

QUARTERLY REPORT

Open Joint-Stock Company "Uralsvyazinform"

Code of the issuer: 0 0 1 7 5 - A

for the 4th quarter 2008

Domicile: 11, Moskovskaya St. Ekaterinburg, 620014, Russia

The information in this quarterly report is disclosed pursuant to applicable law of the Russian Federation on securities

General Director Date «13» February 2009	_____ A.Y. Ufimkin (signature)
Chief Accountant Date «13» February 2009	_____ S.I. Balueva (signature)
	Seal

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Introduction

Basis for the Issuer's liability to disclose information in the form of Quarterly Report:

Disclosure of information in the form of Quarterly Reports is the liability of Open Joint Stock Company 'Uralsvyazinform' (further referred to as 'the Issuer', 'the Company', 'the Emitter') arising from sub-items б), в) item 5.1. of the Regulations of the RF Federal Financial Markets Service (FFMS) on disclosure of information by the issuers of issue securities, approved by FFMS Order dd. October 10, 2006№06-117/пз-н (as amended as of December 14, 2006), provided that:

– the Issuer performed registration of Securities Prospectuses with respect to the securities outstanding;

– the Issuer is a joint-stock company, created under privatization of a state-owned enterprise, pursuant to the Privatization Plan, so long as this plan was appropriately approved and on the date of its approval was regarded as Prospectus of the Issuer's shares, and the mentioned Privatization Plan allowed for alienation of the Issuer's shares to more than 500 owners.

This quarterly report contains estimates and forecasts of the authorized governing bodies of the Issuer regarding future events and/or activities, development prospects within the industry the Issuer operates in, and results of the Issuer's business activity, Issuer's prospects, probability of occurrences of certain events and undertaking certain actions. Investors are advised to not fully rely on the estimates and forecasts made by the Issuer's governing bodies, as actual results of the Issuer's activities in the future may differ from the forecasts due to the plenty of reasons. Acquisition of the Issuer's securities carries inherent risks outlined in this quarterly report.

I. BACKGROUND OF PERSONS-MEMBERS OF THE ISSUER'S GOVERNING BODIES, INFORMATION ON BANK ACCOUNTS, THE AUDITOR, APPRAISER, AND FINANCIAL ADVISER OF THE ISSUER, AND OTHER PERSONS WHO SIGNED THE QUARTERLY REPORT

1.1. MEMBERS OF THE ISSUER'S GOVERNING BODIES

1.1.1. Members of the Issuer's Board of Directors

Chairman of the Board of Directors:

Evgeny A. Chechelnitsky

Year of birth: **1973**

Members of the Board of Directors:

1. Boris D. Antonyuk

Year of birth: **1949**

2. Yuri A. Bilibin

Year of birth: **1971**

3. Alla B. Grigorieva

Year of birth: **1967**

4. Gennady V. Zheltyakov

Year of birth: **1965**

5. Sergey M. Kerber

Year of birth: **1975**

6. Olga G. Korolyova

Year of birth: **1950**

7. Vladimir A. Statyin

Year of birth: **1959**

8. Dmitry Y. Tushunov

Year of birth: **1964**

9. Anatoly Y. Ufimkin

Year of birth: **1951**

10. Anton A. Shegolikhin

Year of birth: **1969**

1.1.2. Members of Collegiate Executive Body of the Issuer

Chairman of the Management Board:

Anatoly Y. Ufimkin

Year of birth: **1951**

Members of the Management Board:

1. Sergey V. Akimenko

Year of birth: **1964**

2. Svetlana I. Balueva

Year of birth: **1960**

3. Sergey M. Bershev

Year of birth: **1963**

4. Igor D. Bychkov

Year of birth: **1968**

5. Oleg V. Efremov

Year of birth: **1969**

6. Valeryi A. Menshenin

Year of birth: **1957**

7. Mikhail I. Krymsky

Year of birth: **1970**

8. Dmitry I. Samoilov

Year of birth: **1962**

9. Vitaly V. Stoyanov

Year of birth: **1950**
10. Valery A. Chernyshev
 Year of birth: **1951**

1.1.3 Sole Executive Body of the Issuer

General Director:

Anatoly Y. Ufimkin

Year of birth: **1951**

1.2. Bank accounts of the issuer

List of the bank accounts regarded by the Issuer as primary ones:

Full name of the bank / abbreviated corporate name of the bank	Address	Bank Taxpayer Identification Number	Russian Central Bank Identification Code (RCBIC) and correspondent account of the bank	Type of account	Issuer's account number
Joint-stock Commercial Savings Bank of the Russian Federation (OJSC), Zapadno-Uralsky Head Office / Sberbank of Russia, OJSC Zapadno-Uralsky Head Office	4 Ordzhonikidze St., 614990 Perm, Russia	7707083893	RCBIC 045773603 correspondent account 3010181090000000603	settlement account	40702810749020101137
				settlement account	40702810049020101332
				settlement account	40702810649020101376
				settlement account	40702810749020101360
				settlement account	40702810449020101369
				settlement account	40702810049020101426
				settlement account	40702810649020101389
Joint-stock Commercial Innovation Bank for telecommunications and information technologies development «Pochtobank» Closed Joint-stock Company / CJSC « Pochtobank»	68 Lenin St., 614096 Perm, Russia 614096	5902300019	RCBIC 045773705 correspondent account 3010181040000000705	settlement account	40702810700007230300
				settlement account	40702810300007230302

1.3. Auditor of the Issuer

Information on the Auditor nominated to perform audit of the Issuer's annual financial statements as of the present or completed financial year

Name: **Closed Joint Stock Company 'KPMG'**

Address: **18 Krasnopresnensky Embankment, Moscow, Russia, 123317**

Tel.: **7 (495) 937-44-77** fax: **7 (495) 937-44-99**

E-mail address: Moscow@kpmg.ru

License to render audit services: # **E 003330**

Date of issue: **January 17, 2003**

Period of validity: **5 years (term is prolonged till January 17, 2013)**

Issue Authority: **Ministry of Finance of Russian Federation**

CJSC 'KPMG' is a member of:

- **Auditor Chamber of Russia (АПР);**
- **Institute of Professional Bookkeepers and Auditors of Russia (ИПБ of Russia);**
- **Association of the Russian Banks (АРБ);**
- **Corporate Governance National Board (НСКУ);**
- **All-Russian Union of Insurers (ВСС);**
- **Russian Association of the Leasing Companies;**
- **All-Russian Association of Employers of the Russian Union of Industrialists and Businessmen (ООП РСПП).**

Fiscal years when CJSC 'KPMG' accomplished independent research of accounting and financial statements of the Issuer: **the independent check of book keeping and the financial (accounting) statements of the Company was not carried out by CJSC 'KPMG'.**

Factors that may challenge independence of the Auditor:

- participation of the Auditor (or any officials of the Auditor) in the Charter Capital of the Issuer: **no such participation;**
- granting of borrowed funds to the Auditor (any officials of the Auditor) by the Issuer: **no borrowed funds have ever been granted by the Issuer to the Auditor;**
- existence of close relationship (promotion of the Issuer's goods/services, participation in the joint business activity) and kinship with the Issuer: **no such relationship;**
- information on the Issuer's officials who simultaneously perform functions as the officials of the Auditor: **no such officials.**

Measures assumed by the Issuer to reduce impact of factors mentioned above: **due to the absence of factors challenging independence of the Auditor, such measures have not ever been undertaken by the Issuer or by the Auditor. Basic measure assumed by the Issuer to avoid such factors is conclusion of the Audit Services Provisions containing essential conditions of the Auditor's independence.**

Auditor nomination:

- Tender procedure: **tender procedure of the Auditor nomination is governed by "The Provision on Auditor nomination tendering process", the Auditor candidacy being recommended by the Board of Directors for approval by the General Shareholders Meeting of Uralsvyazinform (the Provision was approved by Uralsvyazinform Board of Directors, Protocol of the session dd. January 26, 2007 #8 with changes confirmed by Board of Directors dd. January 31, 2008 (Protocol #12));**
- procedure of recommendation of the Auditor's candidacy for approval by the General Shareholders Meeting: **following the results of the tender, the Auditor candidacy shall be previously considered by the Board of Directors Audit Committee of the Issuer. After that the Auditor candidacy shall be recommended by the Board of Directors for nomination by the Annual General Shareholders Meeting. The Auditor is approved by the Annual General Shareholders Meeting.**

Delayed and out-dated payments for the Auditor's services: **there are no delayed or out-dated payments for the services rendered by the Auditor at the end of this quarterly period.**

1.4. Assessor of the Issuer

Information on the Assessor(s) engaged by the Issuer in determination of market value of the securities being placed and outstanding securities (obligations on which were not discharged): **such an Assessor was not engaged.**

Information on the Assessor(s) engaged by the Issuer in assessment of the market value of property set to the guarantee on the bonds placed by the Issuer or bonds to be placed by the Issuer, obligations on which haven't been discharged yet: **such an Assessor was not engaged.**

Information on the Assessor(s) engaged by the Issuer in assessment of the market value of fixed assets or real estate, the value which was re-estimated, provided that such re-estimation was reflected in other sections of the present Quarterly report: **such an Assessor was not engaged.**

Information on the Assessor(s) engaged by the Issuer in rendering other assessment services pertaining to the securities issuance: **such an Assessor was not engaged.**

1.5. Advisers of the Issuer

Information on the Securities Market Financial Adviser rendering relevant services to the Issuer on the basis of the Agreement: **such an Adviser was not engaged.**

Information on Securities Market Financial Advisers that rendered services to the Issuer pertaining to the issuance of securities circulating at presence, and put their signature to the Securities Prospectus:

1. Name: **Closed Joint Stock Company «Baltiyskoye Finansovoye Agentstvo» (“BFA”)**

Address: **48-A, Bolshoy prospect PS, 197198, Saint-Petersburg, Russia**

Tel: **7 (812) 329 8181** fax: **7 (812) 329 8180**

Internet page used by the Financial Adviser for disclosure of information on the Issuer:

<http://www.bfa.ru/>

Licenses of the professional participant of the securities market:

License for broker operations: **№078-06789-100000 dd. June 24, 2003, open-ended license, issued by the Federal Commission for the Securities Market;**

License for dealer operations: **№078-06792-010000 dd. June 24, 2003, open-ended license, issued by the Federal Commission for the Securities Market;**

Services rendered by the Financial Adviser:

The services connected with issue of unconvertible percentage documentary bearer bonds of 08 series with obligatory centralized storage (state registration number 4-11-00175-A, registered March 06, 2008 by FCSM Russia):

– **the preparation of documents which are necessary for the state registration of bond issue, including texts of the decision on issue of securities (bonds) of the Issuer, the prospectus of securities (bonds) of the Issuer, the report on results of securities (bonds) issue of the Issuer;**

– **the interaction with the Issuer’s Auditor regarding preparation and the coordination of the information which is necessary for the prospectus of securities (bonds) of the Issuer;**

– **the preparation and representation of the decision projects to the Issuer by the authorized bodies of the Issuer which are necessary for the organization of bond issue and preparation of the report on results securities (bonds) issue (the decision on placement, approval of the transaction with interest, approval of the large transaction, the statement of the decision on securities (bonds) issue, the statement of the report on results securities (bonds) issue and so forth);**

– **the consultation of the Issuer on the questions connected with the preparation of the decision securities (bonds) issue, the prospectus of securities (bonds), the report on results securities (bonds) issue, other documentation connected with issue and placement of bonds; concerning formation of a package of documents for registration of the decision on securities (bonds) issue, the prospectus of securities (bonds) and the report on results securities (bonds) issue, and also on current questions during issue of bonds;**

– **the consultation of the Emitter concerning release of corporate bonds and information disclosure at issue of securities under requirements of the legislation;**

– **the signing of the prospectus of securities (bonds) of the Emitter after an appropriate check and reception of corresponding written assurances of the Emitter in reliability and completeness of all information containing in the prospectus of securities (bonds), except for a part confirmed with the auditor and/or the Assessor;**

– **the signing of the documentation which can be demanded to the Emitter for the organisation of bonds placement from the organizers of trade on a securities market;**

– **the signing of the report on results of securities (bonds) issue after an appropriate check;**

– **the observation of requirements of the federal laws and other standard legal certificates, including requirements to advertising and the order on the information disclosure, including monitoring the disclosure of the information at stages of securities issue, and the observation of conditions of the placement provided by the decision of securities (bonds) issue;**

– **other services which, according to the actual legislation on the date of services granted on the securities market, should be given by the participants of the securities market that render services of the financial adviser on a securities market.**

2. Name: **Closed Joint Stock Company ‘Investitsionnaya Kompaniya AVK’**

Address: **102-A, Nevsky prospect, 191025 Saint-Petersburg.**

Tel: **7 (812) 327 3399** fax: **7 (812) 579 6605**

Internet page used by the Financial Adviser for disclosure of information on the Issuer:

<http://www.avk.ru/>

Licenses of the professional participant of the securities market:

License for broker activity: **№178-03255-100000 dd. November 29, 2000, open-ended license, issued by the Federal Commission for the Securities Market;**

License for dealer operations: **№078-03343-010000 dd. November 29, 2000, open-ended license, issued by the Federal Commission for the Securities Market;**

Services rendered by the Financial Advisor:

– **The services connected with issue of unconvertible percentage documentary bearer bonds of 06 series with obligatory centralized storage (state registration number 4-09-00175-A, registered November 03, 2005 ФСП Russia) and unconvertible percentage documentary bearer bonds of a series 07 with the obligatory centralised storage (state registration number 4-10-00175-A, registered 03.11.2005 by FCSM Russia):**

1. Preparation of the documents which are necessary for the state registration of bonds issue, including:

– **preparation of texts of decisions on securities (bonds) issue of the Emitter for registration in the authorized registering body;**

– **preparation of the text of the prospectus of securities (bonds) of the Emitter for registration in the authorized registering body;**

– **preparation of texts of reports on results of securities (bonds) issue of the Emitter for registration in the authorized registering body.**

2. The consultation of the Emitter on the issues connected with acceptance by its authorized bodies of all decisions, bonds issue which are necessary for the organization according to the legislation of the Russian Federation, the information disclosure by the Company in connection with the organization of bonds issue, preparation of decisions on securities (bonds) issue and the prospectus of securities (bonds) with reports on results of securities (bonds) issue.

3. The consultation of the Emitter concerning the formation of a package of documents needed for the registration of decisions on securities (bonds) issue, the prospectus of securities (bonds) and reports on results of securities (bonds) issue.

4. The signing of the prospectus of securities (bonds) of the Issuer.

5. The realization of check of the information disclosure of the Emitter of on decision-making on the placement and the statement of decisions on securities (bonds) issue in confirmation with the requirements of federal laws and standard legal certificates of the authorized registering body.

6. The signing of reports on results securities (bonds) issue.

Other advisers of the Issuer:

1. Name: **Limited Liability Company "Siemens"**

The location of the adviser: **96, Dubininsky street, 115093 Moscow**

Phone number: **7 (495) 737 10 00**

Fax number: **7(495) 737 10 01**

The services, rendered by the adviser: **consulting services within the administrative project 'Operational Efficiency Increase Program of OJSC Uralsvyazinform'.**

1.6. Other persons who signed the quarterly report

Other persons who signed the quarterly report and was not mentioned in previous items of the present section: **there are no such persons.**

II. General information on financial and economic status of the issuer

2.1. Financial and business performance of the Issuer

Financial and economic indicators are not subjects to disclosure in the quarterly report as of the 4th quarter.

2.2. Market capitalization of the Issuer

Procedure of calculation of the Issuer's market capitalization: **market capitalization is calculated by multiplying the quantity of shares of a certain category (type) by market price of one share, which is calculated by trade institutor in accordance with the Procedure of calculation of market prices of issue securities and trust funds shares, admitted to trading through the trade institutor, approved by the Decree of the Federal Commission for the Securities Market dd. December 24, 2003, №03-52/nc (registered by the Ministry of Justice of the Russian Federation as of January 23, 2004, registration number 5480).**

Trade institutor: **OJSC Stock Exchange 'RTS'**

Market capitalization of the Issuer for 5 last completed fiscal years as of the end of each year, and as of the end of the last completed reporting period:

Reporting period	Market capitalization, RUR
2004	37 270 315 750
2005	40 836 773 160
2006	64 760 895 336
2007	58 466 986 961
2008	9 700 152 630

- *As calculated by Non-profit Partnership 'Stock Exchange 'RTS'*

2.3. Issuer's liabilities

2.3.1. Accounts payable

Information on Accounts payable is not subjects to disclosure in the quarterly report as of the 4th quarter.

2.3.2. Credit history of the Issuer

Discharge of obligations by the Issuer with regard to the Loan facilities effective within the last 5 completed years or effective as of the end date of the reporting period, with principal debt amount constituting 5 per cent or more of the Issuer's book value of assets calculated as of the end of the last completed quarter preceding the date of conclusion of the respective Loan Agreement: **there were no such loans.**

Discharge of obligations by the Issuer with regard to the bond issues with the aggregate par value amounting to 5 and more per cent of the Issuer's book value of assets as of the end of the last completed quarter, preceding the state registration of the Bonds Placement Report; in case the bonds placement was not completed over plenty of reasons, or the state registration of the Placement Report was not completed, - as of the date of the last completed quarter, preceding the state registration of the Bonds Issue:

Obligations on each bond issue with the aggregate par value amounting to 5 and more per cent of the Issuer's book value of assets as of the end of the last completed quarter, preceding the state registration of the Bonds Placement Report, were discharged by the Issuer on time and in full measure.

Liabilities	Lender	Amount of principal debt, thousand RUR	Maturity term	Delays in discharge of obligations with regard to the principal debt or the interest (days)
bond loan of 04 series	Individuals and legal entities	3,000,000	03/13/2012	no

2.3.3. Obligations of the Issuer appearing from the security provided to the third parties

Overall amount of the Issuer's obligations appearing from the security provided to the third parties as of the end of the reporting period: **RUR 6 883 976,06 thousand**.

Overall amount of obligations of the third parties, on which the Issuer granted security to the third parties, as of the end of the reporting period: **RUR 1 357 808,42 thousand**, among them:

- pledge: **no**;
- guarantee: **RUR 1 357 808,42 thousand**.

Issuer's obligations appearing from the security provided to the third parties within the period from the beginning of the present fiscal year up to the end of the reporting quarter, including securities provided in the form of the pledge or the guarantee, amounting at least 5 per cent of the Issuer's book value of assets as of the end of the last completed quarter preceding the date of the security provided: **no such security was provided**.

2.3.4. Miscellaneous liabilities

Deals concluded by the Issuer, including forward transactions that were not reported in its balance sheet, but may exert substantial influence on the Issuer's financial status, its liquidity, sources of financing and conditions of their raising, results of operation and expenses: **there are no such deals**.

2.4. Purposes of securities offerings and areas of use of the funds raised from placement of issue securities.

In the 4th quarter 2008 the Issuer didn't accomplish placement of the securities through subscription.

2.5. The risks arising from acquisition of placed issue securities

Uralsvyazinform operation results are affected by a number of factors that can hardly be controlled by the Company. Though many of them are of macroeconomic nature and affect all companies around, particular spheres of business may tend to be more susceptible to certain risks. The list of risk factors given below is not exhaustive, as there is a variety of factors that may seem negligible at present, but in the future appear to exert considerable negative influence on the Company's activities, which would negatively affect its sales volume, profit, assets, capital, liquidity, and paying capacity.

At the present moment the Company conducts the management of risks within the limits of the developed and confirmed program of risk management, which includes the Risk Register. The Risk Register includes the most essential and moderate risks of the Company concerning various orbits: strategic, operative and financial. The integrated control system over risks allows to lower uncertainty level at acceptance of administrative decisions, to raise competitiveness of the Company and its market cost. The organization and maintenance of the control system over risks is provided by Risk Board and the Risk manager of the Company.

2.5.1. Industry risks

Consequences of potential aggravation of situation within the industry the Issuer operates in. Most significant alterations, as regarded by the Issuer, which may occur in the industry, and assumed actions of the Issuer in case of their occurrence:

The Issuer carries out its activity in the market of telecommunication services.

The Issuer does not carry out export of goods, works or services. In this connection the Industry risks connected with its activity, are described only for home market.

The influence of the world economic crisis, change in the standard-legal base, increase of level of a competition can lead to the risk of decrease in rates of growth of gain and profit of the Emitter. The Issuer plans a number of the actions directed on indemnification of the influence of the specified negative factors. Among them are the working out and realization of the Operational Efficiency Program Increase, the improvement of quality of the given services and service, the realization of services package, granting convergent services and highly demanded services with the added value.

Risks pertaining to potential change of prices for raw materials or services utilized by the Issuer in the process of operation, and their influence upon operation and discharge of obligations on securities by the Issuer:

During the period of economic instability generated by world crisis, the risk of prices rise for production and services used by the Company for its activity arises. For the purpose of risk reduction the Emitter plans: to use the position of the large consumer for an employment of the comprehensible prices; whenever possible to get production and services in the competitive market; to optimize consumption and services of the outer organizations.

Risks pertaining to potential alteration of prices to the Issuer's services and their impact on the Issuer's operation and discharge of obligations on securities:

The annual local communication tariffs increase at the rate of inflation can make negative impact on subscriber's base formation, and also increase the outflow of available subscribers.

The Company estimates influence of the mentioned risks over securities as insignificant.

In the current year there exists the risk of temporary decrease in the Issuer's income caused by the fact that according to the Connection Agreements the Issuer pays for the connections starting from the first second, while its subscribers still pay starting from the sixth second (in mobile and fixed networks). At the same time, due to the alterations in the Rules for connection and inter-action of carriers, the Issuer may appear to obtain extra income because of potential reduction of volumes of unauthorized traffic utilized by alternative operators.

Federal Tariff Service issued a decision on maximal level tariff increase for local connections at the average of 8%, which corresponds to the tariff change parameters that are drawn in the forecast of the social and economic development of the Russian Federation for 2009 and the planned periods of 2010 and 2011.

In accordance with Federal Tariff Service decision the additional tariff plans were adopted:

- ***intra-zone telephony with fixed payment for unlimited volume of intra-zone connections***
- ***local and intra-zone connection for the subscriber of fixed service with employment of subscriber's payment system for the unlimited volume of local and intra-zone connections from March 2009.***

As a whole, the influence of industry risks upon the Issuer's operation is regarded as moderate, because due to the merger with regional operators, the Company proved able to utilize integrated infrastructure and technical base within the Urals Federal District of the Russian Federation, which makes it possible to provide the customers with the widest range of services within the Urals Federal District and to develop interregional telecommunications networks for reduction of cost and enhancement of efficiency of services.

2.5.2. Sovereign and regional risks

State in which the Issuer is registered as a tax-payer and performs its core activities, provided that such activities has constituted 10 or more per cent of its profit as of the last completed reporting period preceding the end of the last reporting quarter: ***the Russian Federation.***

Region of operation: ***Perm Region and Urals Federal District.***

Risks pertaining to the political and economic situation within the country and the region, where the Issuer is registered as a tax-payer and/or performs its core activities:

The risk factor, which makes a certain impact on the Issuer, results in possible deterioration of an economic situation in the country and region of activity of the Issuer owing to negative influence

of the world economic crisis.

The risks of the Emitter, which are connected with the influence of crisis:

- *decrease in quotations of securities owing to the general decrease tendencies in the market;*
- *deterioration of loans availability;*
- *reduction in demand for telecommunication services;*
- *prices rise for services of contractors and suppliers;*
- *increase in the equivalent sum of the debt nominated in a foreign currency;*
- *full or partial default by counterparts of the Emitter of the obligations;*
- *illegal actions concerning property of the Emitter owing to increase of social intensity in the society.*

Assumed measures to be taken by the Issuer in case of negative impact caused by the change of political and economic situation in the country:

The Emitter cannot render the essential influence on the economic situation of the country; however it plans the realization of some measures for influence indemnification of the external negative background in the activity. In particular, the Issuer is intended:

- *to develop and realize the Program of operational efficiency increase;*
- *to correct the investment policy;*
- *to raise loyalty of clients for the account of improvement in quality of services;*
- *to apply schemes of financing of investment activity, which are alternative to the bank credit;*
- *to support demand for telecommunication services at the account of working out and introduction of the services allowing clients to satisfy the pressing needs and to save their time and money;*
- *to take measures to increase the accounts receivable turnover by toughening the payment discipline concerning debtors.*

Risks pertaining to probable military conflicts, announcement of the state of emergency and industrial strikes within the country or region of the Issuer' domicile:

The probability of occurrence of military conflicts, introductions of state of emergency in the country and region where the Issuer is registered as the tax bearer and carries out the activity, is estimated as insufficient to consider these risks as the circumstances, capable to affect activity of the Issuer considerably.

For prevention of strikes the Issuer creates favorable working conditions and carries out all obligations, which are concerned with employees. (In particular, the Collective agreement for 2007-2009 was drawn in the end of 2006 between the Issuer and the personnel in which the minimum wage rate of employees of the lowest qualification of primary activity at level of the monthly average salary in region is concluded, and annual indexation of wages according to Article 134 of the Labour Code of the Russian Federation) is provided.

For minimization of risk of carrying out the acts of terrorism and risks at extreme situations the Emitter takes additional measures for maintenance of safety of the property of the Company, employees and members of their families.

Risks pertaining to the country and region geographic position:

Risks pertaining to the geographic features of the region, including natural disasters and risks of potential breakdown in transport connection due to the remoteness of the region, are considered as minimal. Such risks are subject to insurance. Corresponding risks, including those connected with unplanned expenses on elimination of consequences of acts of nature, are considerably covered by insurance of the fixed assets of the Issuer.

2.5.3. Financial risks

The Issuer, as well as other managing subjects, is subject to influence by the following financial risks:

- *Currency risks;*
- *Market risks, including risks of interest rates fluctuation.*

Risk of interest rates fluctuations:

At present the world economy lives through the period of consequences of the world financial crisis which has begun in the middle of 2007 with crisis in the market of mortgage loans of the USA, and crisis which has followed it was the crisis of liquidity.

The Russian home market reacted to events on a world scene with lateness. Thus, in Russia, the withdrawal of financial resources by foreign investors within the limits of global redistribution of financial resources into assets with smaller credit risk became only the first step.

Lacking internal sources of financing the Russian banks made loans abroad during past years as a result the share of the external debt achieved the level of 20% on the average across the system. The American mortgage market crisis caused the mutual distrust along the world. As a consequence the cost of resources rose: the actual rate of Moscow inter-bank actual credit rate rose from 2-5% in January 2008, to 5-11% in September 2008 and totaled 18,37% in December 31, 2008.

The major factor of the speed of downfall and restoration of the market is the level of the bank liquidity at then time being. It is necessary to mention that the Russian monetary authorities and the Central Bank of the Russian Federation implemented a number of actions to support the bank system liquidity. The following actions were carried out: the decrease in the normative standard of obligatory reservation on obligations of banks in October, 2008; issue of subordinate bank credits for the period of 10 years, non-controlled auctions, etc.

On September, 2007 the Issuer was included in the list of the organizations which bills can be accepted as the coverage on credits issued by the Bank of Russia, and also organizations which can act as guarantor (guarantors by requirement rights under credit contracts), accepted as the coverage on credits issued by the Bank of Russia (the letter of the Central Bank of the Russian Federation «About the list of the organizations» dd. September 27, 2007 # 05-13-5/4147).

At budget planning for 2009, considering the interest rates risk increase of leveraged credits, the Company undertook a number of measures:

- **reduction of the investment program for 2009 with an increase of efficiency of investments;**
- **optimization of expenses in 2009**

Currency risks:

On November, 2008 the Government of the Russian Federation issued the decision on soft attenuation of exchange-value of the rouble. smooth easing of a rouble exchange rate was accepted. Cost dual-currency basket, dollar-euro basket according to the rouble in particular extended from RUR 30.39 in November 2008 to RUR 35.30 in December 2008.

The gradation of currency correction level granted an opportunity to the subjects of the Russian economy to react the emerging currency risks and let to evade the negative consequences of the rapid decrease of the currency level of the rouble for the economy on the whole and its separate sectors in particular.

As of January 01, 2009 90% of the Issuer's loans are in roubles, that is why currency risks will not affect significantly the financial condition of the Emitter.

Assumed measures to be taken by the Issuer for neutralization of negative impact of currency rates or interest rates fluctuations:

- **optimization of costs, including reduction of expenses on salaries if necessary;**
- **elaboration, approval, implementation of the confirmed policy of currency risk hedging;**
- **currency loans diversification;**
- **maintenance of loans share, which is eligible for the Company to be in the foreign currency;**
- **revision of the capital investments program in the direction of the investment program reduction, or period reconsideration of investment projects;**
- **accounts receivable decrease and reduction of its average periods, including, by change of existing contractual relations with consumers.**

Potential influence of inflation upon the payments on securities; critical point of inflation in the Issuer's opinion; assumed measures to be taken by the Issuer to decrease the risk of inflation:

According to the official information, the rate of inflation in Russia in 2004 made 11,7% up, in 2005 - 10,9 %, in 2006 - 9%, in 2007 - 11,9%, in 2008 - 13,3%. Inflation growth is a reflection of the world tendency of the prices increase for food and a consequence of world financial crisis.

The further increase in rates of prices rise can result both in consumption decrease of telecommunication profitability indicators. Therefore in case of considerable excess of the actual indicators of inflation over the forecasts of the Russian Federation Government, namely rates of inflation increase to 30-40 % per year, the Issuer plans the following measures:

- **restriction of expenses growth;**
- **accounts receivable decrease and reduction of its average period, including, the revision of existing contractual relations with consumers;**
- **accounts payable increase to the optimum level.**

Items of the Issuer's financial statements most subject to above stated financial risks:

In the Issuer's opinion, profit and cost of services are mostly subject to the financial risks. Probability of financial risks (dramatic fluctuations of currency rates, inflation, and growth of interest rates) in the nearest future is regarded as low. However, in case of their occurrence, the Issuer may compensate for these risks by increase of tariffs and reduction of loan volumes. The probability of

the further growth of interest rates is estimated by the Company as moderate. Budget planning for 2009 growth was foreseen the expenses for loan service.

2.5.4. Legal risks

As the Issuer doesn't export its services, only internal legal risks are considered in this section. Legal risks, pertaining to the Issuer's activity, are specific of a number of Russian companies, and may be regarded as sovereign risks.

As a whole, the legal risks connected with activity of the Emitter, are characteristic of a most parts of subjects of the enterprise activity working on territory of the Russian Federation.

Risks caused by alterations in tax legislation:

The Russian tax laws suppose various interpretations and are subject to frequent changes. The Emitter watches closely current changes of tax laws, the large attention is given to practical seminars and meetings with participation of leading experts in the given area.

Succession of events in the Russian Federation specifies recently that tax bodies can take a harder line at interpretation of tax laws and tax calculations. Interpretation by a management of the Emitter of the given legislation with reference to operations and the activity of the Company can be challenged corresponding federal bodies. As a consequence, tax bodies can make a complaint under those transactions and account methods on which earlier they did not show claims. Considerable surtaxes, penalty fees can be as a result added. Definition of the sums of claims on possible, but not emerged claims, and also an estimation of probability of a failure do not seem possible to calculate. Tax checks can cover three calendar years of the activity of the Company, which were preceding the year of check. Under certain conditions the check can be performed on earlier periods as well.

According to the management of the Emitter, corresponding positions of the legislation with the reference to the operations and activity of the Issuer as a whole are interpreted correctly, and the probability of preservation of the position in which there is an Emitter from the point of view of observance of requirements of tax laws, is high. At the same time, there is a considerable probability that the management of the Emitter took the position which can be subsequently interpreted due to the requirements of the state fiscal bodies as not having the sufficient basis. The Issuer is intended to protect the position in the given situation.

The favourable norm for the Emitter is item 5 of Tax Code of the Russian Federation establishing action of certificates of the legislation on taxes and tax collections in time which provides the introduction of new certificates about taxes and tax collections in force after one month from the date of their official publication and not earlier than 1st of the next tax period, thus specified certificates have no return force. At the same time certificates of the legislation on the taxes and tax collections, legislations eliminating or softening a liability of infringement on taxes and tax collections or establishing additional guarantees of protection of the rights of tax bearers, payers of gathering, tax agents, their representatives, have return force.

Risks pertaining to the alterations in the currency control, customs surveillance and imposts:

In recent years, the Government policy has been aimed at liberalization of currency and customs legislation.

Since 1 January, 2007, all restrictions over Russian enterprises' activities imposed by Currency Regulation and Control Law dd. 10 December, 2003 # 173-Φ3 were withdrawn. According to the announcements of the Russian Federation Government and Central Bank, there are no plans on stiffening of currency control measures.

Since 24 April, 2006, customs duties for several types of goods imported to the Russian Federation were temporarily canceled. The list of these goods includes some types of communications equipment purchased by Uralsvyazinform. Since 1 January, 2007 these duties were canceled on the permanent basis.

Thus, the risks of the Emitter connected with change of currency regulation and rules of the customs control and duties in the near future are rather low.

Risks pertaining to the alterations in the state requirements to the Company's core activities licensing:

Risks pertaining to the alterations in the state requirements to the Company's core activities licensing are regarded as low. There haven't been any amendments to the legislation within the reporting period.

Risks pertaining to the alterations in the court practice:

Despite the fact that the Russian legal system doesn't imply Case Law, court practice holds much significance in the law enforcement system. Judicial Acts, though not being sources of law in the proper sense of the word, in certain cases may assume liability to interpret legal norms being

applied. Information letters of the of the Russian Federation Supreme Arbitration Court Presidium, Supreme Court Decrees, Constitutional Court Decrees are obligatory for application by the judicial bodies.

Provided that the Issuer operates in strict compliance with the current legislation, negative impact of alterations within the court practice is likely to come out only in case that the regulatory authorities would change their positions or in case that the Issuer would operate under contempt of the law.

2.5.5. Risks pertaining to the Issuer's operation

Risks pertaining to the Issuer's participation in trials and litigations:

The Company is involved in several arbitration proceedings. One of the most substantial proceedings capable of exerting influence upon the Company's financial status is the Decree #12 dd. 12/01/2006 by Inter-district Inspectorate #7 of the Federal Tax Service. According to the Decree, the Company was charged with extra taxes amounting to RUR 561,332,037.86, penalties amounting to RUR 107,358,263.81, and fines totaling RUR 87,685,697.28 for the years 2003-2004.

The Company filed the claim to the Moscow City Arbitration Court on invalidation of above-mentioned Decree of the Federal Tax Service.

By the Decree of the Moscow City Arbitration Court dd. May 23, 2007 with regard to the claim # A40-77769/06-75-465, the Company's claim was satisfied partially. Decree #12 by Inter-district Inspectorate #7 of the Federal Tax Service was ruled illegal with regard to the extra taxes at the amount of RUR 402,379,281.83, fines and penalties at the amount of RUR 159,125,269.19. Other parts of the Claim are dismissed.

The decision of court of the first instance is appealed in the Ninth arbitration appeal court.

On May 14, 2008 the decision of the court of the first instance is changed by the decision of appealed instance and the Company requirements were satisfied, except for 2 605 721, 53 RUR.

On September 30, 2008 the decision of appeal instance on the present business is upheld by the decision of the Federal Tax Service of the Moscow district.

The penalty fees according to the decision of the Arbitrage of Sverdlovsk region on the collection from the Company 87 870 595,98 RUR. were dropped.

Risks pertaining to circumstances preventing the Issuer from prolongation of licenses for certain kinds of operations or utilization of objects completely or partially removed from trading circulation (including natural resources):

Risks of failure in licensing are low, because the Company complies with all the requirements and rules in its activities.

Risks of the Issuer's responsibility over the third parties debts (including the debts of subsidiaries):

The Issuer bears the risks of responsibility over the third parties' debts amounting to the sum of securities provided to them.

As of December 31, 2008, the total sum of the Issuer's obligations over the third parties' debts appearing from the security provided to them made up RUR 1 357 808,42 thousand.

The Issuer regards such risks as low.

The Issuer has 1 subsidiary. The Issuer's responsibility over the debts of its subsidiary may occur in case the Issuer, by its orders obligatory for execution by the subsidiary, would cause losses or bankruptcy of this subsidiary. The Issuer endeavors to prevent such a situation, as its occurrence would contradict the main objective of the Issuer's activity – making a profit.

Risk of the loss of customers, supplying the sales turnover that constitutes at least 10 per cent of the overall sales revenue:

There are no such customers. Factors that may negatively affect the Issuer's sales volume are set forth in the item 3.2.4. of the present Quarterly Report.

2.5.6. Bank risks

The Issuer doesn't bear bank risks, as it is not a credit institution.

III. Detailed information on the Issuer

3.1. Detailed profile of the Issuer

3.1.1. Name of the Company

Corporate name in full: **Open Joint-Stock Company “Uralsvyazinform”**
Abbreviated corporate name: **O.J.S.C. “Uralsvyazinform”**

Information on registration of the Issuer’s corporate name as a trademark or a service mark: corporate name of the Company makes part of the combined trademark, certificate # **311035, priority administered on June 9, 2005. The trademark is registered in the State Register of Trademarks and Service Marks of the Russian Federation; date of registration: July 24, 2006; the term of registration expires on June 9, 2015.**

Information on alterations in the Issuer’s corporate name during the Company’s existence: **there haven’t been any alterations in the Issuer’s corporate name.**

3.1.2. State registration of the Issuer

State registration number: **2359**
Date of state registration: **04/29/1994**
Registering authority: Perm Administration

In accordance with the Federal Law “On State Registration of Legal Entities” OJSC “Uralsvyazinform” was registered by the **Perm division of Federal Tax Office as of September 4, 2002.**

The state registration number: **1025900510349.**

3.1.3. Creation and development of the Company

The Issuer’s life period from the date of its State registration: **14 years 8 months.**
Term of existence of the Issuer: **term of existence of the Issuer is not limited.**

Creation and development of the Issuer:

OJSC ‘Uralsvyazinform’ was created in April 1994 by privatization of the State communications and informatization enterprise called ‘Rossvyazinform’.

Following the resolution of the Extraordinary General Meeting of Shareholders of OJSC ‘Uralsvyazinform’ as of September 27, 2001 the Company was reorganized in the form of merger of OAO “Uraltelecom” of Sverdlovsk region, OAO “Electrosvyaz” of Kurghan region, OAO “Tyumentelecom”, OAO “Khantymasyiskokrtelcom”, OAO “Svyazinform” of Chelyabinsk region, and OAO “Yamalelectrosvyaz” with and into OJSC “Uralsvyazinform”.

On July 1, 2005 the Issuer accomplished the takeover of daughter mobile operators (OOO ‘Yuzhno-Uralski Sotovy Telefon’ (OOO ‘South Urals Cellular Phone’), OOO ‘Tyumenruscom’ and ZAO ‘Ermak RMS’) aimed at creation of the sole business structure in the sphere of mobile telecommunications services within the Urals Federal District. On July 1, 2005 the Issuer accomplished the takeover of daughter Internet providers (ZAO ‘VSNET’ and OOO ‘Uralcom’) as well.

Since 1 January 2006, pursuant to the amended Legislation, the Company has not been rendering long-distance telecommunications services anymore but acts as an agent to the long-distance operators when rendering services to the subscribers of long-distance operators.

In the 1st quarter 2007 Uralsvyazinform was provided with A-class level in corporate governance national rating. Confirmation of the national rating of corporate governance affirms high level of the Company’s corporate governance.

On December 2007 the Certificate of Conformity of the System of Quality of the Company to the requirements of GOST P ICO 9001-2001 (ICO 9001:2000) was obtained.

On September 2, 2008 the Certificate of Conformity of the System of Quality of the Company to the requirements of GOST P ICO 14001-2007 (ICO 1400; 2004) was obtained.

On December 10, 2008 the Certificate of Conformity of the System of Quality of the Company to the requirements of GOST P ISO/MEK 27001-2006 was obtained.

Issuer’s purposes: **Issuer’s major purposes are deriving of profit, provision of customers with high-quality telecommunications services.**

Issuer's mission: **Formation and satisfaction the customers' needs in the telecommunication services, and integration into the global information community of the XXI-st century.**

Miscellaneous information on the Issuer's activity:

Issuer's strategy: **provision of the Company's growth by means of retention of the leading position at the market, implementation of new unique services and enhancement of the Company's efficiency.**

The Issuer means to base its activity upon the largest customer base within the region, broad infrastructure, convergent technologies, personnel competence and the Company's reputation as a reliable service provider and business-partner.

In 2007 the Program of Uralsvyazinform Development for 2008-2012 was developed. In 2008 it was restructured into the Program of Uralsvyazinform Development for 2009 – 2013.

The main objective of the Emitter for 2009-2013 is a growth of business cost, which assumes:

- **preservation of a share of the market;**
- **growth of operational efficiency;**
- **decrease in debt load;**
- **growth of the income of the telecommunication services per line;**
- **growth of quantity of lines on the worker;**
- **level growth local network digitalization up to 100 %.**

Achievement of strategic targets is planned due to:

- **transformations of system of sales and services;**
- **developments of a production portfolio;**
- **network developments through NGN-transformation;**
- **optimization of system of purchases;**
- **optimization of business processes and a control system of human resources;**
- **optimization of property management;**
- **acquisition of the regional communication businesses and reorganization of affiliated business;**
- **introduction of income guarantee system.**

The prospective budget 2009 – 2013 was included in the Program of OJSC 'Uralsvyazinform' Development 2009 - 2013 had confirmed its efficiency of the chosen strategy in achievement of the strategic targets.

3.1.4. Contact information

Domicile: **11, Moskovskaya St., Ekaterinburg, 620014, the Russian Federation**

Tel.: **7 (343) 376 2000**, fax: **7 (343) 379 1290**, e-mail address: gd@gd.usi.ru

Internet site containing information on the Issuer and its issue securities:

in Russian: <http://www.usi.ru/>, <http://www.u-tel.ru/>

in English: <http://www.usi.ru/en/>

Divisions of the Issuer specialized in shareholders and investors relations: **Equity and IR Department**

Address: **11, Moskovskaya St., Ekaterinburg, 620014, the Russian Federation**

Tel: **7 (343) 379 1326**, fax: **7 (343) 379 1290**, e-mail address: investor@gd.usi.ru

Internet site:

in Russian: <http://www.usi.ru/shareholders/>

in English: <http://www.usi.ru/en/shareholders/> .

3.1.5. Taxpayer Identification Number

The Issuer's Taxpayer Identification Number (TIN): **5902183094**

3.1.6. Branches and representative offices of the Issuer

Alterations that occurred in the structure of the Company's branches and representative offices: **in the 4th quarter 2008 there weren't any alterations within the structure of branches and representative offices of OJSC 'Uralsvyazinform'.**

Changes that took place in the reporting quarter in the name, address of the branches and representative offices, name of their heads, and term of the letter of attorney granted to the heads: **in the 4th quarter 2008 there haven't been any alterations in the names, addresses of the branches and**

representative offices. The change was connected with the name of the head of Inter-regional branch of information-network technologies.

The information before change:

The acting head: Sbrodov Vyacheslav Ivanovich

Validity period of the power of attorney: November 07, 2008

The information after change:

The head: Sbrodov Vyacheslav Ivanovich

Validity period of the power of attorney: December 12, 2009

3.2. Core business activities of the Issuer

3.2.1. Industry classification of the Issuer

Codes of industry classification of the Issuer's main activities pursuant to All-Russia Classifier of Economic Activities (ARCEA): **64.20.11 64.20.12 64.20.21 64.20.22 64.20.3 74.20.14 74.20.15 74.20.35 45.21.1 45.31 45.21.4 74.20.31 74.30.6 74.30.9 80.42 74.84 74.14 74.13.1 52.45.1 52.48.15 74.40**

Code of activity in accordance with ARCEA	Activity according to ARCEA code
64.20.11	Telephone communications
64.20.12	Documentary telecommunications
64.20.21	Transmission and distribution of television programs
64.20.22	Transmission and distribution of sound broadcasting programs
64.20.3	Other activities in the field of electrical communication
74.20.14	Design of industrial processes and industrial-scale production in the sphere of electrical technology, electronics engineering, mining engineering, chemical technology, machine construction, industrial production, systems engineering, and safety engineering.
74.20.15	Project design in the sphere of air conditioning, refrigeration engineering, sanitary engineering and environmental contamination monitoring, acoustics of buildings etc.
74.20.35	Engineering surveys for construction
45.21.1	Structural works in buildings construction
45.31	Electrical installation works
45.21.4	Structural works on pipeline constructions, communications lines and power lines, including attendant auxiliary works
74.20.31	Topography and geodesy operations
74.30.6	Tests and calculations of construction elements
74.30.9	Other types of activities on technical control, tests and analysis
80.42	Adults education and other kinds of education left out of other groups
74.84	Other services
74.14	Consultation in the sphere of business activities and management
74.13.1	Market conjuncture research
52.45.1	Retail distribution of household electric devices
52.48.15	Retail distribution of electric communication equipment
74.40	Advertising

3.2.2. Core business activities of the Issuer

Core business activities of the Issuer: **communications services.**

Type of the Issuer's activities: **the Company operates in continuous cycle (round-the-clock operation, seven days a week).**

Core business activities providing at least 10 per cent of the Issuer's revenues: **The information is not subject to disclosure in the quarterly report as of the 4th quarter.**

Meaningful new services offered by the Issuer at its core activity market (provided that the information on such services is open to the public):

The base for granting new services consists in multi-services networks and broadband access. For the accounting period the work on increase in throughput of the main and city communication channels was conducted, the network of broadband access on technology ADSL2 + extends, the technique of maintenance of service quality for various types of the traffic is developed, work on unification of technical details of granting of services is taken. The elaboration of technical decisions on introduction of access technologies based on an optical fiber (GPON, ETTH) and on wireless

technologies (WiFi, WiMAX) was conducted. The introduction of the given technologies will allow to bring clients a wider range of services.

The elaboration on introduction of new broadband services on all territory of the Company is conducted: television on the base of data transmission network (IPTV) and video on demand (VoD). The main difference of the introduced service from the basic competitor - a cable television - consists in the interactivity of services granted in relation to the user.

Profitableness increase is supposed not only at the expense of satellite channels translation and video films, but also through granting access to the Internet by TV-receiver, possibility of formation from set of broadcast transfers of own "virtual" channel, the organization of vocal and video chats, SMS through TV, electronic commerce, remote training, a telemedicine etc.

Within the limits of these works, requirements to architecture of a network, the terminal equipment, capable to render such services are defined, the process equipment of televideoservice is tested.

Complexes of granting multimedia services IPTV entered into commercial operation in Ekaterinburg, Perm, Kurgan, Khanty-Mansiysk, Chelyabinsk, Tyumen telecommunication branches enter into commercial operation at the present time. In 2008 the list of multimedia services and broadcast television channels was broadened, the capacity of hardware-software complexes IPTV had been increased. Works on introduction of services in territory of Yamal-Nenets branch of telecommunication are conducted.

Ekaterinburg branch together with the company Alcatel-Lucent established the test platform on testing IMR (intellectual mobile readdressing).

Within the limits of works under the project «Elaboration and Introduction of network elements IMS», inquiries are executed on tech-commercial offers «Creation of a platform on delivery of services and IMS-kernel elements» in Comverse, Ericsson, HP, Huawei, IBM, Italtel, Nortel.

3.2.3. Raw materials and suppliers of the Issuer

Issuer's suppliers that provide at least 10 per cent of raw materials supplies, and their share in overall supplies volume as of the 4th quarter 2008:

Company name	Domicile	Share in overall supplies volume as of the 4th quarter 2008, %
Limited Liability Company 'Tekhnoserv AS'	10, building 3, Smirnovskaya ul., 109052, Moscow, Russia	28
Limited Liability Company 'Universalnye Sistemy'	Office 301, 7 L, Pushkina street, 620075, Ekaterinburg, Russia	24

Share of import in the Issuer's supplies of commodities as of the 4th quarter 2008: 0%.

Change in prices for raw-materials within the reporting period as compared with the respective reporting period of the previous fiscal year: **total share of raw-materials, fuel and energy makes up nearly 10 per cent of the Issuer's cost value. In the 4th quarter 2008 there were no substantial changes in prices that could affect considerably the financial state of the Issuer.**

Availability of commodity stocks and supplies in the future: **the Issuer maintains stable partnership with the suppliers.**

3.2.4. Market outlets of the Issuer

Main market segments the Issuer operates in:

Uralsvyazinform renders services over the Urals Federal District and Perm Region of the Russian Federation.

Basic market segments:

- local telephone services;
- intra-zone telephone services;
- Internet services and data transfer;
- mobile telephone services.

Negative factors affecting Issuer's sales:

In 2008 there are important questions connected with tariffs change regulated by Federal Tariff Agency:

– transition to per second charge of local telephone connections in 2008-2009 can lead to reduction of volume of the consumed local traffic and partial loss of incomes in local communication (since September 01, 2007 there was a transition to 30 second charge of local telephone connections);

– change of traffic route by cellular and long – distance, international telecommunication operators can lead to the fact that Company will profit for the local connection instead of the zone one. For the purpose of the main and zone traffic return, which is landed on the Company's network, and as consequence, for the purpose of income deduction in the sphere of zone – ended calls, the Company considers a tariff decrease on zone-ended call within the limits set by the Order of Federal Agency of supervision in sphere of communication dd. June 19, 2006, # 51.

Within the limits of the Company there is a risk of replacement of fixed-line telephony incomes with mobile communication ones. The number of cases that pertain to the connection of the local fixed-line operators to the network of the other local fixed-line operators increased. As consequence, there is a risk of increase in expenses for the Company that comes from an out-coming call of the Company's subscriber through the local fixed-line network of the other operator. For minimization's sake a decision was made: if there is an agreement concluded with the other operator of local fixed-line network, the Company has the full right to maintain the direct admission of the traffic through its network.

Besides, as the financial crisis affected all sectors of economy (where existing and potential consumers of telecommunication services work) and the population, it is necessary to expect a fall of solvent demand for telecommunication services, including fading the demand for innovative services (services 3G, broadband access services), delay of new-coming subscribers.

Issuer's activities aimed at reduction of negative factors' impact:

- advancement of the range of services;
- implementation of next generation technologies;
- improvement of services quality;
- enhancement of the managers' qualification;
- monitoring of peers' activity, prompt reaction to developments revealed;
- optimization of production and technology processes;
- reduction of products cost;
- distinct reasoning of prices formation when reporting to Regulatory authorities;
- development of high-profitable new services;
- offering of flexible-choice service packages;
- development of outsourced sales structures;
- continuation of competitive tariff plans development.

3.2.5. Licenses granted to the Issuer

Special permissions (licenses):

- On usage of the limited turnover – capable objects and resources;
- On realization of bank operations;
- On realization of insurance activity;
- On realization of activity of the professional participant on the securities market;
- On realization of investment activity.

Were not issued to the Emitter.

The licenses which were issued to the Emitter for realization of non-core activity that has essential value for the Emitter (except for licenses pertaining telecommunication services, which are specified in item 3.2.9. of the present quarterly report):

License type	Number, the licensing date, the body which has given out it	Validity period	The forecast of the Issuer concerning probability of license prolongation
Activity under the prevention and suppression of fires	№1/03947 dd. March 30, 2004, issued by Central Administrative Board of the State Fire Service of the Ministry of the Russian Federation on liquidations of consequences of acts of nature	March 30, 2004 / March 30, 2009	Prolongation possibility is available
Designing of buildings and constructions of 1 and 2 levels of responsibility according to the state standard	№ГC-566012605902183094005468-3 dd. December 14, 2004 issued by the State Committee of the Russian Federation on building and housing and communal services	December 14, 2004 / December 14, 2009	Prolongation possibility is available
Realization of the works connected with use of data, making the state secret	№1309 dd. March 21, 2006, issued by Management of Federal security service of the Russian Federation on Sverdlovsk region	March 21, 2006 / March 21, 2011	Prolongation possibility is available

Activity on technical protection of the confidential information	№920 dd. October 14, 2004, issued by Gostekhhkomissia	October 14, 2004/ August 17, 2009	Prolongation possibility is available
Realization of works on cartographical activity	№YПГ-01418Г dd. December 27, 2004, issued by Federal Service on Geodesy and Cartography	December 27, 2004/ December 27, 2009	Prolongation possibility is available
Realization of works on cartographical activity	№YПГ-01419K dd. December 27, 2004, issued by Federal Service on Geodesy and Cartography	December 27, 2004 / December 27, 2009	Prolongation possibility is available
Works on installation, repair and fire safety maintenance service of buildings and constructions	№2/006906 dd. March 30, 2004, issued by Central Administrative Board of the State Fire Service of the Ministry of the Russian Federation on liquidations of consequences of acts of nature	March 30, 2004/ March 30, 2009	Prolongation possibility is available
Exploitation of explosive industrial objects	№00-ЭБ-003379 dd. September 20, 2004, issued by Federal Service on technological and nuclear supervision	September 20, 2004/ September 20, 2009	Prolongation possibility is available
Activity on prevention and suppression of fires	№1/03947 dd. September 30, 2004, issued by Central Administrative of the State Fire Service of the Ministry of the Russian Federation on liquidations of consequences of acts of nature	September 30, 2004/ September 30, 2009	Prolongation possibility is available
Designing of buildings and constructions of 1 and 2 levels of responsibility according to the state standard	№ГС-5-66-01-27-0-5902183094-009505-3 dd. August 20, 2007, issued by Federal Agency on building and housing and communal services	August 20, 2007 / August 20, 2012	Prolongation possibility is available
Activity on distribution of cryptographic means	№62 P dd. March 06, 2007, issued by FSB of the Sverdlovsk region	March 06, 2007/ March 06, 2012	Prolongation possibility is available
Activity on maintenance service of cryptographic means	№63 X dd. March 06, 2007, issued by FSB of the Sverdlovsk region	March 06, 2007/ March 06, 2012	Prolongation possibility is available
Granting of services in the field of information enciphering	№64 At dd. March 06, 2007, issued by FSB of the Sverdlovsk area	March 06, 2007/ March 06, 2012	Prolongation possibility is available
Subsoil assets usage	№1533 dd. July 04, 2003, issued by the Ministry of natural resources	July 04, 2003/May 01, 2028	Prolongation possibility is available
Activity on gathering, use, neutralization, transportation, placement of dangerous wastes	№OT-00-007722 (00), dd. August 07, 2007, issued by Federal service on ecological, technological and nuclear supervision	August 07, 2007/ August 07, 2012	Prolongation possibility is available

3.2.6. Issuer's activities in co-operation with the partners

The information on Issuer's co-operation is not subject to disclosure in the quarterly report for the 4th quarter. This information will be included in the quarterly report after the release of the annual accounting report for 2008.

3.2.7. Additional requirements imposed on the Issuers that are either incorporated investment funds, insurance enterprises, credit institutions, or mortgage agents

OJSC 'Uralsvyazinform' is not an incorporated investment fund, an insurance enterprise, a credit institution, or mortgage agent.

3.2.8. Additional requirements imposed on the Issuers involved in mining operation

OJSC 'Uralsvyazinform' does not perform mining operations as its core activities. Uralsvyazinform does not have subsidiaries (affiliates) engaged in mining operations.

3.2.9. Additional requirements imposed on the Issuers involved in telecommunications activities

a) Licenses for rendering telecommunications services

Type of operations (type of networks licensed for use)	Territory of license	Number of license, date of state registration	Start date of rendering services / validity of license
Rendering local and intra-zone telephone services (public service networks)	The whole territory of the Company's operation	#23222 dd. 10/04/2002	09/30/2002 -10/04/2012
Local telephone services with the except of local telephone services rendered through payphones or shared access (public service networks)	The whole territory of the Company's operation	#38225 dd. 01/27/2006	01/27/2006 – 01/27/2011
Intra-zone telephone communications (public service networks)	The whole territory of the Company's operation	#38630 dd. 02/16/2006	02/16/2006 – 02/16/2011
Local telephone services rendered through payphones (public service networks)	The whole territory of the Company's operation	#38354 dd. 01/27/2006	01/27/2006 – 01/27/2011
Rendering data transfer services with the except of voice data transfer services (public service networks)	The whole territory of the Company's operation	#38037 dd. 01/27/2006	01/27/2006 – 01/27/2011
Rendering voice data transfer services in data transfer network (public service networks)	The whole territory of the Company's operation	#37825 dd. 12/23/2005	12/23/2005 – 12/23/2010
Telematic communications services	The whole territory of the Company's operation	#38716 dd. 02/16/.2006	16/02/2006 -16/02/2011
Telegraph communications services	The whole territory of the Company's operation	#38953 dd. 02/16/.2006	02/16/2006 – 02/16/2011
Communications channels leasing	The whole territory of the Company's operation	#46204 dd. 12/08/2006	12/08/2006 – 12/082011
Local telephony with shared multiuser access (public service networks)	The whole territory of the Company's operation	#39503 dd. 03/15/2006	03/15/2006 – 03/15/2011
Cellular radiotelephone communications in 900/1800 MHz frequency range (public service networks)	Sverdlovsk region	#30254 dd. 12/30/2003	06/30/2005 – 12/30/2013
Mobile radiotelephone communications in the public service network	Bashkortostan	#37360 dd. 10/04/2005	10/04/2005 – 10/04/2010
Mobile radiotelephone communications (in public service networks)	Perm region	#48924 dd. 03/09/2007	03/09/2007 – 03/09/2009
	Perm region, with the exception of Kudymkar, Kudymkar district, Yusvinsky, Yurlinsky, Gainsky, Kochevsky, Kosinsky municipal districts	#40963 dd. 08/01/2006	08/01/2006 – 08/01/2011
	Tyumen region, Khanty-Mansyisk Autonomous District, Yamalo-Nenetsk Autonomous District	#34344 dd. 08/01/2005	08/01/2005 – 08/01/2010
Local telephony using radio access (CDMA-800)	Tyumen region	#23879 dd. 10/04/.2002	In accordance with the Government Decree dd.

Type of operations (type of networks licensed for use)	Territory of license	Number of license, date of state registration	Start date of rendering services / validity of license
(public service networks)			
Radiotelephone communications services (CDMA-800) (public service networks)	Chelyabinsk region	#23880 dd. 10/04./2002	02/18/2005 # 87 radio access comes under license №23222
Mobile radiotelephone communications services in public service network (NMT-450 MHz)	Perm region	#34234 dd. 09/01./2005	09/01/2005 – 09/01/2010
Mobile radiotelephone communications services in public service network (AMPS / D-AMPS)	Perm region	#33116 dd. 06/01/2005	06/01/2005 – 12/31/2009
	Tyumen region	#35032 dd. 06/13/2000	06/13/2001 – 12/31/2009
Cellular radiotelephone telecommunications services in 450 MHz frequency range (IMT-MC 450 technology) (public service networks)	Perm region	#30211 dd. 12/30/2003	12/30/2004 – 12/30/2013
Communications services for cable casting (public service networks)	Chelyabinsk city, Magnitogorsk city within Chelyabinsk region	#31484 dd. 04/26/2005	04/26/2007 – 04/22/2010
	Salekhard, Noyabrsk, Gubkinskiy cities within Yamalo-Nenetsk Autonomous District	#33708 dd. 07/28/2005	07/28/2007 – 07/28/2010
	Tyumen city	#36133 dd. 10/31/2005	10/31/2007 – 10/31/2010
	Perm region	#39811 dd. 03/26/2006	03/26/2006 – 03/26/2011
	Kurgan region, Sverdlovsk region, Tyumen region, Chelyabinsk region, Khanty-Mansyisk Autonomous District, Yamalo-Nenetsk Autonomous District.	#43985 dd.08/30/2006	08/30/2008 – 08/30/2011
Communications services for on-air broadcasting (public service networks)	Mekhonskoye, Shatrovo towns within Kurgan region	#32500 dd. 06/17/2005	06/17/2005 – 06/17/2007
	Yamalo-Nenetsk Autonomous District	#38449 dd. 01/21/2006	01/27/2006 - 01/27/2009
	Perm region	#39127 dd. 02/16/2006	02/16/2006 - 02/16/2011
	Yamalo-Nenetsk Autonomous District	#41428 dd. 05/25/2006	05/25/2008 – 05/25/2011
	Perm region	#42556 dd. 07/12/2006	07/12/2008 – 07/12/2011
	Khanty-Mansyisk Autonomous District	#43250 dd. 07/28/2006	07/28/2008 – 07/26/2011
	Sverdlovsk region	#47089 dd. 12/27/2006	12/27/2008 – 06/21/2011
	Perm region	#47907 dd. 02/09/2007	02/09/2009 – 12/20/2011
	Yamalo-Nenetsk Autonomous District	#48480 dd. 03/05/2007	03/05/2009 – 06/21/2011
	Khanty-Mansyisk Autonomous District	#51823 dd. 06/05/2007	06/05/2009 – 06/05/2012
Communications services for on-air broadcasting (DVB-T) (public service networks)	Chelyabinsk city	#40865 dd. 05/12/2006	05/12/2006 – 05/12/2011
Over-the-air television "Ural-Inform TV"	Perm region	#8543 dd. 11/05/2004	11/05/2004 – 11/05/2009
	Oktyabrskiy village within Perm region	#8544 dd. 11/05/2004	11/05/2004 – 11/05/2009
TV program "Vostochniy"	Chelyabinsk region	#11-1634 dd. 09/19/2003	09/19/2003 - Unlimited

Type of operations (type of networks licensed for use)	Territory of license	Number of license, date of state registration	Start date of rendering services / validity of license
Express"			
On-air broadcasting " Vostochnyi Express "	the Russian Federation	# 2400 dd. 02/08/2007	02/08/2007– 02/08/2012
On-air broadcasting «Khanty-mansyiskokrtelecom»	the Russian Federation	#11209, dd. 02/01/2007	02/01/2007 - 01/18/2012
On-air broadcasting «Vostochnyi Express Surgut»	the Russian Federation	#11328, dd. 02/08/2007	02/08/2007 - 02/08/2012
Information program " Khanty-mansyiskokrtelecom "	Khanty-Mansyisk Autonomous District, Yamalo-Nenetsk Autonomous District	#ФC77-20903 dd. 08/26/2005	Unlimited
Mobile radiotelephone communications services	Chelyabinsk region	#50967, dd. 07/05/2007	07/05/2007 – 07/05/2012
Mobile radiotelephone communications services	Kurgan region	#49897, dd. 06/15/2007	05/15/2007 – 05/15/2012

Factors that may negatively affect discharge of the Issuer's obligations imposed by the licenses:

1. **Restriction of term of license validity (with prolongation probability).**
2. **Dependence on decisions taken by the regulating authorities.**
3. **Sufficiency of funds for purchasing the equipment (requisite amount of investment).**
4. **Technical and technological risks arising by design process (technology drawbacks, improper choice of equipment).**
5. **Legal risks (imperfections in legislation, improperly compiled documentation).**
6. **Construction risks (equipment defects, low-quality raw-materials etc.).**
7. **Specific risks pertaining to the use of new non-traditional technologies.**
8. **Political and economic factors affecting the Company's activity.**
9. **Force majeure.**

Probability of negative factors occurrence: **not detected.**

b) Telecommunications networks

Installed capacity and digitalization of Automatic Telephone Stations (ATS) as of December 31, 2008:

Division / Company	Installed capacity, thousand numbers	Digitalization level, %
Ekaterinburg division	1194.999	71.0
Kurgan division	260.238	64.7
Perm division	809.246	83.6
Tyumen division	419.032	85.0
Khanty-Mansiysk division	429.080	100.0
Chelyabinsk division	913.9	71.5
Yamalo-Nenetsk division	981.530	100.0
OJSC 'Uralsvyazinform'	4224.886	78.4

Main performance indices of the Company's divisions as of December 31, 2008:

Index	Unit	Uralsvyazinform	Division						
			Ekaterinburg	Kurgan	Perm	Tyumen	Khanty-Mansiysk	Chelyabinsk	Yamalo-Nenetsk
Input of numbering capacity in the IV quarter	number	154 463	34 503	24 664	56 336	21 120	0	48 940	0
Growth of number of fixed-line subscribers	number	10 118	4379	739	1 485	338	1516	1285	376
Input of long-distance Automatic Telephone Stations)	channel	8 670	0	2250	2 430	0	0	0	0
Growth of number of long-distance and intra-zone transmission lines, total	km	194,707	0	0	0	0	194,707	0	0
Growth of length of long distance and	thousand km	8 932,68	0	0	0	0	5887,94	0	3044,74

international communications channels, total									
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Fixed-line penetration as of December 31, 2008:

Division / Company	Penetration per 100 persons
Ekaterinburg division	24.8
Kurgan division	24.5
Perm division	28.0
Tyumen division	25.0
Khanty-Mansiysk division	26.8
Chelyabinsk division	25.4
Yamalo-Nenetsk division	22.9
OJSC 'Uralsvyazinform'	25.6

Basic mobile and fixed-line communications systems and frequency ranges utilized by the Issuer:

Communications system	Service territory	Frequencies and frequency ranges
Mobile radiotelephone communications system, GSM-900/1800	Kurgan region	900 MHz, 1800 MHz
	Perm region	
	Sverdlovsk region	
	Tyumen region	
	Khanty-Mansiysk Autonomous District	
	Chelyabinsk region	
Mobile radiotelephone communications system GSM-900	Bashkortostan	900 MHz
Mobile radiotelephone communications system NMT-450	Perm region	450 MHz
Mobile radiotelephone communications system CDMA-450	Perm region	450 MHz
Mobile radiotelephone communications system CDMA-800	Tyumen region	800 MHz
	Chelyabinsk region	
Mobile radiotelephone communications system AMPS/D-AMPS-800	Tyumen region	800 MHz
Radio paging system DECT	Kurgan region	1880-1900 MHz
	Perm region	
	Sverdlovsk region	
	Khanty-Mansiysk Autonomous District	
	Chelyabinsk region	
Fixed wireless radio paging system eMGW	Yamalo-Nenetsk Autonomous District	1,5 HHZ
Fixed wireless broadband communications system MDMS	Sverdlovsk region	26 HHZ
Fixed wireless broadband communications system AS4020	Sverdlovsk region	3,5 HHZ
Fixed wireless broadband communications system WALKair	Sverdlovsk region	10 HHZ

3.3. Issuer's Prospective Plans

Issuer's prospective plans on implementation of new services:

The Company shall further develop broadband access networks on the basis of different technologies (xDSL, FTTx, Fast Ethernet, WiFi, WiMax etc.) in order to provide access to a majority of added-value services and diverse content.

The Company is going to gradually transform its diverse-traffic networks into a single integrated NGN-network comprising both fixed and mobile network segments. This shall enable the Company to expand the range of subscriber services and give opportunity to the subscribers to configure their own personally-suitable service packages.

The Company shall further develop broadband access networks on the basis of different technologies (xDSL, FTTx, Fast Ethernet, WiFi, WiMax etc.) in order to provide access to a majority of added-value services and diverse content.

Issuer's prospects with regard to the expansion or reduction of production:

The Issuer is not about to reduce production.

An expansion of services rendered on the basis of the network of new generation (NGN), including the use of broadband access and the development of services with the added cost, are planned.

Issuer's plans on development of new services:

- ***rendering services of GSM-standard cellular network;***
- ***development of broadband access services;***
- ***development of service packages, including dynamic packages;***
- ***development of convergence services;***
- ***development and promotion of multi-media services on the basis of NGN-network over the whole area of the Issuer's operation;***
- ***rendering services of intellectual network over the whole area of the Issuer's operation (televoting, FreePhone, PaidPhone, personal number).***
- ***rendering content and advertising services;***
- ***development of Call-centers and services on their basis;***
- ***implementation of fee-based television broadcasting through IPTV technology.***

Detailed information on the new services is given in item 3.2.2 of the present Quarterly Report.

Issuer's prospective plans for upgrade and reconstruction of fixed assets:

The volume of capital expenditures totaled RUR 555 506 in the investment plan of the Company for IV quarter 2008, which was directed to modernization and reconstruction of the capital assets.

Issuer's plans on potential change of core activities: ***the Issuer isn't going to alter its core activities (rendering telecommunications services).***

3.4. Issuer's participation in industrial, banking, and financial groups, holdings, concerns and associations

Industrial, banking, financial groups, holdings, concerns, and/or associations the Issuer participates in:

1. Full name of organization: ***Association of CDMA networks operators***

Issuer's position and functions within the organization: ***member of Association***

Issuer's participation in the organization: ***a) participates in Association activities, b) obtains assistance in implementation and development of CDMA technology over the Russian communication networks, c) enjoys other benefits granted by the Association***

Term of participation: ***since 1998; non-limited***

2. Full name of organization: ***Association for Siberia and Far East communications enterprises 'Sibdalsvyaz'***

Issuer's position and functions within the organization: ***member of Association***

Issuer's participation in the organization: ***a) management of Association activities, b) participation in seminars, international symposiums, meetings of top officials in communications industry arranged by the Association; c) acquisition, on a preferential basis, of educational literature, switching equipment, and other scientific and technical developments offered by the Association***

Term of participation: ***since 1994; non-limited***

3. Full name of organization: ***Association for Russian GSM networks operators***

Issuer's position and functions within the organization: ***member of Association***

Issuer's participation in the organization: ***a) participation in Association workshops, b) assistance in elaboration of documents governing Association activities, c) financing of GSM network development within the region***

Term of participation: ***since 1996; non-limited***

4. Full name of organization: ***Association for quality management in communications and information spheres "International congress for telecommunications quality"***

Issuer's position and functions within the organization: ***member of Association***

Issuer's participation in the organization: ***a) elaboration of suggestions on behalf of the Congress, b) participation in Committees and working groups, c) participation in conferences, d) accomplishment of contractual works assigned to the Congress, e) presentation of reports at***

international forums, conferences, seminars, symposiums

Term of participation: **since 2000; non-limited**

5. Full name of organization: **International GSM-Association**

Issuer's place and functions within the organization: **member of Association**

Issuer's participation in the organization: **a) participation in Association workshops, b) assistance in elaboration of documents governing Association activities**

Term of participation: **since 1996; non-limited**

6. Full name of organization: **Non-profit Partnership 'National Council for Corporate Governance'**

Issuer's position and functions within the organization: **member of Non-profit Partnership**

Issuer's participation in the organization: **a) participation in the Partnership's activity, b) participation in the Partnership's workshops, c) conduction of conferences and seminars**

Term of participation: **since 2006; non-limited**

7. Full name of organization: **Non-profit Partnership "Russian Club of Communications Operators"**

Issuer's position and functions within the organization: **member of Non-profit Partnership**

Issuer's participation in the organization: **a) management of Partnership activities, b) participation in Committees and working groups, c) participation in seminars, international symposiums, meetings of top officials in communications industry arranged by the Partnership**

Term of participation: **since 2006; non-limited**

8. Full name of organization: **Non-profit Partnership "Russian Institute of Directors"**

Issuer's position and functions within the organization: **member of Non-profit Partnership**

Issuer's participation in the organization: **a) participation in the Partnership's activity, b) participation in the Partnership's workshops, c) conduction of conferences and seminars**

Term of participation: **since 2004; non-limited**

9. Full name of organization: **Non-profit Partnership 'Elite club for Corporate Conduct'**

Issuer's position and functions within the organization: **member of Non-profit Partnership**

Issuer's participation in the organization: **a) participation in the Partnership's activity, b) participation in working groups, c) conduction of conferences and seminars**

Term of participation: **since 2003; non-limited**

10. Full name of organization: **Non-profit Partnership "Center for investigation of challenges in telecommunications development"**

Issuer's position and functions within the organization: **member of Non-profit Partnership**

Issuer's participation in the organization: **a) participation in the Partnership's activity, b) participation in working groups, c) conduction of conferences and seminars**

Term of participation: **since 2001; according to the Decision of Board of Directors of the Company dd. October 10, 2008 (protocol # 8) OJSC "Uralsvyazinform" ended its participation in Non-profit Partnership "Center for investigation of challenges in telecommunications development".**

11. Full name of organization: **Public alliance 'Association for documentary telecommunications'**

Issuer's position and functions within the organization: **member of Association**

Issuer's participation in the organization: **a) participation in expositions and conferences organized by the Association, b) participation in Committees and working groups, c) accomplishment of contractual works assigned to the Association, d) performance of a uniform technical policy in alliance with other communications operators within the Russian Federation**

Term of participation: **since 1998; non-limited**

12. Full name of organization: **Volzhski Association of telecommunications and informatics engineers 'Teleinfo'**

Issuer's position and functions within the organization: **member of Association**

Issuer's participation in the organization: **a) participation in Association's workshops, b) assistance in elaboration of documents governing Association activities, c) technical maintenance of regional data transfer networks**

Term of participation: **since 1994; non-limited**

3.5. Dependent and affiliated companies of the Issuer

Daughter business entities of the Issuer:

1. Full name of the company: **Closed Joint Stock Company 'FK-Svyaz'**

Address: **610, 2A, 42 Schepkina str., 129910, Moscow, Russia**

Grounds upon which the company shall be deemed the Issuer's subsidiary: **prevailing participation of the Issuer in the Charter Capital of the given company**

Share of the subsidiary's Charter Capital owned by the Issuer: **75%**

Share of the Issuer's Charter Capital owned by the subsidiary: **no share**

Share of the Issuer's ordinary stock owned by the subsidiary: **no share**

Core business activities of the subsidiary: **consulting, dealer and broker activity in the security market**

Significance of the subsidiary for the Issuer's operation: **outsourcing; obtaining of dividend based on the results of subsidiary's performance**

Affiliated business entities of the Issuer:

1. Full name of the company: **Closed Joint Stock Company 'Parma-pension'**

Address: **2, Krupskaya str., Perm, Russia**

Grounds upon which the company shall be deemed the Issuer's subsidiary: **the Issuer owns more than 20% voting shares of the given company**

Share of the subsidiary's Charter Capital owned by the Issuer: **28,2%**

Share of the Issuer's Charter Capital owned by the subsidiary: **no share**

Share of the Issuer's ordinary stock owned by the subsidiary: **no share**

Core business activities of the subsidiary: **assets managing of the non-state pension funds**

Significance of the subsidiary for the Issuer's operation: **non-profile company**

3.6. Composition, structure and value of the Issuer's fixed assets, prospects of acquisition, replacement, retirement of fixed assets, as well as all facts of fixed assets encumbrance

3.6.1. Fixed assets

The information on the initial value of fixed assets acquisition (replacement) value and accumulated depreciation is not subject to disclose in the Quarterly Report for the 4th quarter.

Information on the Issuer's fixed assets encumbrance:

Characteristics of the object	Encumbrance	Term of encumbrance (restraint) validity
I. Buildings (premises)		
Space, square meters: 75 300,3 Quantity: 1 431	rent	under 1 year
Space, square meters: 3 635,7 Quantity: 24	rent	1 year and over
II. Parcels of land		
Space, square meters: 22 188,5 Quantity: 30	rent	under 1 year
Space, square meters: 0 Quantity: 0	rent	1 year and over
III. Installations		
Quantity: 153	rent	under 1 year
Quantity: 0	rent	1 year and over
IV. Engineering and technical equipment		
Book value, thousand RUR: 6 883 976,06	pledge	1 year and over

Information on encumbrance of the Issuer's fixed assets provided that the term of encumbrance is one year and over:

Object	Encumbrance	Start date of encumbrance	Term of encumbrance	Other conditions
I. Buildings (premises)				(room space, square meters)
In-built non-residential premises, Sverdlovsk region, 37 Vatutina str., Pervouralsk, Russia	rent	12/01/2006	12/01/2011	82.60
In-built non-residential premises, Sverdlovsk region, 37 Vatutina str., Pervouralsk, Russia	rent	12/15/2006	12/15/2009	276.00
Building ATC-53, 27, Ispanskikh rabochikh ul., Ekaterinburg	rent	08/01/2007	07/31/2012	302.20
Non-residential building (ATS-65), 10 Tsvillinga str., Chelyabinsk	rent	03/10/2004	03/09/2009	113.50
Non-residential building - ATS, 79 buid. 1, Karl Marks avenue, Magnitogorsk city, Russia	rent	01.12.2005	30.11.2010	71.80
Repeater station building, 82, Lenin str., Yarkovo village, Tyumen region	rent	13/09/2001	13/09/2026	259.00
Building for ATS-12. 9, 25 th of October str., Perm, Russia	rent	10/10/2006	09/30/2011	38.50
Non-residential building, 13, Sovetskaya str., Kizel	rent	02/01/2008	02/01/2013	166.70
Building for ATS-25, 63, Karpinskogo street, Perm	rent	04/01/2007	08/30/2008	211.40
Non-residential building, 15 Sovetskaya str., Barda village	rent	09/01/2008	09/30/2009	39.50

Object	Encumbrance	Start date of encumbrance	Term of encumbrance	Other conditions
Non-residential building, 19 Sovetskaya str., Chaykovskiy	rent	09/23/2008	09/30/2009	10.50
Non-residential building. 19, Sovetskaya ul., Tchaikovsky town, Russia	rent	09/23/2008	09/30/2009	54.80
Non-residential building for A-ATS, 79-1, K. Marx str., Magnitigorsk, Chelyabinsk region	rent	12/01/2005	11/30/2010	26.70
Non-residential building for ATS, 14, Darwin str., Chelyabinsk	rent	08/01/2008	07/30/2013	791.60
Non-residential building for ATS, 79-1, K. Marx str., Magnitigorsk, Chelyabinsk region	rent	08/01/2008	03/31/2013	242.90
Building for ATS-3, 121a, Gogolya str., Kurgan	rent	07/02/2007	06/01/2017	208.40
Building for Dom Svyazi, 44, Gogolya, 44	rent	09/19/2008	05/22/2013	77.70
In-built non-residential premises, 37, Vatutin str., Sverdlovsk region, Pervouralsk	rent	12/01/2007	12/01/2012	238.70
In-built non-residential premises, 37, Vatutin str., Sverdlovsk region, Pervouralsk	rent	09/01/2007	09/01/2012	103.90
In-built non-residential premises, 37, Vatutin str., Sverdlovsk region, Pervouralsk	rent	10/01/2007	01/01/2013	88.90
ATS buildibg, 1, Krasnykh partisan str., Pokrovskoe village	rent	12/01/2006	11/30/2011	17.50
II. Engineering and technical equipment				(book value, RUR thousand)
Equipment	pledge	08.19.2006	08.19.2009	386 708,89
Equipment	pledge	10.25.2006	10.25.2009	440 991,40
Equipment	pledge	08.28.2006	08.27.2009	557 408,70
Equipment	pledge	10.20.2006	10.19.2011	567 203,06
Equipment	pledge	10.24.2006	10.21.2011	988 684,39
Equipment	pledge	10.23.2006	10.21.2011	262 502,37
Equipment	pledge	04.24.2007	04.23.2012	551 719,13
Equipment	pledge	04.24.2007	04.23.2012	420 209,53
Equipment	pledge	03.26.2008	03.25.2009	599 430,38
Equipment	pledge	04.29.2008	04.29.2010	1 164 718,00
Equipment	pledge	10.01.2008	09.28.2010	944 400,21
TOTAL				6 883 976,06

IV. Financial and business performance of the Issuer

4.1. Issuer's financial and operating results

Issuer's financial and operating results of the Issuer are not subject to disclosure in the quarterly report for the 4th quarter.

4.2. Issuer's liquidity, sufficiency of the capital and current assets

Issuer's liquidity, sufficiency of the capital and current assets are not subject to disclosure in the quarterly report for the 4th quarter.

4.3. Amount and structure of the Issuer's capital and current assets

Amount and structure of the Issuer's capital and current assets are not subject to disclosure in the quarterly report for the 4th quarter.

4.4. Policies and expenses of the Issuer to the science and technology, licenses and patents, research and development

Issuer's policies in the sphere of R&D in the 4th quarter 2008:

The Issuer doesn't perform research and development by itself. All R&D works are performed by outside organizations (Federal State Unitary Enterprise 'Central Scientific Telecommunications Institute', Federal State Unitary Enterprise 'Leningrad Industrial Scientific Telecommunications Institute').

The Company makes capital investments in advanced high-tech projects for telecommunications networks development, these are:

- cable television;*
- upgrade of telephone network using NGN technology;*
- creation of packet switching network on the basis of multi-service network;*
- development of optical networks providing broadband and multi-service access;*
- intra-zone and radio-relay transport networks;*
- wireless access systems;*
- mobile telecommunications networks of GSM-900/1800 standards;*
- Internet;*
- intellectual network.*

General information on the Issuer's main intellectual property objects and results of their utilization:

Intellectual property object	Registration number	Date of registration	Term of validity	Registering authority	Main spheres of use	Purpose of use
Trade mark (service mark) Uralsvyazinform	311035	05/18/2006	05/18/2015	Russian Agency for Patents and Trademarks	Supply of services	Used as the Company's main trade mark
Automated system for communications services settlements "Ural-Svyaz"	2003611948	08/27/2003	12/30/2013	Russian Agency for Patents and Trademarks	Supply of telecommunication services and settlements for the services rendered	Used for settlement of accounts for telecommunications services
Trade mark (service mark) Utel	295752	06/17/2005	06/17/2015	Federal Service for Intellectual Property, Patents and Trademarks	Supply of services	Used for promotion of telecommunications services
Complex trade mark (service mark) Utel	302483	09/26/2005	09/26/2015			
Trade mark (service mark) Pyedestal (Пьедестал)	197874	10/18/1999	10/18/2009	--/--	--/--	--/--
Trade mark (service mark) Telefact (Телефакт)	202266	10/18/1999	10/18/2009	--/--	--/--	--/--
Trade mark (service mark) FREESTYLE ("ФРИСТАЙЛ")	309895	04/25/2005	04/25/2015	Federal Institute for Industrial Property	Supply of services	Mobile telecommunications services are

Intellectual property object	Registration number	Date of registration	Term of validity	Registering authority	Main spheres of use	Purpose of use
						rendered under this trade mark

Results of the use of the trademark Utel by the Issuer:

In the 4th quarter 2008 specialists of the Company's commercial sector in collaboration with the advertising and media agencies operating over the territories of the Company's subdivisions developed creative conceptions for the promotion of priority services (mobile services, internet services).

In the 4th quarter 2008 the following promotion actions and tariff proposals aimed at the raise of subscribers' loyalty and sales revenues were realized under the conception of Utel trademark development:

Mobile:

- «Telephone mail» (TMS) (possibility to send sms to subscribers of a fixed-line telephony);
- U-life (access to news, weather forecast, exchange rate, the entertaining information: jokes, ridiculous stories from a life, tests, quizzes, horoscopes);
- New Year's services «Regional conversation» and «Block of 200 minutes» (for subscribers of Sverdlovsk region).

Promotion actions, tariff offers:

- New Year's promotional offer «Hunting for gifts» (the subscribers who connected a service «New Year's package», automatically take part in a draw of free local communication);
- «Favourite direction» adds subscriber's number of mobile communication Utel;
- «Double benefit» (for subscribers of the Tyumen region – the cost of connection of tariff plan «Raduga Freestyle» is lowered + 150 out-coming SMS);
- Regional promotional actions on lowering connection of the tariff plan «Capital Platinum».

Besides, in all advertising offers the emphasis is laid to the fact that Utel is a versatile communication operator.

Listed above offers were directed on revenue increase from Utel mobile communication services.

Home Internet:

- Introduction of the tariff option Utel «In rouble» (When connecting to any tariff plan of a service «Home Internet», the subscriber can activate a tariff option «In rouble» and get a month of the limitless Internet with a speed of 128 Kbit/sec for 1 rouble of a subscriber's payment. Beginning with next month, after a month of usage, the tariff plan chosen at connection by the subscriber will be activated).
- Introduction of the tariff plan «90x60x90» on the territory of Sverdlovsk region (the main difference from the others tariff plans of «Home Internet» payment in advance).
- Tariff plan «Ultra 512 City», «Ultra Megabit City» (Introduction of tariff plan in the cities of Kurgan and Shadrinsk).
- Tariff plan «Office Ultra» (Introduction of the new limitless tariff plan for corporate clients in the Kurgan region)
- Tariff option «Night without a break» (speed doubling at night for the Tyumen and Khanty-Mansyisk region).

Promotional actions

- «Modem as a gift» (Free granting of the modem at connection to «Home Internet» in Sverdlovsk and Chelyabinsk, Khanty-Mansyisk, Yamalo-Nenets regions).
- «Connect and study» (Connection to «Home Internet» at discount in Kurgan and Tyumen, Yamalo-Nenets regions).
- «An account is paid - a year is successful» (Draw of prizes, among those who paid for telecommunication services in time and made advance payment in Sverdlovsk Khanty-Mansyisk regions).
- «Accelerate for the laptop» (Draw of prizes, among the registered subscribers of service «Home Internet» on the Company site www.u-tel.ru, rewarding of the 500-thousand subscriber, Sverdlovsk, Kurgan, Tyumen, Chelyabinsk, Perm edge, Khanty-Mansyisk, Yamalo-Nenets regions).
- «A world in your window» (connecting to «the House Internet» at a discount + the modem as a gift in the Kurgan region).

- **«Bring the friend» (Free granting of express payment cards to subscribers of «Home Internet» under whose recommendations new subscribers in the Perm region were to be connected).**
- **«New Year's arithmetic» (Lowering the price of connection for «Home Internet»)**
- **«For clever men and women» (Free connection of «Home Internet» + the modem as a gift to all who had shown a flyer of the promotional action or the document of the pupil in the Chelyabinsk region).**
- **«Get all at once» (Free connection of «Home Internet» + the modem in a gift to all who made an application on November 27, 2008 in Chelyabinsk region).**
- **«Traffic as a gift» (Granting of the preferential traffic to the subscribers who are connected the tariff plan "Standard", "Luxe", "House-keeper" in Yamalo-Nenets region).**

Besides, a number of promotional actions were directed to the trade mark advancement that of Utel as a versatile telecommunications operator, offering to subscribers a wide variety of services (including package offers).

- **«Get a home telephone number at a discount» (Connection to fixed-line telephony at a discount in Kurgan and Tyumen areas, Perm, Khanty-Mansyisk, Yamalo-Nenets regions).**
- **«Free connection of home telephone number» (Free connection to a fixed-line telephony in the Kurgan region).**
- **A promotional action for workers of budgetary sphere (Connection to fixed-line telephony at a discount for workers of budgetary sphere in the Perm region).**

During the reporting period the Company connected more than 23.2 thousand of packages.

The above-named measures ensured effective dynamics of sales revenues from mobile services under the trade-mark Utel.

4.5. Trend analysis of the core business of the Issuer

The main trends of telecommunications industry development:

Telecommunications is one of the most swiftly developing industries in the Russian economy. In 2007 earnings within the industry totaled 1 032.3 bln (growth by 23.9% to 2006). As calculated in current scale of prices, growth rate for the last 5 years made up 130.8% (in 2002 it totaled 273.2 bln RUR; in 2003 – 395.6 bln RUR; in 2004 – 540.3 bln. RUR, in 2005 – 660 bln RUR, 2006 – 835.1 bln. RUR). In 2007 the share of telecommunications industry in GDP structure totaled 3%.

Within last years the structure of industry earnings has undergone certain changes: the share of earnings from mobile services has been growing considerably, while the share of earnings from fixed-line services has been decreasing.

One of the main trends of telecommunications industry development is its liberalization. Lately, newly-developed and adopted Acts were brought into action, aimed at liberalization of the industry and empowerment of customers. Due to the innovations described, long-distance market has been demonopolised.

Telecommunications market is getting more and more competitive. Swiftly developing mobile communications market comes to maturity. Telecommunications operators are looking for the new opportunities for growth and find them in development of broadband access and broadband-based value-added services. They invest money in the development of NGN networks and broadband 'last mile'.

Main factors affecting the situation within the telecommunications industry:

- **changes in the state regulation of the industry (price formation policy, availability of licenses, state reforms);**
- **general state of the country' economy;**
- **development of new technologies.**
- **changes in requirements and preferences of the customers as a consequence of emergence and development of new technologies and alteration of economic environment.**

Estimated results of the Issuer's operation in telecommunications industry:

Estimated results of the Issuer's operation in telecommunications industry will be issued in the Quarterly report as of 1 quarter 2008 with the accounting statement.

Compliance of the Issuer's operation results with the trends of the industry development:

Compliance of the Issuer's operation results with the trends of the industry development will be issued in the Quarterly report as of 1 quarter 2008 with the accounting statement.

4.5.1. Analysis of factors and conditions affecting Issuer's activity

Factors and conditions exerting influence upon the Issuer's activities. Actions taken by the Issuer for effective exploitation of these factors and conditions.

No	Factors	Influence	Term of influence	Results	Exploitation of factors by the Issuer
1	Amendments in legislation	Growth of competition, expansion of consumers' rights	Constant	Growth of competition influence upon the Issuer; Growth of expenses for compliance with the altered legislation; Occurrence of new source of finance: social services	Investments in development of network for rendering social services; Growth of the Company's image due to participation in social programs; Growth of subscriber base
2	Technological progress	Appearance of alternative telecommunications technologies; Technologies and services convergence	Constant	Growth of competition; Necessity of investment in new technologies; Occurrence of new business prospects	Introduction of new services (broadband access and convergence services); Saving on capital and operating costs by using new technologies
3	Economic status of the country and region, level of public prosperity	Change in demand for telecommunications services	Constant	Positive dynamics of economy development and growth of population prosperity facilitate the growth of demand for telecommunications services, including new services	The Issuer intends to develop new services (primarily, broadband access and convergence services)
4	Market competition	Growth of competition causes the decrease of margin and emergence of additional expenses for marketing and sales promotion	Constant	Restriction of income base growth potential due to the growth of tariffs; growth of expenses for marketing and sales promotion; need for costs reduction	The Issuer undertakes measures on costs reduction, including the use of outsourcing; the Issuer plans to fill the market with unique products protected from copying by the competitors
5	Growth of influence exerted by the customers	Necessity of investments in the quality of client services	Constant	Necessity of investments in the quality of client services ensuring the loyalty of customers	The Issuer plans to certify its quality management system under ISO 9000 standards.
6	Shift in customers' needs and preferences	Necessity of investments in development of new technologies and services	Constant	Shift of the product life style	The Issuer is currently expanding and strives for future expanding of the product portfolio. Thus, the Issuer plans to alter the income structure by increasing of share of profit-making services.

The ways applied by the emitter, and ways which the emitter plans to use in the future for decrease in negative effect of factors and the conditions influencing activity of the emitter:

In order to decrease the negative factors the Emitter plans:

- ***to strengthen the financial control and management of costs.***
- ***to improve quality management system;***
- ***to carry out a complex of the actions interfering outflow of large corporate users;***
- ***consistently to continue carrying out of campaign for brand advancement «Utel» for the purpose of increase of its recognition and filling by positive associations;***
- ***to continue the vigorous activity in the market of services of a mobile communication;***
- ***to implement the complex program on construction of broadband networks of subscriber's access that will provide the major long-term leadership in the field of services of wire communication and will open variety of new directions of business;***
- ***to stir up activity on advancement of the Intellectual network and services of the network of new generation;***
- ***to provide experience escalating, introduction of the advanced technical decisions;***
- ***to develop system of distribution of services;***

- to use sources of financing alternative to bank credits.

Essential events/factors which can affect the results of the Issuer, in comparison with the results received for the last accounting period, and also probability of such events (occurrence of factors):

Essential influence on activity of the Emitter can be rendered by recession of the Russian economy, problems in financial and real sectors of economy. The probability is estimated by the Issuer as high. Duration of influence by the factor is estimated as not less than one year.

The essential factor capable affect the Issuer results negatively are further aggravation of a competition in the mobile communication markets, intra-zone communications, the Internet and data transmission. The competition can amplify considerably as a result of introduction a non-discriminative access to «the last mile» in the near future. Probability of influence by the given factor is estimated as high.

4.5.2. Peers

Main existing and assumed competitors of the Issuer in core fields of activity:

In the market of local communication of the Urals and Perm regions there are local alternative operators and departmental operators, but they work in a small volume. National operators do not display any special interest to this market of communication, except for Khanty-Mansyisk Federal District where OJSC 'Tyumenneftegassvyaz' company actively works, as a part of OJSC 'KOMSTAR-Obedinennye Telesystemy' which is footnoted to national operators at the expense of its affiliation to AFK 'Systema'.

The unconditional leader concerned both a subscriber's base and the share of incomes in the market of local communication in all regions is OJSC 'Uralsvyazinform'. According to the Company the share of incomes in the market of local communication in IV quarter 2008 will make 79 % in the Company operating range.

In the market of cellular communication services the basic competitors of the Company are federal cellular operators (MTS, Beeline, Megafon) and regional operators Motiv and Tele 2.

The basic competitors (cellular communication):

Operators	Share of income from telecommunications services (IV quarter 2008) (expected)
OJSC 'Uralsvyazinform' (TM Utel)	40 %
Total share of other operators, including:	60 %
OJSC 'Mobile TeleSystems' (MTS)	19 %
CJSC 'Urals Mobile Networks' (Megafon)	20 %
OJSC 'Vostok-Zapad Telecom' (BeeLine)	11 %

It is supposed that during the crisis in economy the strategy of the federal cellular operators will be directed at the deduction of the subscriber's base and the reduction of industrial costs.

In the market of Internet services the basic competitors of the Company are the home networks, which are focused, first of all, on the access to the Internet. In the conditions of appropriate application of regulation and legalization of the content, the home networks do not have development and existence prospects, therefore home networks are a subject of absorption from competitors (large federal operators).

Except for home networks in the market there are large federal and regional operators (Golden Telecom, Orange, Cabinet, R-Telecom and Intersvyaz) which strategy is the active growth of the subscriber's base in target segments.

The Company's share of the Internet service in financial indicators for IV quarter 2008 will make 55 %.

Despite negative consequences of the world financial crisis, high level of competition and absence of the license for long-distance communication (dd. January 01, 2006), the Company continues to keep the lead positions in the market of telecommunication services following the results for IV quarter 2008. The share of the Company's incomes from telecommunications makes 48% in the Urals and Perm regions.

Services	Share of the Company's income from telecommunications services (IV quarter 2008) (expected)
Local services	79 %
Long-distance/international/intra-	96 %

zone services	
Mobile services	40 %
Internet and data transfer	55 %

– In connection with delay of the economic development rate no revolutionary changes are expected in the telecommunication market. The start of new scale projects it is not expected, which will be compensated by development of already realized initiatives. The reduction of capital expenditures of federal operators in building of regional networks will allow the Company to keep a share in the market.

– As a whole the Company does not expect the emergence of the new competitors in the telecommunication market of the Urals and Perm regions. Competition strengthening is supposed at merges and alliances, and also in the market of terminal services (first of all, services of broadband data transmission, including the Internet, broadband access and cellular communication services. The basic competitors are Golden a Telecom and Korbina, R-Telecom.

Factors facilitating the Issuer's competition:

- availability of all types of the 'last mile';*
- well-developed network infrastructure;*
- well-developed service and sales network;*
- wide range of services;*
- capability of rendering local and mobile services;*
- possibility of rendering bundled services;*
- promotion of bundled services based on a dominating service within the package;*
- possibility of concentration of 80% of the local traffic in the domestic network*
- availability of inter-regional intellectual fixed-line platform and pre-paid mobile communications platform;*
- good relations of the Issuer with the government authorities;*
- competitive pricing;*
- high level of credence from the citizens and business sector;*
- Issuer's geography of operation: operations over the regions with high-yield subscribers (Khanty-Mansyisk, Yamalo-Nenetsk Autonomous Districts and Sverdlovsk Region).*

Main competitive advantages of the Issuer are based on effective use and development of the 'last mile', network and infrastructural resources and wide range of services rendered.

Further growth of competitive power shall be provided through:

- development and upgrade of own telecommunications networks;*
- business-processes optimization;*
- new services start-up;*
- lowering of timeframes for services activation;*
- implementation of technological innovations;*
- involvement and training of qualified personnel;*
- constant enhancement of the Company's efficiency.*

V. Details of the persons - members of the Issuer's governing bodies, internal control and supervisory bodies; brief overview of the issuer's staff

5.1. Structure and competence of the Issuer's governing bodies

Structure of the Company's governing bodies:

- **General Shareholders' Meeting (supreme governing body of the Company);**
- **Board of Directors (collegial executive body of the Company that performs general governance of the Company's activities);**
- **Management Board (collegial executive body of the Company that ensures execution of resolutions adopted by the General Shareholders' Meeting and Board of Directors);**
- **General Director (sole executive body that manages routine activity of the Company).**

Competence of the General Shareholders' Meeting of the Issuer in accordance with the Issuer's Charter:

Extract from the Issuer's Charter:

Article 12. General Shareholders' Meeting

"12.1. The supreme governing body is the General Shareholders Meeting.

12.2. The aspects listed below are the competence of the General Meeting, and cannot be resigned to the Board of Directors, General Director or Managing Board of the Company

1) amending and editing the Company Charter or approval of re-editions of the Company Charter with an exception of cases stated in the Federal Law "On Joint Stock Companies", provided such decisions being approved by at least three quarters of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

2) Reorganization of the Company, provided such decisions are being approved by at least three quarters of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

3) Liquidation of the Company, appointment of the liquidation commission and approval of intermediate and final liquidation balance sheet, provided such decisions being approved by at least three quarters of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

4) Election of Board of Directors members, effected by the means of cumulative votes;

5) Pre-term termination of powers of Board of Directors members, provided such decisions being approved by majority of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

6) Definition of number, nominal value, category (type), of authorized shares of the Company, as well as rights, provided by these shares, provided such decisions being approved by at least three quarters of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

7) Increase of the Company charter capital by raising share par value provided such decisions being approved by majority of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

8) Increase of the Company charter capital by placing additional issues of shares via open subscription provided the number of such shares placed exceeds 25 per cent of outstanding common stock of the Company, such decisions being approved by at least three quarters of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

9) Increase of the Company charter capital by placing additional issues of shares via close subscription, such decisions being approved by at least three quarters of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

10) Decrease the Company charter capital by means of reduction of nominal value of shares, purchase of a part of shares in order to decrease their overall number and redemption of shares acquired or repurchased by the Company provided that such decisions are approved by majority of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

11) Election of the Company auditing committee and pre-term termination of its powers, provided that such decision is approved by majority of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

12) Approval of the Company auditors, provided that such decision is approved by majority of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

13) Approval of annual reports, Company's annual accounting including profit and loss statement, along with allocation of profits, incl. dividend pay-out (declaration), and Company loss, in compliance with results of a given fiscal year, provided that such decision is approved by majority of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

14) Establishing the procedure of Annual General Meetings provided that such decision is approved by majority of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

15) Splitting and consolidation of shares provided that such decision is approved by majority of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

16) Entering into deals with conflict of interests, such decisions to be taken in cases thereunder and in compliance with Article 11 of Federal law "On Joint-Stock Companies";

17) Entering into major deals connected with both explicit or implicit acquisition and alienation or possible alienation of assets, the price of which exceeds 50 per cent of the book value of Company assets according to the accounting as of the last reporting date, with an exception of transactions being made within regular economic activities of the Company, transactions concerning subscription-based placement (realization) of common shares, and transactions connected with placement of stock swapped into common shares of the Company provided that such decisions being approved by at least three quarters of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

18) Participation in holding companies, financial and industrial groups, associations and other commercial organizations provided that such decision is approved by majority of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

19) Approval of internal documents, regulating activities of Company bodies provided that such decision is approved by majority of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

20) Placement of corporate bonds, swapped into shares, and placement of other securities, swapped into shares, provided the bonds (other securities) are placed through the closed subscription scheme, or if open subscription, the convertible bonds may be swapped into common shares of the Company, exceeding 25% of shares earlier placed, provided that such decisions being approved by at least three quarters of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

21) Decision that expenses for preparation and holding the Extraordinary General Meeting should be borne by the Company provided the EGM has been convoked in defiance of requirements of the Russian Federation legislation in force, i.e. not based on a decision of the Board of Directors, but by other persons, provided that such decision is approved by majority of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

22) Devolution of powers from the sole executive body of the Company to the controlling organization, or managing director provided that such decision is approved by majority of votes belonging to the shareholders - holders of voting shares of the Company, participating in the AGM;

23) Other issues provided for by the Federal Law "On Joint-Stock Companies" and this Charter.

12.3. The Annual General Meeting is solely entitled to make decisions concerning the issues, provided in Items 2, 7, 8, 9, 15-19, 23 of Article 12.2 of the present Company Charter upon the recommendation of the Board of Directors. At this rate, the persons that are authorized to introduce items to the agenda of the AGM or EGM in compliance with the Russian Federation legislation in force are not entitled to require introduction of the listed issues with the Board of Directors.

The AGM does not have a right to consider or take any decisions on issues that are not part of its terms of reference pursuant to the Federal Law "On Joint-Stock Companies".

The AGM is not entitled to take decisions on items that are not included in the agenda, as well as change the agenda."

Competence of the Issuer's Board of Directors in accordance with the Issuer's Charter:

Extract from the Issuer's Charter:

Article 13. Competence of the Issuer's Board of Directors in accordance with the Issuer's Charter:

"13.4. The exclusive competence of the Board of Directors is as follows:

1) Determination of priority guidelines of the Company, including approval of annual budget, medium-term and long-term budgets, strategies and development programs of the Company, amendment of the said documents and control of their fulfillment;

2) Preliminary approval of operations being over the stated Company annual budget;

3) Convocation of annual and extraordinary General Meetings of Shareholders, except for cases stipulated in Article 55.8 of Federal Law "On Joint-Stock Companies";

- 4) Approval of the General Meeting's agenda;
- 5) Fixing of the cut-off date to compile the list of persons entitled to participate in the Annual General Meeting, and other issues being the competence of the Board of Directors pursuant to provisions set forth in Article 7 of Federal law "On Joint-Stock Companies", and relating to preparations and holding of General Meetings.
- 6) Preliminary approval of Annual Report of the Company;
- 7) Increase in the charter capital through placement of additional share issues within the number of authorized shares, stipulated hereof except for cases set forth in items 8 and 9 of Article 12.2 hereof;
- 8) Placement of bonds or other securities in case placement conditions provide that the securities hereof are not convertible into shares of the Company;
- 9) Placement of convertible bonds and other convertible securities if the said bonds (securities) are placed on the basis of open subscription and may be swapped into Company shares, representing 25% or less than 25% of common shares previously placed;
- 10) Fixing of price (pecuniary valuation) of assets, placement price and buy-out price of securities in cases, provided for in the Federal Law "On Joint-Stock Companies";
- 11) approval of Securities Issue Resolutions, Prospectuses, Reports on the Company's shares repurchase for their redemption, Reports on shares redemption, Reports on the shareholders' requests on repurchase of shares owned by them, as well as adoption of resolutions on the start date of securities placement based on the Board of Directors resolution;
- 12) Purchase of shares, bonds and other securities being placed by the Company, in cases provided for the Federal Law "On Joint-Stock Companies";
- 13) Approval the Company's Registrar and the general terms and conditions of Contract to be signed with Registrar, as well as terms of its termination;
- 14) Recommendations with regard to the profit distribution, including the rate and form of dividend payments and to the loss distribution based on the results of the fiscal year;
- 15) Usage of reserves fund and other Company funds;
- 16) Approval of an internal document stipulating for the procedures of internal audit of financial and operational activities of the Company;
- 17) Recommendations with regard to the amount of remuneration and compensations to be paid to Audit Commission members, approval of general terms and conditions of the Contract to be concluded with the Auditor and approved by the General Shareholders Meeting including the amounts to be paid to the Auditors for their services;
- 18) Approval of the Regulation on Internal Audit Department of the Company, preliminary acceptance of nominees to the position of its head officer, and relief of the head officer from duty at the initiative of the Company, and consideration of other items to be resolved by the Board of Directors with regard to the Regulation on Internal Audit Department.
- 19) initial approval of major separate deal or several interrelated deals connected with explicit or implicit acquisition, alienation or possible alienation of assets, the value of which ranges from 1 to 25 per cent of the book value of Company assets according to the financial statements as of the last reporting date;
- 20) Approval of major deals connected with both explicit or implicit acquisition and alienation or possible alienation of assets, the value of which ranges between 25 to 50 per cent of the book value of Company assets according to the accounting statements as of the last reporting date, with an exception of transactions carried out within the Company's general activities, transactions concerning subscription-based placement of common shares, and transactions connected with placement of convertible securities that are swapped into common shares of the Company;
- 21) Approval of transactions with conflict of interests, in cases set forth in Article 11 of Federal law "On Joint-Stock Companies";
- 22) Determination (alteration) of functional units of the Company's organizational structure and key functions of subdivisions making parts of these functional units (except for the Branches and Representative offices);
- 23) Establishment of divisions, opening of representative offices, their liquidation, and approval of their Regulations;
- 24) Preliminary approval of nominees to the positions of Branches and Representative offices head officers and relief of the head officers from duty at the initiative of the Company;
- 25) Appointment of the sole executive body (General Director), fixing his/her term of office as well as pre-term termination of his/her powers and employment contract concluded with him/her;
- 26) Election (re-election) of Chairman of the Board of Directors and his/her deputy;
- 27) Formation of a collegial executive organ (Managing Board): determination of its term, appointment of Managing Board members, early termination of their office;
- 28) Affirmation of holding more than one office by a person acting as the sole executive body and by the members of Management Board in managing bodies of other organizations;
- 29) Authorization to hold more than one paid office in other organizations for a person acting

as the sole executive body;

30) Creation of permanent or temporary (to resolve certain kinds of questions) Committees of the Board of Directors, approval of their Regulations, election of Committees members and chairmen, early termination of their office;

31) Appointment of the Company corporate Secretary and his/her dismissing, and approval of Corporate Secretary Regulations;

32) approval of contracts (supplementary agreements) concluded with General Director, members of Management Board, directors of branches and representative offices, Company's Corporate Secretary, director of Internal Audit Department, except for the agreements on termination of employment contracts with the heads of branches and representative offices by mutual agreement of the parties (item 1, article 77 of the RF Labour Code), as well as consideration of issues, resolutions on which are to be adopted by the Board of Directors pursuant to the Contracts mentioned;

33) adoption of resolutions on Company's participation in organizations (including establishing, engagement as a participant, changing the stake or its nominal value, changing the number of shares held by the Company or their nominal value, and termination of participation, except for the cases of liquidation of organization in the order required by the applicable law);

34) adoption of resolutions on Company's participation in non-commercial organizations except for the cases set forth in sub-item 18 item 12.2 hereof, by establishing the organization, engagement as a participant, additional contributions related to the Company's participation in non-commercial organizations, termination of participation, except for the cases of liquidation of organization in the order required by the applicable law);

35) submitting proposals (including those regarding candidates to the control and regulatory bodies) and adoption of resolutions on the issues falling within the competence of General Meetings of Participants of the commercial organizations, the Company being the only participant entitled with the right to vote at the General Meeting of Participants;

36) outlining the procedure of Company's interaction with organizations the Company has shares and stakes in, adoption of resolutions in accordance with the procedure;

37) elaboration of Company's (Company representatives') position, including the decision whether the Company should or should not vote on the issues of Agenda, give votes "for", "against" or "abstain", with regard to the following issues of Agenda of General Shareholders (Participants) Meetings of its affiliated and dependent companies (further referred to as ADC) (except for the cases when the functions of General Shareholders Meetings of ADCs are performed by the Company's Board of Directors), and sessions of ADC Board of Directors (except for the issue concerning approval of Agenda of ADC General Shareholders Meetings, in case the functions of General Shareholders Meetings of ADCs are performed by the Company's Board of Directors), also aimed at Company's control over the resolutions adopted by the affiliated and dependent companies of ADCs:

- a) determination of Agenda of the General Shareholders (Participants) Meeting of ADC;
- b) reorganization, liquidation of ADC;
- c) determination of quantitative composition of ADC Board of Directors, nomination and election of its members and pre-term termination of their office;
- d) determination of the quantity, nominal value, category (type) of ADC shares authorized for issuance in addition to those outstanding, and rights granted by these shares;
- e) increase of ADC share capital by increase of nominal value or by placement of additional share issue;
- f) placement of ADC securities convertible into common shares;
- g) split and consolidation of ADC shares;
- h) approval of major deals effected by ADC;
- i) participation of ADC in other organizations (entering the operating organization or formation of a new organization);

38) Approval of internal documents of the Company other than stated in Article 13.4 hereof, which refer to issues being the competence of the Board of Directors, except for internal documents, being the competence of General Meeting and executive bodies of the Company pursuant to Company Charter;

39) Approval of Corporate Governance Code of the company, introductions of amendments and supplements therein;

40) Approval of risk management procedures in the Company;

41) Approval of the Regulation on the Procedure of auditors tender suggested by the Board of Directors for AGM approval, and consideration of other items to be resolved by the Board of Directors pursuant to the Regulation above mentioned;

42)) introduction of alterations to the Charter pertaining to formation or liquidation of branches and representative offices, including alterations pertaining to the change of addresses of branches and representative offices;

43) Appointment of a person entitled to sign the Contract with Managing Board members on

behalf of the Company;

44) Preliminary approval of outsourcing in Company's activity checkup by the Audit Commission; determination of payment conditions and other essential conditions of outsourcing in Audit Commission activity;

45) Other issues stipulated by the Federal Law 'On Joint-Stock Companies' and the present Charter.

13.5. Issues being the exclusive competence of the Company's Board of Directors cannot be devolved on the Collegiate Body or Sole Executive Body of the Company."

Competence of the Issuer's collegiate executive body in accordance with the Issuer's Charter:

Extract from the Issuer's Charter:

Article 14. Company Management Board

1) Working out of proposals on main streamlines of Company activities including drafts of annual budget, medium-term and long-term budgets, strategies and development programs of the Company along with amendment of the said documents;

2) Taking decisions on the questions being the competence of the supreme management organs of the non-commercial organizations, where the Company is the sole founder (participant), except for those where such supreme management boards are formed without the founder's (participant's) representatives;

3) Elaboration of human resources and social policies of the Company;

4) Approval of internal document regulating general provisions of labor motivation and consideration and decision taking on terms of collective agreements;

5) Preparation of materials and draft decisions in connection with issues that are submitted to consideration of General Meeting of Shareholders and sessions of the Board of Directors and submission of materials to committees under the Board of Directors;

6) Managerial and technical provision of the Company's operations;

7) Elaboration of technical, economic and financial, and tariff policies of the Company;

8) Determination of accounting policy, supervision on improvement of accounting and managerial methods along with introduction of IAS in the Company and its divisions;

9) Determination of methods of planning, budgeting and controlling in the Company and its divisions;

10) Determination of security policy in the Company and its divisions;

11) Elaboration of procedure of property allocation to Company divisions and its attachment;;

12) Determination of numerical membership and appointment of members of division's collegiate executive bodies as well as pre-term termination of their powers, approved by Regulations on collegiate bodies thereof;

13) Preliminary affirmation of candidates for deputy directors, chief accountants of divisions and representative offices and dismissing of the said persons;

14) Approval of general terms and conditions of contracts (supplementary agreements) signed with members of division's collegiate executive bodies, deputy directors, chief accountants of divisions and representative offices, along with consideration of issues on which the Management Board shall take decisions pursuant to the above-mentioned agreements;

15) Approval of quarterly budgets of divisions and amendment of these documents;

16) Performance analysis of the Company's divisions, including isolated ones, provision of mandatory directives to advance their efficiency;

17) Approval of internal documents that address issues being the competence of the Management Board, except for questions that are approved by the General Meeting and the Board of Directors of the Company.

18) Approval of organizational structure of the company, including main functions of operating entities.

14.5. Management Board is also entitled to decisions relating to other aspects of operating activities of the Company, specified in the Law on Joint-Stock Companies and this Charter, upon the instructions of the Board of Directors or suggestion of General Director of the Company.

Competence of the Issuer's sole executive body in accordance with the Issuer's Charter:

Extract from the Issuer's Charter:

Article 15. Company General Director

"15.1. General Director is the sole executive body executing management of operating activities of the Company. General Director shall be appointed by the Board of Directors of the Company.

15.2. General Director shall take decisions, which as per this Charter are not the competence of the General Shareholders Meeting, the Board of Directors or Management Board of the Company.

15.3. General Director shall perform the functions of the Chairman of the Management Board of the Company.

15.4. General Director shall act on behalf of the Company without power of attorney, including representation of the Company's interests, make deals on behalf of the Company, approve staff list, issue orders and give instructions mandatory for all Company employees.

Rights, duties, salary and responsibility of General Director are stipulated in the contract, signed between he/she and the Company. This contract on behalf of the Company shall be signed by the Chairman of the Board of Directors."

Issuer's Corporate Conduct (Governance) Code: **Corporate Conduct Code of JSC "Uralsvyazinform" was approved by the Board of Directors of JSC "Uralsvyazinform" (Protocol of the session #13/5 dd. November 11, 2003).**

Web page on which the full text of the Issuer's corporate conduct code is posted:
<http://www.usi.ru/shareholders/management/documents/> (in Russian),
<http://www.usi.ru/en/shareholders/profile/documents/> (in English).

Other documents that regulate the functioning of the Issuer's governing bodies:

Governing body	Regulatory documents on which the functioning of the body is based
General Shareholders' Meeting	Charter of OJSC 'Uralsvyazinform' (approved in the new edition by the joint Annual General Shareholders' Meeting of OJSC 'Uralsvyazinform' as of June 09, 2008); Holding Procedure of the General Shareholders Meeting of OJSC 'Uralsvyazinform' (approved by the Annual General Shareholders' Meeting of OJSC 'Uralsvyazinform' as of June 29, 2006, as amended and restated by the Annual General Shareholders' Meetings as of June 22, 2007).
Board of Directors	Charter of OJSC 'Uralsvyazinform' (approved in the new edition by the joint Annual General Shareholders' Meeting of OJSC 'Uralsvyazinform' as of June 09, 2008)
Management Board	Charter of OJSC 'Uralsvyazinform' (approved by the joint Annual General Shareholders' Meeting of OJSC 'Uralsvyazinform' as of June 29, 2006, as amended and restated by the Annual General Shareholders' Meeting of OJSC 'Uralsvyazinform' as of June 22, 2007); Regulations on the Management Board of OJSC 'Uralsvyazinform' (approved by the Annual General Shareholders' Meeting of OJSC 'Uralsvyazinform' as of June 09, 2008)
General Director	Charter of OJSC 'Uralsvyazinform'

Information on amendments made to the Charter and/or to the internal documents regulating the functioning of the Issuer's governing bodies:

On the date of the reported quarter ending Board of Directors introduced amendments and additions to the following documents of the Company:

- **Board of Directors' Statement on Corporate Management as of December 25, 2008.**
- **Board of Directors' Statement on Strategic Management as of December 25, 2008.**

For the reported quarter the following documents were republished:

- **Corporate Secretary and Department of Corporate Secretary Statement as of December 02, 2008.**
- **Tender Regulations to Auditor Check of Accounting Statement as of December 25, 2008 .**

Web page on which the full text is posted of the Charter and other internal documents in force regulating the functioning of the Issuer's governing bodies:

Main internal documents of the Company (Charter, Regulations on the Board of Directors, Regulations on the Management Board and Audit Commission, as well as Procedure of Holding the General Shareholders Meeting) are posted at

<http://www.usi.ru/shareholders/profile/documents/>. (in Russian)
<http://www.usi.ru/en/shareholders/profile/documents/> (in English)

Corporate Conduct Code is posted at

<http://www.usi.ru/shareholders/management/documents/>. (in Russian)
<http://www.usi.ru/en/shareholders/profile/documents/> (in English).

5.2. Details of the persons - members of the Issuer's governing bodies

5.2.1. Information on the members of the Issuer's Board of Directors

Board of Directors elected by the Annual General Shareholders Meeting as of June 15, 2007:

Chairman of the Board of Directors:
Evgeniy A. Chechelnitsky

Year of birth: **1973**
Education: **higher, Doctor of Philosophy**

Positions as of the last 5 years:
Organization: **OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')**
2006 – present day: **Deputy General Director**
2006 – present day: **Member of the Management Board**
Organization: **Federal Communications Supervisory Authority (Rossvyaznadzor)**
2004 – 2006: **Deputy Director**
Organization: **Ministry for Communication and Informatization of the Russian Federation**
2001 – 2004: **Deputy Director of Economic and Investment Policies Department**

Share of the Issuer's Charter Capital owned by the member of the Board of Directors: **no share**
Share of the Issuer's ordinary stock owned by the member of the Board of Directors: **no share**

Members of the Board of Directors:

1. Boris D. Antonyuk
Year of birth: **1949**
Education: **higher, Doctor of Philosophy**

Positions as of the last 5 years:
Organization: **The Ministry of the Information Technologies and Communication of the Russian Federation (on May 12, 2008 was reorganized into The Ministry of communication and mass communications of the Russian Federation)**
2004 – 2008: **Deputy Minister**
Organization: **The Ministry of Informatization and Communications of the Russian Federation**
2002 – 2004: **First Deputy of Minister**
Organization: **FGUP 'Kosmicheskaya Svyaz'**
2002 – 2002: **General Director**

Share of the Issuer's Charter Capital owned by the member of the Board of Directors: **no share**
Share of the Issuer's ordinary stock owned by the member of the Board of Directors: **no share**

2. Yuri A. Bilibin
Year of birth: **1971**
Education: **higher**

Positions as of the last 5 years:
Organization: **CJSC 'SkyLink'**
2007 – 2008: **First Deputy of General Director**
Organization: **OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')**
2006 – 2007: **Adviser to the General Director**
2001 – 2004: **Assistant to the General Director**
Organization: **OJSC 'RTK-Leasing'**
2004 – 2006: **Adviser to the General Director**

Share of the Issuer's Charter Capital owned by the member of the Board of Directors: **no share**
Share of the Issuer's ordinary stock owned by the member of the Board of Directors: **no share**

3. Alla B. Grigorieva
Year of birth: **1967**
Education: **higher**

Positions as of the last 5 years:
Organization: **OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')**
2006 – present day: **Deputy Director of Corporate Governance and Legal Support Department**
2001 – 2006: **Deputy Director of Corporate Governance Department – head of the section**

Share of the Issuer's Charter Capital owned by the member of the Board of Directors: **no share**

Share of the Issuer's ordinary stock owned by the member of the Board of Directors: **no share**

4. Gennady V. Zheltyakov

Year of birth: **1965**

Education: **higher**

Positions as of the last 5 years:

Organization: **OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')**

2007 – present day: **Adviser of General Director**

Organization: **CJSC 'General DataCom'**

2006 – 2007: **Commercial Director**

Organization: **CJSC 'Agropromkomplekt'**

2005 – 2006: **General Director**

Organization: **CJSC 'TransKatKabeli'**

2002-2005: **Commercial Director**

Share of the Issuer's Charter Capital owned by the member of the Board of Directors: **no share**

Share of the Issuer's ordinary stock owned by the member of the Board of Directors: **no share**

5. Sergey M. Kerber

Year of birth: **1975**

Education: **higher**

Positions as of the last 5 years:

Organization: **CJSC 'Leader'**

2008 – present day: **Chief of Investment Projects and Programs Directorate**

2007 – 2008: **Investments Director**

Organization: **FGUP 'State Corporation on OrVD'**

2005 – 2006: **Economic and finance Director**

Organization: **'Moscow Center of Automatic Air Traffic Management'**

2002 – 2005: **Economy and finance Center Chief Deputy**

Share of the Issuer's Charter Capital owned by the member of the Board of Directors: **no share**

Share of the Issuer's ordinary stock owned by the member of the Board of Directors: **no share**

6. Olga G. Korolyova

Year of birth: **1950**

Education: **higher**

Positions as of the last 5 years:

Organization: **OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')**

2003 – 2005: **Deputy Chief Accountant**

2005 – present day: **Chief Accountant**

2001 – 2003: **Head of methodology sector**

Share of the Issuer's Charter Capital owned by the member of the Board of Directors: **no share**

Share of the Issuer's ordinary stock owned by the member of the Board of Directors: **no share**

7. Vladimir A. Statyin

Year of birth: **1959**

Education: **higher**

Positions as of the last 5 years:

Organization: **CJSC 'East-West Securities'**

2007 – present day: **General Director**

Organization: **Non-profit partnership 'Association for Protection of Shareholders' Interests of Companies and Organizations'**

2002 – present day: **General Director**

Organization: **Open Joint-stock Company 'Corporate finance and investment company'**

2002 – present day: **Deputy General Director**

Organization: **Career Center 'Russian Institute of Directors'**
2003 – 2006: **Director**

Share of the Issuer's Charter Capital owned by the member of the Board of Directors: **0.001604%**
Share of the Issuer's ordinary stock owned by the member of the Board of Directors: **0.000445%**

8. Dmitry Y. Tushunov

Year of birth: **1964**
Education: **higher**

Positions as of the last 5 years:

Organization: **CJSC "Leader" (pension funds Management Company)**
2004 – present day: **Head of Analytical Department – Chief economist**

Organization: **Limited Liability Company 'Consulting and Audit Company "Delovaya Perspektiva"**

2004 – 2004: **Head of Department**

Organization: **CJSC "Investment Company 'ROSBUILDING'"**

2003 – 2004: **Project Manager**

Organization: **State University "Higher School of Economics"**

2002 – 2003: **Leading Scientific Officer**

Share of the Issuer's Charter Capital owned by the member of the Board of Directors: **no share**

Share of the Issuer's ordinary stock owned by the member of the Board of Directors: **no share**

9. Anatoly Y. Ufimkin

Year of birth: **1951**
Education: **higher**

Positions as of the last 5 years:

Organization: **OJSC 'Uralsvyazinform'**

2005 – present day: **General Director**

2005 – present day: **Chairman of the Management Board**

2007 – present day: **Member of the Board of Directors**

2002 – 2005: **First Deputy General Director**

2004 – 2005: **Acting General Director**

2003 – 2005: **Member of the Management Board**

2005 – 2007: **Deputy Chairman of the Board of Directors**

Organization: **OJSC 'Svyazinform' of the Chelyabinsk region**

2002 – 2002: **General Director**

Share of the Issuer's Charter Capital owned by the member of the Board of Directors: **0.0277%**

Share of the Issuer's ordinary stock owned by the member of the Board of Directors: **0.0270%**

10. Anton A. Schegolikhin

Year of birth: **1969**
Education: **higher**

Positions as of the last 5 years:

Organization: **OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')**

2007 – present day: **Executive Director**

Organization: **The Ministry of the Information Technologies and Communication of the Russian Federation (on May 12, 2008 was reorganized into The Ministry of communication and mass communications of the Russian Federation)**

2007 – 2007: **Adviser of Minister**

Organization: **Federal Agency of Communication**

2002 – 2004: **Head of Post Communication Department methodology sector**

Share of the Issuer's Charter Capital owned by the member of the Board of Directors: **no share**
Share of the Issuer's ordinary stock owned by the member of the Board of Directors: **no share**

5.2.2. Information on the members of the Issuer's collegiate executive body

Membership of Uralsvyazinform Management Board:

Chairman of the Management Board:

Anatoly Y. Ufimkin

(information was stated in the sub-item 5.2.1.)

Members of the Management Board:

1. Sergey V. Akimenko

Year of birth: **1964**

Education: **higher**

Positions as of the last 5 years:

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2005 – present day: **Deputy General Director on Human Resources Management**

2005 – present day: **member of the Management Board**

2002 – 2005: **Director of Legal Groundwork Department**

2002 – 2004: **member of the Management Board**

2002 – 2002: **Acting Director of Legal Groundwork Department**

Organization: **OJSC 'Svyazinform' of the Chelyabinsk region**

2001 – 2002: **Deputy General Director on Legal Affairs**

Share of the Issuer's Charter Capital owned by the member of the Management Board: **0.000328%**

Share of the Issuer's ordinary stock owned by the member of the Management Board: **0.000408%**

2. Svetlana I. Balueva

Year of birth: **1960**

Education: **higher**

Positions as of the last 5 years:

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2001 – 2002: **Deputy Chief Accountant**

2002 – 2004: **Deputy Chief Accountant on consolidated RAS and IFRS financial statements.**

2004 – 2004: **Deputy Chief Accountant on consolidated RAS financial statements**

2004 – present day: **Chief Accountant**

2005 – present day: **member of the Management Board**

Share of the Issuer's Charter Capital owned by the member of the Management Board: **0.000374%**

Share of the Issuer's ordinary stock owned by the member of the Management Board: **0.000464%**

3. Sergey M. Bershev

Year of birth: **1963**

Education: **higher**

Positions as of the last 5 years:

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2005 – 2006: **Deputy General Director – Chief Commercial Officer**

2006 – present day: **Deputy General Director – Business Development Director**

2005 – present day: **member of the Management Board**

Organization: **Closed Joint-Stock Company 'Lucent Technologies' (Moscow)**

2004 – 2005: **Key Account Manager**

Organization: **Open Joint-Stock Company 'Vypelcom' (Moscow)**
2003 – 2004: **Regional Director**

Organization: **Telia International Management, Stockholm**
2001 – 2003: **Country Manager Russia**

Share of the Issuer's Charter Capital owned by the member of the Management Board: **no share**
Share of the Issuer's ordinary stock owned by the member of the Management Board: **no share**

4. Igor D. Bychkov

Year of birth: **1968**

Education: **higher**

Positions as of the last 5 years:

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2002 – 2004: **Chief Engineer, Hanty-Mansyisk Division**

2004 – 2005: **Deputy Director – Engineering Director, Hanty-Mansyisk Division**

2005 – present day: **Deputy General Director – Engineering Director**

2005 – present day: **member of the Management Board**

Organization: **'Hanty-mansyiskokrtelecom', Surgut Division**

2001 – 2002: **First Deputy Director – Chief Engineer**

Share of the Issuer's Charter Capital owned by the member of the Management Board: **0.00008%**
Share of the Issuer's ordinary stock owned by the member of the Management Board: **0.00010%**

5. Oleg V. Efremov

Year of birth: **1969**

Education: **higher**

Positions as of the last 5 years:

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2007 – present day: **Deputy General Director – Commercial Director**

2007 – present day: **Member of the Management Board**

2006 – 2007: **Deputy Director on Commercial Matters in Perm Telecommunications Division**

2003 – 2006: **Deputy Director on Technical Matters in Yamalo-Nenetsk Telecommunications**

Division

2002 – 2003: **Head of Sales Management Sector in Yamalo-Nenetsk Telecommunications**

Division

Organization: **Muravlensk Division of OJSC "Yamalelectrosvyaz"**

2002 – 2002: **Director**

Share of the Issuer's Charter Capital owned by the member of the Management Board: **no share**
Share of the Issuer's ordinary stock owned by the member of the Management Board: **no share**

6. Mikhail I. Krymsky

Year of birth: **1970**

Education: **higher**

Positions as of the last 5 years:

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2008 – present day: **First Deputy General Director**

2008 – present day: **Member of the Management Board**

2005– 2008: **Deputy General Director – Director of Interregional Telecommunications Division**

2004 – 2005: **Head of Section on Equipment Maintenance of Information Technologies**

2003 – 2004: **Head of Section on Maintenance of Information Technologies Department**

Share of the Issuer's Charter Capital owned by the member of the Management Board: **no share**
Share of the Issuer's ordinary stock owned by the member of the Management Board: **no share**

7. Valery A. Menshenin

Year of birth: **1957**

Education: **higher**

Positions as of the last 5 years:

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2002 – 2004: **Deputy General Director on Security Issues**

2004 – 2005: **Deputy General Director on Security Issues and Secrecy Order**

2005 – present day: **Deputy General Director on Security Issues**

2005 – present day: **member of the Management Board**

Organization: **The RF State Supervision Service for Telecommunications and Informatization (Sverdlovsk Region)**

2001 – 2002: Deputy Head of Service – **Chief State Inspector**

Share of the Issuer's Charter Capital owned by the member of the Management Board: **no share**

Share of the Issuer's ordinary stock owned by the member of the Management Board: **no share**

8. Dmitry I. Samoilov

Year of birth: **1962**

Education: **higher**

Positions as of the last 5 years:

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2001 – 2002: **Deputy Chief of Strategic Planning Sector**

2002 – 2002: **Acting Director of Property and Non-Productive Investments Department**

2002 – 2003: **Director of Property and Non-Productive Investments Department**

2003 – 2003: **Acting Deputy General Director – Director on Business Process Management and**

Corporate Governance

2003 – present day: **member of the Management Board**

2003 – 2004: **Deputy General Director – Director on Business Process Management and**

Corporate Governance

2004 – 2005: **Deputy General Director on Corporate Governance**

2005 – present day: **Deputy General Director on Corporate Development**

Share of the Issuer's Charter Capital owned by the member of the Management Board: **no share**

Share of the Issuer's ordinary stock owned by the member of the Management Board: **no share**

9. Vitaly V. Stoyanov

Year of birth: **1950**

Education: **higher**

Positions as of the last 5 years:

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2001 – 2002: **Deputy General Director on Capital Construction (Chelyabinsk Division)**

2002 – present day: **member of the Management Board**

2002 – 2005: **Deputy General Director – Director of Chelyabinsk Communications Division**

2005 – 2005: **Acting Deputy General Director on Investment Policy**

2005 – 2005: **Deputy General Director on Investment Policy**

2005 – present day: **Deputy General Director on Capital Construction**

Organization: **Open Joint-Stock Company 'Chelyabinskvyazinform'**

2001 – 2002: **Deputy General Director**

Share of the Issuer's Charter Capital owned by the member of the Management Board: **0.004010%**

Share of the Issuer's ordinary stock owned by the member of the Management Board: **0.001516%**

10. Valery A. Chernyshev

Year of birth: **1951**

Education: *higher*

Positions as of the last 5 years:

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2002 – 2005: **Deputy Director of Chelyabinsk Division – Chief Financial Officer**

2005 – present day: **Deputy General Director – Chief Financial Officer**

2005 – present day: **member of the Management Board**

Organization: **OJSC 'Svyazinform' of the Chelyabinsk region**

2001 – 2002: **Deputy General Director**

Share of the Issuer's Charter Capital owned by the member of the Management Board: **0.007379%**

Share of the Issuer's ordinary stock owned by the member of the Management Board: **0.003021%**

5.2.3. Information on Issuer's sole executive body

The Issuer's sole executive body – General Director:

Anatoly Y. Ufimkin

(information was stated in the sub-item 5.2.1.)

5.3. Remuneration, benefits and/or reimbursement of expenses granted to the members of the Issuer's governing bodies

1. Amount of all-type remunerations and other material advancements paid to the members of the Board of Directors as of 2007*:

Salaries (RUR): **0**

Bonuses (RUR): **0**

Remuneration (RUR): **5 250 732,00**

Commission charges, benefits and/or reimbursement of expenses, and other material advances (RUR): **0**

**Amount of remunerations paid to Anatoly Y. Ufimkin, who in 2007 was a member both to the Board of Directors and the Management Board, is stated within the sections denoting the Board of Directors and the Management Board remunerations respectively.*

Information on existing agreements regulating the amount of such payments in the current fiscal year:

Annual General Shareholders' Meeting held on June 06, 2008 adopted the resolution: To approve the following standard (interest-based) amounts of annual remuneration payable to the members of the Company's Board of Directors:

- 0.26 % of the company's EBITDA in accordance with the financial statements as of 2006 prepared under IFRS (International Accounting Standards);

- 0.78 % of the company's net profit distributed in the form of dividend as of 2006.'

Pursuant to the 'Regulations on the Board of Directors', OJSC 'Uralsvyazinform' (approved by the AGM of OJSC 'Uralsvyazinform', Protocol dd. June 29, 2006):

"Quarterly remuneration to every member shall be fixed at the rate of RUR200 000. Quarterly remuneration to the Chairman of the Board of Directors shall be multiplied by 1,5."

"Each member of the Board of Directors who is also a member of the Board's Committees shall be paid, on a quarterly basis, an additional quarterly compensation at the rate of RUR40 000 (per each Committee) in connection with fulfillment of his/ her duties. A member of the Board shall not be entitled to participate in more than 2 Committees.

The said additional compensation if paid to Chairman shall be multiplied by 1,25."

2. Amount of all-type remunerations and other material advancements paid to the members of the Management Board as of 2007:

Salaries (RUR): **52 303 807,63**

Bonuses (RUR): **28 056 929,24**

Remuneration (RUR): **24 117 990,93**

Commission charges, benefits and/or reimbursement of expenses,

and other material advances (RUR): 6 575 115,00

Information on existing agreements regulating the amount of such payments in the current fiscal year:

The Company's Board of Directors made changes in «Remuneration statement for members of Board of OJSC 'Uralsvyazinform' (Protocol #3 dd. July 15, 2008), according to item 1.6., the general rate of remuneration per each member of the Board of Directors makes 250 000 RUR a quarter, including a constant component - 25 000 RUR a month, plus a variable part - 175 000 RUR a quarter. The variable part of remuneration is granted to members of the Board of Directors for diligent performance of the duties and is defined by the decision of Board of Directors of the Company following the results of each quarter.

5.4. Structure and competence of the Issuer's internal control and supervisory bodies

Structure of the Issuer's internal control and supervisory bodies:

- **Audit Commission;**
- **Internal Audit Department;**
- **Audit Committee of Uralsvyazinform Board of Directors.**

In certain cases the Company also engages independent auditor.

Audit Commission is an autonomous control body elected by the Annual General Shareholders' Meeting and acting up to the forthcoming AGM. Audit Commission consists of 7 members. Audit Commission's operation is governed by the "Provisions on the Audit Commission of OJSC 'Uralsvyazinform'" (approved by the AGM, protocol of the Meeting dd. June 29, 2006).

Internal Audit Department is a special-purpose division, independent of the Company's executive bodies. Its activity is regulated by the Company's Board of Directors. Internal Audit Department is created to maintain constant control of all business activities of the Company. Structure, purposes and functions of Internal Audit Department are regulated by the "Provisions on Internal Audit Department of OJSC 'Uralsvyazinform'" (approved by the Board of Directors, Protocol of the session dd. February 25, 2003, as further amended and restated as of April 14, 2005, Protocol #28).

Audit Committee of Uralsvyazinform Board of Directors is an accessory authority to the Board of Directors, that has been annually formed since July 2004. Its main purpose is an increase of efficiency and quality of the Board of Directors operation in the line of free intercourse with the Independent Auditor, structural divisions of Accounting Office, Financial and Economic Sector, and Internal Control Sector by means of preliminary consideration and elaboration of recommendations to the Board of Directors in accordance with the Committee's competence, over the following areas:

- **risks pertaining to information disclosure,**
- **financial statements,**
- **external independent auditor, internal audit,**
- **internal control procedures.**

Internal Audit Procedures are governed by the "Provisions on internal audit of financial and business activities of the open joint-stock company 'Uralsvyazinform'" (approved by the Board of Directors, Protocol of the session #2, dd. July 12, 2005).

For the control and verification of the Company's financial reports the Company, on an annual basis, engages a specialized Auditor, which is not bounded by any property interests with the Company or its shareholders. The auditor performs verification of financial and business activities of the Company in accordance with the Russian Federation legislation on the basis of an Agreement concluded with the Company.

Competence of the Audit Commission pursuant to the Issuer's Charter:

Abstract from the Issuer's Charter:

Article 17. Auditing of the Company Financial and Economic Activities

"17.2.2. The aspects listed below are the competence of the Auditing Commission:

- **auditing of the trustworthiness of the information in the reports and other financial documents of the Company;**
- **revealing of non-compliance of book accounting keeping and financial statements with legal acts of the Russian Federation (if any);**
- **auditing of keeping to the legal regulations in respect of taxes' computation and payment;**
- **revealing of non-compliance (if any) with legal acts of the Russian Federation in accordance with which the Company performs its financial and economic activities;**
- **evaluation of the economic expediency of Company's financial and economic activities.**

17.2.3. Auditing (revision) of Company's financial and economic activities by the Auditing Commission shall be done on the Company performance results for a year.

Auditing (revision) of Company's financial and economic activities shall be performed at any time:

- **on the independent initiative of the Auditing Commission ;**
- **on the decision of the General Shareholders Meeting;**
- **on the decision of the Company's Board of Directors;**
- **on the request of a shareholder (shareholders) owning in aggregate at least 10 per cent of the Company's voting shares on all the issues being the competence of the General Shareholders Meeting as of the date of the request.**

17.2.4. On the request of the Auditing Commission any officers of the managing bodies of the Company shall submit documents on financial and economic activities of the Company."

Information of the Issuer's Internal Audit Department:

- Information on the term of operation and key employees on Internal Audit Department:

Internal Audit Department was formed by the Issuer on the basis of the resolution adopted by the Board of Directors (Protocol of the session #7 dd. February 26, 2003).

Acting Director of Internal Audit Department is Andrey V. Kozhevnikov.

Details of key employees of Internal Audit Department are given in item 5.5 of the present Report.

- main functions of Internal Audit Department:

Extract from the "Provisions on Internal Audit Department of OJSC 'Uralsvyazinform'" (approved by the Board of Directors, Protocol of the session dd. February 25, 2003, as further amended and restated as of April 14, 2005, Protocol #28):

Article 1. General Provisions

"1.2. Main functions of Internal Audit Department are:

- **periodic inspection of compliance of the business transactions effected by the Company, its divisions, and subdivisions with the Company's interests; protection of the Company's assets;**
- **independent assessment and analysis of financial status of the Company and its structural subdivisions;**
- **periodic control of the Company's and its subdivisions' observance of acts of legislation and other regulatory documents (including the internal regulations) governing their operation; control of compliance with the resolutions of the Annual General Shareholders' Meetings, Company's Board of Directors, sole and collegiate executive bodies;**
- **check of efficiency of internal control system; control for the cash flows and interested-party transactions; control of reliability of financial statements and operating data;**
- **consultations in the sphere of financial and tax legislation;**
- **interaction with external auditors and officials representing tax and other supervisory authorities."**

- accountability of Internal Audit Department, its interaction with the executive governing bodies of the Issuer and the Issuer's Board of Directors

Extract from the Issuer's Charter:

Article 13. Company's Board of Directors

13.4. The exclusive competence of the Board of Directors is as follows:

18) Approval of Regulations on operating entity of the Company, executing internal audit, agreement on candidates for its manager, as well as other issues which shall be considered by the Board of Directors in accordance with Regulations on the said operating unit.

Extract from the Issuer's "Regulations on the Audit Committee of OJSC 'Uralsvyazinform' Board of Directors'" (approved by the Board of Directors, Protocol #9, dd. October 7, 2004, as amended and restated on June 17, 2005, protocol #34):

Article 2. 2. Purposes and competence of the Committee

"2.2.3. Interaction with the Company's subdivision performing internal audit:

- a) **consideration of the schedule of audit researches to be performed by the Company's respective structural subdivision;**
- b) **examination of the Report on the results of subdivision's operation as of the completed year;**
- c) **elaboration of recommendations on introduction of amendments and additions to the Company's internal documents governing activities of the subdivision."**

- interaction between Internal Audit Department and Independent Auditor:

In the course of its audit researches, Internal Audit Department controls observation of notices stated in Independent Auditor's Reports, and accomplishes analysis of internal control procedures.

Issuer's internal document, establishing rules for prevention of proprietary (insider) information distribution:

"Regulations on 'The order of use of information on OJSC 'Uralsvyazinform' operations, its securities and deals concluded with them, which is not publicly-accessible and may affect market value of the Company's securities in case of its improper use or disclosure", approved by OJSC 'Uralsvyazinform' Board of Directors (Protocol #2 dd. July 12, 2005).

The full text of the present document is posted at:

<http://www.usi.ru/shareholders/management/documents/> (only available in Russian).

5.5. Information on the members of the Issuer's financial and business operation control bodies

5.5.1. Membership of the Issuer's Audit Commission

Membership of OJSC 'Uralsvyazinform' Audit Commission elected by the Annual General Shareholders' Meeting as of June 04, 2008:

The chairman of the Revision committee:

Ivan V. Topolya

Year of birth: 1981

Education: higher

Positions as of the last 5 years:

*The organization: **Open joint-stock company 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')***

*2007 – present: **the Assistant to Chief Accountant***

*2004 - 2006: **Deputy Chief of department of methodology***

*The organization: **Closed joint-stock company «Deloit and Tush»***

*2006 - 2007: **Manager of Corporate Finance Department***

*The organization: **the Moscow Representation «Lukoil Overseas Ltd. Service.»***

*2003 - 2004: **Leading specialist***

Key executives of Internal Audit Department:

1. Veremyanina V. Fedorovna

Year of birth: 1966

Education: higher

Positions as of the last 5 years:

*The organization: **Open joint-stock company 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')***

*2006 – present: **Deputy Director of Department of Corporate Governance and Legal Maintenance***

*2004 - 2006: **Chief of Department, Deputy Director of Department of Legal Maintenance** The organization: **Open joint-stock company "RTK-LEASING"***

*2003 - 2004: **the Chief of Department of Legal Maintenance***

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**

Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

Members of the Audit Commission:

2. Yan S. Grinchenko

Year of birth: 1979

Education: higher

Positions as of the last 5 years:

The organization: **Open joint-stock company 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')**
2006 - present: **Leading specialist of Department of Corporate Governance and Legal Maintenance**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

3. Svetlana F. Kartuzova

Year of birth: **1978**

Education: **higher**

Positions as of the last 5 years:

Organization: **OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')**

2006 - present: **Leading specialist of department of methodology of department of book keeping**

2006 - 2006: **Leading specialist of department of the summary reporting of department of book keeping**

2005 - 2006: **Leading specialist of department of the summary reporting of department of book keeping**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

4. Elena O. Konkova

Year of birth: **1978**

Education: **higher**

Positions as of the last 5 years:

Organization: **OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')**

2006 - present: **the Leading Specialist of Management of Internal Audit**

Organization: **Closed joint-stock company "Universe-audit"**

2002 - 2006: **the Auditor**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

5. Olga Sl. Chetverkina

Year of birth: **1956**

Education: **higher**

Positions as of the last 5 years:

Organization: **OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')**

2006 - present **Leading specialist of Department of Internal Audit**

2005 - 2006: **Leading specialist of Dependent Organizations Monitoring; Department of Internal Audit.**

2003 - 2005: **Department of Material support Leading specialist of Capital Investments Department.**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

6. Dmitry A. Shorokhov

Year of birth: **1980**

Education: **higher**

Positions as of the last 5 years:

Organization: **OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')**

2008 - present: **Deputy Chief of Department of Financial Policy and Liquidity Management**
2006 - 2008: **Deputy Chief of Extra Capital Department**

The organization: **Open joint-stock company AKB "Communication-bank«**
2005-2006: **Chief of Client Service of the Northwest Regional Centre**

The organization: **Open joint-stock company AKB "Communication-bank"**
2005 - 2005: **Deputy of Head of Clients Relations Department**
2004 - 2005: **Chief of Department of Telecommunication Companies Relations**

The organization: **Closed joint-stock company "Telecommercial bank"**
2004 - 2004: **Chief of Department of Telecommunication Companies Relations**
2004 - 2004: **Leading specialist of Telecommunication Companies Relations**
2003 - 2004: **Leading specialist of Telecommunication Companies Relations**
2002 - 2003: **Specialist of Telecommunication Companies Relations**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

5.5.2. Information on the officers of the Issuer's Internal Audit Department

Key executives of Internal Audit Department, OJSC 'Uralsvyazinform'

Acting Director of Internal Audit Department:

Andrey V. Kozhevnikov

Year of birth: **1962**

Education: **higher**

Positions as of the last 5 years:

Organization: **Control and Audit Directorate, Ministry of Finance of the Russian Federation**

2002 – 2002: **Chief Inspecting Auditor**

Organization: **OJSC 'Uralsvyazinform'**

2002 – 2004: **Accountant-Auditor**

2004 – 2005: **Leading Specialist of Internal Audit Department**

2005 – 2007: **Head of Inspection Sector, Internal Audit Department**

2007 – 2008: **Acting Director of Internal Audit Department**

2008 – present day: **Director of Internal Audit Department**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**

Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

Key executives of Internal Audit Department:

1. Sergey V. Artemov

Year of Birth: **1977**

Education: **higher**

Positions as of the last 5 years:

2002 – 2004: **Serving in the Military Forces of Russia Chief auditor of the sector for interaction with law-enforcement authorities**

Organization: **Group of enterprises 'Tsvetmetproduct'**

2004 – 2005: **Controller**

Organization: **CJSC 'Universe'**

2005 – 2005: **Logistician**

Organization: **OJSC 'Euroset'**

2005 – 2006: **Controller**

Organization: **CJSC 'STKSt'**

2006 – 2007: **Seniour Controller**

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2007 – 2007: **Leading specialist of internal audit department of the Ekaterinburg telecommunications division, OJSC 'Uralsvyazinform'**

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2007 – present day: **Leading specialist of internal audit department of the Department of the**

internal audit (Ekaterinburg)

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

2. Alexander N. Bazuyev

Year of Birth: **1964**

Education: **higher**

Positions as of the last 5 years:

Organization: **Audit Department of the Russian Federation Ministry of Finance in the Perm region**

2002 – 2002: **Chief auditor of the sector for interaction with law-enforcement authorities**

Organization: **Audit Department of the Russian Federation Ministry of Finance in the Perm region**

2002 – 2004: **Chief auditor for interaction with law-enforcement authorities**

Organization: **Federal Finance and Budgeting Surveillance Service in the Perm region**

2004 – 2005: **Chief specialist of the sector for interaction with law-enforcement authorities**

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2005 – 2007: **Leading specialist of internal audit department of the Perm telecommunications division, OJSC 'Uralsvyazinform'**

2008 – present day: **Head of section of internal audit department of the Perm telecommunications division, OJSC 'Uralsvyazinform'**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

3. Tatyana N. Vaskina

Year of Birth: **1973**

Education: **higher**

Positions as of the last 5 years:

Organization: **OJSC "Izhevsk electromechanical factory 'Kupol'"**

2002 – 2004: **2 category economist in Prospective Research Sector**

2004 – 2005: **1 category economist in Prospective Research Sector**

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2005 – 2007: **2 category specialist of Methodology and Risks Sector, Internal Audit Department**

2007 – present day: **1 category specialist of Methodology and Risks Sector, Internal Audit Department**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

4. Yuri A. Ilyinykh

Year of Birth: **1973**

Education: **higher**

Positions as of the last 5 years:

Organization: **Ministry of Taxation of the Russian Federation in Chelyabinsk region**

2003 – 2004: **Chief public tax inspector, sector for interaction with large and trouble taxpayers**

Organization: **Federal Tax Service in Chelyabinsk region**

2002 – 2005: **Chief public tax inspector, Surveillance Sector**

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2005 – 2007: **Leading specialist of internal audit sector, Chelyabinsk telecommunications division**

2008 – present day: **Leading specialist of internal audit sector of internal audit department (Chelyabinsk)**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

5. Olga V. Kamyanskaya

Year of Birth: **1981**

Education: **higher**

Positions as of the last 5 years:

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2001 – 2005: **Economist of strategic planning and corporate governance sector, Ekaterinburg telecommunications division**

2005 – 2006: **Economist of Corporate Secretary Administration**

2006 – present day: **Head of methodology and risks sector, Internal Audit Department**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**

Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

6. Evgeny V. Logush

Year of Birth: **1978**

Education: **higher**

Positions as of the last 5 years:

Organization: **State enterprise 'Zapadno-Sibirsky Research and Development Institute of geology and geophysics'**

2003 – 2005: Accountant on fixed assets and materials

Organization: **Open Joint-Stock Company 'Uralsvyazinform'**

2005 – 2007: **Accountant of fixed assets of Tyumen telecommunications division**

2007 – 2007: **Leading specialist of internal audit sector, Chelyabinsk telecommunications division**

2008 – present day: **Leading specialist of internal audit sector of Chelyabinsk department of internal audit**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**

Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

7. Olga A. Maltseva

Year of Birth: **1981**

Education: **higher**

Positions as of the last 5 years:

Organization: **Commercial bank - CJSC 'Dragotsennosti Urala'**

2003 – 2004: **Junior economist of retail sector of Department of retail management**

Organization: **Open Joint-Stock Company 'Metcombank'**

2004 – 2006: **Economist of retail sector**

2006 – 2006: **Economist of retail crediting sector**

2006 – 2007: **Specialist on marketing of marketing and advertising sector**

2007 – 2007: **1 category specialist on marketing of marketing and advertising sector**

2007 – 2008: **Acting head of marketing and advertising sector**

2008 – 2008: **Senior economist of retail crediting sector**

2008 – present day: **Leading specialist of internal audit sector of department of internal audit (Ekaterinburg)**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**

Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

8. Irina P. Medentsy

Year of Birth: **1958**

Education: **higher**

Positions as of the last 5 years:
Organization: **Open joint-stock company "Uralsvyazinform"**
2003 - 2004: **Leading bookkeeper - the auditor of control-auditing group Yamalo - Nenets branch of telecommunication**
2004 - 2005: **Leading specialist of internal audit department of Yamalo - Nenets branch of telecommunication**
2005 - 2007: **Leading specialist of internal audit sector of Yamaloo - Nenets branch of telecommunication**
2008 – present: **Leading specialist of internal audit sector of (Tyumen) department of internal audit**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

9. Irina K. Neukisova

Year of Birth: **1955**

Education: **higher**

Positions as of the last 5 years:
Organization: **Open Joint-Stock Company 'Uralsvyazinform'**
2003 - 2005: **Chief of regional department of internal audit of the Ekaterinburg branch of telecommunication of OJSC "Uralsvyazinform"**
2005 - 2007: **Head of sector of internal audit of the Ekaterinburg branch of telecommunication**
2008 - present: **Head of internal audit sector of (Ekaterinburg) department of internal audit**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **0,000048%**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **0,000060%**

10. Elena A. Popova

Year of Birth: **1968**

Education: **higher**

Positions as of the last 5 years:
Organization: **Open joint-stock company "Uralsvyazinform"**
Organization: **Inspection Center of Ministry of Taxation of the Russian Federation (Ordzhonikidzevsky District of Perm)**
2003 - 2003: **Deputy Head of Section**
2003 – 2004: **Acting Head of Section**
Organization: **Federal Tax Service of the Russian Federation Inspection Center of Ministry of Taxation of Russian Federation (Ordzhonikidzevsky District of Perm)**
2004 - 2005: **Acting Head of Section**
2005 – 2005: **Leading Tax Inspector of State, 1st rank Counselor of Tax Service**

Organization: **Open joint-stock company "Uralsvyazinform"**
2005 - 2008: **Leading specialist of Perm Division**
2008 – present: **Leading specialist of internal audit sector of (Perm) department of internal audit**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

11. Evgeny D. Romanenko

Year of Birth: **1961**

Education: **higher**

Positions as of the last 5 years:
Organization: **Section of Federal Treasury (Kurgan)**
2003 -2005: **Main Treasurer**

Organization: **Federal Treasury Office (Kurgan District)**
2005 - 2006: **Main Treasurer**

Organization: **Open joint-stock company "Uralsvyazinform"**
2006 - 2007: **Head of Internal Audit Section of Kurgan Division**
2008 – present: **Leading specialist of internal audit section of (Tyumen) department of internal audit**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

12. Svetlana A. Saburova
Year of Birth: **1964**
Education: **higher**

Positions as of the last 5 years:
Organization: **Open Joint Stock Company 'Generatsia'**
2003 -2004: **Senior Accountant**

Organization: **Open joint-stock company "Uralsvyazinform"**
2004 - 2007: **Leading specialist of section of internal audit (Ekaterinburg Division) of the department of internal audit**
2008 – present: **Leading specialist of internal audit section of (Ekaterinburg) department of internal audit**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

13. Georgiy G. Frolov
Year of Birth: **1965**
Education: **higher**

Positions as of the last 5 years:
Organization: **Federal Service of Tax Police (Chelyabinsk region)**
2003 -2003: **Main specialist – controller**

Organization: **Internal Affairs Directorate of Chelyabinsk region**
2003 - 2004: **Main specialist – controller**

Organization: **Open joint-stock company "Uralsvyazinform"**
2004 - 2005: **Leading specialist of section of internal audit (Chelyabinsk Division) of the department of internal audit**
2005 – 2007: **Leading Specialist of Section of Internal Audit (Chelyabinsk Division)**
2008 – present: **Leading specialist of Internal Audit Section (Chelyabinsk) of Department of Internal Audit**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

14. Ruslan A. Shaimov
Year of Birth: **1975**
Education: **higher**

Organization: **Open joint-stock company "Uralsvyazinform"**
2003 - 2005: **Head of Regional Section of Internal Audit of Chelyabinsk Division**
2005 – 2007: **Head of Section of Internal Audit of Chelyabinsk Division**
2008 – present: **Head of Internal Audit Section of the Department of Internal Audit (Chelyabinsk)**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

15. Evgeny V. Yaburov

Year of Birth: **1973**
Education: **higher**

Organization: **Open joint-stock company "Uralsvyazinform"**
2003 - 2004: **Accountant of the 2nd rank of Solikamsk Territorial Subdivision of Perm Division**
2004 – 2005: **Leading Specialist of Internal Audit Department**
2005 - 2008: **Leading Specialist of Check Section of Internal Audit Department**
2008 – present day: **Head of Check Section of Internal Audit Department**

Share of the Issuer's Charter Capital owned by the member of the Audit Commission: **no share**
Share of the Issuer's ordinary stock owned by the member of the Audit Commission: **no share**

5.5.3. Information on members of the Audit Committee to the Issuer's Board of Directors

The new Audit Committee to the Board of Directors of Uralsvyazinform shall be formed at the first session of the Issuer's Board of Directors after the date of the Annual General Shareholders Meeting where the Board of Directors is to be elected.

5.6. Remuneration, benefits and/or reimbursement of expenses granted to the members of the Issuer's financial and business operation control body

1. Amount of all-type remunerations and other material advancements paid to the members of the Audit Commission as of 2007*:

Salaries (RUR): **0**

Bonuses (RUR): **0**

Remunerations (RUR): **4 388 245,00**

Commission charges, benefits and/or reimbursement of expenses,
and other material advances (RUR): **0**

Information on existing agreements regulating the amount of such payments in the current fiscal year:

Amount and procedure of disbursement of remunerations to the members of the Audit Commission are stated in item 7.4 of the 'Provisions on OJSC 'Uralsvyazinform' Audit Commission' (approved by the Annual General Shareholders Meeting of OJSC 'Uralsvyazinform', protocol dd. June 29, 2006).

In accordance with the 'Provisions on OJSC 'Uralsvyazinform' Audit Commission', Audit Commission members, when exercising their functions, are provided with quarterly remuneration amounting at RUR 150,000 per each member.

Remuneration of the Chairman of the Audit Commission amounts to that fixed for each member of the Audit Commission multiplied by 1.3.

2. Amount of all-type remunerations and other material advancements paid to the members of Internal Audit Department as of 2007:

Salaries (RUR): **10 520 804,89**

Bonuses (RUR): **4 280 697,45**

Remunerations (RUR): **631 141,00**

Commission charges, benefits and/or reimbursement of expenses,
and other material advances (RUR): **753 848,76**

Information on existing agreements regulating the amount of such payments in the current fiscal year:

Executives of Internal Audit Department exercise their duties on the basis of Labor Contracts concluded with OJSC Uralsvyazinform'.

5.7. Quantity, educational level and structure of the Issuer's staff. Changes in quantity of the Issuer's staff

Average headcount of the Issuer, including the personnel of its divisions and representative offices. Amount of salaries and social benefits allocated by the Issuer as of the reporting quarter:

The indicator name	IV quarter 2007	IV quarter 2008
Average headcount, persons	25 242	22 778
Share of the Issuer's employees with higher education, %	33,09 %	35,33 %
Amount of funds directed to salaries and emoluments, thousand RUR*	1 841 177	1 809 844
Amount of funds directed to social benefits, thousand RUR	64 909	75 177
Overall amount of funds paid out, thousand RUR **	1 913 962	1 898 217

* Average headcount salaries fund

** Salaries and social benefits fund including part-time employees and employees engaged on the basis of independent-work contracts

Factors causing the change of headcount of the Issuer as of the reporting period: ***in the 4th quarter 2008 the rate of the average headcount drawdown totaled 90.2% as compared with the 4th quarter 2007. The drawdown was achieved by headcount optimization and was budgeted by the Company's divisions and General Directorate.***

Information on the Issuer's employees that could significantly affect financial and business activities of the Issuer (key employees): ***there are no employees that could significantly affect financial and business activities of the Issuer, except for the members of the Issuer's governing bodies, information on whom is stated in the respective sections of the present quarterly report.***

Information on a trade union body formed by the Issuer's employees: ***an Inter-regional Trade Union of OJSC 'Uralsvyazinform' was formed by the Issuer's employees.***

5.8. Information on any obligations of the Issuer to the employees, that could cause probability of their participation in the Issuer's Charter (Share) Capital

Agreements or obligations of the Issuer that could cause probability of the employees' participation in its Charter Capital: ***none.***

Information on granted or would-be granted warrants to the Issuer's employees: ***the Company didn't issue warrants.***

VI. Information on the Issuer's shareholders, and interested-party transactions effected by the issuer

6.1. Total number of the Issuer's shareholders

Total number of shareholders registered in the Company's Shareholder Register as of December 31, 2008: **18 551**

Total number of nominee holders of the Issuer's shares as of December 31, 2008: **18**

6.2. Information on the Issuer's shareholders owning at least 5 per cent of its Charter Capital or at least 5 per cent of its ordinary stock, and the information on the participants of such holders owning at least 20 per cent of their Charter Capital or at least 20 per cent of their Common Stock

Issuer's shareholders owning at least 5 per cent of its Charter Capital or at least 5 per cent of its ordinary stock:

1. Full name: OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')

Taxpayer Identification Number: **7710158355**

Address: **55, bld. 2 Plyuschikha str., Moscow 119121 Russia**

Share of the Issuer's Charter Capital: **41.3830%**

Share of the Issuer's ordinary stock: **51.4228%**

Shareholders owning at least 20 per cent of OJSC 'Svyazinvest' Charter Capital or at least 20 per cent of its ordinary stock:

1.1. Full name: the Russian Federation represented by the Federal Agency for Federal Property Management;

Taxpayer Identification Number: **7710542402;**

Address: **9, Nikolsky pereulok, Moscow, 103685, Russia;**

Share of OJSC 'Svyazinvest' Charter Capital: **75% minus 1 share;**

Share of OJSC 'Svyazinvest' ordinary stock: **75% minus 1 share;**

Share of the Issuer's Charter Capital: **no share;**

Share of the Issuer's ordinary stock: **no share.**

1.2. Full name: Open Joint-Stock Company "Comstar – United TeleSystems"

Taxpayer Identification Number: **7740000069;**

Address: **27, bld. 2, Smolenskaya-Sennaya sq., 119121, Moscow, Russia;**

Share of OJSC 'Svyazinvest' Charter Capital: **17,31% plus 1 share;**

Share of OJSC 'Svyazinvest' ordinary stock: **17,31% plus 1 share;**

Share of the Issuer's Charter Capital: **no share;**

Share of the Issuer's ordinary stock: **no share.**

1.3. Full name: MGTS FINANCE S.A. SOCIETE ANONYME;

Taxpayer Identification Number: **no data;**

Address: **L-2453, Luxemburg, 5, RUE EUGENE RUPPERT;**

Share of OJSC 'Svyazinvest' Charter Capital: **7,69%;**

Share of OJSC 'Svyazinvest' ordinary stock: **7,69%;**

Share of the Issuer's Charter Capital: **no share;**

Share of the Issuer's ordinary stock: **no share.**

Nominee holders of the Issuer's shares who hold at least 5 per cent of its Charter Capital or at least 5 per cent of its ordinary stock:

1. Name: Non-profit partnership 'the National Depository Center'

Address: **1/13, bld. 4, Sredny Kislovsky Pereulok, 125009 Moscow, Russia**

Tel.: **7 (495) 223 6392**, fax: **7 (495) 956 0938**, e-mail: info@ndc.ru

Amount of the Issuer's ordinary shares registered to the nominee holder: **8,371,580,502 shares**

2. Name: ING Bank (Eurasia) ZAO

Address: **36, Krasnoproletarskaya ul., 127473, Moscow, Russia**

Tel.: **7 (495) 755 5400**, fax: **7 (495) 755 5499**, e-mail: mail.russia@ingbank.com

Amount of the Issuer's ordinary shares registered to the nominee holder: **3,474,485,749 shares**

3. Name: **Closed Joint-Stock Company 'Depository Clearing Company'**
Address: **Building B, 31, Shabolovka Street, Moscow, 115162, Russian Federation**
Tel.: **7 (495) 956 0999**, fax: **7 (495) 232 6804**, e-mail: dcc@dcc.ru
Amount of the Issuer's ordinary shares registered to the nominee holder: **1,032,153,543 shares**

6.3. Information on the share in the Issuer's Charter (Share) Capital owned by the government or municipal bodies; availability of the "Golden Share"

Share of the government or municipal bodies in the Issuer's Charter Capital:

1. Type of property: **constituent entity of the Russian Federation**
Share of the Issuer's Charter Capital: **0.0020%**
Full name of the entity performing portfolio management: **Social Support Fund at the Administration of Sverdlovsk region**
Address: **105, Bolshakova str., 620094, Ekaterinburg, Russia**

Availability of a special right of the Russian Federation, its constituent entities, and municipal bodies to the management of the Issuer's activities ('Golden share'): **not available**.

6.4. Restrictions imposed on participation in the Issuer's Charter Capital

Restrictions imposed on the quantity of shares owned by a shareholder and/or their total par value, and/or highest possible number of votes granted to a shareholder: **such restrictions are not stipulated in the Issuer's Charter**.

Restrictions imposed on participation of foreign shareholders in the Issuer's Charter Capital: **there are no such restrictions**.

Other restrictions imposed on participation in the Issuer's Charter:

1. **Cases of acquisition of over 30 per cent of the Company's shares are subject to the regulations of chapter XI.1 of Joint-Stock Companies Law.**

2. **Acquisition of the Company's voting stock by a person or a group of persons shall be effected after its authorization by the anti-monopoly authority pursuant to article 28 of Anti-Competition Law (dd. July 26, 2006 #135-Φ3) in the following cases:**

– **if a person (a group of persons) acquires over 25 per cent of the voting stock, given that the person (the group of persons) hadn't owned Company's voting stock before or owned less than 25 per cent of the voting stock,**

– **if a person (a group of persons) acquires over 50 per cent of the voting stock, given that prior to this acquisition such a person (a group of persons) had owned at least 25 but not over 50 per cent of the Company's voting stock,**

– **if a person (a group of persons) acquires over 75 per cent of the voting stock, given that prior to this acquisition such a person (a group of persons) had owned at least 50 but not over 75 of the Company's voting stock.**

6.5. Information on alterations in the Issuer's shareholders owning at least 5 per cent of its Charter capital or at least 5 per cent of its Common Stock

Issuer's shareholders who owned at least 5 per cent of the Issuer's Charter Capital and at least 5 per cent of the Issuer's ordinary stock as of the date of compiling of the list of persons authorized to participate in each Shareholders' Meeting held within the last 5 completed fiscal years, and the last ended quarter:

1. The date of compiling of the list of persons authorized to participate in Shareholders' Meeting of the Issuer: **15 April 2002**

Issuer's shareholders, who, as of the date stated, owned at least 5 per cent of its Charter Capital and at least 5 per cent of its ordinary stock:

1.1. Name: **OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')**

Share of the Issuer's Charter Capital: **53.2%**

Share of the Issuer's ordinary stock: **53.2%**

1.2. Name: **THE BANK OF NEW YORK INTERNATIONAL NOMINEES**

Share of the Issuer's Charter Capital: **8.25%**
Share of the Issuer's ordinary stock: **8.25%**

2. The date of compiling of the list of persons authorized to participate in Shareholders' Meeting of the Issuer: **17 October, 2002**

Issuer's shareholders, who, as of the date stated, owned at least 5 per cent of its Charter Capital and at least 5 per cent of its ordinary stock:

2.1. Name: ***OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')***

Share of the Issuer's Charter Capital: **41.383%**

Share of the Issuer's ordinary stock: **51.423%**

2.2. Name: ***Closed Joint-Stock Company 'Depository Clearing Company'***

Share of the Issuer's Charter Capital: **10.03%**

Share of the Issuer's ordinary stock: **7.92%**

2.3. Name: ***ING Bank (Eurasia) ZAO***

Share of the Issuer's Charter Capital: **9.75%**

Share of the Issuer's ordinary stock: **9.32%**

2.4. Name: ***Specialized State Institution under the Government of the Russian Federation 'Russian Federal Property Fund'***

Share of the Issuer's Charter Capital: **4.638%**

Share of the Issuer's ordinary stock: **5.763%**

3. The date of compiling of the list of persons authorized to participate in Shareholders' Meeting of the Issuer: **5 May, 2003**

Issuer's shareholders, who, as of the date stated, owned at least 5 per cent of its Charter Capital and at least 5 per cent of its ordinary stock:

3.1. Name: ***OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')***

Share of the Issuer's Charter Capital: **41.383%**

Share of the Issuer's ordinary stock: **51.423%**

3.2. Name: ***ING Bank (Eurasia) ZAO***

Share of the Issuer's Charter Capital: **13.35%**

Share of the Issuer's ordinary stock: **12.34%**

3.3. Name: ***Closed Joint-Stock Company 'Depository Clearing Company'***

Share of the Issuer's Charter Capital: **8.37%**

Share of the Issuer's ordinary stock: **5.46%**

3.4. Name: ***Specialized State Institution under the Government of the Russian Federation 'Russian Federal Property Fund'***

Share of the Issuer's Charter Capital: **4.638%**

Share of the Issuer's ordinary stock: **5.763%**

4. The date of compiling of the list of persons authorized to participate in Shareholders' Meeting of the Issuer: **7 May, 2004**

Issuer's shareholders, who, as of the date stated, owned at least 5 per cent of its Charter Capital and at least 5 per cent of its ordinary stock:

4.1. Name: ***OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')***

Share of the Issuer's Charter Capital: **41.383%**

Share of the Issuer's ordinary stock: **51.423%**

4.2. Name: ***ING Bank (Eurasia) ZAO***

Share of the Issuer's Charter Capital: **17.90%**

Share of the Issuer's ordinary stock: **17.56%**

4.3. Name: ***Specialized State Institution under the Government of the Russian Federation 'Russian Federal Property Fund'***

Share of the Issuer's Charter Capital: **4.638%**

Share of the Issuer's ordinary stock: **5.763%**

5. The date of compiling of the list of persons authorized to participate in Shareholders' Meeting of the Issuer: **13 February, 2005**

Issuer's shareholders, who, as of the date stated, owned at least 5 per cent of its Charter Capital and at least 5 per cent of its ordinary stock:

5.1. Name: ***OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')***

Share of the Issuer's Charter Capital: **41.383%**

Share of the Issuer's ordinary stock: **51.423%**

5.2. Name: *ING Bank (Eurasia) ZAO*

Share of the Issuer's Charter Capital: **17.137%**

Share of the Issuer's ordinary stock: **16.803%**

5.3. Name: *Non-profit partnership the 'National Depository Center'*

Share of the Issuer's Charter Capital: **5.902%**

Share of the Issuer's ordinary stock: **5.714%**

5.4. Name: *Specialized State Institution under the Government of the Russian Federation 'Russian Federal Property Fund'*

Share of the Issuer's Charter Capital: **4.638%**

Share of the Issuer's ordinary stock: **5.763%**

6. The date of compiling of the list of persons authorized to participate in Shareholders' Meeting of the Issuer: *6 May, 2005*

Issuer's shareholders, who, as of the date stated, owned at least 5 per cent of its Charter Capital and at least 5 per cent of its ordinary stock:

6.1. Name: *OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')*

Share of the Issuer's Charter Capital: **41.383%**

Share of the Issuer's ordinary stock: **51.423%**

6.2. Name: *ING Bank (Eurasia) ZAO*

Share of the Issuer's Charter Capital: **15.440%**

Share of the Issuer's ordinary stock: **15.078%**

6.3. Name: *Non-profit partnership the 'National Depository Center'*

Share of the Issuer's Charter Capital: **7.345%**

Share of the Issuer's ordinary stock: **7.664%**

6.4. Name: *Specialized State Institution under the Government of the Russian Federation 'Russian Federal Property Fund'*

Share of the Issuer's Charter Capital: **4.638%**

Share of the Issuer's ordinary stock: **5.763%**

7. The date of compiling of the list of persons authorized to participate in Shareholders' Meeting of the Issuer: *5 May, 2006*

Issuer's shareholders, who, as of the date stated, owned at least 5 per cent of its Charter Capital and at least 5 per cent of its ordinary stock:

7.1. Name: *OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')*

Share of the Issuer's Charter Capital: **41.383%**

Share of the Issuer's ordinary stock: **51.423%**

7.2. Name: *JP MORGAN CHASE BANK N.A.*

Share of the Issuer's Charter Capital: **7.982%**

Share of the Issuer's ordinary stock: **8.251%**

7.3. Name: *Specialized State Institution under the Government of the Russian Federation 'Russian Federal Property Fund'*

Share of the Issuer's Charter Capital: **4.638%**

Share of the Issuer's ordinary stock: **5.763%**

8. The date of compiling of the list of persons authorized to participate in Shareholders' Meeting of the Issuer: *25 July, 2006*

Issuer's shareholders, who, as of the date stated, owned at least 5 per cent of its Charter Capital and at least 5 per cent of its ordinary stock:

8.1. Name: *OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')*

Share of the Issuer's Charter Capital: **41.383%**

Share of the Issuer's ordinary stock: **51.423%**

8.2. Name: *JP MORGAN CHASE BANK N.A.*

Share of the Issuer's Charter Capital: **7.18%**

Share of the Issuer's ordinary stock: **7.49%**

8.3. Name: *Specialized State Institution under the Government of the Russian Federation 'Russian Federal Property Fund'*

Share of the Issuer's Charter Capital: **4.638%**

Share of the Issuer's ordinary stock: **5.763%**

9. The date of compiling of the list of persons authorized to participate in Shareholders' Meeting of the Issuer: **April 27, 2007**

Issuer's shareholders, who, as of the date stated, owned at least 5 per cent of its Charter Capital and at least 5 per cent of its ordinary stock:

9.1. Name: **OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')**

Share of the Issuer's Charter Capital: **41.383%**

Share of the Issuer's ordinary stock: **51.423%**

9.2. Name: **JP MORGAN CHASE BANK N.A.**

Share of the Issuer's Charter Capital: **6.16%**

Share of the Issuer's ordinary stock: **6.49%**

9.3. Name: **Closed Joint-Stock Company "Leader" (Pension Funds Management Company), Trust Manager of Pension Fund "Gazfond"**

Share of the Issuer's Charter Capital: **5.31%**

Share of the Issuer's ordinary stock: **6.57%**

10. The date of compiling of the list of persons authorized to participate in Shareholders' Meeting of the Issuer: **April 18, 2008**

Issuer's shareholders, who, as of the date stated, owned at least 5 per cent of its Charter Capital and at least 5 per cent of its ordinary stock:

9.1. Name: **OJSC 'Investitsionnaya kompaniya svyazi' (OJSC 'Svyazinvest')**

Share of the Issuer's Charter Capital: **41.383%**

Share of the Issuer's ordinary stock: **51.423%**

9.2. Name: **JP MORGAN CHASE BANK N.A.**

Share of the Issuer's Charter Capital: **4.89%**

Share of the Issuer's ordinary stock: **5.08%**

9.3. Name: **Closed Joint-Stock Company "Leader" (Pension Funds Management Company), Trust Manager of Pension Fund "Gazfond"**

Share of the Issuer's Charter Capital: **5.26%**

Share of the Issuer's ordinary stock: **6.54%**

6.6. Information on interested-party transactions effected by the Issuer

Indices	IV Quarter 2008
Overall amount and value of interested-party transactions effected by the Issuer within the reporting period, provided that such transactions required approval of the authorized governing body of the Issuer	Overall amount of transactions – 10. Monetary value of the 6 transactions – RUR 319 182 253,38; Beyond this: 1. Under the contract on telecommunication services rendering - on the organizations of communication channels- 2 475 500, 00 RUR, plus VAT - 18 % - 445 590,00 RUR; - on communication channels rent (monthly payment) - 996 300, 00 RUR a month, plus VAT - 18 % - 179 334,00 RUR. 2. Under the additional agreement #2 to Agreement #523 dd. July 18, 2007 - the money equivalent is not provided, since the additional agreement makes changes to the contract, the costs are not connected with change. 3. Under the agency agreement: - the contract concluded by the Agent on behalf of the Principal with the user on rendering of services takes 500 RUR at a time. 4. On additional agreements to the contract of equipment placement #17/39 dd. October 02, 2006 - at a rate of 13 600, 00 RUR. a month (without VAT).
Overall amount and value of interested-party transactions effected by the Issuer within the reporting period, provided that such transactions were approved by the Issuer's General Shareholders' Meeting	No such transactions
Overall amount and value of interested-party transactions effected by the Issuer within the reporting period, provided that such transactions were approved by the Issuer's Board of Directors	Overall amount of transactions – 10. Monetary value of the 6 transactions – RUR 319 182 253,38; Beyond this: 1. Under the contract on telecommunication services rendering - on the organizations of communication channels- 2 475 500, 00 RUR, plus VAT - 18 % - 445 590,00 RUR; - on communication channels rent (monthly payment) - 996 300, 00 RUR a month, plus VAT - 18 % - 179 334,00 RUR. 2. Under the additional agreement #2 to Agreement #523 dd. July 18, 2007 - the money equivalent is not provided, since the additional agreement makes changes to the contract, the costs are not connected with change.

Indices	IV Quarter 2008
Overall amount and value of interested-party transactions effected by the Issuer within the reporting period, given that such transactions required approval of the authorized governing body of the Issuer, but were not approved by respective body	<p>3. Under the agency agreement: - the contract concluded by the Agent on behalf of the Principal with the user on rendering of services takes 500 RUR at a time.</p> <p>4. On additional agreements to the contract of equipment placement #17/39 dd. October 02, 2006 - at a rate of 13 600, 00 RUR. a month (without VAT).</p> <p>No such transactions</p>

Interested-party transactions (groups of associated transactions), which value made up 5 or more per cent of the book value of Issuer's assets: **none**.

Overall value of interested-party transactions effected by the Issuer as of the last reporting quarter:

Overall amount of transactions – 10.

Monetary value of the 6 transactions – RUR 319 182 253,38;

Beyond this:

1. Under the contract on telecommunication services rendering

- on organization of communication channels- 2 475 500, 00 RUR, plus VAT - 18 % - 445 590,00 RUR;

- on communication channels rent (monthly payment) - 996 300, 00 RUR a month, plus VAT - 18 % - 179 334,00 RUR.

2. Under the additional agreement #2 to Agreement #523 dd. July 18, 2007 - the money equivalent is not provided, since the additional agreement makes changes to the contract, the costs are not connected with change.

3. Under the agency agreement: - the contract concluded by the Agent on behalf of the Principal with the user on rendering of services takes 500 RUR at a time.

4. On additional agreements to the contract of equipment placement #17/39 dd. October 02, 2006 - at a rate of 13 600, 00 RUR a month (without VAT).

6.7. Amount of accounts receivable

Amount of accounts receivable are not subject to disclosure at the 4th quarter 2008.

VII. Accounting reports/financial statements of the Issuer

7.1. Annual financial statements of the Issuer

Issuer's Annual Financial Statements as of the last completed fiscal year, compiled in accordance with the Russian Federation legislation, is included into the Quarterly Report as of the 1st quarter.

7.2. Quarterly financial statements of the Issuer for the last ended reporting quarter

Quarterly financial statements of the Issuer for the last ended reporting quarter according to requirements of the Russian Federation legislation are not included in the structure of the Quarterly Report for the 4th quarter.

7.3. Consolidated financial statements of the Issuer for the last ended fiscal year

Consolidated financial statements of the Issuer for the last ended fiscal year are disclosed in the structure of the quarterly report for 1st quarter.

7.4. Total value of export and export share in the total sales volume

The Issuer doesn't export its services.

7.5. Information on the value of the Issuer's real estate and substantial changes in the Issuer's property that occurred after the end date of the last completed fiscal year

Overall value of the Issuer's real estate and amount of accumulated depreciation as of the end of the reporting quarter: *Real estate includes plots of land, buildings, communication lines and constructions. Please see the information on overall value of the real estate and accumulated depreciation in item 3.6.1 of the present quarterly report*

Information on substantial changes that occurred in the structure of the Issuer's real estate within 12 months prior to the end of the reporting period: *there were no substantial changes (over 0.4% of the Company's book value of assets) in the structure of the Issuer's real estate.*

7.6. Information on litigations involving the Issuer, in case that participation in such litigations may substantially affect financial and business activities of the issuer

The Company is involved in several arbitration proceedings. One of the most substantial proceedings capable of exerting influence upon the Company's financial status is the Decree #12 dd. 12/01/2006 by Inter-district Inspectorate #7 of the Federal Tax Service. According to the Decree, the Company was charged with extra taxes amounting to RUR 561,332,037.86, penalties amounting to RUR 107,358,263.81, and fines totaling RUR 87,685,697.28 for the years 2003-2004.

The Company filed the claim to the Moscow City Arbitration Court on invalidation of above-mentioned Decree of the Federal Tax Service.

By the Decree of the Moscow City Arbitration Court dd. May 23, 2007 with regard to the claim # A40-77769/06-75-465, the Company's claim was satisfied partially. Decree #12 by Inter-district Inspectorate #7 of the Federal Tax Service was ruled illegal with regard to the extra taxes at the amount of RUR 402,379,281.83, fines and penalties at the amount of RUR 159,125,269.19. Other parts of the Claim are dismissed.

The decision of court of the first instance is appealed in the Ninth arbitration appeal court.

On May 14, 2008 the decision of the court of the first instance is changed by the decision of appealed instance and the Company requirements were satisfied, except for 2 605 721, 53 RUR.

On September 30, 2008 the decision of appeal instance on the present business is upheld by the decision of the Federal Tax Service of the Moscow district.

The penalty fees according to the decision of the Arbitrage of Sverdlovsk region on the collection from the Company 87 870 595,98 RUR. were dropped.

VIII. Additional information on the Issuer and the issue securities it placed

8.1. Additional information on the Issuer

8.1.1. Amount and structure of the Issuer's Equity Capital

Issuer's Equity Capital as of the end of the reporting quarter (RUR): **4 816 166 796.72**

Structure of Equity Capital:

Type of shares	Amount	Total par value	Share of the Equity Capital, %
Ordinary	32,298,782,020	3,875,853,842.40	80.48
Preferred	7,835,941,286	940,312,954.32	19.52

Part of the Issuer's shares circulates outside of the Russian Federation in accordance with the foreign law in the form of foreign issuers' securities representing Issuer's shares.

Information on the Issuer's shares circulating outside of the Russian Federation:

1. Type of the Issuer's shares circulating outside of the RF: ***ordinary registered shares***

Part of the shares circulating outside of the RF of the overall amount of shares of this type: ***5.99%***

Name and address of the foreign Issuer whose securities represent the Issuer's shares: ***JP Morgan, 60 Victoria Embankment, London EC4Y 0JP***

Short description of the Program of foreign issuer's securities representing the Issuer's shares:

Level 1 American Depository Receipts program representing the Issuer's ordinary shares. The program is based on the Deposit Agreement concluded between the Issuer and JPMorgan Chase Bank dd. April 22, 2002 (as amended and restated as of December 15, 2002). 1 ADR represents 200 Issuer's shares of a certain type.

Trade institutors arranging circulation of the foreign issuer's securities representing the Issuer's shares:

- Frankfurt Stock Exchange;***
- Berlin-Bremen Stock Exchange;***
- Stuttgart Stock Exchange;***
- Düsseldorf Stock Exchange;***
- München Stock Exchange.***

2. Type of the Issuer's shares circulating outside of the RF: ***type A preferred registered shares.***

Part of the shares circulating outside of the RF of the overall amount of shares of this type: ***4.83%***

Name and address of the foreign Issuer whose securities represent the Issuer's shares: ***JP Morgan, 60 Victoria Embankment, London EC4Y 0JP***

Short description of the Program of foreign issuer's securities representing the Issuer's shares:

Level 1 American Depository Receipts program representing the Issuer's preferred shares. The program is based on the Deposit Agreement concluded between the Issuer and JPMorgan Chase Bank dd. September 30, 2002. 1 ADR represents 200 Issuer's shares of a certain type.

Trade institutors arranging circulation of the foreign issuer's securities representing the Issuer's shares:

- Frankfurt Stock Exchange;***
- Berlin-Bremen Stock Exchange.***

8.1.2. Information on alterations that occurred in the structure of the Issuer's Equity Capital

Alterations in the Issuer's Equity Capital that occurred within the last 5 completed fiscal years and in the reporting quarter:

Issuer's Equity Capital as of 1 January, 2001: ***RUR 1,049,272,527.48.***

Structure of the Issuer's Equity Capital as of 1 January, 2001: ***100% ordinary shares***

Issuer's governing body that adopted the resolution to alter the amount of the Issuer's Equity Capital: **Extraordinary General Shareholders' Meeting of OJSC 'Uralsvyazinform' (Protocol of the Meeting dd. 17 December, 2002).**

Issuer's Equity Capital after the alteration: **RUR 4,816,166,796.72.**

8.1.3. Information on formation and utilization of reserve fund and other funds by the Issuer

Information on the Issuer's reserve fund and other funds formed from the net profit:

1. Name of the fund: Reserve Fund (formed in accordance with the requirements of article 35 of Joint-Stock Companies Law)

Amount of the Fund fixed by the Issuer's constitutive documents: **the information is to be disclosed in the quarterly report according to the issue of the accounting statement.**

Amount of the fund as of the end of the reporting period

– in money: **the information is to be disclosed in the quarterly report according to the issue of the accounting statement.**

– in percentage of the Equity Capital: **the information is to be disclosed in the quarterly report according to the issue of the accounting statement.**

2. Other funds formed at the cost of net profit: none.

8.1.4. Information on the procedure of convocation and conduction of the Meeting of the Issuer's supreme governing body

Issuer's supreme governing body: **general shareholders' meeting**

Procedure of shareholders notification of the general shareholders' meeting:

"Notice on the AGM shall be published not later than 30 days prior to the date of its holding if not otherwise stated by the legislation.

In case the agenda of EGM contains an item concerning the election of the Company Board of Directors' members, the notice on the EGM shall be published not later than 50 days prior to the date of its holding.

In case an EGM is convened following the request of the Audit Commission, Auditor or a shareholder of the Company, owning not less than 10 per cent of voting shares in the Company, a notice on such EGM shall be made not later than 20 days prior the date the meeting is held.

Within the stated time a notice on the General Shareholders Meeting shall be either sent to each person of the list of those entitled to participate in the General Shareholders Meeting, by registered mail or delivered to all of the enlisted person under notice of receipt. Additionally the notice on General Meeting may be published in the newspaper "Rossiyskaya Gazeta" and major regional newspapers."

Persons (or Company's bodies) authorized to convoke (propose convocation) of the extraordinary general shareholders' meeting. Procedure of submitting such proposals:

An Extraordinary General Shareholders Meeting (EGM) shall be held by the Board of Directors' decision based on its own initiative, on the Company Auditing Commission proposal, or on the proposal of the Company's auditors and shareholders' (a shareholder), owning at least 10 per cent of Company voting shares as of the date of proposal.

Proposal to hold an extraordinary shareholders' meeting may be directed in the following ways:

– **through the mailing service to the Company's Sole Executive Body address kept in a Unified State Register of Legal Entities of The Russian Federation;**

– **delivery under notice of receipt to the person acting as a Company's Sole Executive Body, Chairman of the Board of Directors, Corporate Secretary or other person authorized to receive written correspondence addressed to the Company;**

– **it may be directed by facsimile transmission.**

Proposal to hold an extraordinary shareholders' meeting shall contain the information stipulated in article 55 of Joint-Stock Companies Law.

Only signed by the shareholders (their representatives) proposals to hold an extraordinary shareholders' meeting shall be deemed submitted.

In case the proposal to hold an extraordinary shareholders' meeting is signed by a shareholder's representative, such a proposal should be attached with the power of attorney (or its copy verified in due course) containing information on the represented person and his/her representative in accordance with the requirements of Joint-Stock Companies Law.

In case the proposal to hold an extraordinary shareholders' meeting is signed by a shareholder (their representative) whose shares are kept by a depository on a depot account, such a proposal should be accompanied by an extract from such a depot account.

Proposal to hold an extraordinary shareholders' meeting may be withdrawn by a person who directed such a request. Such a withdrawal may be directed by any way stipulated for the direction of the proposals. In this case the date of withdrawal receipt shall be the date of receipt by the Company the posting, the withdrawal delivery date or the date of fax delivery.

If within the term determined by Joint-Stock Companies Law the Board of Directors wouldn't adopt decision on convocation or refusal to convoke an extraordinary shareholders' meeting, the meeting may be convoked by the bodies or persons who requested its convocation.

Determination of date of the general shareholders' meeting:

Convocation of annual and extraordinary General Shareholders' Meetings is an exclusive competence of the Board of Directors, except for cases stipulated in Article 55.8 of Joint-Stock Companies Law.

Annual General Shareholders' Meeting shall be held not earlier than 4 months and not later than 6 months after the completion of a fiscal year.

Extraordinary General Shareholders' Meeting convened at the Company's Auditing Commission request, Auditors' request or at the request of shareholders (a shareholder) owning at least 10 per cent of the Company's voting shares shall be held within 40 days from the date of the request to hold EGM.

The EGM convened at the Company's Audit Commission request, Auditors' request or on the request of shareholders (a shareholder) owning at least 10 per cent of the Company's voting shares, the agenda of which contains the item of election of the Company Board of Directors', shall be held within 70 days from the date of the request to hold EGM.

In case the number of the Company Board of Directors' members becomes less the quorum necessary to hold the sessions of the Board of Directors, the EGM convened on the decision of the Board of Directors under its own initiative to settle the issue of the Board of Directors' members election, shall be held within 70 days from the date of decision taken by the Company's Board of Directors.

Persons authorized to submit proposals to the agenda of the general shareholders' meeting; procedure of such proposals' submission:

Shareholders (a shareholder) owning in aggregate at least 2 per cent of the Company's voting stock, are authorized to submit proposals to the Annual General Shareholders' Meeting and nominate candidates to the Board of Directors and to the Audit Commission, the number of which shall not exceed the one determined by the Company's Charter. Such proposals shall enter the Company not later than 45 days after completion of a fiscal year.

When preparing an Extraordinary General Shareholders' Meeting having in its agenda the item of election the Company's Board of Directors, the shareholders (a shareholder), owning in aggregate at least 2 per cent of voting shares shall have a right to nominate candidates to the Company's Board of Directors, the number of which shall not exceed the number of Board of Directors stated herein. Such proposals shall enter the Company not later than 30 days prior to EGM.

Proposals on introducing items to the agenda of the Annual General Shareholders' Meeting, on nominating candidates into the Company's Bodies, elected by the General Shareholders' Meeting can be submitted in the following way:

- sent by mail to the Company's sole executive body address (location), kept in the state unified register of legal entities;***
- delivered under notice of receipt to the person, acting as the Company's sole executive body, to the Chairman of the Board of Directors or to another person authorized to take correspondence, addressed to the Company;***
- sent by facsimile transmission.***

Proposals on introducing items into the agenda of the Annual General Shareholders' Meeting, on nominating candidates into the Company's Bodies, elected by the General Shareholders' Meeting, shall contain information stated in Article 53 of the Joint-Stock Companies Law. Proposal on nomination of candidates to the Board of Directors and to the Audit Commission of the Company shall contain:

- date of birth;***
- details of education;***
- post address of the candidate for correspondence.***

Only signed by the shareholders (their representatives) proposals on the AGM's agenda, on nominating candidates into the Company's Bodies, elected by the General Shareholders Meeting,

and the request on the Extraordinary General Shareholders Meeting calling shall be considered as submitted.

In case the proposal on the AGM agenda, on nominating candidates into the Company's Bodies, elected by the General Shareholders' Meeting is signed by the shareholder's representative, this proposal (request) shall be attached with the power of attorney (copy of the power of attorney verified in due course), containing the information about the represented shareholder and his representative, which in accordance with the Joint-Stock Companies Law shall be in power of attorney on voting, and in the form specified therefore by the said law.

In case the proposal on the AGM agenda, on nominating candidates into the Company's Bodies is signed by a shareholder (their representative) whose shares are kept by a depository on a depot account, such a proposal should be accompanied by an extract from such a depot account.

Proposals on the AGM agenda, on nominating candidates into the Company's Bodies may be withdrawn by a person who directed such a request. Such a withdrawal may be directed by any way stipulated for the direction of the proposals. In this case the date of withdrawal receipt shall be the date of receipt by the Company the posting, personal delivery or fax delivery.

Persons entitled to view the information (materials) pertaining to the preparation and holding the General Shareholders' Meeting; procedure of rendering such information (materials) by the Company:

Information (materials) pertaining to the General Shareholders' Meeting shall be rendered for review to the persons authorized to participate in the General Shareholders' Meeting. The list of persons authorized to participate in the General Shareholders' Meeting shall be compiled based on the Company shareholders' Register data.

Persons entitled to participate in the General Shareholders Meeting shall be provided with the following information (materials) according to the procedure and at the place (places) stated in the Notice on the General Shareholders Meeting:

- annual accounting reports including auditors' opinion and Company auditing commission opinion on the results of annual accounting audit,

- information on the candidates into the Board of Directors and Auditing Commission of the Company,

- draft alterations and amendments to be introduced into the Company Charter, or new edition of the Company Charter,

- internal documents draft,

- other drafts of documents to be adopted by the draft decisions of the General Shareholders Meeting,

- draft decisions of the General Shareholders Meeting,

- any other information (materials), necessary to be provided pursuant to the current legislation,

- any other information (materials) necessary to take decisions on the General Shareholders Meeting' agenda, covered by the Board of Directors in the list of information (materials) to be provided to the shareholders when preparing the General Shareholders Meeting.

Procedure of rendering information to the Company's shareholders is defined in the 'Provisions on rendering documents to the shareholders of OJSC 'Uralsvyazinform' approved by the Board of Directors (Protocol of the session # 22, dd. 25 February 2004).

Procedure of announcement of the resolutions adopted by the General Shareholders' Meeting and results of voting:

Voting results and resolutions adopted by the General Shareholders' Meeting may be

1) read out at the General Shareholder' Meeting or

2) brought to the notice of persons entitled to participate in the meeting according to the order of distribution notifications on the General Shareholders' Meeting.

8.1.5. Information on commercial organizations in which the Issuer owns at least 5 per cent of the Charter Capital or at least 5 per cent of ordinary shares

The list of commercial organizations in which the Issuer owns at least 5 per cent of the Charter Capital or at least 5 per cent of the ordinary stock as of the end of the first quarter 2007:

1. Name: Limited Liability Company 'FK-Svyaz'

Address: 610 2A Schepkina str., 129110, Moscow, Russia

Share of the Company's Charter Capital owned by the Issuer: 75%

Share of the Issuer's Charter Capital owned by the Company: no share

Share of the Issuer's ordinary stock owned by the Company: no share

2. Name: Closed Joint-stock Company 'Parma-pension'

Address: **2, Krupskoy str., 614600, Perm, Russia**

Share of the Company's Charter Capital owned by the Issuer: **28,2%**

Share of the Company's ordinary stock owned by the Issuer: **28,2%**

Share of the Issuer's Charter Capital owned by the Company: **no share**

Share of the Issuer's ordinary stock owned by the Company: **no share**

3. Name: Closed Joint-stock Company "Rostelegraph"

Address: **7, Tverskaya ul., 103375, Moscow**

Share of the Company's Charter Capital owned by the Issuer: **11,76%**

Share of the Company's ordinary stock owned by the Issuer: **11,76%**

Share of the Issuer's Charter Capital owned by the Company: **no share**

Share of the Issuer's ordinary stock owned by the Company: **no share**

4. Name: Closed Joint-stock Company "Research and Technology Center 'Comset'"

Address: **7, 1 Parkovaya ul., 105037, Moscow, Russia**

Share of the Company's Charter Capital owned by the Issuer: **11,09%**

Share of the Company's ordinary stock owned by the Issuer: **11,09%**

Share of the Issuer's Charter Capital owned by the Company: **no share**

Share of the Issuer's ordinary stock owned by the Company: **no share**

5. Name: Open Joint-stock Company "Informatsionnyie Tekhnologii Svyazi" ("Svyazintekh")

Address: **38, Prechistenka ul., 119034, Moscow, Russia**

Share of the Company's Charter Capital owned by the Issuer: **11%**

Share of the Company's ordinary stock owned by the Issuer: **11%**

Share of the Issuer's Charter Capital owned by the Company: **no share**

Share of the Issuer's ordinary stock owned by the Company: **no share**

8.1.6. Information on major transactions effected by the Issuer

Major transactions (groups of transactions), debt obligations on which amount to 10 or more per cent of the Issuer's book value of assets as stated in its financial statements as of the last reporting quarter preceding the date of transaction: **there were no such transactions in the 4th quarter 2008.**

8.1.7. Credit ratings of the Issuer

1. Name of organization that assigned credit rating to the Issuer: **Standard&Poor's, a division of The McGraw-Hill Companies, Inc.**

Address: **55 Water Street, New York, NY, United States, 10041**

Type of rating: **Issuer's credit rating**

Credit rating as of December 31, 2008: **BB-/ Negative**

Credit rating history as of the last 5 completed fiscal years:

Date of assignment	Credit rating
02.04.2003	B/Stable
14.04.2005	B+/Stable
30.09.2005	B+/Stable (verified)
27.09.2006	BB-/Stable
22.01.2008	BB-/Stable (verified)
15.02.2008	BB-/ Negative(Credit Watch)
19.05.2008	BB-/Stable
07.10.2008	BB-/ Negative

Methodology of credit rating assignment: **Standard&Poor's internal methodology.**

Web-site where the information on methodology of credit rating assignment is available:
<http://www.standardandpoors.ru/>

Other information on credit rating: *none*.

2. Name of organization that assigned credit rating to the Issuer: **FITCH RATINGS, Inc.**

Address: **One State Street Plaza New York, NY, United States, 10004**

Type of rating: **Issuer's credit rating**

Credit rating as of December 31, 2008: **B+/Stable**

Credit rating history as of the last 5 completed fiscal years:

Date of assignment	Credit rating
14.05.2003	B+/Positive
29.03.2004	BB-/Stable
25.04.2005	BB-/Stable (verified)
02.12.2005	B+/Negative
07.02.2006	B+/Negative
23.11.2006	B+/Stable
24.01.2008	B+/Stable (verified)

Methodology of credit rating assignment: **FITCH RATINGS internal methodology.**

Web-site where the information on methodology of credit rating assignment is available:
<http://www.fitchratings.ru/>

Other information on credit rating: *none*.

8.2. Information on each category (type) of the Issuer's shares

1. 1. Category of shares: **ordinary**

Share par value: **RUR 0.12**

Number of shares outstanding: **32 298 782 020**

Number of additional shares being placed at the moment: **0**

Number of shares authorized for issuance in addition to those outstanding: **11 445 155 709**

Number of shares accounted at the Issuer's balance sheet: **0**

Number of additional shares that may possibly be placed after securities conversion or in consequence of discharge of obligations on the Issuer's options: **0**

State registration number and date of state registration: **in accordance with the notice by the RF Federal Commission on the Securities Market, all ordinary shares issues of Uralsvyazinform were consolidated into one issue with the state registration number 1-07-00175-A dd. September 9, 2003**

Date of the state registration of the first share issue out of those consolidated: **March 27, 2000**

Rights granted to the shareholders in accordance with the Company's Charter:

Extract from the Company's Charter

Article 7. Rights and Duties of the Shareholders Owning Company Ordinary Shares

"7.1. Each Company common share provides to its holder the same rights.

7.2. Each shareholder owning Company common shares has the following rights:

7.2.1. to participate in the General Shareholders Meeting according to the procedure provided by the Russian Federation legislation in force;

7.2.2. to receive dividends according to the procedure provided by the Russian Federation legislation in force and this Charter, in case they are authorized by the Company;

7.2.3. to receive a part of the Company property, remained after its liquidation, pro rata his/her shares;

7.2.4. to receive access to the documents set forth in Article 89.1 of the Federal law "On joint-stock companies", according to the procedure set forth in Article 91 thereof;

7.2.5. to request from the registrar the confirmation of his/her shareholder's ownership rights by receiving an extract from the Company Shareholders Register;

7.2.6. to receive from the Company registrar an information on all the records at his/her personal account as well as any other information provided for by the legal acts of the Russian

Federation, establishing the procedure of Shareholders register keeping;

7.2.7. to dispose his/her shares without any consent of other shareholders and the Company;

7.2.8. to defend in courts his/her violated civil rights including the demand to the Company for compensation of damages, in cases provided for by the Russian Federation legislation in force;

7.2.9. to demand the redemption of all his/her shares or their part from the Company in cases and according to procedure provided for by the Russian Federation legislation in force;

7.2.10. to sell his/her shares to the Company in case the Company has decided to buy these shares;

7.2.11. to demand from the Company an extract from the list of persons entitled to participate in the General Shareholders Meeting, containing information on the shareholder;

7.2.12. to have preemption right to buy additionally placed via open subscription shares and issued securities, swapped into shares, in the amount pro rata to his/her owned shares.

7.3. A shareholder owning more than 1 per cent of the Company voting shares, has the right to request from the Company registrar an information on names of shareholders registered in the Shareholders Register and on the amount, category and par value of the shares they own (This information is submitted without naming their address).

7.4. Shareholders (shareholder), owning at least 1 per cent of the Company placed common shares have the right to bring suit into the court against a member of the Company Board of Directors, against the Company sole executive body, against a member of the Company collegiate executive body, as well as against a controlling organization or a director to compensate damages caused to the Company as a result of guilty activities (inactivity) of the above-mentioned persons.

7.5. Shareholders owning at least 1 per cent of votes at the General Shareholders Meeting shall have the right to request from the Company the list of persons entitled to participate in the meeting. In this case the information containing shareholders' documents data and their addresses shall be disclosed only with their consent.

7.6. Shareholders (a shareholder) owning in aggregate at least 2 per cent of the Company voting shares shall have the right to put items into the AGM agenda and nominate candidates to the Company managing and auditing boards to be elected by the General Shareholders Meeting. When preparing an Extraordinary Shareholders Meeting having on its agenda the election of the Company Board of Directors, the above-mentioned shareholders (shareholder) shall have the right to propose candidates for election into the Company Board of Directors.

7.7. Shareholders (a shareholder) owning in aggregate at least 10 per cent of the Company voting shares shall have the right to demand from the Company Board of Directors to convene an Extraordinary the General Shareholders Meeting. If within the period set forth by the Russian Federation legislation in force and by this Charter the Company Board of Directors does not take the decision to convene an Extraordinary the General Shareholders Meeting or it takes the decision not to convene it, an Extraordinary the General Shareholders Meeting can be convened by the above-mentioned shareholders.

7.8. Shareholders (a shareholder) owning in aggregate at least 10 per cent of the Company voting shares shall have the right at any time to demand the auditing of financial and economic activities of the Company.

7.9. Shareholders (a shareholder) owning in aggregate at least 25 per cent of the Company voting shares shall have the right to access and receive copies of accounting reports and minutes of the Company collegiate executive body meetings.

7.10. Shareholders owning Company common shares shall have some other rights provided for by the current legislation of the Russian Federation as well as by this Charter."

Other information on the present category of shares: *no.*

2. Category of shares: **preference**

Share par value: **RUR 0.12**

Number of shares outstanding: **7 835 941 286**

Number of additional shares being placed at the moment: **0**

Number of shares authorized for issuance in addition to those outstanding: **7 164 058 714**

Number of shares accounted at the Issuer's balance sheet: **0**

Number of additional shares that may possibly be placed after securities conversion or in consequence of discharge of obligations on the Issuer's options: **0**

State registration number and the date of the state registration: **in accordance with the notice by the RF Federal Commission on the Securities Market, all preference shares issues of Uralsvyazinform were consolidated into one issue with the state registration number 2-01-00175-A dd. September 9, 2003.**

Date of the state registration of the first share issue out of those consolidated – **June 10, 2002**

Rights granted to the shareholders in accordance with the Company's Charter:

Extract from the Company's Charter

Article 8. Rights and Duties of the Shareholders Owning Company Preference Shares

"8.1. Each Company preferred share provides to its holder the same rights.

8.2. Shareholders owning preferred shares shall have the right to receive annual fixed dividends, except cases provided for by this Charter. Total amount of dividends on each preferred share shall be at the rate of 10 percent of the Company net profit of the last fiscal year divided by total number of preferred shares placed. In case the amount of dividends payable by the Company on each common share in a given year exceeds the amount payable as dividends on each preferred share, the amount payable on the latter shall be increased up to the dividend amount payable on the common share.

8.3. The shareholders owning preferred shares shall have the right to participate in the General Shareholders Meeting having the constituent power when voting the issues of reorganization and liquidation of the Company as well as when amending and editing the Company Charter if such amendments limit the right of the above-mentioned shareholders.

8.4. The shareholders of preferred shares shall have the right to participate in the General Shareholders Meeting having constituent power to vote all the agenda items when the General Shareholders Meeting has not approved, irrespective of the reasons, the decision to pay dividends or has taken the decision to pay the partial dividends on preferred shares. The shareholders of preferred shares shall accrue this power beginning from the meeting which follows the AGM where the decision to pay dividends has not been taken and shall be terminated at the date of the first full dividend pay-out on the preferred shares.

8.5. Preferred shares holders shall have the rights provided for by Articles 7.2.3, 7.2.4, 7.2.5, 7.2.6, 7.2.7, 7.2.8, 7.2.10, 7.2.11, and 7.2.12 hereof for the Company common shares holders. These rights are provided to the holders of the preferred shares including cases when these shares are not voting ones.

8.6. Preferred shares holders shall have the rights provided for by Articles 7.3, 7.6, 7.7, 7.8 and 7.9 hereof in case the preferred shares have the constituent power on all the items being in competence of the Company General Shareholders Meeting.

8.7. The preferred shares holders shall have the right to demand from the Company the redemption of all his/her shares or their part in cases and according to procedure provided for by the Russian Federation legislation in force ;

8.8. The preferred shares holders owning at least 1 per cent of votes at the General Shareholders Meeting shall have the right to request from the Company the list of persons entitled to participate in the meeting. In this case the information containing shareholders' documents data and their addresses shall be disclosed only with their consent.

8.9. Shareholders of the Company preferred shares shall have some other rights provided for by the Russian Federation legislation in force as well as by this Charter."

Other information on the present category of shares: **no**.

8.3. Information on previous securities issues of the Issuer other than Issuer's shares

8.3.1. Information on outstanding securities issues

Type of securities: **bonds**

Overall number of the present-type securities of the Issuer outstanding at the moment: **10 068 669**

Overall par value of the present-type securities of the Issuer outstanding at the moment:
RUR **10,055,467,450**

Major bond issues:

1. Sequence number of the issue: **108**

Type: **bonds**

Series: **04**

Form of securities: **non-convertible documentary interest-bearing bearer bonds**

Information on state registration of the bond issue:
state registration number: **4-07-00175-A**

date of state registration: **September 23, 2004**
date of state registration of the Placement Report: **December 9, 2004**

Amount of actually placed securities in accordance with the Placement Report: **3,000,000**
Bond par value: **RUR 1,000**
Overall par value of the bond issue: **RUR 3,000,000,000**

Maturity date: **November 1, 2007**

Guarantee provided to the securities issue:
– organization that provided guarantee: **“Express-Leasing” LLC**
– guarantee type: **pledge**
– amount of pledge: **RUR 3,000,000,000 (Three billion), as well as an aggregate coupon yield on 3,000,000 (three million) bonds.**

2. Sequence number of the issue: **109**

Type: **bonds**

Series: **05**

Form of securities: **non-convertible documentary interest-bearing bearer bonds**

Information on state registration of the bond issue:

state registration number: **4-08-00175-A**

date of state registration: **September 23, 2004**

date of state registration of the Placement Report: **June 8, 2005**

Amount of actually placed securities in accordance with the Placement Report: **2,000,000**

Bond par value: **RUR 1,000**

Overall par value of the bond issue: **RUR 2,000,000,000**

Guarantee provided to the securities issue:
– organization that provided guarantee: **“Express-Leasing” LLC**
– guarantee type: **pledge**
– amount of pledge: **RUR 2,000,000,000 (two billion), as well as an aggregate coupon yield on 2,000,000 (two million) bonds.**

3. Sequence number of the issue: **110**

Type: **bonds**

Series: **06**

Form of securities: **non-convertible documentary interest-bearing bearer bonds**

Information on state registration of the bond issue:

state registration number: **4-09-00175-A**

date of state registration: **November 3, 2005**

date of state registration of the Placement Report: **December 29, 2005**

Amount of actually placed securities in accordance with the Placement Report: **2,000,000**

Bond par value: **RUR 1,000**

Overall par value of the bond issue: **RUR 2,000,000,000**

Redemption period: **the bonds shall be redeemed sequentially in the following terms:**
on the 1456th day from the start date of placement each bond shall be partially redeemed in the amount of 20 per cent of the par value – November 19, 2009;
on the 1638th day from the start date of placement each bond shall be partially redeemed in the amount of 20 per cent of the par value – May 20, 2010;
on the 1820th day from the start date of placement each bond shall be partially redeemed in the amount of 20 per cent of the par value – November 18, 2010;
on the 2002nd day from the start date of placement each bond shall be partially redeemed in the amount of 20 per cent of the par value – May 19, 2011;
on the 2184th day from the start date of placement each bond shall be partially redeemed in the amount of 20 per cent of the par value – November 17, 2011.

Guarantee provided to the securities issue:
– organization that provided guarantee: **“Express-Leasing” LLC**

- guarantee type: **pledge**
- amount of pledge: **RUR 2,000,000,000 (two billion), as well as an aggregate coupon yield on 2,000,000 (two million) bonds.**

4. Sequence number of the issue: **111**

Type: **bonds**

Series: **07**

Form of securities: **non-convertible documentary interest-bearing bearer bonds**

Information on state registration of the bond issue:

state registration number: **4-10-00175-A**

date of state registration: **November 3, 2005**

date of state registration of the Placement Report: **May 16, 2006**

Amount of securities within the issue: **3 000 000**

Bond par value: **RUR 1,000**

Overall par value of the bond issue: **RUR 3,000,000,000**

Redemption period: **the bonds shall be redeemed sequentially in the following terms:**
on the 1456th day from the start date of placement each bond shall be partially redeemed in the amount of 20 per cent of the par value – March 16, 2010;
on the 1638th day from the start date of placement each bond shall be partially redeemed in the amount of 20 per cent of the par value – September 14, 2010;
on the 1820th day from the start date of placement each bond shall be partially redeemed in the amount of 20 per cent of the par value – March 15, 2011;
on the 2002nd day from the start date of placement each bond shall be partially redeemed in the amount of 20 per cent of the par value – September 13, 2011;
on the 2184th day from the start date of placement each bond shall be partially redeemed in the amount of 20 per cent of the par value – March 13, 2012.

Guarantee provided to the securities issue:

- organization that provided guarantee: **“Express-Leasing” LLC**
- guarantee type: **pledge**
- amount of pledge: **RUR 3,000,000,000 (three billion), as well as an aggregate coupon yield on 3,000,000 (three million) bonds.**

8.3.2. Information on default securities issues

Default securities issues: **no.**

8.4. Information on the persons that provided guarantee on the bonds of each series

1. Guarantee on non-convertible documentary interest-bearing bearer bonds of 04 series with obligatory centralized custody, state registration number 4-07-00175-A:

organization that provided guarantee: **Limited Liability Company “Express-Leasing”**

address: **17, Tolmachova ul., 614068, Perm, Russia**

2. Guarantee on non-convertible documentary interest-bearing bearer bonds of 05 series with obligatory centralized custody, state registration number 4-08-00175-A:

organization that provided guarantee: **Limited Liability Company “Express-Leasing”**

address: **17, Tolmachova ul., 614068, Perm, Russia**

3. Guarantee on non-convertible documentary interest-bearing bearer bonds of 06 series with obligatory centralized custody, state registration number 4-09-00175-A:

organization that provided guarantee: **Limited Liability Company “Express-Leasing”**

address: **17, Tolmachova ul., 614068, Perm, Russia**

4. Guarantee on non-convertible documentary interest-bearing bearer bonds of 07 series with obligatory centralized custody, state registration number 4-10-00175-A:

organization that provided guarantee: **Limited Liability Company “Express-Leasing”**

address: *17, Tolmachova ul., 614068, Perm, Russia*

8.5. Fulfillment of obligations on bonds of each series

1. Guarantee on non-convertible documentary interest-bearing bearer bonds of 04 series with obligatory centralized custody, state registration number 4-07-00175-A:

- guarantee type: *pledge*
– amount of pledge: *RUR 3,000,000,000 (three billion), as well as an aggregate coupon yield on 3,000,000 (three million) bonds.*

Issuer's net asset value as of the last reporting date prior to the date of granting guarantee: *RUR 14,683,387 thousand*

Guarantor's net asset value as of the last reporting date prior to the date of granting guarantee: *RUR 3,660,541 thousand*

Guarantor's net asset value as of June 30, 2007: *RUR 96,489 thousand*

2. Guarantee on non-convertible documentary interest-bearing bearer bonds of 05 series with obligatory centralized custody, state registration number 4-08-00175-A:

- guarantee type: *pledge*
– amount of pledge: *RUR 2,000,000,000 (two billion), as well as an aggregate coupon yield on 2,000,000 (two million) bonds.*

Issuer's net asset value as of the last reporting date prior to the date of granting guarantee: *RUR 14,683,387 thousand*

Guarantor's net asset value as of the last reporting date prior to the date of granting guarantee: *RUR 3,660,541 thousand*

Guarantor's net asset value as of June 30, 2007: *RUR 96,489 thousand*

3. Guarantee on non-convertible documentary interest-bearing bearer bonds of 06 series with obligatory centralized custody, state registration number 4-09-00175-A:

- guarantee type: *pledge*
– amount of pledge: *RUR 2,000,000,000 (two billion), as well as an aggregate coupon yield on 2,000,000 (two million) bonds.*

Issuer's net asset value as of the last reporting date prior to the date of granting guarantee: *RUR 15,873,556 thousand*

Guarantor's net asset value as of the last reporting date prior to the date of granting guarantee: *RUR 40,125 thousand*

Guarantor's net asset value as of June 30, 2007: *RUR 96,489 thousand*

4. Guarantee on non-convertible documentary interest-bearing bearer bonds of 07 series with obligatory centralized custody, state registration number 4-10-00175-A:

- guarantee type: *pledge*
– amount of pledge: *RUR 3,000,000,000 (three billion), as well as an aggregate coupon yield on 3,000,000 (three million) bonds.*

Issuer's net asset value as of the last reporting date prior to the date of granting guarantee: *RUR 15,873,556 thousand*

Guarantor's net asset value as of the last reporting date prior to the date of granting guarantee: *RUR 40,125 thousand*

Guarantor's net asset value as of June 30, 2007: *RUR 96,489 thousand*

8.6. Information on organizations that settle book-entries on the Issuer's issue securities

Organization that performs maintenance of the Issuer's Securities Registers (the "Registrar"):

Open Joint-Stock Company "Objedinyonnaya registratsionnaya kompaniya"

Legal address: *70, Pyatnitskaya ul., 113095, Moscow, Russia*

Post address: *15A, Post office box 162, 107078, Moscow, Russia*

Tel.: *(495) 933 4221, fax: (495) 933 4221, e-mail address: ork@ork-reestr.ru*

License for securities registers maintenance: **#10-000-1-00314 dd. March 3, 2004, issued by the Federal Commission for the Securities Market for an indefinite term**

Details of the Contract concluded between the Registrar and the Issuer: **Agreement №005101-02 dd. May 24, 2002**

Depository that performs centralized custody of the Issuer's securities:

Name: **Non-profit Partnership "The National Depository Center"**

Address: **1/13, bld. 4, Sredny Kislovsky Pereulok, 125009 Moscow, Russia**

Tel.: **(495) 234 4865**, fax: **(495) 956 0938**, e-mail address: **info@ndc.ru**

Licenses:

license for depository operations: **#177-03431-000100 dd. December 4, 2000 , issued by the Federal Commission for the Securities Market for an indefinite term;**

license for clearing operations: **#177-03437-000010 dd. December 4, 2000 , issued by the Federal Commission for the Securities Market for an indefinite term**

The date on which the depository launched centralized custody of the Issuer's securities: **July 2, 2002.**

8.7. Information on legal acts that govern import and export of capital that may affect the dividend, interest and other payments to non-residents

1. Tax Code of the Russian Federation (Part I) dd. July 31, 1998 # 146-Φ3 (as amended and restated as of December 30, 2006).

2. Tax Code of the Russian Federation (Part II) dd. August 5, 2000 #117-Φ3 (as amended and restated as of December 30, 2006).

3. Customs Code of the Russian Federation dd. May 28, 2003 #61-Φ3 (as amended and restated as of December 30, 2006).

4. Joint-Stock Companies Law dd. December 26, 1995 #208-Φ3 (as amended and restated as of February 5, 2007).

5. Foreign Investments Law dd. July 9, 1999 #160-Φ3 (as amended and restated as of June 3, 2006).

6. Currency Exchange Regulation and Control Law dd. December 10, 2003 #173-Φ3 (as amended and restated as of December 30, 2006).

7. Federal Law dd. March 5, 1999 #46-Φ3 "On Protection of Rights and Legitimate Interests of Investors at the Securities Market" (as amended as of July 27, 2006, and restated as of December 19, 2006).

8. Federal Law dd. August 7, 2001 #115-Φ3 "On Prevention of Legalization of Proceeds from Crime, and Terrorist Financing" (as amended as of July 27, 2006).

9. Securities Market Law dd. April 22, 1996 #39-Φ3 (as amended as of December 30, 2006).

10. Investment Law of the Russian Soviet Federative Socialist Republic dd. June 26, 1991 №1488-1 (as amended as of January 10, 2003).

11. Federal Laws of the Russian Federation on ratification of Double Taxation Conventions between the Russian Federation and foreign states.

12. Other legislative Acts of the Russian Federation (if applicable).

8.8. Taxation of yield on the Issuer's issue securities that have been placed or are being placed

Taxation of yield derived from the Issuer's securities is governed by the Tax Code of the Russian Federation and other legislative Acts adopted in accordance with the Tax Code.

Taxation of yield on the Issuer's shares depending on the category of the shareholders:

1. Individuals – tax residents of the Russian Federation

Individuals' income tax is assessed and paid pursuant to the chapter 23 part 2 of the Tax Code of the Russian Federation adopted as of August 5, 2000, #117-Φ.

Individual persons being Russian Federation tax residents shall pay income tax on the following types of income derived from the operations with the shares:

1) income from shares trading.

– purchase and sale of securities circulating on the organized securities market;

– purchase and sale of securities that are not circulating on the organized securities market.

Income (loss) from purchase and sale of securities is calculated as a difference between the sums derived from the sales of securities and expenses on purchase, sale and storage of securities

actually incurred by the taxpayer (including expenses reimbursed to the professional participants of the securities market), provided that such expenses are document supported.

Such expenses include:

- sums paid to the seller of securities pursuant to the Contract;**
- charges for the depository services;**
- commission fees to the professional participants of the securities market;**
- exchange charge;**
- register charge;**
- other expenses related to the purchase, sale and storage of securities.**

Tax rate: 13 (thirteen) per cent.

2) divided yield.

If the taxpayer receives dividend from the Russian organization, such organization shall be regarded as a taxpayer's tax agent and shall calculate the tax sum for each separate taxpayer with respect to each yield payment, at the rate of 9 (nine) per cent.

Tax agents should retain the accrued tax directly from the taxpayer's yield at the moment of its actual payout.

2. Individuals who are not the tax residents of the Russian Federation

Individual persons who are not the Russian Federation tax residents shall pay income tax on the following types of income derived from the operations with the shares:

- 1) income from shares sales.**
- 2) divided yield.**

Tax rate: 30 (thirty) per cent.

3. Legal entities (organizations) – tax residents of the Russian Federation

Legal entities being Russian Federation tax residents shall pay income tax on the following types of income derived from the operations with the shares:

- 1) income from shares trading.**

Tax rate: 24 (twenty four) per cent.

2) divided yield.

Tax rate: 9 (nine) per cent:

The Russian organization, when paying dividend yield to any legal entity, shall act as a tax agent to such entity.

4. Legal entities (organizations) that are not the tax residents of the Russian Federation

Tax rates:

- 15 (fifteen) per cent – for the dividend yield received by non-residents from the Russian organizations;**
- 20 (twenty) per cent – for the income derived from the sales of shares of the Russian organizations.**

Taxation of yield derived from the bonds depending on the category of the bondholders:

1. Individuals – tax residents of the Russian Federation

Tax rate for the income derived by the individual persons, such as coupon payments, redemption of bonds, or sales of bonds prior to the maturity term, shall be 13 per cent.

2. Individuals who are not the tax residents of the Russian Federation

Tax rate for the income derived by the individual persons who are not the Russian Federation residents, such as coupon payments, redemption of bonds, or sales of bonds prior to the maturity term, shall be 30 per cent, unless otherwise specified in International Treaties for Avoiding Dual Taxation.

3. Legal entities (organizations) – tax residents of the Russian Federation

Tax rate: 24 per cent.

4. Legal entities (organizations) that are not the tax residents of the Russian Federation

Foreign organizations that operate within the Russian Federation though their permanent representative offices shall calculate the tax sums due in an order similar to that set fourth for the legal entities being tax residents of the Russian Federation, taking into account article 307 of the Russian Federation Tax Code.

The tax rate for the foreign organizations that do not operate within the Russian Federation through their permanent representative offices, is 20 per cent. The Russian organization that pays the bonds coupon yield to such foreign organization shall act as its tax agent.

In case there is a Treaty for Avoiding Dual Taxation between the Russian Federation and the state of residence of the foreign company raising the coupon yield, the tax rate shall be set pursuant to the provisions of such a Treaty.

8.9. Information on declared (accrued) and disbursed dividends on the Issuer's shares, as well as yield on the Issuer's bonds

1. Category of shares: ordinary

a) Reporting period for which the declared dividend on the Issuer's securities was paid: **2001 fiscal year**

Declared dividend yield per share: **RUR 0.0012**

Total amount of declared dividend for all the shares of the certain category: **RUR 10,492,725.27**

Issuer's internal authority that adopted resolution on payment of dividend on the Issuer's securities: **Annual General Shareholders Meeting of OJSC 'Uralsvyazinform' ("AGM")**

The date of the AGM: **31 May, 2002**

Date of the AGM Minutes: **Minutes dd. 31 May, 2002**

Term of payment of the declared dividend on the certain category of shares: **until December 31, 2002**

Form of dividend payment: **the payment is made in monetary form**

Declared dividend was paid in full.

b) Reporting period for which the declared dividend on the Issuer's securities was paid: **2002 fiscal year**

Declared dividend yield per share: **RUR 0.00394**

Total amount of declared dividend for all the shares of the certain category: **RUR 127,257,201.15**

Issuer's internal authority that adopted resolution on payment of dividend on the Issuer's securities: **Annual General Shareholders Meeting of OJSC 'Uralsvyazinform' ("AGM")**

The date of the AGM: **June 20, 2003.**

Date of the AGM Minutes: **Minutes dd. June 20, 2003.**

Term of payment of the declared dividend on the certain category of shares: **until December 31, 2003**

Form of dividend payment: **the payment is made in monetary form**

Declared dividend was paid in full.

c) Reporting period for which the declared dividend on the Issuer's securities was paid: **2003 fiscal year**

Declared dividend yield per share: **RUR 0.01**

Total amount of declared dividend for all the shares of the certain category: **RUR 322,987,820.20**

Issuer's internal authority that adopted resolution on payment of dividend on the Issuer's securities: **Annual General Shareholders Meeting of OJSC 'Uralsvyazinform' ("AGM")**

The date of the AGM: **June 25, 2004.**

Date of the AGM Minutes: **Minutes dd. July 7, 2004.**

Term of payment of the declared dividend on the Issuer's shares: **until December 15, 2004**

Form of dividend payment: **the payment is made in monetary form**

Declared dividend was paid in full.

d) Reporting period for which the declared dividend on the Issuer's securities was paid: **2004 fiscal year**

Declared dividend yield per share: **RUR 0.015**

Total amount of declared dividend for all the shares of the certain category: **RUR 484,481,730.30**

Issuer's internal authority that adopted resolution on payment of dividend on the Issuer's securities: **Annual General Shareholders Meeting of OJSC 'Uralsvyazinform' ("AGM")**

The date of the AGM: **June 23, 2005**

Date of the AGM Minutes: **Minutes dd. 27 June, 2005**

Term of payment of the declared dividend on the Issuer's shares: **until December 15, 2005**

Form of dividend payment: **the payment is made in monetary form**

Declared dividend was paid in full.

e) Reporting period for which the declared dividend on the Issuer's securities was paid: **2005 fiscal year**

Declared dividend yield per share: **RUR 0.01605**

Total amount of declared dividend for all the shares of the certain category: **RUR 518,395,451.42**
Issuer's internal authority that adopted resolution on payment of dividend on the Issuer's securities:
Annual General Shareholders Meeting of OJSC 'Uralsvyazinform' ("AGM")
The date of the AGM: **June 22, 2006**
Date of the AGM Minutes: **Minutes dd. 29 June, 2006**
Term of payment of the declared dividend on the Issuer's shares: **until December 15, 2006**
Form of dividend payment: **the payment is made in monetary form**
Declared dividend was paid in full.

f) Reporting period for which the declared dividend on the Issuer's securities was paid: **2006 fiscal year**

Declared dividend yield per share: **RUR 0.016393**
Issuer's internal authority that adopted resolution on payment of dividend on the Issuer's securities:
Annual General Shareholders Meeting of OJSC 'Uralsvyazinform' ("AGM")
The date of the AGM: **June 15, 2007**
Term of payment of the declared dividend on the Issuer's shares: **until December 15, 2007**
Form of dividend payment: **the payment is made in cash and non-cash forms, in the Russian Federation currency**
Overall amount of dividend paid on the Issuer's shares of one category: **RUR 0.00**
The term for dividend payment has not expired yet.

2. Category of shares: **preference**

a) Reporting period for which the declared dividend on the Issuer's securities was paid: **2002 fiscal year**

Declared dividend yield per share: **RUR 0.0091**
Total amount of declared dividend for all the shares of the certain category: **RUR 71,307,065.70**
Issuer's internal authority that adopted resolution on payment of dividend on the Issuer's securities:
Annual General Shareholders Meeting of OJSC 'Uralsvyazinform' ("AGM")
The date of the AGM: **June 20, 2003.**
Date of the AGM Minutes: **Minutes dd. June 20, 2003.**
Term of payment of the declared dividend on the certain category of shares: **until August 19, 2003**
Form of dividend payment: **the payment is made in monetary form**
Declared dividend was paid in full.

b) Reporting period for which the declared dividend on the Issuer's securities was paid: **2003 fiscal year**

Declared dividend yield per share: **RUR 0.01848**
Total amount of declared dividend for all the shares of the certain category: **RUR 144,808,194.97**
Issuer's internal authority that adopted resolution on payment of dividend on the Issuer's securities:
Annual General Shareholders Meeting of OJSC 'Uralsvyazinform' ("AGM")
The date of the AGM: **June 25, 2004.**
Date of the AGM Minutes: **Minutes dd. July 7, 2004.**
Term of payment of the declared dividend on the certain category of shares: **until August 24, 2004**
Form of dividend payment: **the payment is made in monetary form**
Declared dividend was paid in full.

c) Reporting period for which the declared dividend on the Issuer's securities was paid: **2004 fiscal year**

Declared dividend yield per share: **RUR 0.0271**
Total amount of declared dividend for all the shares of the certain category: **RUR 212,354,008.85**
Issuer's internal authority that adopted resolution on payment of dividend on the Issuer's securities:
Annual General Shareholders Meeting of OJSC 'Uralsvyazinform' ("AGM")
The date of the AGM: **June 23, 2005**
Date of the AGM Minutes: **Minutes dd. July 7, 2004.**
Term of payment of the declared dividend on the certain category of shares: **until August 22, 2005**
Form of dividend payment: **the payment is made in monetary form**
Declared dividend was paid in full.

d) Reporting period for which the declared dividend on the Issuer's securities was paid: **2005 fiscal year**

Declared dividend yield per share: **RUR 0.02802**
Total amount of declared dividend for all the shares of the certain category: **RUR 219,563,074.83**

Issuer's internal authority that adopted resolution on payment of dividend on the Issuer's securities:
Annual General Shareholders Meeting of OJSC 'Uralsvyazinform' ("AGM")

The date of the AGM: **June 22, 2006**

Date of the AGM Minutes: **Minutes dd. 29 June, 2006**

Term of payment of the declared dividend on the certain category of shares: **until August 21, 2006**

Form of dividend payment: **the payment is made in monetary form**

Declared dividend was paid in full.

e) Reporting period for which the declared dividend on the Issuer's securities was paid: **2006 fiscal year**

Declared dividend yield per share: **RUR 0.026606**

Total amount of declared dividend for all the shares of the certain category: **RUR 208,483,053.86**

Issuer's internal authority that adopted resolution on payment of dividend on the Issuer's securities:

Annual General Shareholders Meeting of OJSC 'Uralsvyazinform' ("AGM")

The date of the AGM: **June 15, 2007.**

Term of payment of the declared dividend on the certain category of shares: **until August 14, 2007**

Form of dividend payment: **the payment is made in cash and non-cash forms, in the Russian**

Federation currency

Overall amount of dividend paid on the Issuer's shares of one category: **RUR 0.00**

The term for dividend payment has not expired yet.

3. Category of securities: **bonds**

Series and form of the bonds: **documentary bearer bonds of 04 series**

State registration number and the date of the state registration: **#4-07-00175-A dd. September 23, 2004**

Date of the state registration of the Bond Placement Report: **December 9, 2004**

Amount of bonds within the issue: **3,000,000**

Bond par value: **RUR 1,000**

Total par value of the bond issue: **RUR 3,000,000,000**

Type of yield paid on the bonds: **(interest) coupon**

Amount of yield to be paid per bond: **RUR 49.81 per bond for each coupon period**

Total amount of yield to be paid on all bonds within the issue: **RUR 149,430,000 for each coupon period**

Terms of coupon payments:

Coupon yield on the 1st coupon to be paid on the 182nd day since the start date of the bonds placement – May 5, 2005.

Coupon yield on the 2nd coupon to be paid on the 364th day since the start date of the bonds placement – November 3, 2005.

Coupon yield on the 3^d coupon to be paid on the 546th day since the start date of the bonds placement – May 4, 2006.

Coupon yield on the 4th coupon to be paid on the 728th day since the start date of the bonds placement – November 2, 2006.

Coupon yield on the 5th coupon to be paid on the 910th day since the start date of the bonds placement – May 3, 2007.

Coupon yield on the last 6th coupon to be paid on the day of the bond issue redemption on the 1092nd day since the start date of the bonds placement – November 1, 2007.

Period for which the yield on the bond issue was paid: **since November 4, 2004 up to May 5, 2005**

Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 149,430,000**

Period for which the yield on the bond issue was paid: **since May 6, 2005 up to November 3, 2005**

Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 149,430,000**

Period for which the yield on the bond issue was paid: **since November 4, 2005 up to May 4, 2006**

Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 149,430,000**

Period for which the yield on the bond issue was paid: **since May 5, 2006 up to November 2, 2006**

Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 149,430,000**

Period for which the yield on the bond issue was paid: **since November 3, 2006 up to May 5, 2007**

Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 149,430,000**

Interest on the bond issue was paid out in full.

4. Category of securities: bonds

Series and form of the bonds: **documentary bearer bonds of 05 series**

State registration number and the date of the state registration: **#4-08-00175-A dd. September 23,**

2004

Date of the state registration of the Bond Placement Report: **June 8, 2005**

Amount of bonds within the issue: **2,000,000**

Bond par value: **RUR 1,000**

Total par value of the bond issue: **RUR 2,000,000,000**

Type of yield paid on the bonds: **(interest) coupon**

Amount of yield to be paid per bond: **RUR 45.82 per bond for each coupon period**

Total amount of yield to be paid on all bonds within the issue: **RUR 91,640,000 for each coupon period**

Terms of coupon payments:

Coupon yield on the 1st coupon to be paid on the 182nd day since the start date of the bonds placement – October 20, 2005.

Coupon yield on the 2nd coupon to be paid on the 364th day since the start date of the bonds placement – April 20, 2006.

Coupon yield on the 3^d coupon to be paid on the 546th day since the start date of the bonds placement – October 19, 2006.

Coupon yield on the 4th coupon to be paid on the 728th day since the start date of the bonds placement – April 19, 2007.

Coupon yield on the 5th coupon to be paid on the 910th day since the start date of the bonds placement – October 18, 2007.

Coupon yield on the last 6th coupon to be paid on the day of the bond issue redemption on the 1092nd day since the start date of the bonds placement – April 17, 2008.

Period for which the yield on the bond issue was paid: **since April 21, 2005 up to October 20, 2005**

Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 91,640,000**

Period for which the yield on the bond issue was paid: **since October 21, 2005 up to April 20, 2006**

Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 91,640,000**

Period for which the yield on the bond issue was paid: **since April 21, 2006 up to October 19, 2006**

Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 91,640,000**

Period for which the yield on the bond issue was paid: **since October 20, 2006 up to April 19, 2007**

Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 91,640,000**

Interest on the bond issue was paid out in full.

5. Category of securities: bonds

Series and form of the bonds: **documentary bearer bonds of 06 series**

State registration number and the date of the state registration: **#4-09-00175-A dd. November 3, 2005**

Date of the state registration of the Bond Placement Report: **December 29, 2005**

Amount of bonds within the issue: **2,000,000**

Bond par value: **RUR 1,000**

Total par value of the bond issue: **RUR 2,000,000,000**

Type of yield paid on the bonds: **(interest) coupon**

Amount of yield to be paid per bond: **RUR 40.89 per bond for each coupon period**

Total amount of yield to be paid on all bonds within the issue: **RUR 81,780,000 for each coupon period**

Terms of coupon payments:

Coupon yield on the 1st coupon to be paid on the 182nd day since the start date of the bonds placement – May 25, 2006.

Coupon yield on the 2nd coupon to be paid on the 364th day since the start date of the bonds placement – November 23, 2006.

Coupon yield on the 3^d coupon to be paid on the 546th day since the start date of the bonds placement – May 24, 2007.

Coupon yield on the 4th coupon to be paid on the 728th day since the start date of the bonds placement – November 22, 2007.

Coupon yield on the 5th coupon to be paid on the 910th day since the start date of the bonds placement – May 22, 2008.

Coupon yield on the 6th coupon to be paid on the 1 092nd day since the start date of the bonds placement – November 20, 2008.

Coupon yield on the 7th coupon to be paid on the 1 274th day since the start date of the bonds placement – May 21, 2009.

Coupon yield on the 8th coupon to be paid on the 1 456th day since the start date of the bonds placement – November 19, 2009.

Coupon yield on the 9th coupon to be paid on the 1 638th day since the start date of the bonds placement – May 20, 2010.

Coupon yield on the 10th coupon to be paid on the 1 820th day since the start date of the bonds placement – November 18, 2010.

Coupon yield on the 11th coupon to be paid on the 2 002nd day since the start date of the bonds placement – May 19, 2011.

Coupon yield on the 12th coupon to be paid on the 2 184th day since the start date of the bonds placement – November 17, 2011.

Period for which the yield on the bond issue was paid: **since November 24, 2005 up to May 25, 2006**
Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 81,780,000**

Period for which the yield on the bond issue was paid: **since May 26, 2006 up to November 23, 2006**
Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 81,780,000**

Period for which the yield on the bond issue was paid: **since November 24, 2006 up to May 24, 2007**
Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 81,780,000**

Period for which the yield on the bond issue was paid: **since May 24, 2007 up to November 22, 2007**
Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 81,780,000**

Period for which the yield on the bond issue was paid: **since November 22, 2007 up to May 22, 2008**
Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 81,780,000**

Period for which the yield on the bond issue was paid: **since May 22, 2008 up to November 20, 2008**
Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 81,780,000**

Interest on the bond issue was paid out in full.

6. Category of securities: bonds

Series and form of the bonds: **documentary bearer bonds of 07 series**

State registration number and the date of the state registration: **# 4-10-00175-A dd. November 3, 2005**

Date of the state registration of the Bond Placement Report: **May 16, 2006**

Amount of bonds within the issue: **3,000,000**

Bond par value: **RUR 1,000**

Total par value of the bond issue: **RUR 3,000,000,000**

Type of yield paid on the bonds: **(interest) coupon**

Amount of yield to be paid per bond: **RUR 41.88 per bond for each coupon period**

Total amount of yield to be paid on all bonds within the issue: **RUR 125,640,000 for each coupon period**

Terms of coupon payments:

Coupon yield on the 1st coupon to be paid on the 182nd day since the start date of the bonds placement – September 19, 2006.

Coupon yield on the 2nd coupon to be paid on the 364th day since the start date of the bonds placement – March 20, 2007.

Coupon yield on the 3^d coupon to be paid on the 546th day since the start date of the bonds placement – September 18, 2007.

Coupon yield on the 4th coupon to be paid on the 728th day since the start date of the bonds placement – March 18, 2008.

Coupon yield on the 5th coupon to be paid on the 910th day since the start date of the bonds placement – September 16, 2008.

Coupon yield on the 6th coupon to be paid on the 1 092nd day since the start date of the bonds placement – March 17, 2009.

Coupon yield on the 7th coupon to be paid on the 1 274th day since the start date of the bonds placement – September 15, 2009.

Coupon yield on the 8th coupon to be paid on the 1 456th day since the start date of the bonds placement – March 16, 2010.

Coupon yield on the 9th coupon to be paid on the 1 638th day since the start date of the bonds placement – September 14, 2010.

Coupon yield on the 10th coupon to be paid on the 1 820th day since the start date of the bonds placement – March 15, 2011.

Coupon yield on the 11th coupon to be paid on the 2 002nd day since the start date of the bonds placement – September 13, 2011.

Coupon yield on the 12th coupon to be paid on the 2 184th day since the start date of the bonds placement – March 13, 2012.

Period for which the yield on the bond issue was paid: **since March 21, 2006 up to September 19, 2006**

Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 125,640,000**

Period for which the yield on the bond issue was paid: **since September 20, 2006 up to March 20, 2007**

Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 125,640,000**

Period for which the yield on the bond issue was paid: **since March 20, 2007 up to September 18, 2007**

Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 125,640,000**

Period for which the yield on the bond issue was paid: **since September 18, 2007 up to March 18, 2008**

Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 125,640,000**

Period for which the yield on the bond issue was paid: **since March 18, 2008 up to September 16, 2008**

Total amount of yield paid out on all bonds of the issue for the period stated: **RUR 125,640,000**

Interest on the bond issue was paid out in full.

8.10. Miscellaneous

Other information on the Issuer and its securities subject to disclosure pursuant to the provisions of the Federal Law “On Securities Market” or other Federal Laws: **there is no other information.**