

**Information and Comments on Issues Submitted for Approval
of the Annual General Meeting of Shareholders of
Mobile TeleSystems Open Joint Stock Company
on June 27th, 2008**

On the first issue on the agenda:

The procedure for conducting the annual general shareholders meeting

This issue on the agenda is of organizational nature and relates to the procedure for conducting the shareholders meeting.

The Counting Commission shall notify meeting participants of the registration of meeting participants, presence of a quorum and other organizational matters.

Within this issue, the meeting participants shall adopt a resolution on election of the Chairman of the Shareholders Meeting (the Chairman shall be elected from among the persons attending the Shareholders Meeting).

Subject to Item 30.3 of MTS OJSC Charter, the Chairman shall perform the following functions:

- conduct the general shareholders meeting;
- ensure compliance with the rules of procedure for the general shareholders meeting;
- sign the minutes of the general shareholders meeting.

This issue also covers the procedure for summarizing the voting results and announcing resolutions adopted by MTS OJSC annual general shareholders meeting with respect to issues on the agenda of the shareholders meeting.

Procedure for adoption of the resolution:

The resolution shall be adopted by a simple majority of votes of shareholders attending the meeting.

Draft resolution:

1. Have the following person _____ elected Chairman of MTS OJSC Annual General Shareholders Meeting.
2. Voting results and resolutions adopted by MTS OJSC Annual General Shareholders Meeting with respect to issues on the agenda shall be announced at MTS OJSC Annual General Shareholders Meeting.

On the second issue on the agenda:

Approval of MTS OJSC Annual Report, MTS Annual Financial Statements, including MTS OJSC Profit & Loss Report, distribution of MTS OJSC profit and losses based on FY 2007 results (including payment of dividends).

As required by the existing Russian law, the said issue shall be discussed, on an annual basis, at the annual general shareholders meeting.

The following materials were submitted to the Annual General Shareholders Meeting for approval:

- MTS OJSC 2007 Annual Report;
- MTS 2007 Annual Financial Statements under the Russian Accounting Standards;
- MTS OJSC 2007 Profit & Loss Report (Account);
- Recommendations of MTS OJSC Board of Directors summarizing the procedure for distribution of MTS OJSC profit based on FY 2007 results.

Please find attached the Findings of MTS OJSC Auditing Commission and the Report of MTS OJSC's Auditor (ZAO Deloitte & Touche CIS).

The text of the resolution on this issue also includes a section dealing with the payment of annual dividends on MTS OJSC registered common shares. It is recommended that the amount of annual dividends on MTS OJSC registered common shares be RUR 14.84 per one MTS OJSC registered common share with a par value of RUR 0.1 each. The total amount of MTS OJSC annual dividends shall be RUR 29,580,959,887.92. Annual dividends shall be paid out in cash within the time limit, as set out in MTS OJSC Charter.

Procedure for adoption of the resolution:

The resolution shall be adopted by a simple majority of votes of shareholders attending the meeting.

Draft resolution:

Be it resolved that MTS OJSC 2007 Annual Report, MTS 2007 Annual Financial Statements, MTS OJSC 2007 Profit & Loss Report (Account), the procedure for distribution of MTS OJSC profit, including annual dividends on MTS OJSC registered common shares in the amount of RUR 14.84 per one registered common share with a par value of RUR 0.1 each, be approved. The total amount of MTS OJSC annual dividends shall be RUR 29,580,959,887.92. Annual dividends shall be paid out in cash within the time limit, as set out in MTS OJSC Charter.

On the third issue on the agenda:

Election of members of MTS OJSC Board of Directors

The issue on election of MTS OJSC Board of Directors members is submitted for approval of MTS OJSC General Shareholders Meeting. The powers of the newly elected MTS OJSC Board of Directors members shall be effective until the next MTS OJSC annual general shareholders meeting.

Procedure for adoption of the resolution:

Pursuant to MTS OJSC Charter and the existing Russian law, members of the Board of Directors shall be elected by cumulative voting. In cumulative voting, the number of voting shares owned by each of shareholders shall be multiplied by the number of persons to be elected to MTS OJSC Board of Directors, and a shareholder may cast all votes carried by the shares owned by him in favor of one candidate, or distribute them among two or more candidates. The candidates who receive the greatest number of votes shall be deemed elected to the Board of Directors.

Please find attached information on candidates for the Board of Directors.

In accordance with MTS OJSC Charter, the number of MTS OJSC Board of Directors members shall be fixed by resolution of the general shareholders meeting and may be not less than seven (7). The Annual General Shareholders Meeting on June 29, 2007 made a decision on the number of MTS OJSC Board of Directors members, i.e. decided that the number of MTS OJSC Board of Directors members should be **seven**.

Draft resolution:

Have the following persons elected members of MTS OJSC Board of Directors:

1. Anton Vladimirovich Abugov
2. Alexey Nikolaevich Buyanov
3. Mohanbir Singh Gyani
4. Sergey Alexeevich Drozdov

5. Tatiana Vladimirovna Evtoushenkova
6. Leonid Adolfovich Melamed
7. Paul James Ostling
8. Vitaly Gennadievich Saveliev

On the forth issue on the agenda:

Election of members of MTS OJSC Auditing Commission

The issue of formation of the Auditing Commission in MTS OJSC is submitted to the Annual General Meeting of MTS OJSC Shareholders for approval. The Auditing Commission is an independent continuing body supervising the financial and operational activities of MTS OJSC.

The Auditing Commission shall be elected by the annual general shareholders meeting and retain its powers until the next annual general meeting of MTS OJSC shareholders.

No more than three (3) candidates may be elected to the Auditing Commission, as that is the number of members of the Auditing Commission fixed by resolution of MTS OJSC Annual General shareholders Meeting of June 21, 2002.

Please find attached information on candidates for the Auditing Commission.

Procedure for adoption of the resolution:

Shares owned by MTS OJSC Board of Directors members or MTS OJSC Executive Body (President) may not participate in voting.

The resolution shall be adopted by a simple majority of votes of shareholders attending the meeting.

Draft resolution:

Have the following persons elected members of MTS OJSC Auditing Commission:

1. Vassily Vassilievich Platoshin
2. Artem Evgenievich Popov
3. Mikhail Vladimirovich Tokun

On the fifth issue on the agenda:

Approval of MTS OJSC auditor

The issue of approval of MTS OJSC's auditor to audit financial and operational activities of MTS OJSC was submitted to the General Meeting of Shareholders for approval.

The auditor shall be approved by the annual general meeting of shareholders on an annual basis.

In accordance with the current law, annual statements of an open joint stock company shall be confirmed by an auditor that has no property interests in the company or the company's shareholders.

MTS OJSC statements for 2002, 2003, 2004, 2005, 2006 and 2007 were audited by ZAO Deloitte & Touche CIS. MTS OJSC Board of Directors recommended that ZAO Deloitte & Touche CIS be approved as MTS OJSC auditor.

Procedure for adoption of the resolution:

The resolution shall be adopted by a simple majority of votes of shareholders attending the meeting.

Draft resolution:

Be it resolved that the auditing firm ZAO Deloitte & Touche CIS (4/7 Vozdvizhenka St., Moscow, Russian Federation, OGN 1027700425444) be approved as MTS OJSC auditor.

On the sixth issue on the agenda:

Approval of the Regulations of Remunerations and Compensations Payable to Members of MTS OJSC Board of Directors

The issue of approval of restated Regulations of Remunerations and Compensations Payable to Members of MTS OJSC Board of Directors (the “Regulations”), recommended to be approved by MTS OJSC Board of Directors, is submitted to MTS OJSC General Shareholders meeting for approval. The most recent Regulations were approved by resolution of MTS OJSC Annual General Meeting on June 29, 2007.

The restated Regulations:

- stipulate that members of the Board of Directors must conclude Agreements on performance of Board member functions. These Agreements should expressly define the rights and obligations of members of MTS OJSC Board of Directors, as to the management of the Company and receiving a remuneration for their job;
- based on world best practices, contain a changed content of motivation and compensation payments to Board members, depending on professional experience of Board members and achievement by the Company of specified financial results.

Please find attached the restated Regulations of Remunerations and Compensations Payable to Members of MTS OJSC Board of Directors.

Procedure for adoption of the resolution:

The resolution shall be adopted by a simple majority of votes of shareholders attending the meeting.

Draft resolution:

Be it resolved that the restated Regulations of Remunerations and Compensations Payable to MTS OJSC Board of Directors Members be approved.

Brief information on issues 7-9 on the agenda

List of companies to be merged:

- Mobile Communication Systems OJSC (Omsk)
- BashCELL CJSC (Republic of Bashkortostan)

MTS OJSC owns 100% of the mentioned subsidiaries' placed shares that allows MTS OJSC to fully control activities of MCS OJSC and BashCELL CJSC.

The subsidiaries have licenses for providing mobile communication services in some Russian regions, i.e. the Omsk Region and the Republic of Bashkortostan.

The merger of the subsidiaries to MTS OJSC will allow to obtain the following results:

- decreased management expenses;
- decreased expenses related to organization and conducting business (no necessity to conclude agreements between MTS OJSC and a subsidiary for delivery of equipment, general contract, usage of trade mark, commercial representation and other economic contracts);

- decreased expenses related to organization and conducting of a subsidiary's corporate activity (decisions of shareholders, interaction with the FAS of Russia and the Federal Financial Markets Service of Russia);
- simplified scheme of providing mobile communication services by MTS OJSC Branches established in the regions where the subsidiaries operate (without commercial representation agreements);
- simplified management structure and higher efficiency of decision-making;
- consolidated subsidiaries' performance indicators in MTS OJSC Russian accounting statements;
- subsidiaries integrated into a new organizational management structure of MTS OJSC.

General conditions and procedure for reorganization:

It is proposed that MTS OJSC be organized by merger of Mobile Communication Systems OJSC and BashCELL CJSC, in which MTS OJSC owns 100% of placed shares, into MTS OJSC, with the assignment of all rights and obligations of Mobile Communication Systems OJSC and BashCELL CJSC to MTS OJSC and termination of activity of Mobile Communication Systems OJSC and BashCELL CJSC.

In accordance with the current law, MTS OJSC shall be the successor of all rights and obligations of Mobile Communication Systems OJSC and BashCELL CJSC.

It is proposed that the merger procedure be implemented, as specified in draft resolutions on the merger.

On the seventh issue on the agenda:

Reorganization of MTS OJSC by merger of Mobile Communication Systems Open Joint Stock Company into MTS OJSC, and approval of the Merger Agreement between Mobile Communication Systems OJSC and MTS OJSC.

Procedure for adoption of the resolution:

The resolution shall be adopted by a simple majority of votes of shareholders attending the meeting.

Draft resolution:

Have MTS OJSC reorganized by merger into MTS OJSC of its subsidiary Mobile Communication Systems Open Joint Stock Company (Mobile Communication Systems OJSC, legal address: 644010, Russian Federation, Omsk Region, Omsk, Boulevard Martynova: OGRN 1025500973728), in which MTS OJSC owns 100% of placed shares, with the assignment of all rights and obligations of Mobile Communication Systems OJSC to MTS OJSC and termination of activity of Mobile Communication Systems OJSC.

To state that due to the fact that MTS OJSC owns 100% of the placed shares in Mobile Communication Systems OJSC:

- the registered common shares in Mobile Communication Systems OJSC (the merging company) owned by MTS OJSC (the surviving company) shall not be converted into shares in MTS OJSC;
- all registered common shares in Mobile Communication Systems OJSC owned by MTS OJSC and not subject to conversion shall be redeemed at the date of the entry made in the Unified State Register of Legal Entities concerning the termination of the merging company, Mobile Communication Systems OJSC;
- the charter capital of MTS OJSC and the number and the par value of MTS OJSC shares shall not change in conjunction with the reorganization of MTS OJSC by merger of Mobile Communication Systems OJSC into MTS OJSC;

- a joint general meeting of MTS OJSC shareholders and Mobile Communication Systems OJSC shareholders shall not be held;
- a resolution amending the Charter of MTS OJSC to include information on the succession of MTS OJSC to the rights and liabilities of Mobile Communication Systems OJSC shall be adopted at MTS OJSC General Shareholders Meeting and such resolution may be approved concurrently with the adoption by MTS OJSC General Shareholders Meeting of the resolution on reorganization by merger and the resolution approving the Agreement on Merger;
- MTS OJSC President shall adopt a resolution on reorganization of Mobile Communication Systems OJSC, a resolution on approval by Mobile Communication Systems OJSC of the Agreement on the Merger of Mobile Communication Systems OJSC into MTS OJSC, and a resolution approving the Deed of Transfer of Mobile Communication Systems OJSC.

To entrust MTS OJSC President to take all necessary measures relating to the merger of Mobile Communication Systems OJSC into MTS OJSC and notify the creditors of MTS OJSC of the decision on reorganization.

To approve the Agreement on Merger of Mobile Communication Systems OJSC into MTS OJSC.

On the eighth issue on the agenda:

Reorganization of MTS OJSC by merger of BashCELL Closed Joint Stock Company into MTS OJSC, and approval of the Merger Agreement between BashCELL CJSC and MTS OJSC.

Procedure for adoption of the resolution:

The resolution shall be adopted by a simple majority of votes of shareholders attending the meeting.

Draft resolution:

Have MTS OJSC reorganized by merger into MTS OJSC of its subsidiary BashCELL Closed Joint Stock Company (BashCELL CJSC, legal address: 452920, Russian Federation, Republic of Bashkortostan, Agidel, Pervykh Stroiteley St., 14; OGRN 1020201436639), in which MTS OJSC owns 100% of placed shares, with the assignment of all rights and obligations of BashCELL CJSC to MTS OJSC and termination of activity of BashCELL CJSC.

To state that due to the fact that MTS OJSC owns 100% of the placed shares in BashCELL CJSC:

- the registered common shares in BashCELL CJSC (the merging company) owned by MTS OJSC (the surviving company) shall not be converted into shares in MTS OJSC;
- all registered common shares in BashCELL CJSC owned by MTS OJSC and not subject to conversion shall be redeemed at the date of the entry made in the Unified State Register of Legal Entities concerning the termination of the merging company, BashCELL CJSC;
- the charter capital of MTS OJSC and the number and the par value of MTS OJSC shares shall not change in conjunction with the reorganization of MTS OJSC by merger of BashCELL CJSC into MTS OJSC;
- a joint general meeting of MTS OJSC shareholders and BashCELL CJSC shareholders shall not be held;
- a resolution amending the Charter of MTS OJSC to include information on the succession of MTS OJSC to the rights and liabilities of BashCELL CJSC shall be adopted at MTS OJSC General Shareholders Meeting and such resolution may be approved concurrently with the adoption by MTS OJSC General Shareholders Meeting of the resolution on reorganization by merger and the resolution approving the Agreement on Merger;
- MTS OJSC President shall adopt a resolution on reorganization of BashCELL CJSC a resolution on approval by BashCELL CJSC of the Agreement on the Merger of BashCELL CJSC into MTS OJSC, and a resolution approving the Deed of Transfer of BashCELL CJSC.

To entrust MTS OJSC President to take all necessary measures relating to the merger of BashCELL CJSC into MTS OJSC and notify the creditors of MTS OJSC of the decision on reorganization.

To approve the Agreement on Merger of BashCELL CJSC into MTS OJSC.

On the ninth issue on the agenda:

Amending MTS OJSC Charter

The issue on amending MTS OJSC Charter was submitted to MTS OJSC General Shareholders Meeting for approval.

The necessity to amend MTS OJSC Charter is caused by the fact that, if the shareholders approve the reorganization of MTS OJSC by merger with Mobile Communication Systems OJSC and BashCELL CJSC, a resolution shall be approved on amending MTS OJSC Charter with regard to the insertion of information on MTS OJSC legal succession of rights and obligations of merged companies.

Items relating to MTS OJSC legal succession of rights and obligations of the companies Mobile Communication Systems OJSC and BashCELL CJSC to be merged with MTS OJSC shall be included into MTS OJSC Charter.

Please find attached the amendments to MTS OJSC Charter.

Procedure for adoption of resolutions:

A resolution shall be adopted by three-fourths majority of votes of shareholders attending the meeting.

Draft resolutions:

1. Have amendments entered into the Charter of MTS OJSC concerning insertion into the Charter of MTS OJSC of the information related to the succession by MTS OJSC of all rights and liabilities of Mobile Communication Systems Open Joint Stock Company after the completion of the reorganization by merger of Mobile Communication Systems Open Joint Stock Company into Mobile TeleSystems Open Joint Stock Company.
2. Have amendments entered into the Charter of MTS OJSC concerning insertion into the Charter of MTS OJSC of the information related to the succession by MTS OJSC of all rights and liabilities of BashCELL Closed Joint Stock Company after the completion of the reorganization by merger of BashCELL Closed Joint Stock Company into Mobile TeleSystems Open Joint Stock Company.

On the tenth issue on the agenda:

Determination of the total number of MTS OJSC Board of Directors members

In accordance with the Federal Law On Joint Stock Companies (the "Law"), the size of the company's Board of Directors shall be as set forth in the Charter of the company, or shall be determined by resolution of the general shareholders meeting.

In accordance with existing MTS OJSC Charter, the size of MTS OJSC Board of Directors members shall be determined by resolution of the general shareholders meeting and may be not less than seven (7). The Annual General Shareholders Meeting on June 29, 2007 make a decision on the number of MTS OJSC Board of Directors members, i.e. decided that the number of MTS OJSC Board of Directors members should be seven.

When preparing MTS OJSC Annual General Shareholders Meeting based on 2007 results, the Company received the list of persons entitled to participate in the Annual General Shareholders Meeting. According to this list, the number of MTS OJSC shareholders exceeded ten thousand.

The Board of Directors of a company with over ten thousand shareholders may not have less than nine (9) members, as required by the Law. Thereby, to meet the requirements of the Law, the Company must increase the number of Board members up to nine.

As required by MTS OJSC Charter (Item 31.5), the shareholders of the Company shall be govern, in nominating candidates for the Board of Directors, by the current number of Board members determined by resolution of the General Shareholders Meeting by the time of such nomination. Because the number of the Board of Directors members was seven at the moment of nominating candidates for MTS OJSC Board of Directors, as decided by the General Shareholders Meeting, MTS OJSC shareholders were governed by that same number.

Thus, it does not seem possible to form MTS OJSC Board of Directors of nine members at the present Annual General shareholders Meeting.

To observe shareholders' legal rights to participate in the management of Company's affairs, this MTS OJSC Annual General Shareholders Meeting is proposed to decide that the size of MTS OJSC board of Directors should be nine members, for the purpose of subsequent re-election of the Board of Directors at an extraordinary general meeting of MTS OJSC shareholders.

In view of the above, the shareholders are proposed to approve the resolution on determination of the total number of members of MTS OJSC Board of Directors.

Procedure for adoption of resolutions:

A resolution shall be adopted by three-fourths majority of votes of shareholders attending the meeting.

Draft resolution:

Be it resolved that the total number of members of MTS OJSC Board of Directors be nine (9).