



1.8. to agenda item 1

The Company Board of Directors recommendations concerning profit distribution, including payments of dividends on the Company shares and payment arrangements, and loss of the Company according to results of the financial year.

Recommend to the annual general meeting of shareholders

1. To pay dividends according to results of the 2004 financial year as follows:

0.0756115 rubles per preference class A share;

0.0630084 rubles per ordinary share.

2. To identify the following timeline for dividend payments:

- on preference class A shares: in cash funds before August 29, 2005;

- on ordinary shares: in cash funds before December 31, 2005.