

Research

July 30, 2008

Russia, Moscow, 123610, Krasnopresnenskaya nab. 12, 7th gate, 18th fl.

Tel.: 7 (495) 258 1988

Fax: 7 (495) 258 1989

CTC Media

Business expands

Recommendation – BUY

Analyst: Ilya Fedotov

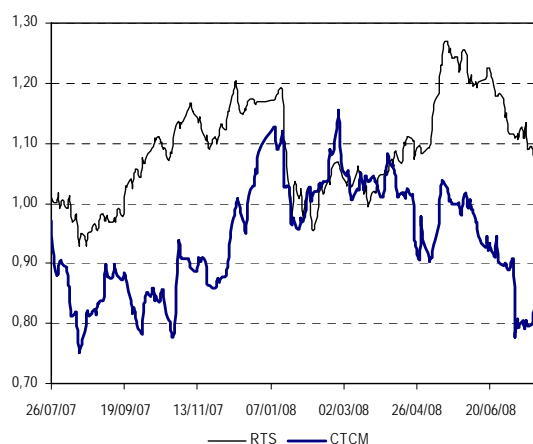
E-mail: IFedotov@veles-capital.ru

Bullet moments

- Yesterday, CTC Media has published its 2Q and 1H 2008 US GAAP report. Among new features of the financial report was the consolidation of purchased assets such as DTV channel, Costafilm and Soho Media, the companies producing TV content.
- CTC Media's quarter revenue increased by +26.3%, due to the merger with the given companies, however, the growth was partially provided by natural factors. The revenue growth rate was higher than the expenses growth rate and as a result, OIBDA margin added +2.1 p.p. and reached 42.5%.
- The company confirmed its plans to gain 600-650 mn USD of sales and 45-48% of OIBDA margin. Taking into account the purchased companies, CTC Media expects sales at 650-700 mn USD and OIBDA margin at 42-46%. We have corrected our model, including the results demonstrated by purchased assets. As a result, our estimation hits the lowest level of company's forecasts, forming 650 mn USD.
- Taking into account the given changes, we have estimated a new price of CTC Media, which formed 32.6 USD per share (the previous value was 32.9 USD). The main reason of fall was decrease of negative net debt, due to purchase of new assets. According to company's data, the price of purchased companies in 1H 2008 formed 313 mn USD, excluding the cash assets. In spite of the fall, CTC Media is still an interesting target for investors with potential growth, forming 53%. We confirm "BUY" recommendation at company's securities.

Principal estimates

Company's shares vs. the RTS index



Information about CTC Media

Ticker NASDAQ	CTCM
Market price, USD	21.29
Min / max price during last year, USD	20.63 / 31.75
Fair price at year end, USD	32.60
Upside (downside), %	53.7
Total shares, units	152,124,096
MC, mn USD	3,239
EV, mn USD	2,932

Financial values (US GAAP)	2007	2008 (П)	2009 (П)
Sales, mn USD	472	650	827
OIBDA, mn USD	220	295	369
Net income, mn USD	136	174	231
OIBDA margin, %	46.7	45.4	44.6
Net income margin, %	28.8	26.8	27.9

Financial coefficients	2007	2008 (П)	2009 (П)
EV / S	6.21	4.51	3.54
EV / OIBDA	13.30	9.93	7.94
P / E	23.83	18.61	14.02
ROIC, %	53.9	58.9	39.0
ROE, %	22.2	22.1	22.7

Financial results of CTC Media

CTC Media US GAAP financial results, mn USD

	1H 2007	Chg., %	1H 2008	2Q 2007	Chg., %	3Q 2007	Chg., %	4Q 2007	Chg., %	1Q 2008	Chg., %	2Q 2008
Sales, inc.	216	43.1	310	112	-16.1	94	71.9	162	-15.4	137	26.3	173
CTC TV Channel	152	38.8	211	76	-14.3	65	61.0	104	-6.1	98	15.6	113
Domashny TV Channel	18	80.7	32	9	-13.4	8	76.4	14	12.5	15	4.8	16
DTV Channel	n/d	n/m	12	n/d	n/m	n/d	n/m	n/d	n/m	n/d	n/m	12
CTC network	40	17.1	47	24	-20.6	19	98.1	37	-46.5	20	34.4	27
Domashny network	7	9.3	8	4	-25.5	3	121.0	7	-50.2	3	34.6	5
DTV Network	n/d	n/m	2	n/d	n/m	n/d	n/m	n/d	n/m	n/d	n/m	2
Production companies	n/d	n/m	15	n/d	n/m	n/d	n/m	n/d	n/m	n/d	n/m	15
CIS operations	n/d	n/m	2	n/d	n/m	n/d	n/m	n/d	n/m	1	164.9	2
Expenses	(132)	40.8	(186)	(67)	4.2	(70)	10.3	(77)	8.9	(84)	22.7	(103)
inc. amortization	(12)	-52.9	(6)	(6)	23.2	(8)	4.8	(8)	-72.1	(2)	54.5	(3)
Operating profit	84	46.8	123	45	-46.1	24	247.6	85	-37.5	53	32.1	70
Operating profit margin, %	38.8	1.0	39.8	40.4	-14.4	25.9	26.5	52.5	-13.7	38.8	1.8	40.5
EBITDA	96	34.4	129	51	-37.8	32	190.2	93	-40.4	55	33.0	73
EBITDA margin, %	44.3	-2.7	41.6	45.9	-11.9	34.0	23.4	57.4	-17.0	40.4	2.1	42.5
Interest payable	(0)	112850.0	(2)	(0)	n/m	0	n/m	(0)	500.0	(0)	37450.0	(2)
Other non-operating income/expenses	7	6.2	8	5	-34.8	3	-53.2	1	237.1	5	-38.7	3
Income before tax	91	41.1	129	50	-45.0	27	213.9	86	-32.9	58	22.3	71
Income before tax margin, %	42.2	-0.6	41.6	44.6	-15.4	29.2	24.1	53.4	-11.0	42.3	-1.4	41.0
Income tax	(30)	21.0	(36)	(18)	-48.9	(9)	165.4	(24)	-37.5	(15)	40.1	(21)
Minority interest	(2)	-22.8	(2)	(2)	-35.4	(1)	145.9	(2)	-56.0	(1)	-25.6	(1)
Net income	59	53.9	91	31	-43.3	17	243.1	60	-30.1	42	17.0	49
Net income margin, %	27.2	2.1	29.2	27.4	-8.9	18.5	18.4	36.9	-6.4	30.5	-2.2	28.3

Note: the change of percent values are given in percent points

Source: company's data; Estimation: Veles Capital

Financial model of CTC Media

Income statements of CTC Media, mn USD

	2003	2004	2005	2006	2007	2008 (F)	2009 (F)	2010 (F)	2011 (F)	2012 (F)	2013 (F)
Sales	96	156	237	371	472	650	827	981	1,067	1,171	1,280
Costs	(59)	(93)	(147)	(217)	(279)	(394)	(486)	(563)	(646)	(697)	(757)
OIBDA	39	71	104	174	220	295	369	445	450	503	554
<i>OIBDA margin, %</i>	<i>41.3</i>	<i>45.3</i>	<i>43.8</i>	<i>46.9</i>	<i>46.7</i>	<i>45.4</i>	<i>44.6</i>	<i>45.4</i>	<i>42.1</i>	<i>43.0</i>	<i>43.3</i>
EBIT	36	63	90	154	193	256	341	418	421	474	523
<i>EBIT margin, %</i>	<i>38.0</i>	<i>40.2</i>	<i>38.0</i>	<i>41.6</i>	<i>40.9</i>	<i>39.4</i>	<i>41.2</i>	<i>42.6</i>	<i>39.5</i>	<i>40.5</i>	<i>40.8</i>
Interest expenses	(3)	(7)	(9)	(2)	(0)	(0)	(9)	(9)	(0)	(0)	(0)
Non-operating income (losses)	2	11	3	8	12	(0)	(0)	(0)	(0)	7	15
EBT	36	67	85	160	205	256	332	409	421	481	538
<i>EBT margin, %</i>	<i>37.6</i>	<i>43.2</i>	<i>35.7</i>	<i>43.2</i>	<i>43.4</i>	<i>39.4</i>	<i>40.1</i>	<i>41.7</i>	<i>39.5</i>	<i>41.1</i>	<i>42.0</i>
Income tax	(11)	(18)	(25)	(49)	(63)	(75)	(91)	(105)	(101)	(115)	(129)
Minority interest	(1)	(2)	(3)	(5)	(6)	(7)	(10)	(13)	(13)	(15)	(17)
Net income	24	47	57	106	136	174	231	292	307	350	392
<i>Net income margin, %</i>	<i>25.1</i>	<i>30.5</i>	<i>24.1</i>	<i>28.7</i>	<i>28.6</i>	<i>26.8</i>	<i>27.9</i>	<i>29.7</i>	<i>28.8</i>	<i>29.9</i>	<i>30.6</i>

Source: company's data, Estimation: Veles Capital

Balance sheets of CTC Media, mn USD

	2004	2005	2006	2007	2008 (F)	2009 (F)	2010 (F)	2011 (F)	2012 (F)	2013 (F)
ASSETS										
Non-current assets										
PPE and intangible assets	136	129	147	187	158	154	157	161	166	173
Other non-current assets	54	87	92	122	469	501	532	548	568	588
Total non-current assets	190	216	239	308	627	655	689	709	734	762
Current assets										
Inventories	9	10	20	29	40	51	61	66	72	79
Accounts receivable	28	32	47	47	64	82	97	106	116	127
Other current assets	37	1	3	4	4	4	4	4	4	4
Short-term investments	0	0	0	0	0	0	0	236	505	812
Cash and equivalents	30	15	177	307	298	505	634	694	762	832
Total current assets	103	58	246	387	406	641	795	1,106	1,459	1,853
Total assets	293	274	485	695	1,033	1,296	1,484	1,815	2,193	2,615
LIABILITIES										
Shareholder's equity										
Authorised capital	211	211	329	350	350	350	350	350	350	350
Other	0	0	0	0	0	0	0	0	0	0
Retained earnings	-36	-32	92	262	436	667	958	1,265	1,616	2,007
Total shareholder's equity	175	179	421	612	786	1,017	1,308	1,615	1,966	2,358
Minority interest	2	2	3	3	11	21	33	46	61	78
Non-current liabilities										
Long-term borrowings	20	37	0	0	135	135	0	0	0	0
Other non-current liabilities	13	11	14	21	21	21	21	21	21	21
Total non-current liabilities	34	48	14	21	156	156	21	21	21	21
Current liabilities										
Accounts payable	15	16	13	26	36	45	54	58	64	70
Short-term borrowings	40	4	0	0	0	0	0	0	0	0
Other current borrowings	28	24	33	32	45	57	67	73	80	88
Total current liabilities	83	45	46	58	80	102	121	132	144	158
Total liabilities	293	274	485	695	1,033	1,296	1,484	1,815	2,193	2,615

Source: company's data, Estimation: Veles Capital

Statements of cash flow of CTC Media, mn USD

	2003	2004	2005	2006	2007	2008 (F)	2009 (F)	2010 (F)	2011 (F)	2012 (F)	2013 (F)
Cash flows from operating activities											
Net income	24	47	57	106	136	174	231	292	307	350	392
Minority interest	1	2	3	5	6	7	10	13	13	15	17
Depreciation and amortization	3	8	14	20	27	39	29	27	28	30	32
Othe	(9)	(37)	(22)	(16)	(15)	(35)	(31)	(32)	(16)	(20)	(20)
Changes in working capital	1	12	(13)	2	4	(7)	(7)	(6)	(3)	(4)	(4)
Net cash provided by operating activities	20	33	39	117	158	179	232	294	329	372	416
Cash flows from investing activities											
CapEx	(3)	(6)	(6)	(4)	(6)	(10)	(25)	(30)	(32)	(35)	(39)
Other	(3)	(47)	(7)	(20)	(32)	(313)	0	0	(236)	(269)	(307)
Net cash provided by investing activities	(6)	(53)	(13)	(24)	(38)	(323)	(25)	(30)	(269)	(304)	(345)
Cash flows from financing activities											
Proceeds from borrowings	46	24	68	19	0	135	0	0	0	0	0
Repayments of borrowings	(9)	(7)	(87)	(60)	0	0	0	(135)	0	0	0
Other	(31)	2	(20)	107	1	0	0	0	0	0	0
Net cash provided by financial activities	6	19	(39)	65	1	135	0	(135)	0	0	0
Net change of cash	21	1	(14)	161	131	(9)	207	129	60	68	71
Cash at the beginning of period	8	29	30	15	177	307	298	505	634	694	762
Cash at the end of period	29	30	15	177	307	298	505	634	694	762	832

Source: company's data, Estimation: Veles Capital

Discount rate (WACC) of CTC Media, %

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Cost of equity (k_e)	10.70	10.90	10.44	10.44	10.84	10.75	10.44	10.44	10.44
Risk-free rate	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2
10 year US Treasures yield	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
Russia risk	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Stock market risk	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Coefficient β	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Sector β	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Leverage	0.1	0.2	0.0	0.0	0.2	0.1	0.0	0.0	0.0
Corporate risk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Share of equity, %	89.7	83.0	100.0	100.0	85.5	88.5	100.0	100.0	100.0
Cost of debt (k_d)	7.49	7.49	7.49	7.49	7.49	7.49	7.49	7.49	7.49
Risk-free rate	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2
Debt premium	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Tax rate	29.4	30.6	30.8	29.1	27.4	25.7	24.0	24.0	24.0
Debt share in capital structure	10.3	17.0	0.0	0.0	14.5	11.5	0.0	0.0	0.0
WACC	10.15	9.93	10.44	10.44	10.06	10.16	10.44	10.44	10.44

Estimation: Veles Capital

Cash flows of CTC Media, mn USD

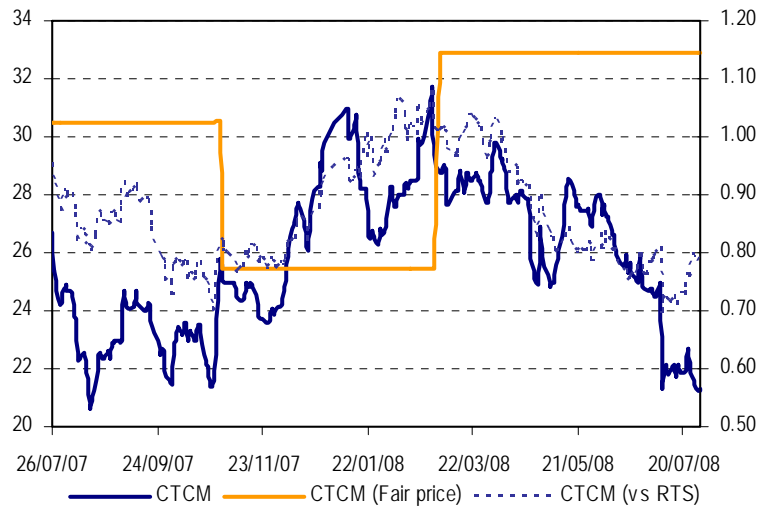
	2003	2004	2005	2006	2007	2008 (F)	2009 (F)	2010 (F)	2011 (F)	2012 (F)	2013 (F)
Net income (corr.)	28	56	68	113	142	182	250	313	320	365	409
Depreciation and amortization	3	8	14	20	27	39	29	27	28	30	32
CapEx	(6)	(57)	(14)	(24)	(6)	(10)	(25)	(30)	(32)	(35)	(39)
Changes in working capital	1	12	(13)	2	4	(7)	(7)	(6)	(3)	(4)	(4)
Free cash flow	26	19	56	110	167	204	247	305	313	356	398
Discount rate, %						10.4	10.1	10.2	10.4	10.4	10.4
Discount coefficient						1.00	0.91	0.82	0.75	0.68	0.61
Discounted cash flow						204	224	251	234	241	243

Source: company's data, Estimation: Veles Capital

CTC Media's stocks valuation

TGR, %	3.0
Sum of cash flows, mn USD	1,878
Terminal value, mn USD	6,607
Discounted terminal value, mn USD	2,986
Enterprise value, mn USD	4,864
Net debt, mn USD	-163
Shareholder's equity (incl. minority interest), mn USD	5,026
Minority interest, mn USD	67
Shareholder's equity, mn USD	4,959
Number of shares, mn units	152
Fair value of stock at the year end, USD	32.60
Upside (downside), %	53.1

Source: company's data, Estimation: Veles Capital

CTC Media's fair price history


Public comparables

Our recommendations

Share	Ticker	Current price, USD	Target for year end, USD	Current growth potential, %	Recommendation	Date of recommendation revision	Investment idea
Traditional telephony							
Volgatelecom, cs	NNSI	3.6000	6.0110	67.0	BUY	3/14/2008	High effectiveness and low debt make company into an attractive subject for investing
Volgatelecom, ps	NNSIP	2.2000	4.5083	104.9	BUY	8/28/2007	
Dalsvyaz, cs	ESPK	4.0000	7.4457	86.1	BUY	8/28/2007	Prospects of improving the effectiveness of activity due to the new services
Dalsvyaz, ps	ESPKP	3.0000	5.5842	86.1	BUY	8/28/2007	
NWT, cs	SPTL	1.0000	1.3290	32.9	HOLD	6/18/2008	Company's management gets maximum out of regulated services, however CapEx limits the growth prospects
NWT, ps	SPTLP	0.6000	0.9967	66.1	ACCUMULATE	6/18/2008	
Sibirtelecom, cs	ENCO	0.0775	0.1140	47.1	BUY	2/5/2008	High share of non-regulated services allows company to improve its financial results
Sibirtelecom, ps	ENCOP	0.0510	0.0855	67.6	BUY	8/28/2007	
Uralsvyazinform, cs	URSI	0.0470	0.0573	22.0	BUY	3/13/2008	High debt load limits growth potential
Uralsvyazinform, ps	URSIP	0.0285	0.0430	50.9	ACCUMULATE	8/28/2007	
Centrelecom, cs	ESMO	0.5000	0.9018	80.4	BUY	7/7/2008	The fall of quotes, in spit of aggressive investment program, makes company's shares attractive.
Centrelecom, ps	ESMOP	0.3550	0.6763	90.5	BUY	7/7/2008	
STC, cs	KUBN	0.1300	0.2526	94.3	BUY	7/15/2008	Significant fall of quotes after year's start intends a growth potential up to fair price
STC, ps	KUBNP	0.0910	0.1895	108.2	BUY	7/15/2008	
Alternative telephony							
Comstar-UTS	CMST	7.7900	13.4790	73.0	BUY	4/24/2008	Growth potential due to development of regional markets
Long-distance communication							
Rostelecom, cs	RTKM	11.8500	4.4800	-62.2	SELL	7/21/2008	An extremely high market price, resulted from buyup of shares, yet unsupported by fundamental factors
Rostelecom, ps	RTKMP	2.0000	3.3600	68.0	BUY	7/21/2008	
Cellular communication							
Vimpelcom	VIMP	24.50	39.99	63.2	BUY	6/6/2008	Change of marketing policy intending growth of profitability, possible transformation into a universal operator (carrier)
MTS	MTSS	10.95	16.29	48.8	BUY	5/21/2008	
Media							
CTC Media	CTCM	21.29	32.60	53.1	BUY	7/30/2008	Growth of ad market, prices and spread business, due to merger with other companies
RBC	RBCI	7.45	9.86	32.3	BUY	10/2/2007	Separation of IT business and improvement of primary business' effectiveness
Other							
Sitronics	SITR	0.1170	0.0854	-27.0	SELL	5/6/2008	Company demonstrates record losses and low effectiveness, determining its low fundamental value

Data: Bloomberg; Estimation: Veles Capital

Brief investor's guide

Methods, used for company's share evaluation			
Income approach		Comparables approach	Expenses approach
	DCF method	EVA method	Multiplicative method
Concept of evaluating the unified object (EV) *	FCFF discounting	EVA discounting	Net assets method
Shareholders' value direct calculation (SV) **	FCFE discounting	EVA for shareholders discounting (Edwards-Bell-Ohlson method)	

*

Debt cost is calculated separately and then subtracted from the sum total cost of business (target EV), formed considering the cash flows/ economic profits of firm.

**

Debt is accounted integrated -via annual coverage. So the fair cost of shareholders' value (target SV) is formed directly - considering the cash flow / economic profits for holders.

Note:

DCF methods differ from the methods of economic profit by the way of investments calculation. The methods of unified object evaluation concept differ from thee methods of direct calculation of shareholders' value costs - by the way of accounting cost and maintenance of debt liabilities.

Cost calculation within the frames of income approach:

	Business cost calculation (EV) within the frames of united object cost evaluation	Shareholders' capital value calculation (SV)
DCF method (FCFF)	$EV = \sum_{i=1}^n \frac{FCFF_i}{(1+WACC_i)^i} + \frac{TV}{(1+WACC_1)^n} + NA$	$SV = EV - D$
DCF method (FCFE)		$SV = \sum_{i=1}^n \frac{FCFE_i}{(1+k_{SI})^i} + \frac{TV}{(1+k_{SI})^n} + Cash + NA$
EVA method	$EV = IC_1 + \sum_{i=1}^n \frac{EVA_i}{(1+WACC_i)^i} + \frac{TV}{(1+WACC_1)^n} + NA$	$SV = EV - D$
EBO method		$SV = BV_1 + \sum_{i=1}^n \frac{SVA_i}{(1+k_{SI})^i} + \frac{TV}{(1+k_{SI})^n} + Cash + NA$

Signs:

EV	- Enterprise Value
SV	- Shareholders Value
TV	- Terminal Value
Cagr	- development rates within the target period
BV, E	- Balance Value, Equity
EBIT	- operational profit from selling, profit before payments of credit interest and income tax
EBITDA	- operational profit before payment of credit interest, income tax and amortization
EBT	- Earnings Before Tax
EAT	- Earnings After Tax
EPS	- Earnings Per Share
NOPAT	- net operational profit, free from effects of debt financing NOPAT = EBIT * (1 - income tax effective rate)
FCFF	- Free Cash Flow to Firm FCFF = gross cash flow - gross investments Gross cash flow = NOPAT + amortization
FCFE	- Free Cash Flow to Equity FCFE = gross shareholders' cash flow - gross investments Gross shareholders' cash flow = EAT of operational profit (including interest payoffs) - annual debt coverage + attracted borrowed assets + amortization
EVA	- Economic Value Added EVA = economic profit spread * IC = (ROIC - WACC) * IC
SVA	- Shareholders Value Added SVA = spread * E = (ROE - k_s) * E
WACC	- Weighted Average Cost of Capital
k _s	- required shareholders' yield
D	- fair (market) cost of net debt
Cash	- cash assets, along with market securities on thee balance
NA	- non-operational assets
IC	- Invested Capital
ROIC	- Return on Invested Capital ROIC = NOPAT / IC
ROE	- Return on Equity
ROA	- Return on Assets

Information disclosure

The statement of an analyst and confirmation of the responsibility withdrawal

The given report is prepared by the analyst (-s) of the Investment Company Veles Capital. The given estimations in the present report reflect personal opinion of the analyst (-s). The award of the analysts does not depend, never depended and will not depend upon the specific recommendations or estimations, provided in the present report. The award of the analysts depends upon the general efficiency of the business of the Investment Company Veles Capital, determined by the investment benefit of the company's clients and also upon the incomes from other types of activity of the Investment Company Veles Capital.

The given report, prepared by the Research Department of the Investment Company Veles Capital, is basing on the public information. The present review was prepared independently from other Departments of the Investment Company Veles Capital, and any recommendations and judgments, presented in the given report reflect only the view point of the analyst (-s), participated in making of the present review. Due to that consideration, the Investment Company Veles Capital considers being necessary to state that the analysts and the Company are not responsible for the content of the given report. The analysts of the Investment Company Veles Capital do not take overall responsibility to regularly up-date the information, contained in the present report, and also to announce about all changes, introduced to the present review.

Provided analytical material of the Investment Company Veles Capital could be used only with information aims. The company does not guarantee the completeness and preciousness of provided information in the given report and its reliability, and also is not responsible for direct and indirect losses from using of the given materials. This document cannot serve as a basis for purchase and selling any securities, and cannot also be considered as an offer from the part of the Investment Company Veles Capital. The Investment Company Veles Capital and (or) its subsidiaries along with the staff, directors and analysts of the Investment Company Veles Capital have the right to purchase and sell any securities, mentioned in the given review.

The Investment Company Veles Capital and (or) its subsidiaries can serve as a market-maker or have the liabilities for underwriting of companies' securities, mentioned in the given review, can purchase or sell them for clients, and also make any actions, which do not contradict the Russian law. The Investment Company Veles Capital and (or) its subsidiaries can also be interested in the possibility of providing the companies, mentioned in the present review, with the investments and bank or any other services.

All rights for the given bulletin belong to the Investment Company Veles Capital. The reproduction and/or distribution of the analytical materials of the Investment Company Veles Capital are prohibited without the written permission of the Company. © Veles Capital 2008.

The principle of recommendation assignment

The investment recommendations are given based on the evaluation of the company's share yield. The basis for the calculation of the expected company's cost is the evaluation by the discounted cash flows method (DCF). In some estimations the method of comparable coefficients, and also the mixed estimation (by DCF method and by comparable coefficients method) are applied. All recommendations are assigned based on the determined by us the fair cost of the shares within the nearest 12 months.

At the present moment the investment scale of the Investment Company Veles Capital is the following:

BUY – corresponds to the growth potential of the shares within the nearest 12 months by 15% or more.

ACCUMULATE – corresponds to the growth potential of the shares within the nearest 12 months for 5-15%.

HOLD – corresponds to the growth (reduction) potential of the shares within the nearest 12 months from -5% to 5%.

REDUCE – corresponds to the reduction potential of the shares within the nearest 12 months from 15% to 5%.

SELL – corresponds to the reduction potential of the shares within the nearest 12 months by 15% or more.

In some cases the deviations from the evaluation scale given above, based on which the recommendations are assigned, are possible. That fact relates to the high volatility of some securities in particular, and market in the whole, and also to the individual characteristics of one or another issuer.

In order to get additional information and specifications please contact the Research Department of the Investment Company Veles Capital.

Research Department

research@veles-capital.ru

Mikhail Zak
Head of Department
Strategy
MZak@veles-capital.ru

Ivan Manaenko
Fixed income market,
Macroeconomics
IManaenko@veles-capital.ru

Ilya Fedotov
Telecommunications
IFedotov@veles-capital.ru

Stanislav Fomenko
Metallurgy
SFomenko@veles-capital.ru

Marina Irkly
Transport, machinery
MIrkly@veles-capital.ru

Oleg Zotikov
Energy
OZotikov@veles-capital.ru

Dmitry Lyutyagin
Oil and gas
DLyutyagin@veles-capital.ru

Oleg Salmanov
Fixed income
OSalmanov@veles-capital.ru

Shawn Gizatulin
Editor/Interpreter
SGizatulin@veles-capital.ru

Sales and Trading Department

sales@veles-capital.ru

Yury Pavlov
Director (VIP clients)
YPavlov@veles-capital.ru

Sergey Vetoshkin
Corporate Clients
SVetoshkin@veles-capital.ru

Alexander Taran
Trading (Ukraine)
ATaran@veles-capital.com.ua

Strategic Investments Department

Andrey Lee
Head of department
ALee@veles-capital.ru

Assets Management

am@veles-capital.ru

Beyshen Isaev
Head of Department
BIsaev@veles-capital.ru

Vadim Labed
Investor relations
VLabed@veles-capital.ru

Stanislav Brodsky
Investment products
SBrodsky@veles-capital.ru