PRESS RELEASE

TAX CLAIMS TO ROSTELECOM HAVE BEEN JUDGED UNDUE BY THE COURT OF FIRST INSTANCE

Moscow – April 5, 2007 – Rostelecom (NYSE: ROS; RTS, MICEX: RTKM, RTKMP), Russia's national long-distance telecommunications operator, today announces that the Moscow arbitration court has ruled on the issue brought by Rostelecom to the Federal Tax Service of Russia's № 7 Interregional Inspectorate for the largest taxpayers regarding the improper claims for the fiscal year 2003 in the amount of 3.47 billion rubles.

According to the court decision, tax claims to Rostelecom in the amount of 1.27 million rubles will remain in force. Thus, the Company's issue has been upheld for 99.98% from the total amount claimed by the tax authorities.

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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.

These 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 include the risk of changes the Company's operations and business prospects, the general financial and economic circumstances, relating to regulation of the Russian telecommunications industry and the Russian legislation; the competition and other risks.

For a more detailed discussion of these and other factors, see the Company's Annual Report on Form 20-F for its most recently completed fiscal year and the Company's other public filings with The U.S. Securities and Exchange Commission. Many of these factors are beyond the Company's ability to control or predict. Given these and other uncertainties, the Company cautions 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 to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as maybe required under applicable the U.S. federal securities laws.

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