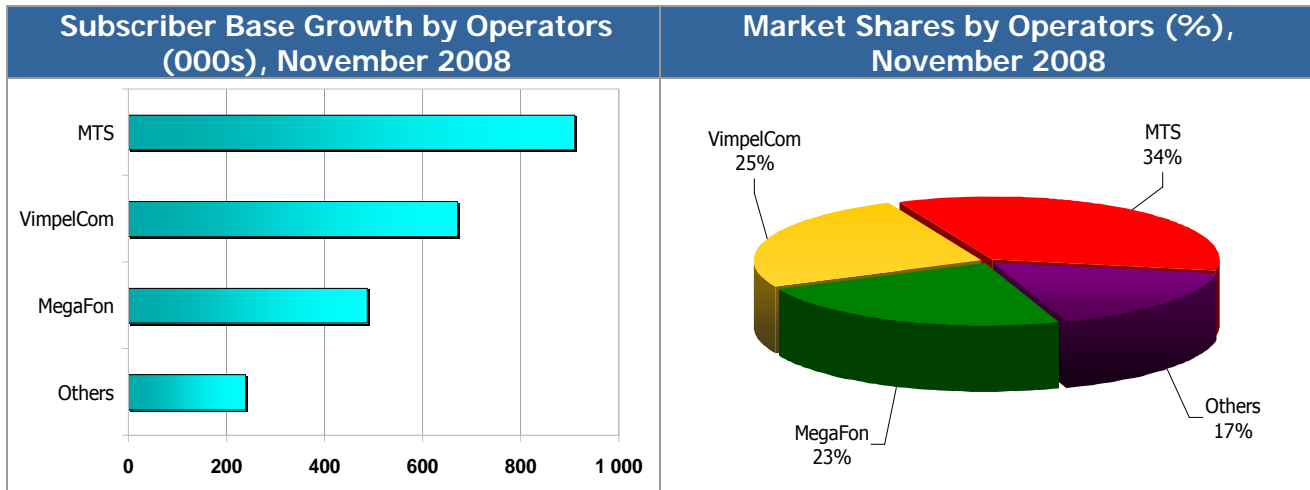


Cellular Market Watch Russia November 2008

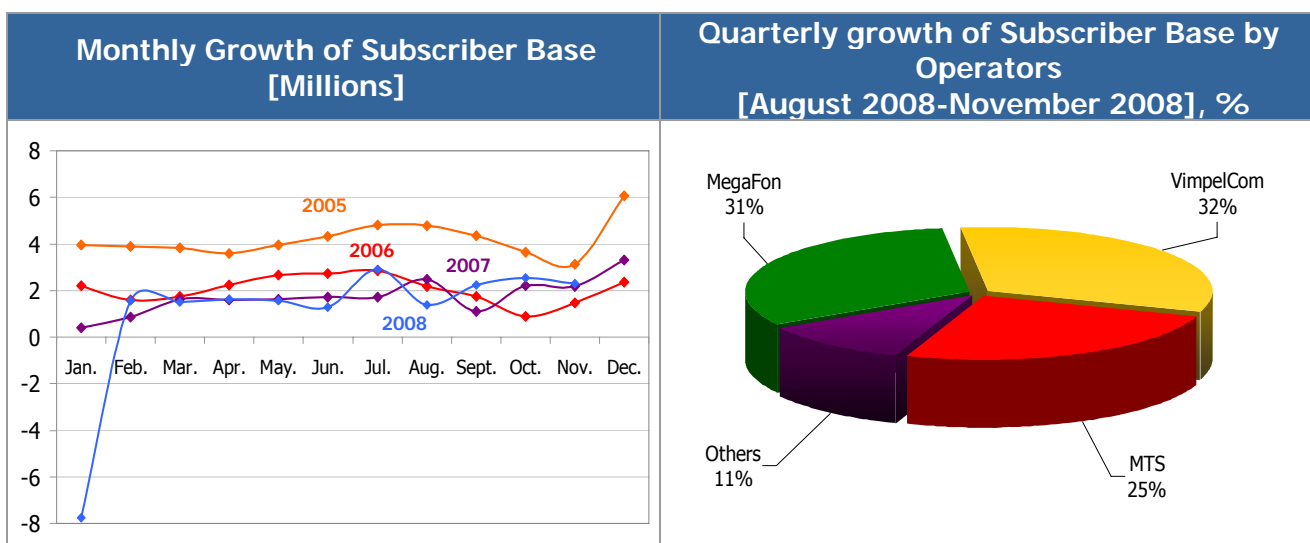
Statistics: In November number of cellular subscribers [sim-cards] in Russia reached **183.8 mln** with **129%** penetration level in the country and **181%** in the Moscow Licensed Area [MLA].



Source: J'son & Partners, operators' data

Growth: net additions of cellular subscribers in November amounted to 2.3 mln [+1,3%].

In November 2008 monthly growth raised on 6% in comparison with November 2007 [+123 тыс.].



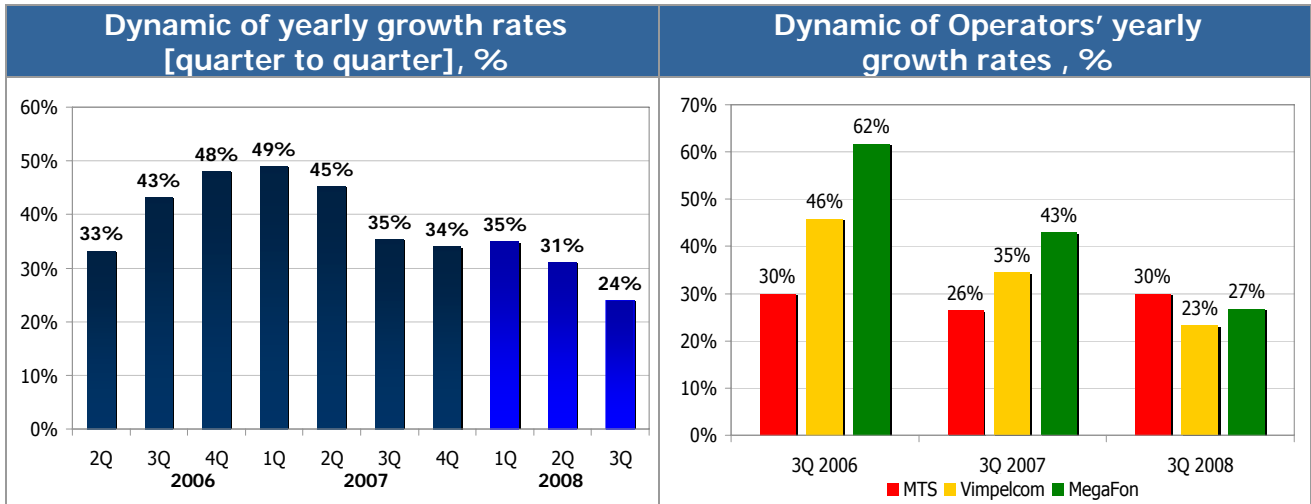
Source: J'son & Partners, operators' data

In November 2008 a leader in yearly subscriber base growth in Russia is MegaFon [+8,1 million], while MTS was a leader till September 2008.

MTS has been keeping the leadership in the subscriber base growth in the Moscow Licensed Area since May 2007 [+1,5 млн.].

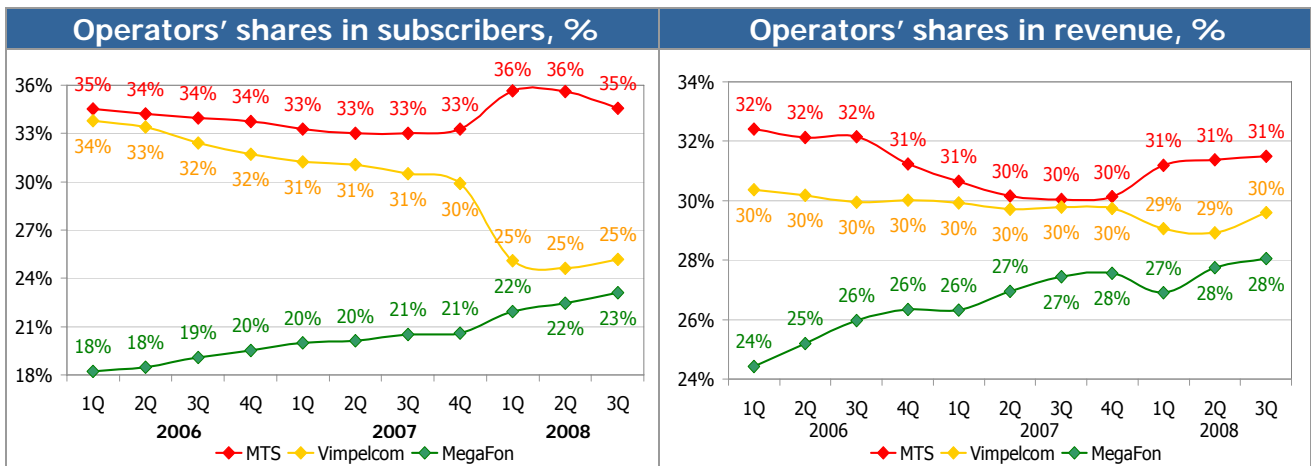
MTS has 21% share in yearly subscriber base growth in MLA and 12% for the same parameter for Russian market.

Revenues: In 3Q 2008 yearly growth rates decreased to 24%, while a year ago they grew up to 35%. Despite the reduction of relative figures, the market continues to grow. According to J&P estimations, revenues gathered by cellular operators for **3Q 2008** reached **\$6,9 bln**.



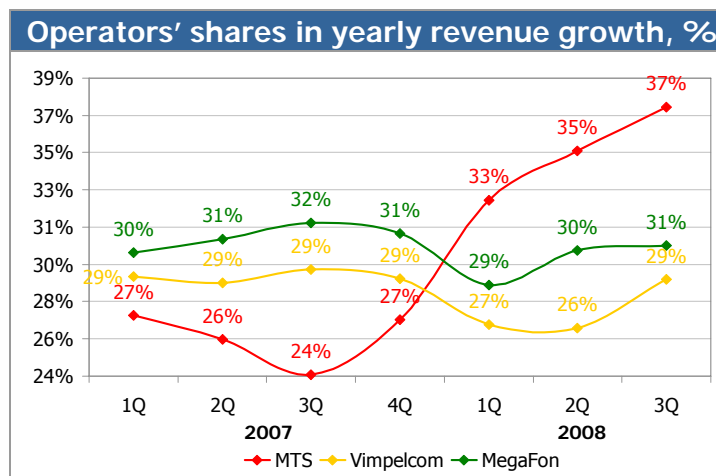
Source: J'son & Partners, operators' data

MTS and Megafon operators show the most dynamic development: their revenues grow faster than average market revenues – 30% and 27% respectively in 3Q 2008.



Source: J'son & Partners, operators' data

By the results of 3Q 2008 MTS holds the leadership in both subscribers' base – 35% and in revenues – 31%.



Source: J'son & Partners, operators' data

MTS holds the leadership in yearly growth rates. In comparison with 3Q 2007 the operators' revenues increased by \$1,3 bln., out of which 37% - MTS, 31% - Megafon and 29% - Vypelcom.

The leading federal and regional operators

MegaFon is keeping the most dynamic level of subscribers growth for the last 3 months [5,5%]. Tele2 and Vypelcom have 5,4% and 5,2% accordingly. The subscribers' base of SMARTS decreased by 0,1%.

Operators	Total amount of subscribers for 30.11.2008	Growth over 3 Months, %	Subscribers in MLA, 30.11.2008
MTS	63 270 000	2,9%	14 650 000
VimpelCom ¹	46 550 975	5,2%	9 383 226
MegaFon	42 805 487	5,5%	6 465 711
Tele2 ²	10 208 000	5,4%	
Uralsvyazinform	5 610 846	1,7%	
SMARTS ³	3 501 870	-0,1%	
NCC ^{2, 4}	2 538 860	2,8%	
Sibirtelecom	4 782 034	2,6%	
<i>Yeniseytelecom⁵</i>	<i>2 269 398</i>	<i>3,1%</i>	
<i>Baikalwestkom⁵</i>	<i>1 896 084</i>	<i>1,3%</i>	
Motiv [Yekaterinburg-2000]	1 486 654	1,2%	
New Telephone Company [NTC]	1 209 551	3,3%	

Source: J'son & Partners, operators' data

FOR FURTHER INFORMATION PLEASE CONTACT:

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This market watch is prepared by J'son & Partners. J'son & Partners makes extensive efforts to present data representing our best estimates available at the time of publishing. J&P reserves the right to revise the data if and when individual operators publish audited subscription data at a later date. Publications and media may use the data created at this market watch if doing so it shall be noted that J'son and Partners is a source.

¹ Since 2008 year company has changed registration politic for their subscribers

² J&P estimations

³ Since July 2008 the operator has not consolidated subscribers of "Ulyanovsk-GSM"

⁴ At the beginning of 2008 year company consolidate all subsidiary companies of "Volgatelecom": Nizhniy Novgorod Oblast, Penza Oblast, Saratov Oblast, Republic of Tatarstan, Mordovia and Chuvash Republic

⁵ Subsidiary of Sibirtelecom