

MOBILE TELESYSTEMS OJSC
Form 6-K
October 24, 2011

FORM 6-K

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Issuer
October 24, 2011

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

Commission file number: 333-12032

Mobile TeleSystems OJSC

(Exact name of Registrant as specified in its charter)

Russian Federation

(Jurisdiction of incorporation or organization)

**4, Marksistskaya Street
Moscow 109147
Russian Federation**

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

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Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

Press release

MTS Acquires Leading Alternative Operator in Tatarstan

October 24, 2011

Moscow, Russian Federation Mobile TeleSystems OJSC (MTS or the Company NYSE: MBT), the leading telecommunications provider in Russia and the CIS, announces it has that OJSC MTS has acquired 100% stake in OJSC Teleradiokompania TVT (TVT) from a group of investors. TVT is a leading provider of cable TV and fixed broadband services in the republic of Tatarstan with presence in 15 cities. This acquisition allows MTS to strengthen its leadership position in Tatarstan and enter the market of pay-TV, broadband and fixed telephony services in the region.

The purchase price amounts to \$162.9 million. MTS also assumes net debt in the amount of \$17.1 million

TVT is the leading pay-TV provider in two of the Tatarstan largest cities - Kazan and Naberezhnye Chelny with market shares of 55% and 72% respectively. Total pay-TV subscriber base in the region exceeds 500,000 while its broadband network covers more than 600,000 households passed. TVT provides fixed broadband services in Kazan, Naberezhnye Chelny and Nizhnekamsk and has a 13%, 19.5% and 18.5% market shares in terms of subscribers respectively. TVT also offers fixed telephony services in Kazan and with the installed numbering capacity of 110,000 services 13% of total subscribers in the city.

This acquisition is in line with the MTS strategy aimed at building the leading integrated telecommunications operator in Russia. We see great potential for growth of broadband internet usage in Tatarstan and will invest in further development and modernization of the region's fixed-line networks. Acquisition of TVT enables MTS to enhance position and strengthen its brand in the promising Tatarstan market through the launch of convergent offerings and innovative products, commented Andrei Revkov, Director for MTS Volga Region.

TVT's financial results will be consolidated in the Company's financial statements beginning from October 24, 2011.

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Learn more about MTS. Visit the official blog of the Investor Relations Department at www.mtsgsm.com/blog/

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Mobile TeleSystems OJSC (MTS) is the leading telecommunications group in Russia, Eastern Europe and Central Asia, offering mobile and fixed voice, broadband, pay TV as well as content and entertainment services in one of the world's fastest growing regions. Including its subsidiaries, the Group services over 100 million mobile subscribers. The Group has been awarded GSM licenses in Russia, Ukraine, Uzbekistan, Turkmenistan, Armenia and Belarus, a region that boasts a total population of more than 230 million. Since June 2000, MTS' Level 3 ADRs have been listed on the New York Stock Exchange (ticker symbol MBT). Additional information about the MTS Group can be found at www.mtsgsm.com.

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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 MTS, as defined in the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. You can identify forward looking statements by terms such as expect, believe, anticipate, estimate, intend, will, could, may or might, and 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. We do not undertake or intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. We refer you to the documents MTS files from time to time with the U.S. Securities and Exchange Commission, specifically the Company's most recent Form 20-F. These documents contain and identify important factors, including those contained in the section captioned Risk Factors that could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, the severity and duration of current economic and financial conditions, including volatility in interest and exchange rates, commodity and equity prices and the value of financial assets; the impact of Russian, U.S. and other foreign government programs to restore liquidity and stimulate national and global economies, our ability to maintain our current credit rating and the impact on our funding costs and competitive position if we do not do so, strategic actions, including acquisitions and dispositions and our success in integrating acquired businesses, including Comstar-UTS, potential fluctuations in quarterly results, our competitive environment, dependence on new service development and tariff structures, rapid technological and market change,

acquisition strategy, risks associated with telecommunications infrastructure, governmental regulation of the telecommunications industries and other risks associated with operating in Russia and the CIS, volatility of stock price, financial risk management and future growth subject to risks.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MOBILE TELESYSTEMS OJSC

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| By: | <i>/s/ Andrei Dubovskov</i> | |
| | Name: | Andrei Dubovskov |
| | Title: | CEO |

Date: **October 24, 2011**