

# News Release

## **Sistema Shyam TeleServices launches MTS brand in India**

*Announces pan-Indian foray, to foster growth of the mobile telephony market in the country*

**New Delhi, March 26, 2009:** Sistema Shyam TeleServices Limited (SSTL), a joint venture between Sistema (LSE: SSA) of Russia and Shyam Group of India, today announced the launch of its globally acclaimed brand MTS in India with the commencement of its services in Tamil Nadu. The company has entered into agreement with Mobile TeleSystems OJSC (MTS; NYSE: MBT) of Russia, to launch its pan-India operations under the MTS brand. SSTL has licenses and spectrum to provide mobile telephony services on the CDMA platform in all 22 circles across the country, covering 28 states.

Speaking on the occasion, Sergey Cheremin, Senior Vice President & Head of External Relations Division, Sistema said, "India is a key market for Sistema, as it offers high potential for growth. Our majority stake in Sistema Shyam TeleServices, is in alignment with our strategy to enter high growth markets and have an extended footprint in telecom. The market dynamics, growth prospects, business environment in India, substantiate our decision."

"The tie-up with Sistema Shyam TeleServices gives us an opportunity to increase our brand value in one of the most exciting telecom markets in the world. We strongly believe that our association will be instrumental in extending a global telecom experience to the MTS subscribers in the country", said Mikhail Gerchuk, Vice President & Chief Commercial Officer, MTS.

The existing services of SSTL in Rajasthan under the brand 'Rainbow' will also be rebranded to MTS shortly. The company aims to significantly increase the level of telecom penetration in the country by offering subscribers access to superior connectivity at affordable prices.

Speaking at the launch, Mr. Vsevolod Rozanov, President and CEO of Sistema Shyam TeleServices, said: "The globally recognized brand MTS, built on a superior technology platform and strong marketing programmes, will give a competitive advantage to Sistema Shyam

# News Release

TeleServices. Our mission is to enable accessibility and connectivity, to enable people communicate seamlessly.”

“We are proud on the launch of pan-India operations of Sistema Shyam TeleServices with MTS. We intend to play an active role in the overall development of India’s telecom infrastructure as well as in providing world-class, superior and value-added services for our subscribers,” added Mr. Alok Tandon, Managing Director Sistema Shyam TeleServices

MTS is one of the Top 100 Most Powerful Brands in the world, and is the 8th largest mobile operator in the world. This is recognition of its leadership across the CIS and increasing global relevance.

## **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 74% stake. SSTL has licenses and spectrum to provide mobile telephony services on the in all 22 circles across the country.

## **About Sistema Corporation (SSA)**

Sistema is the largest public diversified corporation in Russia and the CIS, which manages fast growing companies operating in the telecommunications, consumer services sectors and technology industries and has over 100 million customers. Sistema develops and manages market-leading businesses in selected industries, including telecommunications, technology, banking, real estate, retail, media, tourism and healthcare. Founded in 1993, the company reported revenues of US\$ 12.6 billion for the first nine months of 2008 (unaudited), and total assets of US\$ 32.0 billion as at September 30, 2008 (unaudited). Sistema’s shares are listed under the symbol “SSA” on the London Stock Exchange, under the symbol “AFKS” on the Russian Trading System (RTS), under the symbol “AFKC” on the Moscow Interbank Currency Exchange (MICEX), and under the symbol “SIST” on the Moscow Stock Exchange (MSE). For further information, please visit [www.sistema.com.v](http://www.sistema.com.v)

# *News* Release

## **About Shyam Group**

Shyam group has diversified interests in telecom, manufacturing, services and fertilizer. Essel Shyam Communications Ltd, a joint venture between Essel and Shyam group, is a leading pan-India VSAT Service Company and is one of the largest in the field of media management and up linking.

More information on MTS in India, available at: [www.mtsindia.in](http://www.mtsindia.in)

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