



FOR IMMEDIATE RELEASE

9 December, 2009

SISTEMA ANNOUNCES UNAUDITED FINANCIAL RESULTS FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2009

Moscow, Russia – 9 December, 2009 – Sistema (the “Group”) (LSE: SSA), the largest diversified public financial corporation in Russia and the CIS, which invests in and is a major shareholder of companies operating in different industries, today announced its unaudited consolidated US GAAP financial results for the third quarter ended September 30, 2009.

THIRD QUARTER HIGHLIGHTS

- **Consolidated revenues up 21.0% year on year and 25.6% quarter on quarter to US\$ 5.3 billion**
- **Consolidated OIBDA nearly doubled year on year and almost tripled quarter on quarter to US\$ 3.2 billion with OIBDA margin of 59.5%**
- **Consolidated net income attributable to the Group increased by nearly 16 times year on year to US\$ 1.7 billion**
- **The Oil & Energy business unit contributed US\$ 1.9 billion and US\$ 2.5 billion to the Group’s consolidated revenues and OIBDA respectively**

KEY CORPORATE HIGHLIGHTS IN THE THIRD QUARTER

- **In September 2009, ANK Bashneft and Shell signed an agreement to supply West Siberian oil to Ufa oil refineries**
- **In September, MTS secured additional financing from Sberbank through two loans in the amount of RUB 47 billion and RUB 12 billion**
- **In August 2009, ANK Bashneft signed a cooperation agreement with LUKOIL and TNK-BP to supply crude oil to Ufa oil refineries**
- **In August 2009, MBRD placed RUB 2.2 billion (approximately US\$ 75 million) asset-backed securities**

- **In August 2009, Sistema placed a RUB 20 billion second series five-year bond with a put option exercisable in three years, with an annual coupon rate set at 14.75%**
- **In July 2009, Sistema obtained a EUR 120 million 3-year loan from the EBRD and also bought back from the EBRD its minority stake in SITRONICS**

Leonid Melamed, President and Chief Executive Officer of Sistema, commented: “During the third quarter Sistema has consistently executed on its strategy, focused on the growth of shareholder value and the increase of return on invested capital. We achieved considerable growth in consolidated revenues and OIBDA and generated a marked improvement in the results of the Bashkir oil business. Furthermore, our debt to OIBDA ratio declined to 2.4 which demonstrated the effectiveness of management’s efforts aimed at improving our financial position. We are focused on further increasing our asset values.

Among our key initiatives was the approval by the Board of Directors of Sistema of an updated development strategy for the Indian telecommunications project; the signing up of a strategic partner, VTB Bank, as a majority shareholder in Sistema-Hals, following the execution of its call option to buy 31.5% of the company. We have initiated the process of optimisation of the corporate structure in Bashkirian assets, which is aimed at creating a vertically-integrated company. We expect that the integration of our telecommunications assets will create new large-scale opportunities for MTS and Comstar and enhance the value of the combined entity. We have continued with our efforts focused on the creation of partnerships with the State and in this regard we signed an agreement with Rosnano to build a 90 nm microchip production plant.

We expect that all these initiatives will enable us to unlock the full value and growth potential of our assets in the future.”

FINANCIAL SUMMARY

(US\$ millions, except per share amounts)	3Q 2009	3Q 2008	Year on Year Change	2Q 2009	Quarter on Quarter Change
Revenues	5,334.8	4,410.3	21.0%	4,248.4	25.6%
OIBDA	3,172.1	1,683.7	88.4%	1,184.9	167.7%
Operating income	2,490.5	1,070.6	132.6%	544.9	357.1%
Net income attributable to the Group	1,684.4	99.9	1,586.7%	174.6	864.6%
Basic and diluted income per share (US cents)	18.15	1.08	1,586.7%	1.88	864.6%

GROUP OPERATING REVIEW

Sistema’s consolidated revenues increased by 25.6% quarter on quarter primarily as a result of US\$ 757.0 million, or 64.8%, quarter on quarter revenue growth in the Oil & Energy business unit. The Oil & Energy business unit’s revenues amounted to US\$ 1,924.4 million due to a number of successful initiatives introduced by new management, including transition from the tolling scheme to own oil refining, as well as growth in oil prices. Consolidated revenues for the Group’s Telecommunications and Consumer business units increased by 9.9% and 20.5% quarter

on quarter respectively, whilst the Technology and Industry business unit's revenues slightly declined quarter on quarter. Non-telecommunications businesses, including the Oil & Energy business unit, accounted for 50.9% of total Group consolidated revenues in the third quarter, compared to 25.5% and 43.9% for the third quarter of 2008 and the second quarter of 2009 respectively.

Selling, general and administrative expenses increased by 6.6% year on year and by 4.1% quarter on quarter to US\$ 922.1 million, well below the growth in consolidated revenues.

The Group OIBDA for the third quarter of 2009 included a gain from the acquisition of the Bashkir Oil & Energy assets and a loss on the disposal of interests in subsidiaries and affiliates. Adjusted OIBDA¹ decreased by 11.6% year on year and increased by 22.1% quarter on quarter to US\$ 1.5 billion, with adjusted OIBDA margin of 27.9%, compared to 38.2% and 28.7% OIBDA margin in the third quarter of 2008 and the second quarter of 2009 respectively.

Depreciation and amortisation expense increased by 11.2% year on year and by 6.5% quarter on quarter mainly due to the revaluation of Bashkir Oil & Energy assets in the reporting period.

The Group operating income more than doubled year on year and increased by more than four times quarter on quarter. Adjusted² operating income decreased by 24.7% year on year but increased by 39.4% quarter on quarter and amounted to US\$ 806.2 million with an adjusted operating margin of 15.1% in the reporting quarter, compared to 24.3% in the third quarter of 2008 and 13.6% in the second quarter of 2009.

The Group interest expense was US\$ 360.0 million in the third quarter, compared to US\$ 154.7 million in the corresponding quarter in 2008 and US\$ 280.0 million in the second quarter of 2009, mainly due to the increase in total debt.

The consolidated net income attributable to Sistema increased by more than 16 times year on year and by more than 9 times quarter on quarter. The adjusted³ net income amounted to US\$ 202.0 million in the third quarter of 2009, compared to US\$ 99.9 million and US\$ 207.9 million in the corresponding period of 2008 and the second quarter of 2009.

SEGMENTAL OPERATING REVIEW⁴

TELECOMMUNICATIONS BUSINESS UNIT

<i>(US\$ millions)</i>	3Q 2009	3Q 2008	Year on Year Change	2Q 2009	Quarter on Quarter Change
Revenues	2,621.5	3,281.5	(20.1%)	2,385.7	9.9%
OIBDA	1,151.1	1,636.0	(29.6%)	1,032.8	11.5%
Operating income	667.6	1,063.5	(37.2%)	588.0	13.5%

¹ OIBDA was adjusted for a gain from the acquisition of Bashkir Oil & Energy assets and a loss on non-recurring write-offs.

² Operating income was adjusted for a gain from the acquisition of Bashkir Oil & Energy assets and a loss on non-recurring write-offs

³ Net income attributable to Sistema was adjusted for a gain from the acquisition of Bashkir Oil & Energy assets and a loss on non-recurring write-offs

⁴ Here and further, in the comparison of period to period results of operations revenues are presented on an aggregated basis, which is revenues after the elimination of intra-segment (between entities in the same segment) transactions, but before inter-segment (between entities in different segments) eliminations, unless accompanied by the word "consolidated". Amounts attributable to individual companies, where appropriate, are shown prior to both intra-segment and inter-segment eliminations and may differ from respective standalone values due to certain reclassifications and adjustments.

Net income attributable to the Group	226.2	307.0	(26.3%)	264.9	(14.6%)
Indebtedness	8,567.4	4,292.7	99.6%	5,833.6	46.9%
MTS					
Revenues	2,267.6	2,812.3	(19.4%)	2,022.4	12.1%
OIBDA	1,062.6	1,453.2	(26.9%)	953.8	11.4%
Operating income	638.5	935.5	(31.7%)	548.1	16.5%
Net income attributable to the Group	275.4	279.2	(1.3%)	313.7	(12.2%)
Comstar UTS					
Revenues	369.9	421.6	(12.2%)	363.6	1.8%
OIBDA	150.9	198.4	(23.9%)	149.1	1.2%
Operating income	106.7	145.9	(26.9%)	104.9	1.7%
Net income attributable to the Group	16.0	19.2	(16.8%)	17.8	(10.4%)
SSTL					
Revenues	9.8	4.9	101.3%	7.2	36.0%
OIBDA	(71.4)	(8.8)	-	(41.1)	-
Operating loss	(79.3)	(14.2)	-	(46.3)	-
Net loss attributable to the Group	(59.3)	(21.4)	-	(22.9)	-
Sistema Mass Media					
Revenues	14.9	62.2	(76.0%)	9.3	60.7%
OIBDA	4.5	17.6	(74.3%)	(11.4)	139.8%
Operating loss	(3.7)	(2.5)	-	(17.8)	-
Net income / (loss) attributable to the Group	2.4	(11.5)	-	(17.6)	-

The Telecommunications business unit comprises MTS; Comstar-UTS; Sistema Shyam TeleServices Ltd. (SSTL) and Sistema Mass Media. The unit's revenues decreased by 20.1% year on year, however revenues were up 9.9% quarter on quarter due to additional subscribers, rising voice and data consumption, seasonal usage factors, currency appreciation and an increase in contribution from MTS's retail network, followed by growing long-distance and fixed-to-mobile traffic volumes and the increase in ruble tariffs by Comstar-UTS. The Telecommunications business unit accounted for 49.1% of the Group's consolidated revenues in the third quarter of 2009.

The Telecommunications business unit's OIBDA declined by 29.6% year on year, however OIBDA increased by 11.5% quarter on quarter as a result of revenue growth and optimised spending at MTS, Comstar-UTS and SMM. OIBDA margin was 43.9% in the third quarter of 2009, compared to 49.9% and 43.3% in the third quarter of 2008 and the second quarter of 2009 respectively.

The Telecommunications business unit's net income declined by 26.3% year on year, largely as a result of ruble depreciation, and by 14.6% quarter on quarter.

MTS added approximately 1.86 million subscribers during the third quarter of 2009 resulting in the total consolidated subscriber base of approximately 101.4 million customers as at September 30, 2009. MTS revenues decreased by 19.4% year on year, however revenues increased by 12.1% quarter on quarter due to additional subscribers, rising voice and data consumption, seasonal usage factors, growing handset sales and currency appreciation at MTS. The average monthly service revenue per subscriber (“ARPU”) in Russia decreased from RUB 278.8 in the third quarter of 2008 to RUB 255.8 in the reporting period, however it was up quarter on quarter from RUB 245.4 in the second quarter of 2009. Russian subscribers’ monthly Minutes of Use (MOU) remained stable year on year at 213 in the third quarter of 2009 and declined slightly from 216 in the second quarter of 2009.

MTS’ OIBDA declined by 26.9% year on year, however OIBDA was up 11.4% quarter on quarter as a result of revenue growth. The OIBDA margin declined in the third quarter to 46.9% compared to 51.7% a year ago and 47.2% in the second quarter of 2009.

Comstar-UTS’ revenues declined by 12.2% year on year, however revenues increased by 1.8% quarter on quarter, mainly as a result of growing long-distance and fixed-to-mobile traffic volumes, and the increase in ruble tariffs. Comstar-UTS’ broadband subscriber base increased by 32.3% year on year to 1.2 million customers in the third quarter.

Comstar-UTS’ OIBDA decreased by 23.9% year on year, however increased by 1.2% quarter on quarter. The OIBDA margin was 40.8% in the third quarter, compared to 47.1% and 41.0% in the third quarter of 2008 and the second quarter of 2009 respectively, despite the consolidation of the lower margin STREAM-TV business, which was offset by the tariff increases and the ongoing cost optimisation programme.

SSTL’s revenues more than doubled year on year and were up by 36.0% quarter on quarter as a result of the strong growth in total mobile subscriber base and robust expansion of network coverage. SSTL’s mobile subscriber base increased by 73.8% quarter on quarter and reached 1,837,000 customers in the end of the third quarter of 2009. Mobile ARPU increased by 2.2% quarter on quarter to US\$ 1.6 in the third quarter of 2009. Subscribers’ MOU decreased from 402 in the second quarter of 2009 to 279 in the third quarter due to the expiration of the promotional campaign for on-network calling. APPM (Average Price Per Minute) increased by 33.0% quarter on quarter (from 0.003 USD to 0.004 USD). The total fixed line subscriber base remained stable at the level of 245,000 users.

SSTL generated an OIBDA loss of US\$ 71.4 million in the third quarter of 2009 due to an increase in expenses associated with the intensive rollout of mobile networks.

Sistema Mass Media’s revenues declined by 76.0% year on year, however revenues were up 60.7% quarter on quarter, primarily as a result of the sale of new TV series and the increase in advertising sales in TV company Stream, as well as the growth in revenues from new business in the advertising agency Maxima. The subscriber base of operators, which offer access to TV company Stream’s channels, remained relatively stable quarter on quarter at 5.1 million customers as at the end of the third quarter, whilst Stream quarterly ARPU was up 8.3% quarter on quarter to US\$ 0.5 (RUB 15.6), compared to US\$ 0.46 (RUB 14.4) in the second quarter.

Sistema Mass Media’s OIBDA decreased by 74.3% year on year, however OIBDA was up significantly quarter on quarter.

In August 2009, Comstar-UTS completed the first stage of the reorganization of its regional business through the merger of seven of its largest subsidiaries into CJSC Comstar-Regions.

In July 2009, SSTL announced the launch of services under the MTS brand in Bihar, the second largest circle and the sixth circle of its operation, following Rajasthan, Tamil Nadu, Kerala, Kolkata and West Bengal.

During the reporting period, SMM launched two new TV channels, “Psychology21” and “Pets”, as well as renewed 70.0% of its programming content for the fall programming season.

CONSUMER BUSINESS UNIT

<i>(US\$ millions)</i>	3Q 2009	3Q 2008	Year on Year Change	2Q 2009	Quarter on Quarter Change
Revenues	514.5	815.5	(36.9%)	427.0	20.5%
OIBDA	20.8	43.0	(51.6)%	8.5	143.7%
Operating income / (loss)	8.9	23.2	(61.6)%	(2.1)	-
Net loss attributable to the Group	(32.1)	(82.0)	-	(52.7)	-
Indebtedness	1,145.9	2,107.4	(45.6%)	1,153.7	(0.7%)
Banking					
Revenues	184.9	189.5	(2.4%)	174.9	5.7%
OIBDA	44.9	17.4	158.4%	33.9	32.3%
Operating income	41.7	10.1	315.3%	30.0	39.2%
Net income / (loss) attributable to the Group	8.0	(6.8)	-	4.8	64.7%
Retail					
Revenues	151.7	236.7	(35.9%)	124.6	21.8%
OIBDA	(8.2)	9.9	-	(30.1)	-
Operating (loss) / income	(13.7)	3.7	-	(33.7)	-
Net loss attributable to the Group	(18.0)	(11.3)	-	(27.3)	-
Tourism					
Revenues	147.4	271.5	(45.7%)	96.4	52.9%
OIBDA	7.6	13.4	(43.1%)	7.0	9.1%
Operating income	5.7	13.0	(56.2%)	5.1	12.6%
Net income attributable to the Group	4.4	2.5	70.7%	4.2	3.4%
Healthcare					
Revenues	30.6	31.6	(3.2%)	30.3	1.2%
OIBDA	0.1	2.1	(94.6%)	1.2	(90.6%)
Operating (loss) / income	(1.2)	1.0	-	0.04	-
Net (loss) / income attributable to the Group	(1.9)	0.1	-	(0.03)	-

The Consumer business unit comprises the Banking, the Retail, the Tourism and the Healthcare businesses. The Consumer business unit's revenues declined by 36.9% year on year, however revenues increased by 20.5% quarter on quarter, largely due to the improved performance of the Tourism and Retail businesses. The unit accounted for 9.6% of consolidated results in the third quarter.

The Consumer business unit's OIBDA decreased by 51.6% year on year. The unit OIBDA more than doubled quarter on quarter mainly as a result of the OIBDA growth in the Banking business and lower OIBDA loss reported by the Retail business.

The Consumer business unit's net loss has significantly narrowed in the third quarter, compared to the third quarter of 2008 and the second quarter of 2009.

The Banking business' revenues decreased by 2.4% year on year as a result of the decline in net income received from transactions in foreign currency, as well as ruble depreciation; however revenues were up 5.7% quarter on quarter following the increase in interest income, as well as net income generated from transactions with financial instruments.

The loan portfolio, excluding leases, decreased by 5.0% year on year and by 4.8% quarter on quarter to US\$ 4,846.2 million as at September 30, 2009. The retail deposits to loan ratio stood at 131.4% in the reporting quarter. Interest income received from retail and corporate lending operations decreased by 9.8% year on year, but was up by 4.7% quarter on quarter to US\$ 166.6 million in the third quarter. The retail banking business included 177 points of sales, including 29 points of sales in Moscow and 148 points in 37 Russian regions as at September 30, 2009.

The Banking business OIBDA more than doubled year on year and was up by 32.3% quarter on quarter as a result of the decrease in loan provisions and operating and commission expenses.

Revenues from the Retail business decreased by 35.9% year on year mainly due to the Russian ruble depreciation against the US dollar, as well as decline in consumer demand; however revenues were up 21.8% quarter on quarter, following a seasonal increase in the third quarter. By the end of the third quarter the network of retail outlets included 127 stores located in 68 Russian cities, whilst the aggregate retail space was 211,000 square metres.

The Retail business reported a smaller OIBDA loss in the third quarter of 2009 compared to the second quarter of 2009, as a result of cost cutting measures while the business continued to experience pricing pressure on retail margins due to discounting of seasonal stock and price adjustments.

The Tourism business' revenues declined by 45.7% year on year as a result of the market decline and increased competition following the global financial crisis. Business' revenues nearly doubled quarter on quarter, largely due to the seasonality effect. The business serviced 278,000 customers in the third quarter of 2009, compared to 170,000 in the second quarter of 2009. The hotel group's total number of rooms owned and under management was 2,363 at the end of the third quarter. The business' sales turnover⁵ increased by 48.4% quarter on quarter in the third quarter to US\$ 194.5 million, as a result of the seasonality effect.

OIBDA for the Tourism business declined by 43.1% year on year, however OIBDA was up 9.1% quarter on quarter due to revenue growth and better cost management.

⁵ Turnover comprises the total proceeds from all service agreements, including agency agreements.

The Healthcare Services business' revenues declined by 3.2% year on year, however revenues increased 1.2% quarter on quarter following the opening of new clinics. As at September 30, 2009 the network consisted of 31 medical clinics and hospitals, including 19 in Moscow and 12 in the regions. The business opened two new medical centres during the reporting period.

OIBDA for the Healthcare Services business declined by 94.6% year on year and 90.6% quarter on quarter.

In August 2009, Intourist took under management a hotel complex «Bashkortostan», a modern 4-star hotel with 126 rooms located in Ufa.

TECHNOLOGY & INDUSTRY BUSINESS UNIT

<i>(US\$ millions)</i>	3Q 2009	3Q 2008	Year on Year Change	2Q 2009	Quarter on Quarter Change
Revenues	337.7	431.7	(21.8%)	341.6	(1.1%)
OIBDA	20.8	33.1	(37.2%)	32.2	(35.4%)
Operating income	1.0	14.5	(93.2%)	17.5	(94.3%)
Net loss attributable to the Group	(11.8)	(24.7)	-	(15.8)	-
Indebtedness	714.2	916.8	(22.1%)	764.5	(6.6%)
High Technology					
Revenues	221.4	279.6	(20.8%)	247.1	(10.4%)
OIBDA	11.6	15.5	(25.4%)	20.3	(43.0%)
Operating (loss) / income	(3.1)	(0.4)	-	7.6	-
Net loss attributable to the Group	(12.4)	(19.1)	-	(20.3)	-
Radars and Aerospace					
Revenues	102.7	133.0	(22.8%)	83.9	22.5%
OIBDA	11.5	18.5	(38.0%)	13.4	(14.4%)
Operating income	7.2	16.3	(55.7%)	12.0	(39.7%)
Net income attributable to the Group	1.2	2.7	(55.9%)	7.6	(84.2%)
Pharmaceuticals					
Revenues	9.0	8.9	0.4%	8.2	8.8%
OIBDA	1.9	(5.2)	-	(0.9)	-
Operating income / (loss)	1.1	(5.6)	-	(1.4)	-
Net income / (loss) attributable to the Group	1.0	(6.5)	-	(2.3)	-

The Technology and Industry business unit comprises the High Technology, the Radars and Aerospace and the Pharmaceuticals business. The unit's revenues declined by 21.8% year on year, however revenues remained relatively stable quarter on quarter. The unit contributed 5.2% of the Group's consolidated revenues in the third quarter of 2009.

The Technology and Industry business unit's OIBDA decreased by 37.2% year on year and by 35.4% quarter on quarter following the decline in OIBDA of both the High Technology and Radars and Aerospace businesses. The Pharmaceutical business generated positive OIBDA in the quarter compared to an OIBDA loss in the third quarter of 2008 and the second quarter of 2009 as a result of the launch of new production facilities and shipments of drugs.

The Technology and Industry business unit's net loss has narrowed in the third quarter largely as a result of an improved performance in the High Technology business.

Revenues for the High Technology business declined by 20.8% year on year and by 10.4% quarter on quarter due to the impact of the adverse economic environment and the significant weakening of the operating currencies of the business against its US dollar reporting currency.

The High Technology business' OIBDA was down by 25.4% year on year and by 43.0% quarter on quarter.

The Radars and Aerospace business' revenues declined by 22.8% year on year mainly due to the Russian ruble depreciation against the US dollar. Revenues increased by 22.5% quarter on quarter as a result of the seasonally stronger second half of the year, the completion of a number of projects, and ruble appreciation against US dollar. The business signed two cooperation agreements with the Ministry of the Internal Affairs of the Russian Federation and Bauman Moscow State Technical University.

OIBDA of the Radars and Aerospace business declined by 38.0% year on year and by 14.4% quarter on quarter following the completion of projects with lower profitability in the reporting quarter.

The Pharmaceuticals business' revenues were stable year on year. However revenues increased by 8.8% quarter on quarter, following the launch of a new production facility and as a result of the appreciation of the Russian ruble against foreign currencies which had a positive effect on its import activities of finished drugs and substances.

The Pharmaceuticals business reported positive OIBDA in the quarter compared to an OIBDA loss in the third quarter of 2008 and the second quarter of 2009.

In September 2009, the High Technology business established a subsidiary, SITRONICS Armenia, in order to centralise the management of the Mars plant, three scientific research institutes and a free economic zone, which is being created on these sites.

In September 2009, the High Technology business's subsidiary, SITRONICS Smart Technologies, won a tender to produce Visa and MasterCard chip bank cards during a three year period for Sberbank of Russia.

In July 2009, RTI Systems acquired a minority stake in OKB-Planet, a high-tech R&D institute, thus increasing its holding to 100%.

OIL & ENERGY BUSINESS UNIT⁶

<i>(US\$ millions)</i>	3Q 2009	2Q 2009	Quarter on Quarter Change
Revenues	1,924.4	1,167.4	64.8%
OIBDA	404.4	198.0	104.3%
Operating income	239.9	33.4	617.2%
Net income attributable to the Group	286.7	20.5	1,299.5%
Indebtedness	2,706.6	2,702.8	0.14%
Bashneft			
Revenues	1,457.4	574.6	153.6%
OIBDA	239.6	124.1	93.0%
Operating income	170.1	101.4	67.8%
Net income attributable to the Group	102.0	51.3	98.9%
BashTEK Refinery			
Revenues	513.9	289.2	77.7%
OIBDA	141.7	9.6	1383.6%
Operating income / (loss)	0.8	(13.4)	105.9%
Net income / (loss) attributable to the Group	10.7	(8.8)	221.9%
BashkirEnergo			
Revenues	340.9	336.0	1.5%
OIBDA	16.5	57.4	(71.3%)
Operating (loss) / income	(24.2)	39.5	(161.1%)
Net (loss) / income attributable to the Group	(6.9)	12.0	(157.8%)
Bashkirnefteproduct			
Revenues	189.4	132.6	42.8%
OIBDA	14.4	14.3	0.4%
Operating income	1.5	12.8	(88.0%)
Net income attributable to the Group	2.1	8.1	(74.1%)

The Oil & Energy business unit comprises oil and energy companies of the Bashkir Oil & Energy Group. The unit's revenues increased by 64.8% quarter on quarter following the cancellation of the tolling scheme by Bashneft and the signing of direct long term supply contracts with oil companies, including Shell, Lukoil and TNK-BP. The unit contributed 36.1% of the Group's consolidated revenues in the third quarter of 2009.

The business unit OIBDA more than doubled quarter on quarter to US\$ 404.4 million, as new management continued to restructure the Group and optimise its production processes.

⁶ OIBDA, Operating income and Net income attributable to the Group for the Oil and Energy Business unit are shown without a gain on the acquisition of Bashkir Oil & Energy assets

Net income more than doubled quarter on quarter to US\$ 239.9 million in the third quarter of 2009.

Bashneft's revenues nearly tripled quarter on quarter as the oil company produced approximately 3.0 million tonnes of oil and for the first time sold additionally nearly 2.5 million tonnes of oil products in the third quarter. The company drilled 61,000 metres and set into operation 37 new producing wells during the period. Bashneft exported 1.1 million tonnes of crude oil and oil products in the third quarter.

Bashneft OIBDA was up 93.0% quarter on quarter following the cancellation of the tolling scheme as well as the increase in oil prices.

BashTEK Refinery, which consists of four oil refinery companies, Ufaneftekhim, Ufimsky NPZ, Novoil and Ufaorgsintez, processed 5.6 million tonnes of crude oil in the third quarter of 2009, compared to 4.7 million tonnes in the previous quarter. The Group's refineries generated 77.7% revenue growth quarter on quarter, following the increase in capacity utilisation, as well as the oil processing prices. In the reporting quarter, the capacity utilisation reached 85.0%, refining depth was 83.8% and light-product yield amounted to 60.8%.

BashTEK Refinery OIBDA was up by more than 14 times quarter on quarter as a result of the change in its processing scheme and due to higher capacity utilisation in its production facilities.

Bashkirnefteproduct's revenues were up by 42.8% quarter on quarter mainly due to the increase in sales volumes. As at the end of the third quarter 2009, the total number of petrol stations was 317.

Bashkirenergo's revenues increased by 1.5% quarter on quarter as a result of the appreciation of the Russian ruble against the US dollar. Bashkirenergo generated 4,672 million kW/h of electricity and supplied 2,825 thousand Gcal of heat in the third quarter of 2009. The energy business contributed 13.5% of the unit's total revenues in the third quarter of 2009.

The energy business OIBDA declined by 71.3% quarter on quarter mainly due to seasonality factors and extensive maintenance works performed during the summer period.

In August 2009, Ufaneftekhim launched Delayed Coking Unit (DCU) with a raw production capacity of 1.2 million tonnes per year. The new DCU will allow the refinery to convert heavy raw materials into higher value light products with the refinery depth reaching 96-98%. In addition, the construction of a new hydrogen production unit was completed.

In July 2009, Ufa Oil Refinery set into operation two new reactors for the hydro treatment of vacuum gas oil within the framework of the plant's modernisation programme. The installation of new reactors is aimed to improve the environmental performance and to reduce the sulphur content in gasoline in accordance with the international standard Euro-4.

In July 2009, Bashkirnefteproduct commissioned the first water transport filling gas station in Bashkortostan with an annual capacity of 570,000 tonnes.

CORPORATE & OTHER

<i>(US\$ millions)</i>	3Q 2009	3Q 2008	Year on Year Change	2Q 2009	Quarter on Quarter Change
OIBDA ⁷	(61.9)	(37.3)	-	(26.1)	-
Net loss	(193.2)	(108.2)	-	(8.4)	-
Total debt	2,981.8	1,360.9	119.1%	2,219.6	34.3%

The Corporate and Other segment comprises the companies that control and manage the Group's interests in its subsidiaries. The segment reported an OIBDA loss of US\$ 61.9 million in the third quarter of 2009. The segment net loss increased mainly due to the increase in the interest expense and foreign exchange losses.

FINANCIAL REVIEW

Net cash provided by operations in the third quarter of 2009 decreased by 16.6% year on year, however it increased by 49.4% quarter on quarter to US\$ 926.3 million mainly due to the strong operating performance.

Net cash used in investing activities totalled US\$ 1,305.6 million in the third quarter of 2009, with US\$ 864.6 million spent on capital expenditure, compared to US\$ 999.9 million in the third quarter of 2008 and US\$ 829.2 million for the second quarter of 2009. The Group spent US\$ 39.6 million on the acquisition of businesses in the third quarter, which represent the purchase by MTS of the advertising agency Colorit in Uzbekistan.

Net cash inflow provided by financing activities amounted to US\$ 3,226.3 million in the third quarter, compared to US\$ 163.5 million outflow and US\$ 3,413.8 million inflow in the third quarter of 2008 and the second quarter of 2009 respectively. Major changes in financing in the third quarter included RUB 15 billion fifth bond issue placed by MTS which matures in 2016 and carries a 14.25% coupon rate; two loans in the amount of RUB 47 billion and RUB 12 billion secured by MTS with Sberbank; RUB 20 billion unconvertible second series five-year bond issue placed by Sistema with an annual coupon rate of 14.75% for the first six semi-annual coupon payments; EUR 120 million 3-year loan obtained by Sistema from the EBRD and US\$ 3 million loan repaid by Detsky Mir to Raiffeisen Bank Austria.

The Group's cash balances stood at US\$ 5,549.5 million as at September 30, 2009, compared to US\$ 2,543.1 million as at June 30, 2009. The Group's net debt (short-term and long-term debt less cash and cash equivalents) amounted to US\$ 10.6 billion as at September 30, 2009, compared to US\$ 10.3 billion as at June 30, 2009.

⁷ Adjusted for non-recurring write-offs

SIGNIFICANT EVENTS FOLLOWING THE END OF THE REPORTING PERIOD

Telecommunications Business Unit

In December 2009, MTS secured US\$ 165 million 3-year credit facility from Export Development Canada (EDC) for the development of the company's mobile networks. The facility will carry an interest rate of 6-month LIBOR+4.5%.

In November 2009, MTS secured a credit facility at LIBOR+1.15% for up to US\$ 1,074 million backed by Sweden's Export Credit Agency EKN to be used for purchases of mobile network equipment from Ericsson. The facility comes in two tranches, with the first tranche amounting to up to US\$ 428.9 million with maturity in June 2019, and the second tranche of up to US\$ 645.5 million with maturity in September 2020.

In November 2009, MTS renegotiated the terms of EUR 300 million credit facility from Gazprombank. EUR 150 million of the existing credit facility was restructured into Russian rubles with maturity in September 2012 and interest rate of 13%. MTS also opened a revolving credit facility for EUR 100 million with maturity in September 2012 and interest rate of 8%.

In November 2009, the updated strategy for Sistema Shyam TeleServices Ltd. was approved.

In October 2009, MTS acquired a 100% stake in Teleforum, a mobile retail chain, for up to US\$ 11 million. Teleforum has 180 stores in Russia, of which 92 stores are located in St. Petersburg and the Leningrad region, and also operates stores in other regions of Russia such as Krasnodar, Rostov, Karelia, Bashkiria, Pskov and Arkhangelsk.

In October 2009, Comstar-UTS started the next stage of the reorganization of Comstar-Regions through the commencement of the merger of Comstar's eighteen regional subsidiaries offering telecommunications services to corporate and residential subscribers in seven Russian regions.

In October 2009, Sistema Shyam TeleServices Ltd. launched its services under MTS brand in Delhi NCR and Karnataka with an innovative tariff plan 'Power of One' with per second billing.

Oil & Energy Business Unit

In October 2009, Bashkirnefteproduct started selling Euro-4 compliant petrol in its filling stations.

In October 2009, the board of directors of ANK Bashneft approved the placement of three bond series totaling RUB 50 billion.

Consumer Business Unit

In November 2009, Oleg Kapitonov was appointed Chairman of the Management Board of MBRD.

Technology & Industry Business Unit

In November 2009, SITRONICS signed US\$ 230 million two-year loan agreement with the Bank of Moscow. The new credit facility will be used to refinance the loan provided by the State Corporation "Bank for Development and Foreign Economic Affairs" (Vnesheconombank) on November 28, 2008.

In October 2009, the High Technology business signed an agreement to launch full-scale 90 nanometre microchip production in cooperation with the Russian Corporation of Nanotechnologies (“RUSNANO”), Sistema and “NIIME and Mikron”, a part of SITRONICS’ Microelectronics business division.

In October 2009, Pharmaceutical business opened new pharmaceutical facilities.

Corporate & Other

In December 2009, VTB Bank exercised its call option to acquire a further 31.5% stake in Sistema-Hals for RUB 30. Following the exercise of the call option VTB Bank owns 51% of Sistema-Hals. Both parties have also signed a shareholder agreement, which defines the terms of their cooperation on a number of investment projects of Sistema-Hals Group and terminates Sistema Group’s obligations and guarantees with regards to Sistema-Hals Group’s debt to VTB Bank.

In December 2009, Sistema placed RUB 19 billion unconvertible third series seven-year bond with a put option exercisable in three years following the sixth coupon payment. The annual coupon rate was set at 12.5% for the first six semi-annual coupon payments.

In November 2009, Sistema signed a non-binding MOU with Svyazinvest and Comstar-UTS, and initiated the negotiations process over the reorganisation of certain assets. The outcome of these negotiations may result in the disposal of Sistema’s stake in Sky Link, the sale of Comstar-UTS’s stake in Svyazinvest, the increase of Comstar-UTS’s ownership in MGTS, and the restructuring of certain indebtedness in connection with the deal.

In November 2009, the EGM of shareholders of Sistema approved restructuring of the Bashkir Oil & Energy Group through the sale of Sistema’s stakes in Ufaneftechim, Novoil, Ufaorgsintez, Ufimskiy NPZ and Bashkirnefteprodukt to ANK Bashneft.

In October 2009, Sistema made a mandatory offer of RUB 286.5 per ordinary share to ANK Bashneft’s minority shareholders.

In October 2009, Sistema completed the sale of a 50.91% stake in Comstar-UTS to MTS for a total consideration of RUB 39.15 billion (approximately US\$ 1.32 billion) or RUB 184.02 (approximately US\$ 6.21) per ordinary share.

Conference call information

Sistema management will host a conference call today at 9 am (New York time) / 2 pm (London time) / 3 pm (CET) / 5 pm (Moscow Time) to present and discuss the third quarter results.

The dial-in numbers for the conference call are:

UK/International: + 44 20 7190 1596
US: +1 480 629 9774

A replay of the conference call will be available on the Company’s website www.sistema.com for 7 days after the event.

For further information, please visit www.sistema.com or contact:

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Sistema is the largest public diversified financial corporation in Russia and the CIS, which manages companies serving over 100 million customers in the sectors of telecommunications, high technology, oil and energy, radars and aerospace, banking, retail, mass-media, tourism and healthcare services. Founded in 1993, the company reported revenues of US\$ 5.3 billion for the third quarter of 2009, and total assets of US\$ 42.0 billion as at September 30, 2009. Sistema's shares are listed under the symbol "SSA" on the London Stock Exchange, under the symbol "AFKS" on the Russian Trading System (RTS), under the symbol "AFKC" on the Moscow Interbank Currency Exchange (MICEX), and under the symbol "SIST" on the Moscow Stock Exchange (MSE).

Some of the information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of Sistema. You can identify forward looking statements by terms such as "expect," "believe," "anticipate," "estimate," "intend," "will," "could," "may" or "might" the negative of such terms or other similar expressions. We wish to caution you that these statements are only predictions and that actual events or results may differ materially. In addition, there is no assurance that the new contracts entered into by our subsidiaries referenced above will be completed on the terms contained therein or at all. We do not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, general economic conditions, our competitive environment, risks associated with operating in Russia, rapid technological and market change in our industries, as well as many other risks specifically related to Sistema and its operations.

SISTEMA JSFC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS AND THE NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008
(Amounts in thousands of U.S. dollars)

	Three months ended		Nine months ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
Sales	\$ 5,154,083	\$ 4,229,972	\$ 11,819,652	\$ 11,661,989
Revenues from financial services	180,694	180,371	505,057	507,948
TOTAL REVENUES	5,334,777	4,410,343	12,324,709	12,169,937
Cost of sales, exclusive of depreciation and amortization shown separately below	(2,015,582)	(1,637,567)	(4,721,358)	(4,572,423)
Financial services related costs, exclusive of depreciation and amortization shown separately below	(88,501)	(90,724)	(267,225)	(215,676)
Selling, general and administrative expenses	(922,103)	(865,182)	(2,456,272)	(2,555,433)
Depreciation and amortization	(681,562)	(613,064)	(1,761,488)	(1,762,311)
Provision for doubtful accounts	(134,877)	(41,234)	(204,583)	(107,579)
Taxes other than income tax	(513,432)	-	(749,086)	-
Other operating expenses, net	(185,389)	(85,215)	(354,367)	(151,806)
Equity in net income of investees	(11,958)	(9,840)	(18,492)	37,411
Gain on BashTEK acquisition	2,059,038	-	2,059,038	-
(Loss)/Gain on disposal of interests in subsidiaries and affiliates	(349,869)	3,123	(401,391)	21,882
OPERATING INCOME	2,490,542	1,070,640	3,449,485	2,864,002
Interest income	39,951	21,200	102,693	59,840
Change in fair value of derivative instruments	(13,926)	(60,552)	(22,370)	(46,034)
Interest expense, net of amounts capitalized	(360,018)	(154,656)	(859,480)	(398,067)
Currency exchange and translation gain/(loss)	168,488	(333,905)	(126,447)	(98,391)
Income from continuing operations before income tax, equity in net income of energy companies in the Republic of Bashkortostan	2,325,037	542,727	2,543,881	2,381,350
Income tax expense	(176,202)	(263,221)	(369,721)	(814,890)
Equity in net income of energy companies in the Republic of Bashkortostan, net of minority interests of US \$23,009, US \$2,076 and US \$56,768, respectively	-	65,422	4,400	186,400
Income from continuing operations	2,148,835	344,928	2,178,560	1,752,860
Income from discontinued operations, net of income tax expense of US\$ nil and US\$ 2,399, respectively	-	5,904	-	18,545
Loss from disposal of discontinued operations, net of income tax effect of US\$ nil	-	-	(26,154)	-
NET INCOME	\$ 2,148,835	\$ 350,832	\$ 2,152,406	\$ 1,771,405
Non-controlling interest	(464,451)	(250,969)	(688,867)	(995,547)
NET INCOME attributable to JSFC Sistema	1,684,384	99,863	1,463,539	775,858
Earnings/(loss) per share, basic and diluted (US cent per share):	18.15	1.08	15.77	8.36

SISTEMA JSFC AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2009 AND DECEMBER 31, 2008
(Amounts in thousands of U.S. dollars, except share amounts)

	<u>September 30,</u> <u>2009</u>	<u>December 31,</u> <u>2008</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 5,549,456	\$ 1,982,350
Short-term investments	1,561,579	617,240
Loans to customers and banks, net	3,214,534	3,176,376
Accounts receivable, net	1,388,755	1,088,176
Prepaid expenses, other receivables and other current assets, net	1,423,961	1,337,316
VAT receivable	264,248	222,356
Inventories and spare parts	1,192,850	862,981
Deferred tax assets, current portion	366,912	262,989
Assets of disposed segment	-	147,238
Total current assets	<u>14,962,295</u>	<u>9,697,022</u>
NON-CURRENT ASSETS:		
Property, plant and equipment, net	18,045,932	10,327,868
Advance payments for non-current assets	466,711	219,119
Goodwill	1,494,894	1,351,202
Licenses, net	1,074,285	1,174,521
Other intangible assets, net	1,815,022	1,723,827
Investments in affiliates	349,960	1,427,068
Investments in shares of Svyazinvest	1,211,623	1,240,977
Loans to customers and banks, net of current portion	1,426,973	1,402,298
Debt issuance costs, net	146,578	42,315
Deferred tax assets, net of current portion	236,507	181,317
Long-term investments	482,055	245,971
Other non-current assets	185,620	143,610
Total non-current assets	<u>26,936,160</u>	<u>19,480,093</u>
TOTAL ASSETS	<u>\$ 41,898,455</u>	<u>\$ 29,177,115</u>

SISTEMA JSFC AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(CONTINUED), AS OF SEPTEMBER 30, 2009 AND DECEMBER 31, 2008
(Amounts in thousands of U.S. dollars, except share amounts)

	<u>September 30,</u> <u>2009</u>	<u>December 31,</u> <u>2008</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 1,257,144	\$ 1,613,470
Bank deposits and notes issued, current portion	3,797,727	3,538,255
Taxes payable	786,587	206,745
Deferred tax liabilities, current portion	93,918	70,903
Subscriber prepayments, current portion	440,700	496,775
Accrued expenses and other current liabilities	2,655,307	1,341,687
Short-term loans payable	1,628,756	1,458,647
Current portion of long-term debt	2,819,540	2,234,507
Liabilities of disposed segment	-	70,349
	<u>13,479,679</u>	<u>11,031,388</u>
LONG-TERM LIABILITIES:		
Long-term debt, net of current portion	11,667,516	6,961,551
Subscriber prepayments, net of current portion	118,568	119,722
Bank deposits and notes issued, net of current portion	1,077,728	803,112
Deferred tax liabilities, net of current portion	1,222,012	505,259
Asset retirement obligation and decommissioning provision	315,327	85,371
Postretirement benefits obligation	35,217	35,464
Deferred revenue	113,263	115,732
	<u>14,549,631</u>	<u>8,626,211</u>
TOTAL LIABILITIES	<u>28,029,310</u>	<u>19,657,549</u>
Commitments and contingencies	-	-
Redeemable non-controlling interest	101,154	237,949
SHAREHOLDERS' EQUITY:		
Share capital (9,650,000,000 shares issued; 9,278,981,940 shares outstanding as of September 30, 2009 and December 31, 2008 with par value of 0.09 Russian Rubles)	30,057	30,057
Treasury stock (371,018,060 shares as of September 30, 2009 and December 31, 2008 with par value of 0.09 Russian Rubles)	(466,345)	(466,345)
Additional paid-in capital	2,408,274	2,417,238
Retained earnings	5,417,214	3,953,673
Accumulated other comprehensive loss	(126,117)	(460,232)
Total JSFC Sistema shareholders' equity	<u>7,263,083</u>	<u>5,474,391</u>
Non-controlling interest in subsidiaries	6,504,908	3,807,226
TOTAL SHAREHOLDERS' EQUITY	<u>13,767,991</u>	<u>9,281,617</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 41,898,455</u>	<u>\$ 29,177,115</u>

SISTEMA JSFC AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008
(Amounts in thousands of U.S. dollars)

	Nine months ended	
	September 30, 2009	September 30, 2008
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 2,152,406	\$ 1,771,405
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation and amortization	1,761,488	1,762,330
Loss / (gain) from disposal of discontinued operations	26,154	(2,141)
Loss from discontinued operations	-	4,282
Gain on purchase of Bashkir oil and energy assets	(2,059,039)	
Gain on disposal of long-term investments	-	(30,091)
Equity in net income of investees	14,092	(223,811)
Deferred income tax benefit	(165,045)	(143,851)
Change in fair value of derivative financial instruments	22,370	46,034
Foreign currency transactions loss on non-operating activities	126,446	99,769
Debt issuance cost amortization	22,740	18,121
Non-cash compensation to employees of subsidiaries	7,431	11,309
Loss /(gain) on disposal of interests in subsidiaries and affiliates	401,392	(21,882)
Non-cash expenses associated with assets' retirement obligation	4,333	4,576
Loss/ (gain) on disposal of property, plant and equipment	4,487	(10,208)
Amortization of connection fees	(36,562)	(45,380)
Provision for doubtful accounts receivable	204,583	107,579
Allowance for loan losses	6,284	12,403
Provision for VAT	-	21,471
Inventory obsolescence expense	31,688	9,256
Provision for postretirement benefit obligation	999	2,312
Changes in operating assets and liabilities, net of effects from purchase of businesses:		
Trading securities	(324,198)	(67,924)
Loans to banks issued by the banking division	199,545	353,614
Accounts receivable	(217,580)	(272,428)
VAT receivable	(86,809)	150,114
Other receivables and prepaid expenses	450,203	(353,072)
Inventories	(174,618)	(218,535)
Accounts payable	(539,003)	168,131
Subscriber prepayments	(12,862)	16,843
Taxes payable	346,413	92,633
Accrued expenses, subscriber prepayments and other liabilities	141,855	(223,227)
Dividends received	107,735	8,132
Postretirement benefit obligation	(1,246)	(562)
Net cash provided by operations	\$ <u>2,415,682</u>	\$ <u>3,047,202</u>

SISTEMA JSFC AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008
(Amounts in thousands of U.S. dollars)

	Nine months ended	
	September 30, 2009	September 30, 2008
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for purchases of property, plant and equipment	(2,088,668)	(2,376,605)
Payments for purchases of intangible assets	(477,826)	(704,851)
Payments for purchases of businesses, net of cash acquired	(1,653,417)	(154,534)
Increase of share in subsidiaries	(330,084)	(1,473,323)
Proceeds from sale of subsidiaries, net of cash disposed	123,165	224,784
Payments for purchases of long-term investments	(63,495)	(3,884)
Payments for purchases of short-term investments	(725,394)	(178,838)
Payments for purchases of other non-current assets	(656,570)	(103,775)
Proceeds from sale of other non-current assets	99,541	196,201
Decrease in restricted cash	13,108	341,720
Proceeds from sale of property, plant and equipment	4,058	79,312
Proceeds from sale of long-term investments	-	30,091
Proceeds from sale of short-term investments	176,523	307,656
Net increase in loans to customers of the banking division	(178,063)	(1,126,980)
Net cash used in investing activities	\$ (5,757,122)	(4,943,026)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from short-term borrowings, net	472,729	805,233
Net increase in deposits from customers of the banking division	498,068	792,015
Net (decrease)/increase in promissory notes issued by the banking division	(105,313)	345,327
Proceeds from long-term borrowings, net of debt issuance costs	7,876,227	2,616,574
Debt issuance costs	(129,930)	(907)
Principal payments on long-term borrowings	(1,744,354)	(2,410,846)
Principal payments on capital lease obligations	(13,133)	(4,278)
Payments to shareholders of subsidiaries	(6,339)	(34,121)
Dividends paid	-	(96,824)
Proceeds from capital transactions of subsidiaries	-	131,000
Proceeds from sale of treasury stock	-	3,020
Payments on exercise of stock option	(97,296)	-
Net cash provided by financing activities	\$ 6,750,659	2,146,193
Effects of foreign currency translation on cash and cash equivalents	\$ 203,824	(115,878)
INCREASE IN CASH AND CASH EQUIVALENTS	\$ 3,613,043	134,491
CASH AND CASH EQUIVALENTS, beginning of the period	1,936,413	1,061,733
CASH AND CASH EQUIVALENTS, end of the period	\$ 5,549,456	1,196,224
CASH PAID DURING THE PERIOD FOR:		
Interest, net of amounts capitalized	\$ (637,790)	(323,525)
Income taxes	(343,883)	(922,809)

SISTEMA JSFC AND SUBSIDIARIES
UNAUDITED SEGMENTAL BREAKDOWN
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008
(Amounts in thousands of U.S. dollars)

For the nine months ended September 30, 2009	Telecommu- nications	Technology and Industry	Consumer Assets	Oil and Energy Unit	Corporate and Other	Total
Net sales to external customers ^(a)	7,173,196	733,917	1,304,763	3,090,936	21,897	12,324,709
Intersegment sales	4,001	172,881	25,776	872	11,334	214,864
Equity in net income of investees	15,451	(519)	(33,424)	4,400	-	(14,092)
Interest income	74,799	13,999	4,368	19,304	90,852	203,322
Interest expense	(389,634)	(55,451)	(110,909)	(150,282)	(231,940)	(938,216)
Net interest revenue ^(b)	-	-	97,750	-	-	97,750
Depreciation and amortization	(1,337,041)	(49,807)	(36,746)	(329,022)	(8,872)	(1,761,488)
Operating income	1,748,660	6,792	(64,568)	2,332,369	(132,134)	3,891,119
Income tax expense	(355,053)	(5,091)	(432)	(2,293)	(6,852)	(369,721)
Investments in affiliates	350,036	9,005	2,570	-	6,037	367,648
Segment assets	20,634,347	2,422,985	9,769,958	10,763,318	3,873,461	47,464,069
Indebtedness ^(c)	(8,567,380)	(714,167)	(1,145,922)	(2,706,593)	(2,981,750)	(16,115,812)
Capital expenditures	1,949,308	116,673	55,869	301,855	142,789	2,566,494

(a) – Interest income and expenses of the Banking segment are presented as revenues from financial services in the Group’s consolidated financial statements.

(b) – The Banking segment derives a majority of its revenue from interest. In addition, management primarily relies on net interest revenue, not the gross revenue and expense amounts, in managing that segment. Therefore, only the net amount is disclosed.

(c) – Represents the sum of short-term and long-term debt

For the nine months ended September 30, 2008	Telecommu- nications	Technology and Industry	Consumer Assets	Oil and Energy Unit	Corporate and Other	Total
Net sales to external customers ^(a)	9,208,606	1,031,783	1,907,709	-	21,839	12,169,937
Intersegment sales	5,898	248,607	88,858	-	3,550	346,913
Equity in net income of investees	39,660	(2)	(2,247)	-	243,168	280,579
Interest income	51,485	6,720	8,126	-	51,528	117,859
Interest expense	223,108	45,331	74,682	-	119,362	462,483
Net interest revenue ^(b)	-	-	59,984	-	-	59,984
Depreciation and amortization	1,638,757	56,162	60,327	-	7,065	1,762,311
Operating income	2,873,635	27,500	77,468	-	(41,138)	2,937,465
Income tax (expense)	(663,606)	(28,969)	(32,246)	-	(90,069)	(814,890)
Investments in affiliates	467,727	10,745	47,891	-	1,094,090	1,620,453
Segment assets	18,669,267	2,907,130	9,947,868	-	3,175,917	34,700,182
Indebtedness ^(c)	(4,292,678)	(916,788)	(2,091,471)	-	(2,121,651)	(9,422,588)
Capital expenditures	2,394,011	215,141	385,898	-	86,406	3,081,456

(a) – Interest income and expenses of the Banking segment are presented as revenues from financial services in the Group’s consolidated financial statements.

(b) – The Banking segment derives a majority of its revenue from interest. In addition, management primarily relies on net interest revenue, not the gross revenue and expense amounts, in managing that segment. Therefore, only the net amount is disclosed.

(c) – Represents the sum of short-term and long-term debt

Attachment A

Non-GAAP financial measures. This press release includes financial information prepared in accordance with accounting principles generally accepted in the United States of America, or US GAAP, as well as other financial measures referred to as non-GAAP. The non-GAAP financial measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with US GAAP.

Operating Income Before Depreciation and Amortization (OIBDA) and OIBDA margin. OIBDA represents operating income before depreciation and amortization. OIBDA margin is defined as OIBDA as a percentage of our net revenues. Our OIBDA may not be similar to OIBDA measures of other companies; is not a measurement under accounting principles generally accepted in the United States and should be considered in addition to, but not as a substitute for, the information contained in our consolidated statement of operations. We believe that OIBDA provides useful information to investors because it is an indicator of the strength and performance of our ongoing business operations, including our ability to fund discretionary spending such as capital expenditures, acquisitions of mobile operators and other investments and our ability to incur and service debt. While depreciation and amortization are considered operating costs under generally accepted accounting principles, these expenses primarily represent the non-cash current period allocation of costs associated with long-lived assets acquired or constructed in prior periods. Our OIBDA calculation is commonly used as one of the bases for investors, analysts and credit rating agencies to evaluate and compare the periodic and future operating performance and value of companies within the wireless telecommunications industry. OIBDA can be reconciled to our consolidated statements of operations as follows:

	July – September 2009	July - September 2008
Operating Income	2,490.5	1,070.6
Depreciation and Amortisation	681.6	613.1
OIBDA	3,172.1	1,683.7