



**FOR IMMEDIATE RELEASE**

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## **RAMBLER MEDIA SELLS TV BUSINESS**

Rambler Media Limited ("Rambler Media" or "the Company"), a leading provider of internet and multimedia services to the global Russian-speaking community, today announced the sale of its TV business 'Rambler TV' to Osgora Productions Limited, a 100% subsidiary of Prof-Media, a Russian media holding company. The total consideration will be announced at the completion of the transaction after receipt of the regulatory approvals.

The disposal reflects Rambler Media's strategy to concentrate on growing its core Russian language internet business, which generates the majority of the Company's total revenue. The sale proceeds will be used by Rambler Media to pursue its growth strategy, which may include the selective acquisition of cash-generative businesses that complement Rambler Media's core internet business activities.

Prof-Media is making the acquisition in the interests of its Moscow-based '2x2' start up TV-channel, thereby broadening its coverage including Saint Petersburg.

Rambler TV is a free-to-air channel, which holds a national broadcasting license in Russia and reaches approximately 40 million people (33% of all Russian households) through a network of around 900 local affiliate stations broadcasting in around 470 towns and cities across Russia. The network owns a station in Saint Petersburg, the second largest advertising market in Russia after Moscow.

In the first half of 2006, Rambler TV had a national share of viewing of 0.43% (6-54 age group). Rambler TV generated US\$ 2.15 million of revenue (14% of Rambler Media's total revenue) and an EBITDA loss of US\$ 1.4 million for the first half of 2006. The channel reported US\$ 2.8 million of revenue and an EBITDA loss of US\$ 3.27 million for the full year 2005.

Irina Gofman, Chief Executive Officer of Rambler Media, commented: "Although revenues from Rambler TV more than doubled in the first half of 2006 compared to the same period of last year, we believe that it will benefit from an owner with more TV assets and particularly with a Moscow frequency. Our strategic focus is to accelerate the development of our internet assets and further consolidate our market-leading position in the Russian language internet market. Our primary portal, Rambler.ru, is one of the most visited internet resources for the Russian speaking community, attracting over 21 million unique visitors each month and making Rambler an essential partner for advertisers. Some of our new community-based initiatives include Rambler Vision (<http://vision.rambler.ru/>), which is proving enormously popular and provides users with the chance to share, search and discuss amateur and professional video content, as well as Rambler Planet (<http://planeta.rambler.ru/>), which offers videoblogging services.

We have recently celebrated Rambler's tenth anniversary and our strategy is to continue to be a pioneer in the Russian internet market moving forward, by offering the highest quality selection of online products and services, including multimedia search, communication, entertainment, information and e-commerce through our powerful and well recognised brands. Video content is an important aspect of this strategy and we will continue to explore the extensive opportunities that exist in TV content through alternative platforms such as IPTV and others."



Rafael Akopov, CEO of Prof-Media commented: "This acquisition is a major step in broadening 2x2's broadcasting territory. 2x2 will become 'a channel of two capitals', with young and active inhabitants of major cities forming its core audience. Besides, Rambler TV's regional network has a standalone value for the holding. The new channel is scheduled to launch in 2007."

The parties agreed to pursue cross-promotional opportunities between respective Internet and TV resources.

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**For further information, please visit [www.ramblermedia.com](http://www.ramblermedia.com) or contact:**

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#### **ABOUT RAMBLER MEDIA**

Rambler Media is an integrated and diversified Russian language media, entertainment, services and content delivery company which operates various internet properties including the leading Russian language internet portal and search engine 'rambler.ru', on-line newspaper 'Lenta.ru', broadband ISP 'Rambler Telecom', interactive advertising company 'Index20', and mobile content service provider 'Rambler Mobile'. Rambler Media's shares are traded on the AIM market of the London Stock Exchange under the symbol 'RMG'. For more information on Rambler Media, visit our corporate website at [www.ramblermedia.com](http://www.ramblermedia.com).



## **ABOUT PROF-MEDIA**

**Prof-Media holding was established in 1997 and today it is one of the largest and most diversified media holdings in Russia, one of the leaders in the newspaper, magazine, radio and cinema markets, with a consolidated turnover topped US\$240 million in 2005.**

**The holding is a major private investor in the Russian cinema industry, operating a nationwide cinema exhibition chain 'Cinema Park' along with production and distribution company 'Central Partnership'. The holding owns a controlling stake in newspaper company 'Komsomlenskaya Pravda', a magazine publishing house 'Afisha', and a b2b publisher 'B2B Media'. Prof-Media runs four FM-frequency radio stations, a number of internet portals and community builders such as 'Afisha.ru' and 'E-xecutive.ru', and TV-channel '2x2', that will hit the air in April 2007. For more information on Prof-Media, visit the corporate website at [www.profmedia.ru](http://www.profmedia.ru).**

Certain statements within this announcement constitute forward looking statements. Such forward looking statements involve risks and other factors which may cause the actual results, achievements or performance of the Company to be materially different from any future results, achievements or performance expressed or implied by such forward looking statements. Such risks and other factors include, but are not limited to, general economic and business conditions, changes in government regulations, and court interpretations of such regulations, currency fluctuations (including the US\$/Rbs rate), competition, changes in development plans. There can be no assurance that the results and events contemplated by the forward looking statements contained in this announcement will, in fact, occur. Any forward looking statements made in this announcement represent management's best judgment as to what may occur in the future and are correct only as at the date of this announcement. The Company will not undertake any obligation to release publicly any revisions to these forward looking statements to reflect events, circumstance or unanticipated events occurring after the date of this announcement except as required by applicable law or by any applicable regulatory authority.