

**Recommendations of UTK's Board of Directors on distribution of the Company's profits (including payment (declaration) of dividends under UTK's shares) and losses based on the results of 2005 fiscal year**

1. Main directions of retained earnings distribution in 2005.

№	Description	Measurement unit	2005	
			Approved by General Shareholders' Meeting	Reported
1.	Retained earnings of the reporting year	RUR ths	276,649	276,649
<b>Main directions of distribution of retained earnings of the reporting year:</b>				
a)	covering losses of the past years	RUR ths	-	-
б)	creating reserves % of net profit	RUR ths %	- -	- -
в)	creating a special employees' fund for shareholding (if it is provided for by the Company's constituent documents) % of net profit	RUR ths %	- -	- -
г)	dividend payment % of net profit	RUR ths %	55,328.4 20	55,328.4 20
д)	increase in share capital with regard to retained profit of the reporting year % of net profit	RUR ths %	221,320.6 0	221,320.6 80

2. Plan of retained earnings distribution in 2006

№	Description	Measurement unit	2006	
			Plan	
1.	Retained earnings of the reporting year	RUR ths		305,203
<b>Main directions of distribution of retained earnings of the reporting year:</b>				
a)	covering losses of the past years	RUR ths		-
б)	creating reserves % of net profit	RUR ths %		- -
в)	creating a special employees' fund for shareholding (if it is provided for by the Company's constituent documents) % of net profit	RUR ths %		- -
г)	dividend payment % of net profit	RUR ths %		61,040.6 20
д)	increase in share capital with regard to retained profit of the reporting year % of net profit	RUR ths %		244,162.4 80

### 3. Calculation of 2005 dividend per UTK's shares

№	Description	Measurement unit	Value
1	Net profit (retained earnings of the period under report)	RUR	305,203,000
2	Amount of net profit to be directed to payment of dividends under preference Type A shares	RUR	30,520,706.95
	% of net profit	%	10.00013
3	Number of preference Type A shares - total, including	shares	972,151,838
	a) those reflected in the Company's statement of balance	shares	0
	б) Number of preference Type A shares used for dividend calculation	shares	972,151,838
4	Size of dividend per preference Type A share	RUR	0.031395
	% of par value	%	9.51
5	Amount of net profit to be directed to payment of dividends under ordinary shares	RUR	30,520,313.01
	% of net profit	%	10.00000
6	Number of ordinary shares - total, including	shares	2,960,512,964
	a) those reflected in the Company's statement of balance	shares	0
	б) Number of ordinary shares used for dividend calculation	shares	2,960,512,964
	- owned by the state	shares	0
	- owned by "Svyazinvest" OJSC	shares	1,150,670,705
7	Size of dividend per ordinary share	RUR	0.01030913
	% of par value	%	3.12
	TOTAL amount to be directed to dividend payment	RUR	61,041,019.96
	% of net profit	%	20.00

2005 dividend payment procedure.

- a) preference share dividend amounting to 0.031395 rubles per one share shall be paid in cash prior to 25 August 2006;
- b) ordinary share dividend amounting to 0.01030913 rubles per one share shall be paid in cash prior to 15 December 2006.