

JOINT-STOCK FINANCIAL CORPORATION  
**SISTEMA**



Annual General Meeting of shareholders of Sistema JSFC, 25 June 2011, Moscow, 3 Tverskaya St., Ritz-Carlton hotel, Ball room II.

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**Explanatory note to the materials of the Annual General Meeting of shareholders (AGM) of Sistema JSFC on item 6 “Approval of the Company’s auditors”**

In accordance with the Federal Law “On Joint Stock Companies” the AGM passes resolutions on approval of Company’s auditors. Resolution on this item of the agenda must be adopted based on the recommendation by the Board of Directors.

The Audit Committee of the Board of Directors of Sistema JSFC has conducted an evaluation of the audit quality and organized a tender to select the auditors of the Company for the year 2011. The key selection criteria included ratings of audit companies, sufficient experience in working with the specific type of accounting, the expected quality of work, the cost of rendered services.

Based on the results of the tender organized by the Audit Committee, the Board of Directors recommended the following auditors for the year 2011:

- CJSC “BDO” - to conduct audit in accordance with the Russian Accounting Standards;
- CJSC “Deloitte&Touche CIS” – to conduct audit in accordance with the US GAAP.

CJSC “BDO” is the leading national group of companies providing audit and consulting services. From 2002 the BDO Group is incorporated in BDO International - the world’s fifth largest international chain of independent audit and consulting companies by consolidated gross revenue with more than 46, 000 employees in 115 countries. According to the “Expert Rating Agency” BDO became the top company in the rating of the largest audit and consulting groups in Russia. At present BDO has extensive experience in providing services including audits of financial statements under the Russian Accounting Standards. The Group has 17 offices located in all the federal districts of Russia with more than 2,000 employees. More than half of the top-100 companies of the Russian business are BDO customers. For more information about the auditor go to [www.bdo.ru](http://www.bdo.ru) .

CJSC “Deloitte&Touche CIS” is a Russian subdivision of an international audit company Deloitte Touche Tohmatsu, one of the world’s four leading audit companies. CJSC “Deloitte&Touche CIS” has extensive experience in US GAAP auditing. For more information about the auditor go to [www.deloitte.com/view/ru\\_RU/](http://www.deloitte.com/view/ru_RU/)