

Joint Stock Company Concern "Kalina"

JSC Concern "KALINA" 620138, Russia, Ekaterinburg, Komsomolskaya Street 80
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MINUTES №1

of the Extraordinary General Meeting of Shareholders JSC Concern "Kalina"
Ekaterinburg August, 10,2004

Place of carrying out:

JSC Concern "Kalina"

Ekaterinburg,

80 Komsomolskaya str.

Time of registration:

Starts: 8:30

Ends: 8:50

Total votes of shareholders according to list of shareholders is 9752311, including 9752311 voting..

The number of votes participating in general meeting is 6496493
that amounts 66,62%.

Chairman: A. Y. Petrov

Secretary: D. A. Argunov

AGENDA:

1. Prescheduled commission termination of the acting Board of Directors.
2. Elections of the new Board of Directors.
3. Payment of the interim dividends for the first half of the year 2004. Approval of its size, way and terms of payment.

The meeting was opened by Johan Vreeman, the Chairman of the Board of directors, who offered to elect Dmitriy Argunov, secretary of the Board of Directors, as a secretary of the meeting.

Approved unanimously.

The standing order is being approved.

Permission to speak is given to Semchenko Ye. M., the chairman of Accounting Committee.

On the first issue Johan Vreeman was listened to. He informed that the question of prescheduled commission termination of the acting Board of Directors is brought to Meeting's consideration because one of the members of the acting Board of Directors lacked the opportunity to perform his commitments of the Director.

The following decision is being offered to vote for:

" To terminate commission of the acting Board of Directors ahead of time."

Participating votes: 6496493

FOR - 6493253

AGAINST - none

ABSTINENT - 3240

Result: 99,95% "FOR"- votes. The decision is taken.

The decision taken:

" To terminate commission of the acting Board of Directors ahead of time."

On the second issue Johan Vreeman informed the meeting about the elections of the new Board of directors and brought to considerations the following candidatures:

Geller Nikolay Arkadievich - Director of Development, JSC Concern 'Kalina'

Goryaev Timur Rafkatovich - Chief Executive Officer, JSC Concern 'Kalina'

Petrov Alexander Yurievich - Chief Financial Officer, JSC Concern 'Kalina'

Johan Grietsen Hendrik Vreeman - Independent Director

Reinhold Schlensok - Independent Director

Kasper Heijstjg - European bank for reconstruction and development

Jan Dewijngaert - European Bank for reconstruction and development

After discussion the question was put to vote.

Votes participating: 45475451

Results:

"FOR":

Goryaev Timur Rafkatovich - 5582626 votes

Geller Nikolay Arkadievich - 5427396 votes

Petrov Alexander Yurievich - 5515577 votes

Johan Grietsen Hendrik Vreeman - 5417000 votes

Reinhold Schlensok - 5415396 votes

Kasper Heijstejg - 9058728 votes

Jan Dewijngaert - 9058728 votes

The decision taken: " To elect to the new Board of Directors JSC Concern 'Kalina'

Geller Nikolay Arkadievich - Director For development, JSC Concern 'Kalina'

Goryaev Timur Rafkatovich - Chief Executive Officer, JSC Concern 'Kalina'

Petrov Alexander Yurievich - Chief Financial Officer, JSC Concern 'Kalina'

Johan Grietsen Hendrik Vreeman - Independent Director

Reinhold Schlensok - Independent Director

Kasper Heijstejg - European Bank for Reconstruction and development

Jan Dewijngaert - European bank for reconstruction and development

On the third issue Johan Vreeman informed the meeting that the Board of Directors JSC Concern 'Kalina' on its meeting held on July, 19th, 2004 having discussed financial results of Company's operation for the first half of the year 2004, decided to put to the General Meeting's consideration the following suggestion

It is offered to vote for the following decision:

"- To approve the size of dividends in amount of 3 roubles 75 kopecks per one ordinary share according to the results of operation for the first half of the year 2004

- to make the payment in cash

- to make the payment within 30days from the moment of announcing on the meeting".

Results of voting:

FOR - 6496493 votes

AGAINST - none

ABSTINENT - none

The decision taken:

" - To approve the size of dividends in amount of 3 roubles 75 kopecks per one ordinary share according to the results of operation for the first half of the year 2004.

- To make the payment in cash.

- To make the payment within 30 days from the moment of announcing on the meeting".

The agenda is concluded.

The Meeting is announced to be closed. It is offered to hand in the voting papers to the Accounting Committee.

Chairman of the meeting: /Johan Vreeman/

Secretary of the Meeting: /Argunov D.A./

Date of drawing up the minutes: 10.08.2004