

MOBILE TELESYSTEMS OJSC
Form 6-K
March 11, 2011

FORM 6-K

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Issuer
March 11, 2011

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

Commission file number: 333-12032

Mobile TeleSystems OJSC

(Exact name of Registrant as specified in its charter)

Russian Federation

(Jurisdiction of incorporation or organization)

**4, Marksistskaya Street
Moscow 109147
Russian Federation**

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Edgar Filing: MOBILE TELESYSTEMS OJSC - Form 6-K

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

Ad Hoc Notice

March 11, 2011

Moscow, Russian Federation Mobile TeleSystems OJSC (MTS or the Company NYSE: MBT), the leading telecommunications provider in Russia and the CIS, announces that the Judicial Committee of the UK Privy Council, the highest Court of Appeal for the Isle of Man, ruled yesterday in favor of three MTS Isle of Man affiliates (the KFG Companies). The Privy Council s ruling confirms the jurisdiction of the Isle of Man courts to try the counterclaims asserted by the KFG Companies against various defendants, including Sky Mobile, OOO Altimo and Altimo Holdings, for the wrongful misappropriation and seizure of Kyrgyz telecom operator Bitel and its assets.

Earlier, in November 2007, the Isle of Man court had ruled that it had no jurisdiction to try the KFG Companies claims. The KFG Companies appealed that ruling to the Isle of Man Staff of Government Division, and in November 2008, the appellate court ruled in their favor. The defendants against whom the KFG Companies have brought their claims in turn appealed to the Judicial Committee of the Privy Council of the United Kingdom. The appeal hearing before the UK Privy Council took place in late November early December, 2010.

The Privy Council s ruling clears the way for the KFG Companies now to pursue all their claims in the Isle of Man against the defendants involved in the misappropriation of Bitel and its assets.

As was previously disclosed by the Company, MTS Finance acquired a 51% stake in Tarino Limited from Nomihold at the end of 2005, on the footing that Tarino Limited was the indirect owner, through its 100% owned subsidiaries, of Bitel. In March 2007, MTS wrote off the costs relating to the acquisition of Bitel in the amount of \$150 million and a liability of \$170 million was recorded with an associated charge to non-operating expenses to account for potential liability with respect to the option for the remaining 49% of Tarino, as noted in the MTS annual financial statements for year ended 31 December, 2006.

* * *

For further information, please contact in Moscow:

Joshua B. Tulgan

Director, Investor Relations

Edgar Filing: MOBILE TELESYSTEMS OJSC - Form 6-K

Acting Director, Corporate Finance

Department of Investor Relations

Mobile TeleSystems OJSC

Tel: +7 495 223 2025

E-mail: ir@mts.ru

Learn more about MTS. Visit the official blog of the Investor Relations Department at www.mts GSM.com/blog/

* * *

Mobile TeleSystems OJSC (MTS) is the leading telecommunications group in Russia, Eastern Europe and Central Asia, offering mobile and fixed voice, broadband, pay TV as well as content and entertainment services in one of the world's fastest growing regions. Including its subsidiaries, the Group services over 108.3 million mobile subscribers in Russia, Ukraine, Uzbekistan, Turkmenistan, Armenia and Belarus, a region that boasts a total population of more than 230 million. Since June 2000, MTS Level 3 ADRs have been listed on the New York Stock Exchange (ticker symbol MBT). Additional information about the MTS Group can be found at www.mts GSM.com.

* * *

Some of the information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of MTS, as defined in the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. You can identify forward looking statements by terms such as expect, believe, anticipate, estimate, intend, will, could, may or might, and the negative of such terms or other similar expressions. We wish to caution you that these statements are only predictions and that actual events or results may differ materially. We do not undertake or intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. We refer you to the documents MTS files from time to time with the U.S. Securities and Exchange Commission, specifically the Company's most recent Form 20-F. These documents contain and identify important factors, including those contained in the section captioned Risk Factors that could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, the severity and duration of current economic and financial conditions, including volatility in interest and exchange rates, commodity and equity prices and the value of financial assets; the impact of Russian, U.S. and other foreign government programs to restore liquidity and stimulate national and global economies, our ability to maintain our current credit rating and the impact on our funding costs and competitive position if we do not do so, strategic actions, including acquisitions and dispositions and our success in integrating acquired businesses, including Comstar-UTS, potential fluctuations in quarterly results, our competitive environment, dependence on new service development and tariff structures, rapid technological and market change, acquisition strategy, risks associated with telecommunications infrastructure, governmental regulation of the telecommunications industries and other risks associated with operating in Russia and the CIS, volatility of stock price, financial risk management and future growth subject to risks.

* * *

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MOBILE TELESYSTEMS OJSC

By:	<i>/s/ Andrei Dubovskov</i>	
	Name:	Andrei Dubovskov
	Title:	CEO

Date: **March 11, 2011**