

B U L G A R T A B A C – H O L D I N G A D

MINUTES

of the extraordinary General Meeting of Shareholders of Bulgartabac – Holding AD,
Sofia, held on 26 February 2013

Today, 26 February 2013, at 11.00 a.m., the extraordinary General Meeting of Shareholders of Bulgartabac-Holding AD was held at the administrative building of the company at 62 Graf Ignatiev Street, Sofia.

The General Meeting of Shareholders of Bulgartabac-Holding AD, Sofia was opened at 11.00 a.m. by Mrs. Zornitsa Karagiozova, a legal adviser at Bulgartabac-Holding AD, having a quorum of 80.18 %

- amount of the registered capital of the company – BGN 7 367 222, split into 7 367 222 registered dematerialized shares;
- amount of the registered capital required for participation in the General Meeting of Shareholders – 5 907 028 shares;
- registered shareholders – in person or through proxies – 2.

The list of persons registered for participation in the General Meeting of Shareholders formed an integral part of these minutes.

Mrs. Karagiozova announced that the number of shares represented at the meeting through proxies was as follows:

- 5 881 380 shares of BT Invest GmbH through Kristina Stanimirova Stoyanova, proxy of Doctor Yohanes Pepelnik – General Manager of BT Invest GmbH by a notarized power of attorney of 20 February 2013, legalized on 25 February 2013;

- 25 648 shares of The Bank of New York (Mellon) OMN through Kristina Valentinova Spasova, a proxy of Michael Kanya and Jenifer May, authorised to represent the omnibus account of The Bank of New York Mellon (Mellon), by a notarized power of attorney of 14 February 2013, legalized on 22 February 2013;

Mrs. Karagiozova announced the following proposals to the General Meeting of Shareholders:

- For Chairperson of the Meeting - Zornitsa Karagiozova
- For Secretary – minutes keeper – Desislava Bauman

Scrutineers of voting:

1. Romyana Borova
2. Daniela Trifonova
3. Mihaela Milkova

No other proposals for Chairperson of the Meeting, Secretary - minutes keeper and Scrutineers of voting were made by the shareholders.

The shareholders voted for the election of Chairperson of the Meeting, Secretary – minutes keeper and Scrutineers of voting to be put to a collective vote.

The General Meeting of Shareholders DECIDED:

To elect Zornitsa Karagiozova as Chairperson and Desislava Bauman as Secretary - minutes keeper of the meeting.

Scrutineers of voting:

- 1. Romyana Borova**
- 2. Daniela Trifonova**
- 3. Mihaela Milkova**

The Chairperson of the meeting announced the following proposals to the General Meeting of Shareholders for the rules of participation in the meeting:

- open voting – by mandate cards;
- duration of speeches - 3 minutes;
- forged or torn mandate cards would be considered invalid.

No other suggestions were made by the shareholders regarding the rules of participation.

The General Meeting of Shareholders approved the proposed rules of participation:

- open voting – by mandate cards;
- duration of speeches - 3 minutes;
- forged or torn mandate cards would be considered invalid.

The Chairperson of the meeting announced that the regular General Meeting of Shareholders of Bulgartabac-Holding AD was convened at a decision of the Board of Directors of Bulgartabac-Holding AD. The invitation to the meeting was registered with the Trade Register on 24 January 2013.

Mrs. Karagiozova announced that the General Meeting of Shareholders would be held in accordance with the agenda previously registered with the Trade Register:

1. Changes in the composition, mandate and remuneration of the members of the company's Audit Committee.
2. Determination of remuneration of the members of the company's Board of Directors

The Chairperson of the meeting clarified that the agenda could not be changed or supplemented due to the fact that not all the shareholders of Bulgartabac-Holding AD were present at the meeting.

The Chairperson of the meeting announced that all the materials regarding the agenda had been made available to the shareholders during the legally stipulated term from the date of announcement of the invitation to the Trade Register until the date of the General Meeting.

UNDER ITEM 1 OF THE AGENDA:

Changes in the composition, mandate and remuneration of the members of the company's Audit Committee.

The Chairperson of the meeting read the proposal of the Board of Directors for a draft resolution under item 1 of the agenda:

Draft resolution:

The General Meeting sets the number of the members of the Audit Committee at three, discharges the current members of the Audit Committee and elects the following individuals to be members of the Audit Committee: Hristina Mihailova Simeonova, Ralitsa Pavlinova Andreeva and Zoya Kancheva Petrova. The General Meeting sets a 3-year mandate and monthly remuneration of BGN 350 for every one of the members.

The Chairperson gave the floor to the shareholders to make proposals for resolutions. No other proposals for a draft resolution were made.

The Chairperson of the meeting invited the shareholders to vote.

Number of shares on which actual votes were cast – 5 907 028, being 100% of the capital registered for participation and 80.18% of the total capital of the company. Total number of actual votes cast - 5 907 028, of which:

For: 5 907 028 votes

Against: 0 votes

Abstainers: 0 votes

Under item 1 the General Meeting passed the following resolution:

The General Meeting sets the number of the members of the Audit Committee at three, discharges the current members of the Audit Committee and elects the following individuals to be members of the Audit Committee: Hristina Mihailova Simeonova, Ralitsa Pavlinova Andreeva and Zoya Kancheva Petrova. The General Meeting sets a 3-year mandate and monthly remuneration of BGN 350 for every one of the members.

UNDER ITEM 2 OF THE AGENDA:

Determination of remuneration of the members of the company's Board of Directors

The Chairperson of the meeting read the proposal of the Board of Directors for a draft resolution under item 2 of the agenda:

Draft resolution:

The General Meeting repeals the current rules of determination of the remuneration of the members of the company's Board of Directors and approves new rules, which are enclosed as materials to the agenda.

The Chairperson of the meeting read the text of the proposal for new Rules of determination of the remuneration of the members of the company's Board of Directors:

„Rules of determination of the remuneration of the members of the company's Board of Directors

Art. 1. These rules shall regulate the procedure and method of determination of the remuneration of the members of the Board of Directors.

Art. 2. Each member of the Board of Directors has the right to remuneration.

Art. 3./1/ The members of the Board of Directors shall receive a monthly gross remuneration as follows:

Member of the Board of Directors	Amount / BGN
Alexander Jurjevich Romanov	1,400.00
Angel Dimitrov Dimitrov	1,400.00
Vencislav Zlatkov Cholakov	1,400.00
Yavor Nikolaev Draganov	1,400.00
Miglena Petrova Hristova	1,400.00

/2/ In addition to their remuneration under Art. 1 hereof, executive members, who are authorised to represent the company, will be paid a remuneration for their capacity of executive members that will be set in their management agreement.

Art. 4. The remunerations shall be paid in accordance with the procedure specified in the agreements signed with the members of the Board of Directors.

Art. 5. The funds for payment of remunerations shall be at the expense of the company.

These Rules of determination of the remuneration of the members of the Board of Directors have been approved by virtue of Minutes of the General Meeting of Shareholders of Bulgartabac-Holding AD, held on 26 February 2013, and repeal the rules approved by virtue of Minutes of the General Meeting of Shareholders of Bulgartabac-Holding AD, held on 01 November 2011.”

The Chairperson gave the floor to the shareholders to make proposals for resolutions. No other proposals for a draft resolution were made. The Chairperson of the meeting invited the shareholders to vote.

Number of shares on which actual votes were cast – 5 907 028, being 100% of the capital registered for participation and 80.18% of the total capital of the company. Total number of actual votes cast - 5 907 028, of which:

For: 5 907 028 votes

Against: 0 votes

Abstainers: 0 votes

Under item 1 the General Meeting passed the following resolution:

The General Meeting repeals the current rules of determination of the remuneration of the members of the company's Board of Directors and approves new rules, namely:

„Rules of determination of the remuneration of the members of the company's Board of Directors

Art. 1. These rules shall regulate the procedure and method of determination of the remuneration of the members of the Board of Directors.

Art. 2. Each member of the Board of Directors has the right to remuneration.

Art. 3./1/ The members of the Board of Directors shall receive a monthly gross remuneration as follows:

Member of the Board of Directors	Amount / BGN
Alexander Jurjevich Romanov	1,400.00
Angel Dimitrov Dimitrov	1,400.00
Vencislav Zlatkov Cholakov	1,400.00
Yavor Nikolaev Draganov	1,400.00
Miglena Petrova Hristova	1,400.00

/2/ In addition to their remuneration under Art. 1 hereof, executive members, who are authorised to represent the company, will be paid a remuneration for their capacity of executive members that will be set in their management agreement.

Art. 4. The remunerations shall be paid in accordance with the procedure specified in the agreements signed with the members of the Board of Directors.

Art. 5. The funds for payment of remunerations shall be at the expense of the company.

These Rules of determination of the remuneration of the members of the Board of Directors have been approved by virtue of Minutes of the General Meeting of Shareholders of Bulgartabac-Holding AD, held on 26 February 2013, and repeal the rules approved by virtue of Minutes of the General Meeting of Shareholders of Bulgartabac-Holding AD, held on 01 November 2011.

There being no further agenda items for discussion, the meeting was adjourned.

Chairperson of the meeting:

/Zornitsa Karagiozova/

Secretary – minutes keeper:

/ Desislava Bauman /

Scrutineers of voting:

1. Romyana Borova
2. Daniela Trifonova
3. Mihaela Milkova