

**EXTRACT FROM MINUTES № 35
of the Meeting of the Board of Directors of "UTK" PJSC**

Date of the Meeting: May 15, 2007

Form of the Meeting: meeting by attendance

Venue where the Minutes of the Meeting were drawn up: building 2, 55, Plyuschikha Street, Moscow, 119121

Members of the Board of Directors attending the meeting: Panchenko S.N., Antonyuk B.D., Vinkov A.A., Gavrilenko A.A., Yenin E.P., Zabuzova E.V., Kilikov D.V., Punina E.A., Selvich E.P., Yuriev V.P.

Member of the Board of Directors who presented written opinion on the agenda items: Veremianina V.F.

11 out of 11 members of the Board of Directors took part in the voting on the agenda items of the Meeting of the Board of Directors.

Pursuant to item 13.11 of Article 11 of the Charter of "Southern Telecommunications Company" PJSC there is a quorum for taking decisions on the agenda items.

AGENDA:

2. Fixing the price of shares of Public Joint –Stock Company "Southern Telecommunications Company" for the purpose of their redemption from the shareholders who voted against the Company's reorganization or abstained from voting on this agenda item of the annual General Shareholders' Meeting.

On the second agenda item: "Fixing the price of shares of Public Joint –Stock Company "Southern Telecommunications Company" for the purpose of their redemption from the shareholders who voted against the Company's reorganization or abstained from voting on this agenda item of the annual General Shareholders' Meeting." Having considered the presented materials, the Board of Directors took a

DECISION:

1. Based on market value, to fix the following price of shares of Public Joint –Stock Company "Southern Telecommunications Company" for the purpose of their redemption from the shareholders who voted against the Company's reorganization or abstained from voting on this agenda item of the annual General Shareholders' Meeting:

- 1) 5.27 rubles per one ordinary registered non-documentary share;
- 2) 3.28 rubles per one preference type A registered non-documentary share.

VOTING RESULTS:

«in favor»	-	11 members of the Board of Directors
«against»	-	none
«abstentions»	-	none

The decision has been taken unanimously.

Chairman of the Board of Directors² (*signature*)

S.N. Panchenko

Corporate Secretary (*signature*)

A.A. Lyubich

THE EXTRACT IS TRUE:

Corporate Secretary

A.A. Lyubich