ROSTELECOM REPORTS ON THE MEETING OF THE NEW BOARD OF DIRECTORS

Moscow – June 4, 2008 – Rostelecom (NYSE: ROS; RTS, MICEX: RTKM, RTKMP), Russia's national telecommunications operator, announced the decisions of the new Board of Directors**.**

The Board confirmed to be independent directors:

- Ivan Rodionov;
- Konstantin Malofeev;
- Maxim Tsyganov.

The Board of Directors elected the new Strategic Committee:

- Konstantin Malofeev – the Chairman, independent director;
- Anton Kolpakov;
- Sergei Kuznetsov, non-executive director;
- Mikhail Leshchenko, non-executive director;
- Alexander Provotorov, non-executive director;
- Yevgeny Yurchenko, non-executive director.

New members to the Nominations and Remuneration Committee were also elected:

- Maxim Tsyganov – the Chairman, independent director;
- Ivan Rodionov, independent director;
- Mikhail Leshchenko, non-executive director.

The new Corporate Governance Committee was joined by:

- Alexander Provotorov – the Chairman, non-executive director;
- Victor Savchenko, non-executive director;
- Valentina Veremyanina, Director of Corporate Governance and Legal Department of Svyazinvest;
- Oksana Petrova, Head of Division of Corporate Governance and Legal Department of Svyazinvest;
- Pavel Nezhutin – Corporate Secretary of Rostelecom.

New members to the Audit Committee included:

- Ivan Rodionov – the Chairman, independent director;
- Konstantin Malofeev – independent director;
- Maxim Tsyganov – independent director.

Yelena Umnova, non-executive director, was elected as the Committee's non-voting member with only «observer» status.

The Board of Directors also confirmed that Ivan Rodionov met the qualifications for «audit committee financial expert» as defined in applicable U.S. securities legislation.

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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 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, 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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