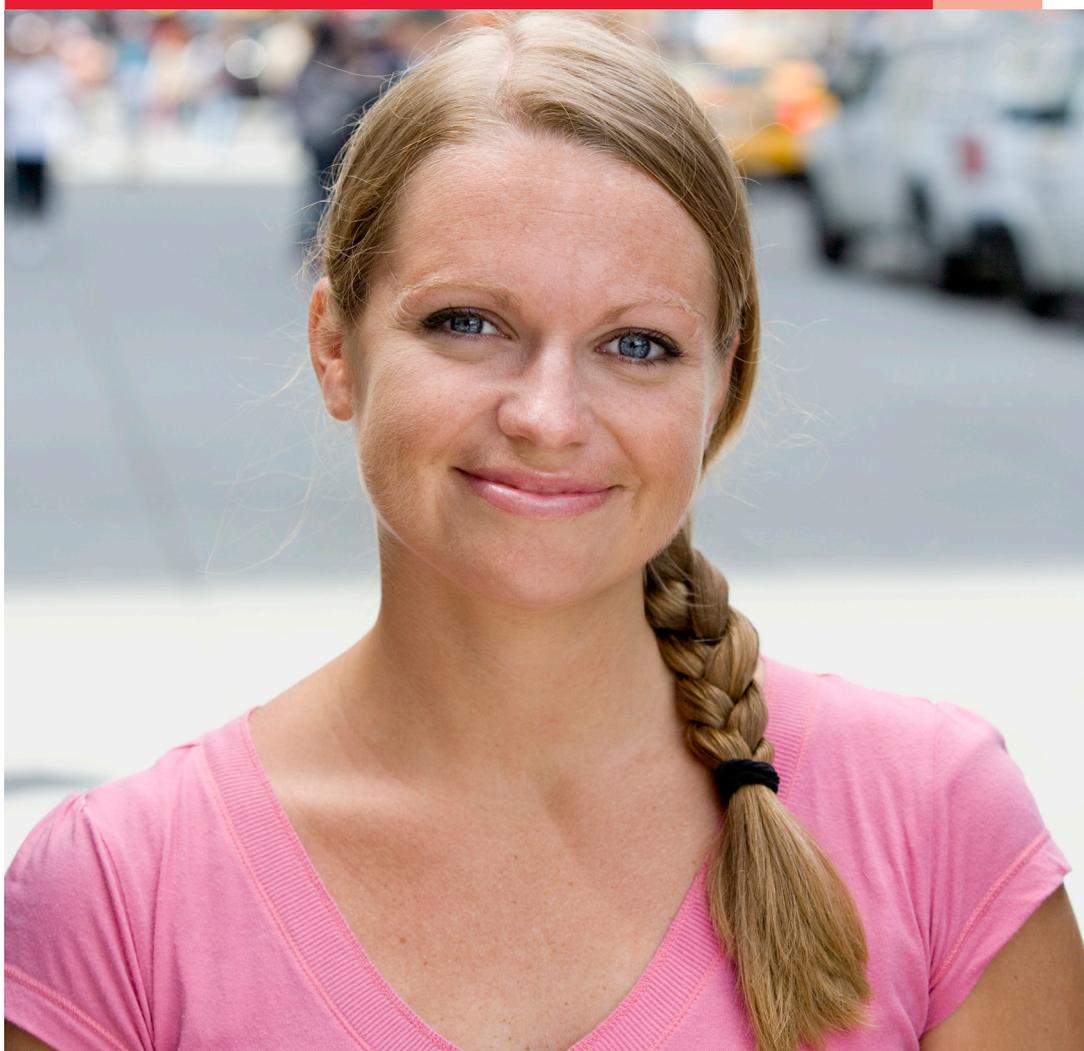


Media market in Russia: A future full of potential

Key facts and figures 2011-2015

*According to PwC's
Entertainment & Media
Outlook 2011-2015,
Russia is one of the fastest
growing markets in the world*



The Russian media market to 2015: Key facts and figures

During the last 10 years, Russia has demonstrated stable and mostly positive growth rates. Many Russian industries recovered from the 2008 crisis faster than the global average, and in 2010, the Russian media sector outperformed even optimistic growth predictions. We are expecting that this impressive growth will continue and will lead to a rise in the importance of the Russian market within the global media industry. Below we have outlined key trends in the Russian media sector to illustrate our vision of prospects for this dynamic market.

- ***The Russian media market is one of the fastest growing in the world.***

In 2010, the Russian media market grew by 13% and is now worth USD 20.5bn, while the global media market increased by only 4.6%. In Europe, the Middle East and Africa (EMEA), only Turkey, at 14%, demonstrated a higher growth rate than Russia.

We predict that the Russian media market in 2011-2015 will grow at an 11.7% compound annual advance, compared to the global CAGR of 5.7%, 5.2% for EMEA and 10.1% for Central and Eastern Europe (CEE).

- ***The importance of the Russian market in the broader EMEA regional media industry will grow.***

In 2010, Russia's media market was the thirteenth largest in the world, and we expect it to maintain that position over the next five years. Already by 2014, the Russian media market will outstrip Spain and become the fourth biggest market in EMEA.

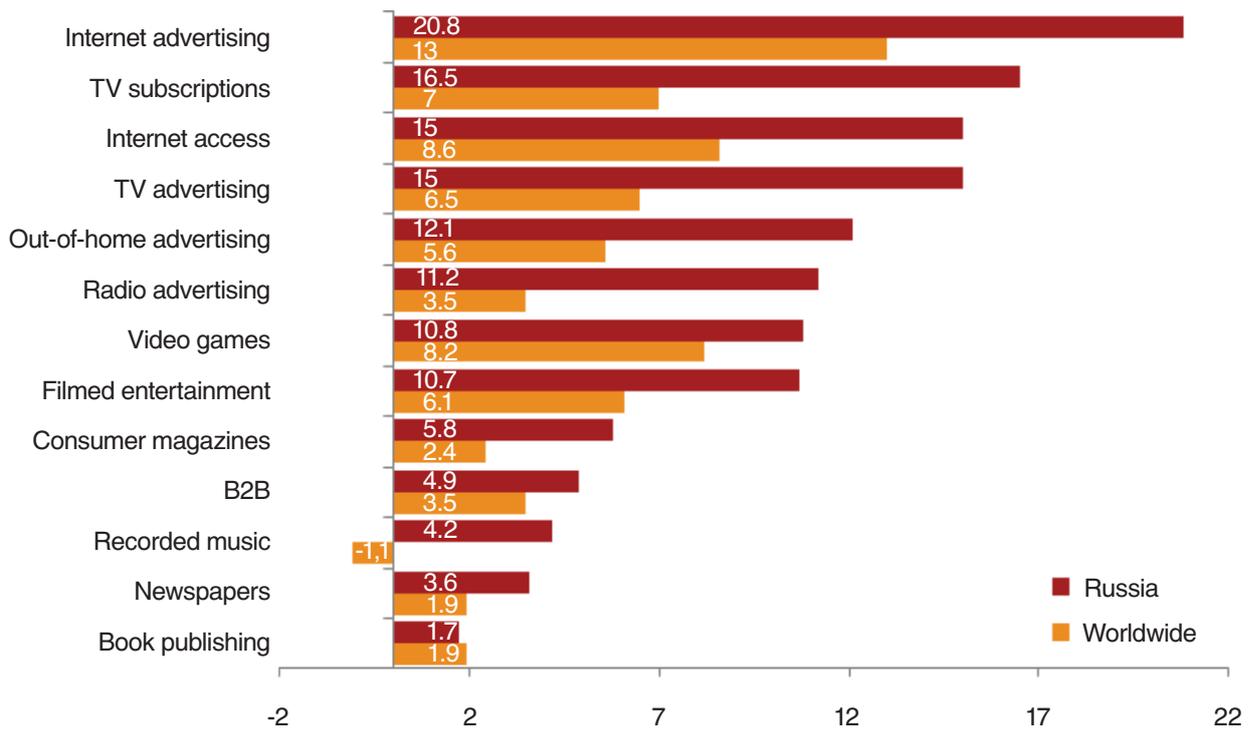
In 2010, the Russian share of the EMEA regional media market was 4%, and 43% in CEE. We predict that by 2015, the Russian share of the market will increase to 6% in EMEA and 48% in CEE.

In 2012 Russia will overtake the UK and Germany as EMEA's largest TV advertising market with USD 6.1bn. By 2015 Russia will be the fifth-largest TV advertising market in the world, behind only the US, Japan, the PRC, and Brazil.



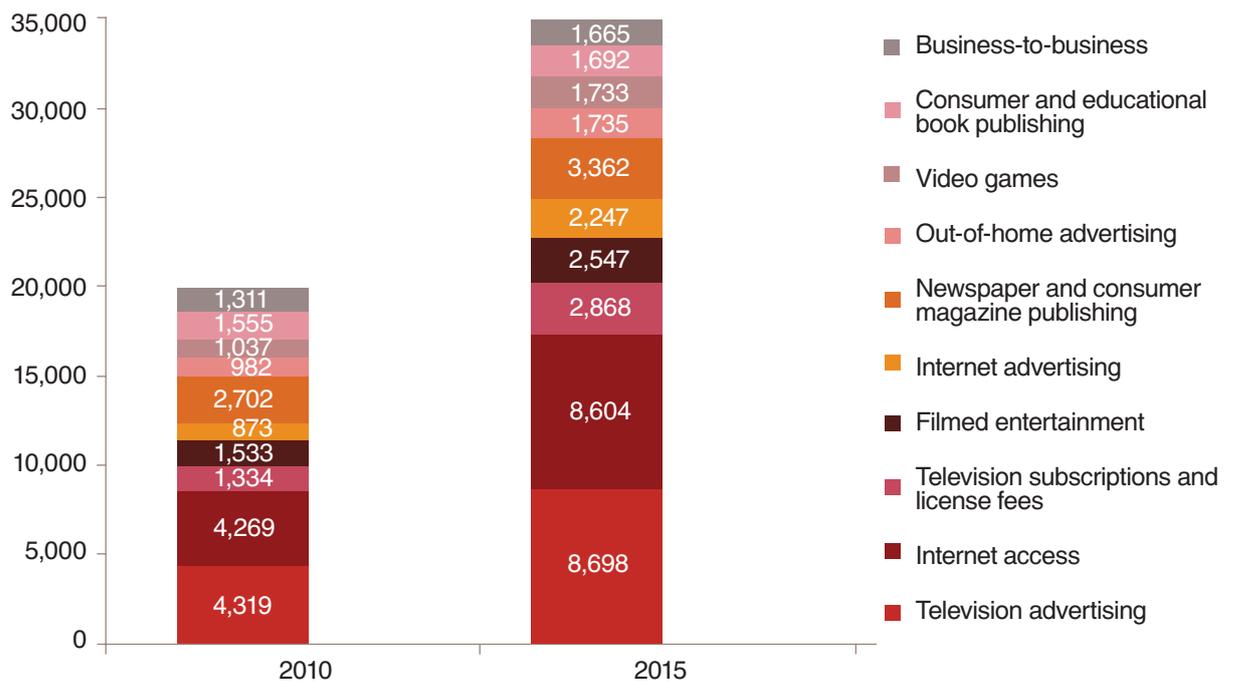
- **Almost all segments of the Russian media market will demonstrate faster growth rates than their counterparts in the global market.**

Growth rate by segment in Russia and worldwide, 2011-2015, %



- **In five years, the Russian media market will grow 1.7 times and will be worth USD 35.7bn. All media segments will demonstrate positive growth in 2011-2015.**

Growth by segment in Russia, 2010-2015, mln USD



The TV advertising and Internet access share of the Russian media market will increase from 42% in 2010 to almost 50% by 2015. The internet advertising and TV subscriptions and license fees market share will also rise by 2015.

The share of other media segments will decrease as a result of the significant growth of those segments.



Global Entertainment and Media Outlook: 2011-2015

PwC's annual Global Entertainment and Media Outlook is a consistent, comprehensive online source of global analysis for consumer/end-user and advertising spending. With like-for-like, 5-year historical and forecast data across 13 industry segments in 48 countries, the Outlook makes it easy to compare and contrast regional growth rates and consumer and advertising spend.

The Outlook's instant, customised forecasts are accessed online by thousands of executives across the media, technology, communications and financial services sectors, and by some of the largest advertisers in the world.

Find out more about growth prospects for the Russian entertainment and media market, and for 47 more countries, by subscribing at www.pwc.com/outlook

PwC Russia* (www.pwc.ru) provides industry-focused assurance, tax, legal and advisory services. Over 2,000 professionals working in PwC offices in Moscow, St Petersburg, Ekaterinburg, Novosibirsk, Kazan, Yuzhno-Sakhalinsk and Vladikavkaz share their thinking, experience and solutions to develop fresh perspectives and practical advice for our clients. We help companies across the entertainment and media industry to open up and successfully use new business opportunities. We are always ready to share with you their in-depth industry knowledge and the wide-ranging experience of the international PwC network. Among our clients in the E&M sector are leading media holdings, content producers and telecom operators in Russia.

*"PwC Russia" refers to PwCIL member-firms operating in Russia.

Contact us in Russia

Natalia Yakovleva
Partner
Audit & Assurance Services
E&M Industry Leader
Tel.: +7 (495) 967 6133
natalia.yakovleva@ru.pwc.com

Mark Hannye
Partner
Valuation & Strategy
Tel.: +7 (495) 223 5044
mark.hannye@ru.pwc.com

Evgeny Klimenko
Partner
Audit & Assurance Services
Tel.: +7 (495) 223 5140
evgeny.klimenko@ru.pwc.com



www.pwc.ru/entertainment-media

This material has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this presentation without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this presentation, and, to the extent permitted by law, PwC, its members, employees and agents accept no liability, and disclaim all responsibility, for the consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this presentation or for any decision based on it.

© 2011 PwC. All rights reserved. "PwC" refers jointly to ZAO PricewaterhouseCoopers Audit, PricewaterhouseCoopers Russia B.V. and Representative Office of PricewaterhouseCoopers Legal CIS B.V. or, as the context requires, other member firms of PricewaterhouseCoopers International Limited (PwCIL). Each member firm is a separate legal entity and does not act as agent of PwCIL or any other member firm. PwCIL does not provide any services to clients. PwCIL is not responsible or liable for the acts or omissions of any of its member firms nor can it control the exercise of their professional judgment or bind them in any way. No member firm is responsible or liable for the acts or omissions of any other member firm nor can it control the exercise of another member firm's professional judgment or bind another member firm or PwCIL in any way.