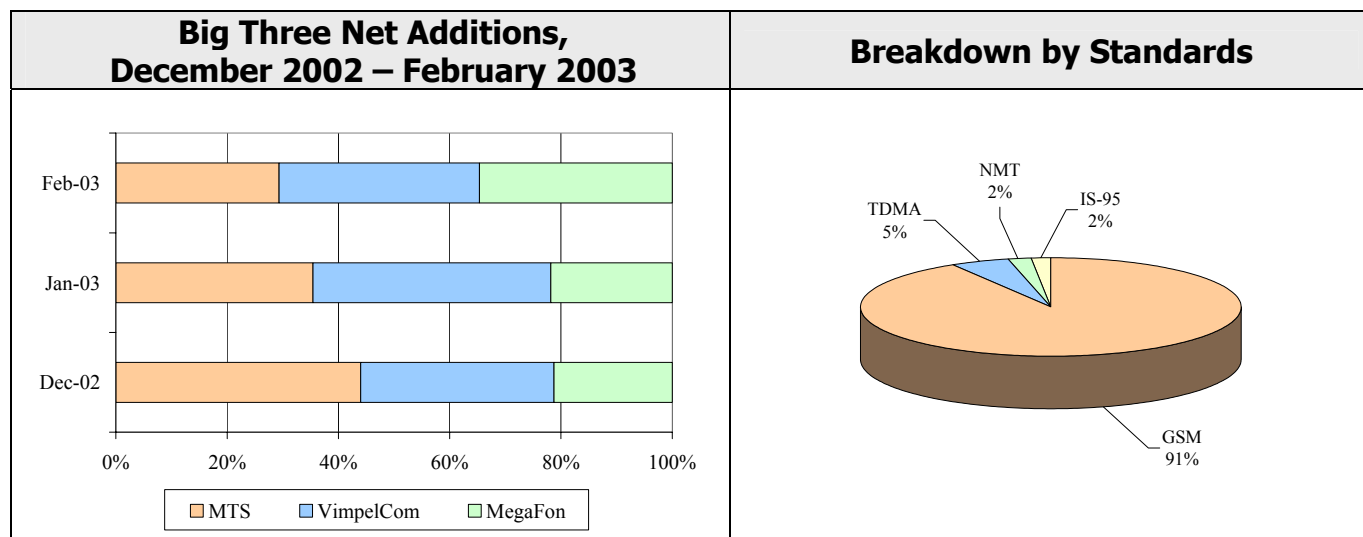




Statistics: At the end of February, the total number of cellular subscribers in Russia (GSM, TDMA/DAMPS, NMT, IS-95, IMT-MC-450) broke through an important barrier of 20 million and reached **20.45 million**, rising 6% from end-January. Such a significant monthly growth was partially due to the change of the subscriber count methodology by MegaFon. The share of the Moscow License Area (MLA) continues to decline - now less than 40%.



Sources: J'son & Partners; Sotovik

Additions: Gross additions in February were 1.17 million subscribers. The overall penetration in Russia reached 14.2% of the population.

Top 10 Cellular Operators:

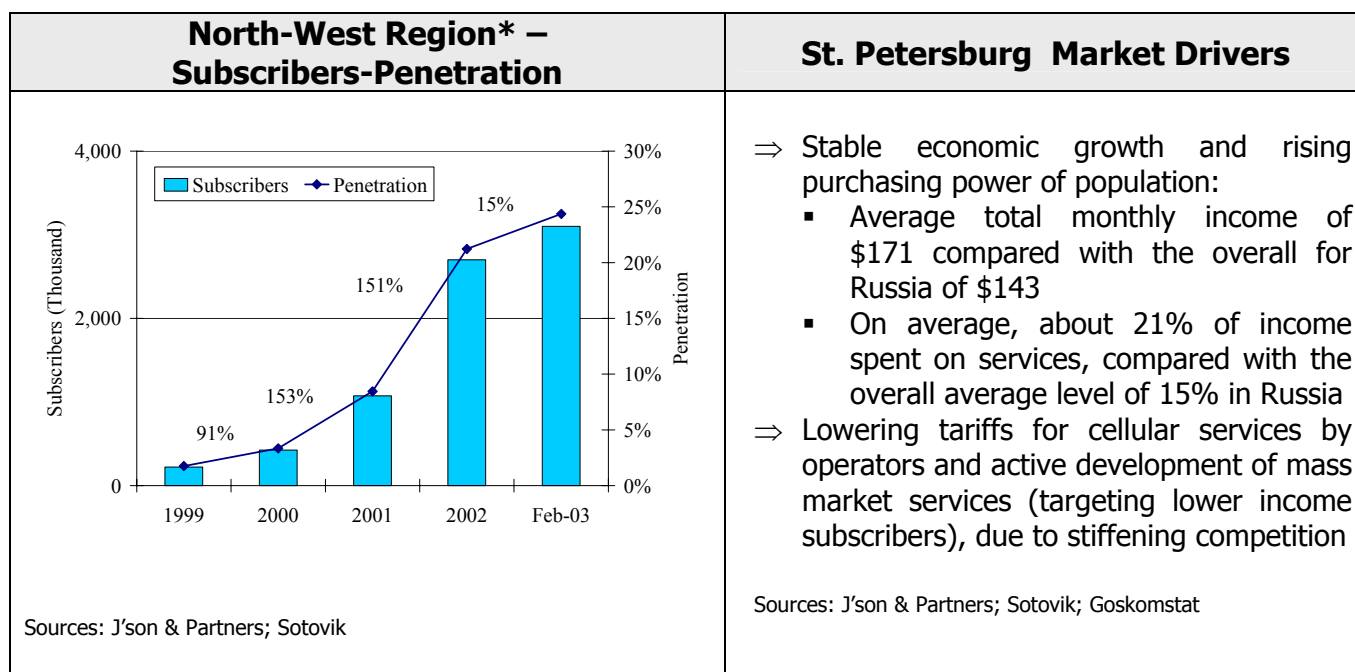
Operator	Total Subs as of February 28	YTD Growth (%)	Moscow Subs as of February 28
1. MTS	7,340,000	11%	3,398,000
2. VimpelCom	5,966,000	17%	3,996,000
3. MegaFon	3,564,000	21%	382,000
4. SMARTS Group	650,000	20%	n/a
5. Uralsvyazinform*	516,600	12%	n/a
6. TAIF-Telcom	313,648	17%	n/a
7. N. Novgorod Cellular	191,000	11%	n/a
8. Tatincom	120,584	3%	n/a
9. Tomsk Cellular Communications	114,200	13%	n/a
10. Yekaterinburg-2000**	104,400	31%	n/a

Sources: J'son & Partners; Sotovik

* consolidated all regions and standards

** new position (brand name – Yekaterinburg Cellular Communications)

Regional Snapshot: North-West Region with its current population of 12.7 million is the second largest market in Russia for cellular services in terms of the overall penetration level. The overall penetration in the North-West Region is 24%, while in St. Petersburg and Leningrad region, it is over 37%¹. Thanks to its favorable geographic location, allowing for ongoing commercial cooperation and trade with European countries, Kaliningrad Oblast has the second highest penetration level (21%) in the region.



* The North-West Region: Arkhangelsk Oblast, Kaliningrad Oblast, Karelia Rep., Leningrad Oblast, Murmansk Oblast, Nenetskiy AO, Novgorod Oblast, Pskov Oblast, Vologda Oblast.

For further information please contact:

J'son & Partners	Sotovik
Tatiana Tolmacheva e-mail: Tatiana.Tolmacheva@json.ru tel: +7(095) 925 7245 fax: +7(095) 925 9177 www.json.ru	Alexei Boiko e-mail: sotovik@sotovik.ru tel: +7(095) 231 7946 fax: +7(095) 231 7947 www.sotovik.ru

© J'son & Partners; Sotovik

This Market Watch is prepared by J'son & Partners and Sotovik companies jointly. Both companies carry out their own independent research of the cellular market in Russia. We make extensive efforts to present data and predictions representing our best estimates available at the time of publishing. J&P and Sotovik reserve the right to revise data if and when individual operators publish audited subscription data at a later date. Publications and media can use the data created in this market watch. When doing so it shall be noted that J'son & Partners and Sotovik shall be quoted as source.

¹ The increase in the penetration is due to the change in the subscriber base count methodology by MegaFon.