PRESS RELEASE

Moscow, August 30, 2010

ROSTELECOM'S BOARD OF DIRECTORS CONVENES EXTRAORDINARY SHAREHOLDERS' MEETING AND RECOMMENDS INTERIM DIVIDEND AMOUNT

The Board of Directors of OJSC Rostelecom (RTS and MICEX RTKM, RTKMP; OTC: ROSYY) passed a resolution to convene an Extraordinary General Meeting of Shareholders (EGMS) by absentee voting to take decisions on the following agenda issues:

1. Dividend payments on the results of 9 months of 2010.
2. Making amendment No 3 to Rostelecom Charter.

   The amendment in question suggests making payments of an annual fixed dividend to owners of preference class A shares equal to 10% (ten percent) of the Company's net profit for the past financial year divided by the total amount of outstanding preference class A shares.

   Additionally, in contrast with the Amendment proposed at the GMS held on June 26, 2010 the new language envisages that in the event that the dividend amount payable by the Company per each ordinary share exceeds the dividend amount payable per each preference class A share, the latter dividend amount shall be increased up to the dividend amount payable on ordinary shares.

The date of finalizing the list of shareholders entitled to take part in the EGMS is September 21, 2010 (the cut-off date).

Ballot papers will be accepted until November 10, 2010 at the following address: Russia, 115280, Moscow, P.O.B. 151, for the registrar of Rostelecom (OJSC United Registration Company).

The Board of Directors also recommended the EGMS making payments of interim dividend for 9 months of 2010 amounting to:

- 0.0000000411722654% of the Company net profit for 9 months of the 2010 financial year per preference share;
- 0.0000000274519684% of the Company net profit for 9 months of the 2010 financial year per ordinary share.

Pursuant to the applicable Russian law payments of interim dividend to shareholders will be made not later than 60 days after taking the relevant decision.

For more information about holding the EGMS and dividend payment arrangements visit the Company website at www.rt.ru, the Investor Center page since October 8, 2010.

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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:

- *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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