



MTS India selects SITRONICS as suppliers of RUIM cards in India

▪ Tracking functionality to enable the provider to get subscriber's IMEI number and RUIM card number as an SMS (text) message

Gurgaon – April 17, 2009 – MTS India, the mobile telephony services brand of Sistema Shyam TeleServices Ltd. today announced the selection of JSC SITRONICS (LSE:SITR), a leading vendor in telecommunication, IT and microelectronic solutions in Russia and the CIS countries, for the supply of RUIM cards (SIM cards for CDMA networks) in India.

Commenting on this, *Mr. Vsevolod Rozanov, President and CEO, Sistema Shyam TeleServices Ltd. said, "Both MTS and SITRONICS stand for best-in-class offerings in their respective fields. The SITRONICS RUIM cards come to India with inbuilt ESN tracking functionality and thus enhance safety in mobile communication. The decision is in line with our vision to introduce world class offerings and services in the Indian market. We are glad to partner with a technology leader like SITRONICS to support our extensive roll out plans for India."*

Gennady Krasnikov, Head of SITRONICS Microelectronics business segment, said: "India is the second largest market in the world and one of the most competitive markets in the hi-tech area. Entering this market will give us an opportunity to expand our presence in this region and to promote our hi-tech solutions outside our traditional markets.

The SITRONICS RUIM cards are compatible with CDMA 800 MHz standards, and SITRONICS' specialists have developed exclusive tracking functionality that enables the provider to get subscriber's IMEI number and RUIM card number as an SMS (text) message. This functionality will help in the tracking of stolen phones and will enable to block the subscriber's RUIM card if necessary.

According to the Department of Telecommunications of the government of India, there were about 375 million cellular network subscribers as of February 2009, with a market penetration of around 33%. The subscriber base is growing by approximately 10 million subscribers per month.

Sistema Shyam TeleServices has a universal access service license to provide mobile telephony services throughout the entire geographical territory of India. This year the company will continue with its pan India network expansion. SSTL is eventually looking at a mobility subscriber base of 35 million customers by the year 2012, which is roughly about 7% of the projected Indian mobility market.

About Sistema Shyam Teleservices

Sistema Shyam TeleServices (SSTL) is a joint venture company between Sistema {LSE: SSA} of Russia and Shyam Group of India. Sistema is the majority share holder in this joint venture with a 74% equity stake, along with the Shyam Group, holding a 23.5% stake and the rest 2.5% being public partake. SSTL has spectrum to provide mobile telephony services in all the 22 circles across the country. In a recent development, SSTL tied up with Mobile TeleSystems OJSC of Russia to bring the globally acclaimed telecom brand-MTS-to India. MTS is the 8th largest telecom brand in the world and has recently been voted as the 71st ranked brand out of 100 top global brands in the world by Millward Brown.

For more information visit: <http://www.mtsindia.in>

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