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For publication

Board of Directors of OJSC Concern "KALINA" has taken the decision about calling of the extraordinary general meeting of shareholders

22 November 2010. Board of Directors of OJSC Concern "KALINA," Russia's largest cosmetics producer, on its meeting 19.11.2010 decided to call the extraordinary general meeting of shareholders and approved the following agenda of the Meeting:

1. Reduction of the Company's charter capital through acquisition by the Company of a part of its shares to decrease the total number of shares.

Board of Directors of the Company submitted to the extraordinary general meeting of shareholders a proposal to reduce Company's charter capital for the total amount of 231,977,410 rubles through acquisition of 3,313,963 ordinary non-documentary shares at the price of 746 rubles per share to decrease the total number of Company's shares. The proposed period during which the acquisition of the Company's shares to be held in the framework of the charter capital reduction: from 14 February 2011 till 30 March 2011 inclusive.

The proposed reduction of the charter capital is aimed to optimize Company's capital structure in view of disposal of Dr. Scheller Cosmetics AG.

The approved date of the general meeting of shareholders is 11 January 2011. The list of persons with the right to participate in the Meeting of shareholders is made up as of 22 November 2010.

About the company. JSC Concern "Kalina" is one of the leading Russian cosmetics producers. The leading brands of the company are "Black Pearl", "Pure Line", "100 Recipes of Beauty", "Silky Hands" and "Dr. Scheller" - among skin-care products; "32" and "Forest Balsam"- among oral care products.

Concern "Kalina" consists of its parent enterprise in Ekaterinburg and several subsidiaries, including "Pallada Ukraine" (Ukraine), "Glavskazka International" (Russia), "Dr. Scheller Beauty Center" (Russia), Kalina Overseas Holding B. V. (Netherlands) and Kalina International SA (Switzerland).

Some of the information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of JSC Concern "Kalina" (the "Company"), as defined in the "safe harbour" provisions of the legal proceeding act dealing with circulation of securities of private issuers. We wish to caution you that these statements do not guarantee the achieving of the stated results in the Company's activities or occurring of any projected event connected with the Company's activity and bears some risks, unpredictability and assumptions that the Company can not foresee accurately. Therefore, actual events or results of its activity may differ materially from those stated in the projections or other forward-looking statements. In order to obtain more accurate information we refer you to the documents the Company files from time to time with the Federal Service for the Financial Markets. Certain of these documents contain and identify important factors that could cause the actual results to differ materially from those contained in our projections or forward-looking statements.