



MTS launches mobile services in Bihar

- ***To invest \$180 Million for developing mobile infrastructure and services***
- ***Available across 7000 outlets, in 271 towns & more than 12000 villages in 16 districts***
- ***Offers one million minutes free talk time for a recharge Rs 499 only***
- ***Introduces the revolutionary M card at Rs 49, offering lifetime local calls at 49p per minute***

Patna, July 2 2009: Sistema Shyam TeleServices Limited (SSTL) today announced the launch of services in Bihar, under the MTS brand that provides mobile services in 6 other countries with a subscriber base of about 100 million. The company has announced to invest \$180 million in the state for the launch of its services. SSTL, a joint venture between Sistema (LSE: SSA) of Russia and Shyam Group of India, has an existing subscriber base of one million and growing. The launch marks the Sixth circle of operation, after the successful launch of services in Tamil Nadu, Kerala, Rajasthan and recently Kolkata & West Bengal.

Speaking at the launch, **Mr. Vsevolod Rozanov, President and CEO of Sistema Shyam TeleServices Limited** said, "Providing our customers with the best wireless experience, including superior network coverage, is top priority for MTS. This expansion is evidence to our ongoing commitment to investing in India and the \$180 million investment in the state of Bihar will have a positive impact at both, the state and the community levels, in addition to the benefits the customers will receive. The launch of services in the state is the next strategic step to make MTS the pan-India cellular service brand of choice."

Beginning today, MTS services can be purchased at 7,000 retail outlets, spanning 271 towns & more than 12000 villages, covering 16 districts of Bihar. It is reaching out to its customers in Bihar, with the message "Badlo Life ka Plan" or "Change your Life's Plan". As part of its inaugural scheme, the company intends to make its initial subscribers, minute millionaires, by offering one million minutes of talk time free through its "MCard" for Rs. 499. Additionally, MTS

will provide an unique unprecedented offer to its customers to be able to call all Local Mobiles and Local Landlines at just 49p/min. This offer will be at a one time cost of Rs.49 and is a limited period offer.

“Bihar offers high potential for mobile penetration and we are looking forward to bring our subscribers a unique value proposition, fine tuned towards their specific needs. We will provide the best offers with no hidden cost, connect maximum new users and provide maximum coverage with quality connectivity to the people of Bihar.” added **Mr. Sanjeev Garg Chief Operating Officer, Bihar, Jharkhand & Orissa, Sistema Shyam TeleServices Limited.**

The company is the only new entrant having the license to operate in all 22 telecom circle across India, and is going strong on a pan India roll out. The launch of MTS will provide more choice to customers, and heralds the beginning of a new era in mobile services in the state.

About Sistema Shyam TeleServices Limited

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.

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