors recommends to this General Meeting not to distribute the balance of the net profit amount left after the payment of abovementioned dividends.