

OAo O2TV raises over Rub 3 bln from additional share issue

Moscow, June 9, 2012 (OAo O2TV or “the Issuer”) hereby announces the completion of its additional share issue. The report on the results of the issue was registered by the Federal Financial Markets Service on June, 7.

All in all, the Issuer placed 500 mn shares by closed subscription. As a result of this move, the number of the Issuer’s outstanding shares increased to 700 mn. The placement price amounted to Rub 5.6\share. Thus, the Issuer raised Rub 3.14 bn in the course of the placement. The proceeds from Group O2TV’s share offering will go towards taking over media and IT assets, and also paying for connection to National Cable Network’s (NCN) Moscow cable TV network.

The Issuer’s shares were purchased by three Cyprus-based foreign institutional investors. The purchasing parties were not affiliated with the Issuer or its top managers, or with each other, at the time of the purchase.

In addition, 1.43% of the Issuer’s shares are currently owned by O2TV Channel, which recently completed the process of buying up the equity of its parent company from its minority shareholders. Thus, the procedure for OAo O2TV’s additional share issue, which lasted about six months, was completed successfully.

Vladimir Pantserny, CEO of OAo O2TV:

‘The most important result of the additional share issue is that Group O2TV has raised over Rub 3 bn. This will make it possible for the channel to follow through on its asset takeover plans. The securities issue prospectus posted on our corporate website sets out some of the details pertaining to these plans and shows how the proceeds from the issue will be used. None of the additional shares in the issue are to be listed for trading. More detailed information on the outlook for rolling out a media holding on the basis of Group O2TV will be released after the annual shareholders meeting is held on June 30’.

About the private offering

At an extraordinary shareholders meeting dated December 26, 2011, the shareholders of OAo O2TV (hereafter, “the Issuer”) passed a resolution to increase the Issuer’s share capital by placing 500 mn additional common nominal shares with a par value of Rub 0.001. On March 29, 2012 the Federal Financial Markets Service registered the additional issue and the Issuer’s share prospectus (state registration number 1-02-12479-A-002D). Prior to the placement of the additional shares, OAo O2TV’s share capital amounted to Rub 140,000 and was split into 140 mn common shares. The Company’s additional share issue was sold via the private offering among three foreign investors in May 2012. The report on the results of the additional issue was registered by the Federal Financial Markets Service of Russia on June 7, 2012.

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 18.8 million viewers in 79 constituent entities and 3,000 cities and towns across Russia. Total penetration in Moscow accounts for 3.3 mn viewers. The channel broadcasts in NCN’s Moscow cable TV network. The TV channel also broadcasts on the networks of Rostelecom, AKADO, QWERTY, BeeLine-TV, 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. O2TV channel is owned by O2TV open-joint stock company (OAo), which has had its shares listed on Russian stock exchange MICEX since 2008. 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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