FOE IMMEDIATE RELEASE

Moscow, December 24, 2010

VLADIMIR BONDARIK IS ELECTED ROSTELECOM'S BOARD CHAIRMAN

The Board of Directors of Rostelecom (RTS and MICEX: RTKM, RTKMP; OTCQX: ROSYY) has elected Mr. Vladimir N. Bondarik as its Chairman.

Vladimir Bondarik was born in Moscow on November 7, 1957, and in 1980 graduated from Moscow Physical-Technical Institute (PhysTech) with a degree in radio-electronic devices. Later he received his Ph.D. in technology.

From 1977 until 1991 he successively held positions of senior laboratory worker, engineer, senior engineer, leading engineer of Almaz Central Design Bureau. In 1991-2000 he was sector head, division head, head of laboratory, First Deputy Director of a branch of Federal State Unitary Enterprise Khrunichev State Research and Production Space Center.

In 2001 he was appointed Deputy General Director for development and maintenance of telecommunications networks at Moscow Power Industry Communications Center, and in 2002 became Deputy General Director of Federal State Unitary Enterprise Svyazstroy

In 2004-2005 Vladimir Bondarik was in charge of Sensor Systems LLC, and from 2005 until 2009 he was Deputy General Director, Managing Director, General Director of Roilcom LLC.

In March 2009 Mr. V. Bondarik was appointed Deputy General Director of OJSC Svyazinvest.

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Rostelecom (www.rt.ru/en) is Russia's national telecommunications operator. The Company owns and operates a nationwide network (about 160,000 km in length), enabling Rostelecom to handle the majority of long-distance and international voice traffic transmission as well as TV and radio broadcasting channels in Russia. The Company is a major provider of telecommunications services to state organizations and governmental agencies. Additionally, Rostelecom is the domestic market leader in the wholesale Internet services segment.

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Certain statements in this press release are forward-looking statements within the meaning of the U.S. federal securities laws and are intended to be covered by the safe harbors created thereby.
Those forward-looking statements include, but are not limited to:

- *Management's assessment of the Company's future operating and financial results as well as forecasts of the present value of future cash flows and related factors;*
- *the Company's anticipated capital expenditures and plans to construct and modernize its network;*
- *the Company's expectations as to the growth in demand for its services, plans relating to the expansion of the range of its services and their pricing;*
- *the Company's plans with respect to improving its corporate governance practices;*
- *the Company's expectations as to its position in the telecommunications market and the development of the market segments within which the Company operates;*
- *economic outlook and industry trends;*
- *the Company's expectations as to the regulation of the Russian telecommunications industry and assessment of impact of regulatory initiatives on the Company's activity;*
- *other statements regarding matters that are not historical facts.*

Such forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from those expressed or implied by these forward-looking statements. These risks, uncertainties and other factors include:

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- *risks relating to changes in political, economic and social conditions in Russia as well as changes in global economic conditions;*
- *risks relating to Russian legislation, regulation and taxation, including laws, regulations, decrees and decisions governing the Russian telecommunications industry, securities industry as well as currency and exchange controls relating to Russian entities and their official interpretation by regulatory bodies;*

- *risks relating to the Company, including the achievement of the anticipated results, levels of profitability and growth, ability to create and meet demand for the Company's services including their promotions, and the ability of the Company to remain competitive in a liberalized telecommunications market;*
- *technological risks associated with the functioning and development of the telecommunications infrastructure, technological innovations as well as the convergence of technologies;*
- *other risks and uncertainties. For a more detailed discussion of these and other factors, see the Company's Annual Report and the Company's other public filings.*

Many of these factors are beyond the Company's ability to control or predict. Given these and other uncertainties, readers are cautioned not to place undue reliance on any of the forward-looking statements contained herein or otherwise. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements (which are made as of the date hereof) to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as may be required under applicable laws.

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