

Joint Stock Company Concern "Kalina"

JSC Concern "KALINA" 620138, Russia, Ekaterinburg, Komsomolskaya Street 80
TIN 6608000083, settlement account 40702810400100010698, JSC "Uralvneshtorgbank",
BIK 046577780, OKPO 00333859, OKONH18131,
Corporate finance +7 343 262-26-85, email: cfininet@kalina.org

MINUTES №1
of the Annual General Meeting of Shareholders JSC Concern "Kalina"

Yekaterinburg April, 20,2005

Place of carrying out:
JSC Concern "Kalina"
Ekaterinburg,
80 Komsomolskaya str.

Time of registration:
Starts: 13:30
Ends: 13:50

Total votes of shareholders according to list of shareholders are 9752311, including 9752311 voting.
The number of votes participating in general meeting is 5923538
that amounts 60,7%.

Chairman: Johan Vreeman
Secretary: D. A. Argunov

AGENDA:

1. Election of the Counting Commission.
2. The Board of Directors report "Operational results of the year 2004 and outlooks for the year of 2005". Approve of the Annual report, balance, profit and losses accounts, and profit distribution. The Inspection commission and Auditors' opinions.
3. Dividend payment for the year 2004. Approval of its size, way and terms of payment.
4. Election of the Board of Directors.
5. Approval of the By-law "On General meeting of shareholders JSC Concern "KALINA".
6. Approval of the By-law "On the Board of Directors JSC Concern "KALINA".
7. Approval of the By-law "On Director General" JSC Concern "KALINA".
8. Approval of the By-law "On Inspection Commission" JSC Concern "KALINA".
9. Election of the Inspection commission.
10. Approval of the Company's auditor.

The agenda was approved.

Permission to speak is given to Semchenko E. M., the chairman of the previous Counting commission, who informed the shareholders about the way the ballot-papers should be filled in.

On the first issue Johan Vreeman was listened to. He informed the meeting that due to power termination of the Counting Commission, elected on the Annual meeting of shareholders JSC Concern "KALINA" on 18th April 2004, the meeting is to elect the new membership of the Counting Commission.

Johan Vreeman offered to elect Counting Commission of three members for a term of one year. Personally:
- Semchenko Elena Mikhailovna
- Gorelik Olga Vasilievna
- Filinkova Natalia Yurievna

Voting results:
FOR - 5923538 votes
AGAINST - none
ABSTAIN - none

Elected unanimously.

On the second issue permission to speak is given to:

Petrov A.Yu.- Chief Financial Officer (report is included);
Babina T.G. - Chief accountant (report and auditors' conclusion are attached);
Kudin D.P. - Chairman of the Inspection commission (inspection commission report is attached).

There were no questions to the speakers.

It is offered to vote the following decision:

"To approve the Annual report, balance, profit and losses accounts for the year 2004, Auditors' report and also to use net profit of the year 2004 at the sum of 465 549 602(four hundred sixty five million five hundred forty nine thousand six hundred and two)roubles and 29 kopecks for dividend payment for the first half of the year 2004 at the sum of 36 571 166 (thirty six million five hundred seventy one thousand one hundred and sixty six) roubles 25 kopecks.

The rest of net profit should be used for dividend payment for the second half of the year 2004 at the sum of 83 967 397 (eighty three million nine hundred sixty seven thousand three hundred and ninety seven) roubles 71 kopecks".

On the third issue it was listened to Johan Vreeman who put to consideration of the meeting recommendations of the Board of directors to pay dividends for the second half of the year of 2004 at the sum of 8 roubles 61 kopecks per one ordinary share.

It is offered to vote the following decision:

"- To approve the dividend payment for the second half of the year of 2004 at the sum of 8 (eight) roubles 61 (sixty one) kopecks per one ordinary share.

- to do payments in cash.

- to do payments within 30 days from the moment of announcing at the meeting."

Voting results:

FOR- 5923538 votes
AGAINST - none
ABSTAIN - none

The decision taken:

"- To approve the dividend payment for the second half of the year of 2004 at the sum of 8 (eight) roubles 61 (sixty one) kopecks per one ordinary share.

- to do payments in cash.

- to do payments within 30 days from the moment of announcing at the meeting."

On the fourth issue Johan Vreeman informs the meeting about the election of the Board of directors and puts to consideration the following candidates:

Geller Nikolay Arkadieovich	Development Director
	JSC Concern "KALINA"
	Chief Executive Officer
Goryayev Timur Rafkatovich	JSC Concern "KALINA"
Johan Grietsen Hendrik Vreeman	citizen of Kingdom of Netherlands
Casper Heijsteeg	citizen of Kingdom of Netherlands
Mark Alan Bush	citizen of the United States of America
	Chief Financial Officer
Petrov Alexander Yurievich	JSC Concern "KALINA"
Reinhold Schlensok	citizen of the Federative Republic of Germany
Jan Dewijngaert	citizen of Kingdom of Belgium

After discussion the question was put to vote.

Voting results:

"FOR":

Geller Nikolay Arkadieovich	-	5117778	votes
Goryayev Timur Rafkatovich	-	5560854	votes
Johan Grietsen Hendrik Vreeman	-	5449425	votes
Casper Heijsteeg	-	7347927	votes
Mark Alan Bush	-	5389985	votes
Petrov Alexander Yurievich	-	5129900	votes
Reinhold Schlensok	-	5056637	votes
Jan Dewijngaert	-	2412256	votes

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

Geller Nikolay Arkadieovich	Development Director
	JSC Concern "KALINA"
	Chief Executive Officer
Goryayev Timur Rafkatovich	JSC Concern "KALINA"
Johan Grietsen Hendrik Vreeman	citizen of Kingdom of Netherlands
Casper Heijsteeg	citizen of Kingdom of Netherlands
Mark Alan Bush	citizen of the United States of America
	Chief Financial Officer
Petrov Alexander Yurievich	JSC Concern "KALINA"
Reinhold Schlensok	citizen of the Federative Republic of Germany

After discussion the question was put to vote.

On the fifth issue it was listened to Johan Vreeman who offered to consider and approve the By-law "On general meeting of shareholders" JSC Concern "KALINA"(text of the By-law is attached).
After discussion and answering questions the following decision was put to vote:" To approve the By-law "On general meeting of shareholders"JSC Concern "KALINA".

Voting results:
FOR - 5725438 votes
AGAINST - 183000 votes
ABSTAIN - 15100 votes

The following decision was taken:
"To approve the By-law "On general meeting of shareholders JSC Concern "KALINA".

On the sixth issue it was listened to Johan Vreeman who offered the Meeting to consider and approve the By-law "On the Board of Directors" JSC Concern "KALINA".(text of the By-law is attached).
After discussion and answering questions the following decision was put to vote:" To approve the By-law "On the Board of Directors" JSC Concern "KALINA".

Voting results:
FOR - 5719102votes
AGAINST - 1189336 votes
ABSTAIN - 15100 votes

The following decision was taken:
"To approve the By-law "On the Board of Directors" JSC Concern "KALINA".

On the seventh issue it was listened to Johan Vreeman who offered the meeting to consider and approve the By-law "On Director general" JSC Concern "KALINA"

After discussion and answering questions the following decision was put to vote:" To approve the By-law "On the Board of Directors" JSC Concern "KALINA".

Voting results:
FOR - 5719102votes
AGAINST - 1189336 votes
ABSTAIN - 15100 votes

The following decision was taken:
"To approve the By-law "On the Director general" JSC Concern "KALINA".

On the eighth issue it was listened to Johan Vreeman who offered the meeting to consider and approve the By-law "On Inspection Commission" JSC Concern "KALINA".
After discussion and answering questions the following decision was put to vote:" To approve the By-law "On the Inspection Commission" JSC Concern "KALINA".

Voting results:
FOR - 5719102votes
AGAINST - 1189336 votes
ABSTAIN - 15100 votes

The following decision was taken:

"To approve the By-law "On the Inspection Commission" JSC Concern "KALINA".

On the ninth issue it was listened to Johan Vreeman who offered to elect to the Inspection Commission the following candidates:

Kudin Dmitry Petrovich - brand director JSC Concern "KALINA"

Fyodorova Olga Viktorovna - accountant-auditor of the internal Control department JSC Concern "KALINA"

Goschitskiy Alexander Borisovich - chief investment manager,
Head of the representative office in Yekaterinburg of Eagle venture Partners

After discussion and answering questions the following decision was put to vote:" To elect the above mentioned candidates to the Inspection Commission".

Voting results:

FOR - 866311 votes

AGAINST - none

ABSTAIN - none

Votes of the members of the Board of Directors JSC Concern "KALINA" as well as of persons holding positions in the managerial bodies of the Company were not taken into account while voting this question.

The decision taken: "To elect to the Inspection commission:

Kudin Dmitry Petrovich

Fyodorova olga Viktorovna

Goschitskiy Alexander Borisovich".

On the tenth issue it was listened to Johan Vreeman who, on behalf of the Board of Directors, offered to approve CJSC Audit-centre "Ural-Audit" as the auditor of the Company.

The following question was put to vote:

"To approve CJSC "Audit centre"Ural-Audit"" as the auditor of the company."

Voting results:

FOR - 5923538 votes

AGAINST - 10 votes

ABSTAIN - none

The decision taken:

"To approve CJSC "Audit centre "Ural Audit"" as the auditor of the Company.

The agenda is concluded.

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

Chairman of the meeting: /Johan Vreeman/

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

Date of drawing up the minutes:20.04.2005