

EGM to consider upsizing charter capital

Moscow, 21 November 2011. The Board of Directors of OAO O2TV (O2TV or “the Issuer”) adopted a resolution to hold an extraordinary general meeting of shareholders on December 26, 2011 at the following address: 15/1, Mokhovaya St. (National Hotel), Moscow, Russia.

The agenda of the extraordinary general meeting of shareholders included the issues of making amendments to the Issuer’s Charter and raising the charter capital of OAO O2TV by placing additional common registered uncertified shares with a par value of Rub 0.001.

The proceeds generated from the placement are to be allocated to finance the Issuer’s acquisition of new media and IT assets, to expand the production activity of O2TV television channel, specifically to purchase new video content (including movies and series) and to ramp up the technical coverage of the television channel by connecting paid TV for operators.

The Board of Directors has advised the extraordinary general meeting of shareholders to pass a resolution on upsizing the Issuer’s charter capital on the following terms and conditions:

- Method of placement: private placement;
- Range of persons and entities targeted by the placement: foreign legal entities Silvernight Holding Ltd., Stearway Limited and Streamball Trading Ltd. (all of the aforementioned entities are incorporated in the Republic of Cyprus under the laws of this state), and also persons vested with the preemptive right to purchase said shares. The aforementioned foreign legal entities are institutional investors acting independently of one another and are in no way affiliated with the Issuer;
- Number of additional shares subject to placement: 560,000,000 ;
- Price of the placement of additional common shares (including the placement price of shares for persons vested with the preemptive right to acquire shares): Rub 5.70 per share;
- Form of payment: funds in the currency of the Russian Federation;
- Record date: the date for the list of persons eligible to attend the EGM of OAO O2TV was set by the Company’s Board of Directors as November 21, 2011.

Notification that OAO O2TV is to convene an extraordinary general meeting of shareholders will be published by the Issuer in the newspaper “Moskovskaya Pravda” in accordance with the procedure provided for by law (no later than 20 days prior to the date on which a general meeting of shareholders is to be held).

Overview of O2TV Channel

O2TV is Russia’s first young people’s television channel which targets an age group ranging from 16 to 35 years. The company commenced broadcasting in 2004. Nowadays, O2TV has the ability to reach 15.6 million viewers in 73 constituent entities and 250 cities and towns across Russia. Total coverage in Moscow stands approximately at 1.9 million people. In Moscow, the TV channel is broadcast on the networks of Rostelecom, AKADO, QWERTY, BeeLine-TV, Infokos Plus, Iskratelecom etc. Online broadcasts of the channel are also made on Russia’s largest portals, video hostings and from the TV channel’s official website. The company possesses its own powerful production base and generates more than 1,000 hours of original content per year. O2TV channel is owned by O2TV open-joint stock company (OAO), which has had its shares listed on Russian stock exchanges MICEX and RTS since 2008. The charter capital of OAO O2TV amounts to Rub 140,000 and is divided into 140 m shares. For more details on the television channel and OAO O2TV, see the website www.o2tv.biz/en .

Some statements made in our News and Press Releases are not historical facts, and are to be considered merely forward-looking statements (forecasts). These statements include, but are not limited, to: plans, forecasts or guidance concerning our revenues, profits (losses), including profits/losses per share, dividends, equity structures, including shareholder capital, other financial indicators and ratios, and the investment program; statements made concerning our plans, purposes or tasks in operating activities; statements concerning future economic indicators; statements concerning the assumptions on which some statements are made. In addition, words such as "assume", "expect", "presuppose", "plan", "intend", "consider", "anticipate", and other such phrases used in the future tense shall be regarded solely as forward-looking statements, and not as an assurance that any such future events referred to therein will actually come true. In essence, the above-mentioned forward-looking statements (forecasts) shall be construed as integral risks, given that any such plans, expectations and other statements projected into the future may not materialize. The reader should be cognizant that the actual results of O2TV could differ materially from its plans, purposes, expectations, estimates and intentions as stated in such forward-looking statements by virtue of a number of risk factors. Should you rely on forward-looking statements, you should carefully analyze the above-mentioned facts and also other issues and events which are devoid of clarity, especially in light of the political, economic, social and legal environment in which the Company operates. Such forward-looking statements shall be deemed valid only on the date of their publication, and the Company shall not assume any obligation to update or review them, whether at the time when such information becomes available, when new events occur or for any other reason. The Company shall make no claims or provide no assurances that the results assumed in such forward-looking statements will be achieved, nor shall it publish any estimates regarding the probability that the results set forth in forward-looking statements will be reached. Forward-looking statements shall be regarded as merely one way in which a certain situation may unfold, and not necessarily the most likely or standard course of events.

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