



OAO Mediaholding has no plans for new additional share issues

Moscow, March 13, 2013. At a meeting of the Board of Directors of OAO Mediaholding (hereafter, the Company), held on March 12, the Company's Chief Executive Officer Elena Fedyukovich delivered a report on the main areas of development and the current financial state of state corporation Mediaholding.

The report makes an assessment of the current activities of the Group of companies. It noted the achievements of the Group's companies in 2012, first and foremost, the successes and achievements of the subsidiaries OAO Mediaholding, O2TV Channel. The main achievements of the television channel include substantial growth of the subscriber base in 2012. Emphasis was also laid on O2TV's success in the expansion of broadcasting to neighboring FSU countries.

The CEO of the Company also noted in her presentation that the television channel is currently one of the country's most open television channels in terms of information content, perhaps one of the most transparent non-public companies and suggested that this factor could have a positive impact on the Group's market cap in the long-term outlook.

Elena Fedyukovich also made a number of proposals aimed at raising the efficiency of the Group's financial activity. Specifically, Mrs. Fedyukovich made some suggestions on how to improve the content of O2TV Channel. She pointed out that the television channel should scale up its Internet footprint, which includes expanding webcasts and delivering content through the 'new media' which enjoy strong demand among young people, position the channel more actively on social networks, and enter into new agreements with IPTV operators.

The CEO devoted special attention to financial management at Mediaholding. To begin with, Mrs. Fedyukovich believes it is necessary to change the way that funds have been raised in recent years, which should include abandoning new additional share issues. *"At the beginning of this year the former management officially announced that Mediaholding had no plans to hold new additional share issues. I subscribe wholeheartedly to this decision as there is no point in these new additional share issues"*, Elena Fedyukovich said.

Mrs. Fedyukovich maintains that net profit is the best source of financing for the Group, although she does not rule out that the Group's companies could take out long-term loans or issue bonds in order to finance large-scale projects. The General Director's report notes that the idea of Mediaholding placing shares on international capital markets is "strategically correct", but that no goal should be set for entering the international market in any specific year. Elena Fedyukovich also said she believes that Mediaholding could go for a listing on a European stock market at some point in the future.

"Going forward, I can see our Group of companies evolving into a full-fledged media holding that owns not only O2TV but also other assets – a production center, Internet assets, and other non-FTA television channels. The strategy of turning the Group into a media holding, which was approved in 2011, is correct and remains unchanged", said the CEO of OAO Mediaholding.

About the company



OAO Mediaholding (until January 2013) – OAO O2TV) is the 100% owner of O2TV television channel (OOO O2TV) and manages the assets of this television channel. OAO Mediaholding and O2TV television channel together make up the Mediaholding Group of companies. The shares of Mediaholding have been listed on the Moscow Exchange (ticker OVDA) since 2008. For more detailed information on OAO Mediaholding and O2TV Channel please go to the site www.o2tvbiz.ru.

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