

**For the attention of the
General Meeting of Shareholders
Sistema JSFC**

**REPORT ON THE FINDINGS OF THE
FINANCIAL AND ECONOMIC AUDIT OF SISTEMA JSFC IN 2010**

In accordance with the Federal law of 26 December 1995 “On joint-stock companies” No 208-FZ, the Revision Commission of Sistema JSFC (hereinafter – “the Company”) conducted an audit of the Company’s financial and business operations in 2010. The audit was conducted by the Commission with the following membership: the Chairman of the Revision Commission D. Frolov and the members of the Revision Commission D. Ustinov and E. Kuznetsova.

The audit aimed to ensure that a) the key financial indicators of the Company presented in the Annual Report of the Company are fair and accurate, b) the decisions and directives of the Company’s management were adhered to and the fundamental business processes were performed in compliance with all the applicable requirements, c) the financial and business activities of the Company were conducted in conformity with the interests of the Company and its shareholders, d) internal controls over material risks were developed and efficiently applied.

The senior management of the Company is responsible for preparation of fair data and reports, compliance with all the requirements and directives of the Company’s management, for conducting financial and business operations in the interests of the Company and its shareholders, and development and functioning of an effective internal control system.

In the reporting period Mr. L. Melamed was the President of Sistema JSFC and Mr. V. Platoshin was the chief accountant of the Company.

The financial and economic audit was performed on a set of randomly selected documents. To conduct the audit and draw up this report the following documents were used: the Charter of the Company, administrative documents, financial statements of the Company for 2010, contracts, primary financial accounts, ledgers and other documents.

The responsibility of the Revision Commission was to conduct the audit in order to gain reasonable assurance that the main objectives of the audit have been achieved and the conclusions have been made on the basis of impartial and sufficient analysis of all the information, data and documents provided for the audit. In the opinion of the Revision Commission, the obtained information, data and documents provide sufficient grounds for making conclusions and drawing up a report.

The Revision Commission did not identify any material deficiencies in representation of the financial results of the Company, any cases of major non-compliance with the external or internal requirements, any incidents of conducting financial and business operations of the Company in breach of the interests of the Company and its founders or any major failure to honor the Company’s obligations to its counterparties.

The Revision Commission hereby confirms that the financial statements of the Company for 2010 and the Annual Report of the Company for 2010, as regards the financial results, present fairly, in all material aspects, the Company's assets and liabilities as of 31 December 2010 and the financial results of the Company for 2010, in accordance with the requirements of the applicable law of the Russian Federation on financial accounting and reporting and in conformity with the accounting policy of the Company.

D. Frolov

Chairman of the Revision Commission
Sistema JSFC