



O2TV nearly doubles the number of its subscribers in FY12

Moscow, January 23, 2013. O2TV Channel (O2TV or “the Television Channel”) hereby announces its headline operating results for FY 2012 and 4Q 2012 in connection with the expansion of the Television Channel’s broadcasting network in the regions of Russia.

As of December 31, 2012 the total number of O2TV Channel’s subscribers (connected households) stood at 9,731,186. This is 91% (or 4,626,040 subscribers) more than in 2011 and 3% (or 286,317 subscribers) more than in 3Q 2012.

O2TV Channel’s subscriber trend

As of Dec. 31, 2011	As of Sept. 30, 2012	As of Dec. 31, 2012
5,105,146	9,444,869	9,731,186

Note: 1 subscriber = 3.2 TV viewers

As of December 31, 2012 O2TV Channel could be watched in 78 constituent entities of the Russian Federation in over 3,000 cities and towns across the country, including the Russian capital and all cities with a population of over 1 mn people.

The main factor driving growth in O2TV’s subscriber base was an upturn in the number of the TV channel’s Moscow subscribers, which doubled in 2H12. The number of subscribers in the capital stood at 3.49 mn, as of year-end 2012. The channel began broadcasting on the network of National Cable Networks (NTC), which caused the Moscow subscriber base to skyrocket nearly 7-fold in 2012. Nowadays, O2TV is available to all inhabitants of the capital that have the technical capability of watching cable TV.

O2TV’s major broadcasting regions

Federal District	Number of subscribers
Central	4,656,715
North-Western	519,878
Volga	1,472,626
Southern	585,462
Urals	991,687
Siberian	945,580
Far Eastern	550,346
North-Caucasian	8,892
TOTAL	9,731,186

In Q412 the number of O2TV’s subscribers rose 0.4% QoQ in the Central Federal District to 4.65 mn. The number of subscribers went up by 3% QoQ to 520,000 in the North-West Federal District, 4.8% to 1.47 mn in the Volga Federal District, 10% to 585,000 in the Southern Federal District, 8% to 991,000 in the Urals Federal District, 4% to 945,000 in the Siberian Federal District, 3.4% to 550,000 in the Far East Federal District and the number of subscribers was unchanged in the North-Caucasian Federal District.



In 2012 the television channel boosted its viewer ratings, according to TNS Russia. The channel's cumulative average viewer share (including all viewers aged 4 and up) increased by 21% in 4Q12 to 9.5 mn people. Average monthly viewer share rose 5% to 4.6 mn people in 4Q12. In Moscow the channel's average monthly viewer share increased to 9.7% of total viewership in Q4, which is channel's strongest performance in the capital over the past 3 years.

Anna Ivanova, head of the regional development division of O2TV Channel commented:

"The channel's subscriber base achieved stellar growth in 2012, with the number of our subscribers nearly doubling. This was due, first and foremost, to the fact that the channel was included in the Moscow cable TV network, while regional expansion topped 32%. This also shows strong performance and debunks the myth that the pace of growth is slowing down in the regions. There is also room for growth in pay TV subscribers both in the regions and in Moscow where there is ongoing construction with new houses going up and the number of pay TV subscribers on the rise. According to a forecast by J'son & Partners, the penetration rate of pay TV television in Russia in 2013 will rise to 60% and this is by no means the upper limit. In addition, technical coverage is also contributing to a rise in viewer share".

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 30 million viewers in 78 regions and 3,000 cities and towns across Russia. Total penetration in Moscow accounts for 11 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 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 OAO Mediaholding, which has had its shares listed on Russian stock exchange MICEX since 2008. For more details on the television channel and its parent company, see the website www.o2tv.biz/en .

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