



Address to Shareholders

Dear shareholders,

The year of 2009 has without a doubt proven to be the most difficult one in RBC's entire 16-year history. The company's financial results clearly reflect the unfavorable economic situation that RBC faced throughout the year. Yet, even though we were plagued with certain problems, the challenging situation opened up new perspectives as well. For one, we streamlined our operations and took extensive measures to cut costs and optimize revenue streams. As a result, we can proudly say that we were able to bring down our expenditures by over 40% in 2009 while maintaining our audience share at the pre-crisis level in all media segments.

RBC's aggregate monthly Internet audience topped 49 million unique users in 2009. This allowed the company to retain its status as one of the market leaders, taking fourth place among the largest players on the Russian Internet. By the same token, RBC is the uncontested leader in the Russian web hosting segment, commanding a market share of 20%, not to mention the second largest player in the domain name registration market, with a share of 25%. RBC TV's monthly audience reached 15.8 million people in 2009, and surpassed 4 million viewers in Moscow alone. RBC Daily was ranked among the top three most popular business publications in Moscow, with an average issue readership surpassing 77,000 readers. Better yet, the RBC magazine took the lead among Moscow's monthly periodicals, with an average issue readership of 323,000 people. And it doesn't stop there: RBC's interior and design publications once again confirmed their status as the most popular titles in their respective niche categories. Notably, the average issue readership of the *Idei Vashego Doma* magazine throughout

Russia reached 1,848,000 people, while that of *Salon Interior* stood at 645,000 readers.¹

In the first half of 2009, the company's operations were hampered by an unregulated situation involving RBC's debt. In the summer of 2009, RBC and ONEXIM Group agreed on a high-level action plan to stabilize the company's financial standing, which complied with the requirements of all of RBC's stakeholders. It was agreed that ONEXIM Group would buy into RBC and help restructure its debt by contributing an investment of \$80m into its equity capital – a move that would effectively make ONEXIM Group the owner of 51% of the enlarged share capital of RBC. In cooperation with ONEXIM Group, RBC was able to come to terms with the company's major shareholders on the debt restructuring mechanism and terms. We expect to close the transaction, whereby ONEXIM Group acquires a stake in RBC's equity capital, and exchange debt with the creditors by mid-2010. Once the debt restructuring process is completed and the company receives additional financing from ONEXIM Group, RBC will be back on track to further business growth against the backdrop of an economic recovery thanks to its leading positions on the Russian media market, a vast and loyal client base and the high performance of RBC's advertising platforms.

We see our next goal as maintaining the holding's lead on the Russian media market and returning to pre-crisis growth rates in its financial indicators. The company considers the development of its Internet business its top priority. On the whole, the Internet will remain the company's largest line of business for at least a few years to come. As far as television is concerned, RBC is set to continue promoting the RBC TV channel (including on the Internet) and expanding its client base. RBC also intends to further

¹ Print media readership data according to TNS Gallup statistics for May-October 2009



increase the channel's viewing time and the utilization of its advertising spots. In the print media segment, the company's primary concern is expanding the Internet audience and fostering online ad sales, which will eventually boost the revenue and profit margins of the company's existing titles.

With the media market expected to recover its growth rate in 2010, and the Internet's share in advertising budgets projected to keep rising steadily, RBC is bound to strengthen its hold on the market. With that in mind, we are confident that our company's business model is efficient, and we are poised to achieve high operating results and restore the historic growth rates of our core business within the next two years.

Yours faithfully,

A handwritten signature in black ink, appearing to read "German Kaplun", is positioned below the closing. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

German Kaplun
General Director
of OAQ RBC Information Systems