

**Information and comments on the issues  
submitted to the Annual General Meeting of Shareholders of  
Mobile TeleSystems Open Joint Stock Company,  
29 June, 2007**

**The First Issue of Agenda:**

Procedure for holding the Annual General Meeting of Shareholders

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

The Counting Board shall present information to the participants of the meeting on the registration of participants, presence of quorum or any other organizational information.

Within the scope of this issue the participants of the meeting shall adopt a resolution on the election of the Chairman of the Shareholders meeting (the Chairman shall be elected from among the persons participating in the Shareholders meeting).

Pursuant to Paragraph 12.12.2 of the Charter of MTS OJSC, the Chairman shall perform the following functions:

- conduct the General Meeting of Shareholders;
- ensure compliance with the rules of procedure for the General Meeting of Shareholders;
- sign the minutes of the General Meeting of Shareholders.

This issue also includes determination of a procedure for summing up the results of voting and for the announcement of resolutions of the Annual General Meeting of MTS OJSC Shareholders relating to the issues on the agenda of the Shareholders Meeting.

Decision Making Procedure:

Resolution shall be adopted by a simple majority vote of shareholders participating in the meeting.

*Draft Resolution:*

Be it resolved:

1. That the following person: \_\_\_\_\_ is elected a Chairman of the Annual General Meeting of MTS OJSC Shareholders.
2. That voting results and resolutions adopted by the Annual General Meeting of MTS OJSC Shareholders with respect to agenda items are announced at the Annual General Meeting of MTS OJSC Shareholders.

**The Second Issue of Agenda:**

Approval of MTS OJSC Annual Performance Report, MTS OJSC Annual Financial Statements, including MTS OJSC Profit and Loss Statement and Distribution of MTS OJSC Profits (including payment of dividends).

According to the current legislation of the Russian Federation, this issue shall be discussed annually at the Annual General Meeting of Shareholders. The following documents are submitted to the Annual General Meeting of Shareholders to be approved:

- MTS OJSC Annual Performance Report;
- MTS OJSC Annual Account Statements for 2006 made according to the Russian accounting standards;
- MTS OJSC Profit and Loss Statement for 2006;

- Recommendations of the Board of Directors with respect to the distribution of MTS OJSC profits on the basis of performance in 2006FY.

MTS OJSC Audit Commission's Opinion and Independent Auditor's Opinion (Deloitte & Touche CIS CJSC) shall be attached to the above mentioned documents.

The resolution wording on this issue shall also include a section on payment of dividends on registered common shares in MTS OJSC. It is proposed to set annual dividends on registered common shares in MTS OJSC in the amount of RUR 9.67 per a registered common share with par value of RUR 0.1 each. The total amount of MTS OJSC annual dividends constitutes RUR 19 275 463 754.46. Annual dividends shall be paid in monetary facilities in due time stipulated by MTS OJSC Charter.

Decision Making Procedure:

A resolution shall be adopted by a simple majority vote of shareholders participating in the meeting.

*Draft Resolution:*

Be it resolved:

Approve MTS OJSC Annual Performance Report for 2006, MTS OJSC Annual Accounting Statements for 2006, MTS OJSC Profit and Loss Statement for 2006, procedure for distribution of MTS OJSC profits, including payment of annual dividends on registered common shares in MTS OJSC in the amount of RUR 9.67 per a registered common share with the par value of RUR 0.1 each. The total amount of MTS OJSC annual dividends constitutes RUR 19 275 463 754.46. Annual dividends shall be paid in monetary facilities in due time stipulated by MTS OJSC Charter.

**The Third Issue of Agenda:**

Election of MTS OJSC Board of Directors Members

The issue concerning the election of MTS OJSC Board of Directors Members is submitted to the Annual General Meeting of Shareholders. Powers of the new Board of Directors shall be valid till the next Annual General Meeting of MTS OJSC Shareholders.

Decision Making Procedure:

According to MTS OJSC Charter and the current legislation of the Russian Federation, the election of the Board of Directors Members shall be based on cumulative voting. In case of cumulative voting the number of votes owned by each shareholder is multiplied by a number of persons that shall be elected to MTS OJSC Board of Directors, and a shareholder may cast all the votes for one candidate or distribute them among two or more candidates. Candidates with the highest votes are deemed elected to the Board of Directors.

The number of MTS OJSC Board of Directors Members which are supposed to be elected: 7 members.

*Information on the candidates to the Board of Directors is attached.*

*Draft Resolution:*

Be it resolved:

That 7 (seven) persons listed below are elected members of the Board of Directors of Mobile TeleSystems Open Joint Stock Company:

1. Abugov Anton Vladimirovich
2. Buyanov Alexey Nikolaevich

3. Mohanbir Singh Gianni
4. Drozdov Sergey Alexseevich
5. Evtoushenkova Tatiana Vladimirovna
6. Melamed Leonid Adolfovich
7. Middleton Peter
8. Paul James Ostling
9. Reuschenbach Helmut
10. Schebetov Sergey Dmitrievich

**The Fourth Issue of Agenda:**

Election of MTS OJSC Audit Commission Members.

The issue concerning the election of MTS OJSC Audit Commission Members is submitted to the Annual General Meeting of Shareholders. The Audit Commission is an independent permanent body supervising MTS OJSC financial and business activities.

The Audit Commission shall be elected at the Annual General Meeting of Shareholders and its powers shall be valid till the next Annual General Meeting of MTS OJSC Shareholders.

No more than 3 candidates may be elected to the Audit Commission – that is the size of the Commission determined by the resolution of the Annual General Meeting of MTS OJSC Shareholders Dated 21 June, 2002.

*Information on candidates to the Audit Commission is attached.*

Decision Making Procedure:

Shares owned by MTS OJSC Board of Directors Members and/or MTS OJSC executive body (President) may not participate in voting on this issue.

Resolution shall be adopted by a simple majority vote of shareholders participating in the meeting.

*Draft Resolution:*

Be it resolved:

That the listed below persons are elected members of the Audit Commission of Mobile TeleSystems Open Joint Stock Company:

1. Manuilova Marina Semionovna
2. Platoshin Vassily Vassilievich
3. Popov Artem Evguenievich

**The Fifth Issue of Agenda:**

Approval of MTS OJSC Auditor

The issue concerning the approval of an auditor that will carry out the auditing of MTS OJSC financial and business activities is submitted to the Annual General Meeting of Shareholders.

An auditor shall be approved every year at the Annual General Meeting of Shareholders and perform its duties till the next Annual Meeting of MTS OJSC Shareholders.

According to the current legislation, the annual accounting statements of an open joint stock company shall be confirmed by an auditor who has no property ties with the company or its shareholders.

The auditing of MTS OJSC accounting statements for 2002, 2003, 2004, 2005 and 2006 were carried out by Deloitte and Touche CIS CJSC.

MTS OJSC Board of Directors recommended that Deloitte and Touche CIS CJSC shall be approved as an MTS OJSC Auditor.

Decision Making Procedure:

Resolution shall be adopted by a simple majority vote of shareholders participating in the meeting.

*Draft Resolution:*

Be it resolved:

That Deloitte and Touche CIS CJSC (located at: 4/7 Vozdvizhenka St., Moscow, Russian Federation, OGRN 1027700425444) is approved as an auditor of Mobile TeleSystems Open Joint Stock Company.

**The Sixth Issue of Agenda:**

Approval of new wording of MTS OJSC Charter

The issue concerning the approval of new wording of MTS OJSC Charter is submitted to the General Meeting of MTS OJSC Shareholders.

The main amendments of new wording of MTS OJSC Charter are related, first of all, to changes of competence of Company's managerial bodies, including competence of MTS OJSC President, Executive Board and Board of Directors. Some issues related to executive bodies' competence under the current version of the Charter shall be assigned to MTS OJSC Board of Directors according to the new wording of the Charter.

The following issues shall be assigned to Board of Directors' competence:

- Approval of Company's organizational structure in the form of a list of the main structural departments which are under President's direct rule (Blocks, Business Units and other equivalent departments);
- Approval of Company's internal documents which regulate Company's activity principles: Company's investment strategy or new type of activity, HR management strategy and HR motivation system and HR loyalty, corporate management;
- Approval of transactions involving property of the value of USD 100 000 000 (a hundred million) or more up to 50% (fifty percent) of Company's assets book value;
- Approval of transactions related to alienation or possible alienation of plots, buildings, residential or non-residential premises (if the total floorspace of the said objects exceed 1000 (a thousand) square meters).

*The draft of new wording of MTS OJSC Charter is attached.*

Decision Making Procedure:

Resolution shall be adopted by three-fourths majority vote of shareholders participating in the meeting.

*Draft Resolution:*

Be it resolved:

That the new wording of MTS OJSC Charter is approved.

**The Seventh Issue of Agenda:**

Approval of the Statute on Remunerations and Compensations to be paid to MTS OJSC Board of Directors Members

The issue concerning the approval of the Statute on Remunerations and Compensations to be paid to MTS OJSC Board of Directors Members is submitted to the General Meeting of MTS OJSC Shareholders. The Statute is a corporate document specifying the procedure for calculation and payment of remunerations and compensations to MTS OJSC Board of Directors Members.

*The Draft Statute on Remunerations and Compensations to be paid to MTS OJSC Board of Directors Members is attached.*

Decision making procedure:

Resolution shall be adopted by a simple majority vote of shareholders participating in the meeting.

*Draft Resolution:*

Be it resolved:

That the Statute on Remunerations and Compensations to be paid to MTS OJSC Board of Directors Members is approved.

**The Eighth Issue of Agenda**

Approval of new wording of the Statute on MTS OJSC Board of Directors.

New wording of the Statute on MTS OJSC Board of Directors is submitted for the approval to the General Meeting of MTS OJSC Shareholders. The Statute stipulates the basic principles and rules specifying Board of Directors activity in compliance with the Civil Code of the Russian Federation, the Federal Law *On Joint Stock Companies*, applicable rules and standards of corporate governance and MTS OJSC Charter.

This issue is submitted to the General Meeting of MTS OJSC Shareholders because it is necessary to bring the Statute on MTS OJSC Board of Directors to conformity with the new wording of MTS OJSC Charter which is also submitted to be approved at this General Meeting of MTS OJSC Shareholders.

*The Draft Statute on MTS OJSC Board of Directors is attached.*

Decision making procedure:

Resolution shall be adopted by a simple majority vote of shareholders participating in the meeting.

*Draft Resolution:*

Be it resolved:

That the new wording of the Statute on MTS OJSC Board of Directors is approved.