

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
Main directions of distribution of retained earnings of the reporting year:				
a)	covering losses of the past years	RUR ths	-	-
б)	creating reserves	RUR ths	-	-
	% of net profit	%	-	-
в)	creating a special employees' fund for shareholding (if it is provided for by the Company's constituent documents)	RUR ths	-	-
	% of net profit	%	-	-
г)	dividend payment	RUR ths	55,328.4	55,328.4
	% of net profit	%	20	20
д)	increase in share capital with regard to retained profit of the reporting year	RUR ths	221,320.6	221,320.6
	% of net profit	%	0	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
Main directions of distribution of retained earnings of the reporting year:			
a)	covering losses of the past years	RUR ths	-
б)	creating reserves	RUR ths	-
	% of net profit	%	-
в)	creating a special employees' fund for shareholding (if it is provided for by the Company's constituent documents)	RUR ths	-
	% of net profit	%	-
г)	dividend payment	RUR ths	61,040.6
	% of net profit	%	20
д)	increase in share capital with regard to retained profit of the reporting year	RUR ths	244,162.4
	% of net profit	%	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.