FOR IMMEDIATE RELEASE April 22, 2010

SITRONICS ANNOUNCES FOURTH QUARTER 2009 FINANCIAL RESULTS AND AUDITED FULL YEAR 2009 FINANCIAL RESULTS

MOSCOW, Russia – April 22, 2010 – JSC SITRONICS ('SITRONICS' or 'the Group') (LSE: SITR), the leading provider of technology solutions in Russia and the CIS, today announced its consolidated US GAAP financial results for the fourth quarter and financial results for the full year ended December 31, 2009.

FOURTH QUARTER HIGHLIGHTS

- Consolidated revenues of US$ 398.8 million
- Telecommunication Solutions revenues of US$ 208.3 million; Information Technologies revenues of US$ 120.9 million; and Microelectronics revenues of US$ 64.8 million
- Adjusted OIBDA* profit of US$ 54.0 million and adjusted OIBDA margin of 13.5%
- US$ 73.0 million of one-off costs arising from provisions for accounts receivable and impairment of inventories, fixed assets and investments
- Total OIBDA loss of US$ 19.0 million
- Net loss attributable to SITRONICS of US$ 37.3 million
- US$ 389 million of contracts secured since the announcement of third quarter financial results on December 3, 2009 to date, and US$ 979 million of contracts secured since the beginning of 2009 to date.

FULL YEAR HIGHLIGHTS

- Consolidated revenues of US$ 1,024.2 million
- Telecommunication Solutions revenues of US$ 579.0 million; Information Technologies revenues of US$ 221.5 million; and Microelectronics revenues of US$ 208.1 million
- Adjusted OIBDA profit of US$ 101.1 million and adjusted OIBDA margin of 9.9%
- US$ 94.4 million of one-off costs arising from provisions for accounts receivable and impairment of inventories, fixed assets and investments
- Total OIBDA profit of US$ 6.7 million
- Net loss attributable to SITRONICS of US$ 119.1 million including a US$ 26.2 million net loss from discontinued operations

* Here and below OIBDA is defined as operating income before depreciation and amortization. Please see Attachment A to this statement for further information. Adjusted OIBDA is defined as operating income before depreciation and amortization net of impairment losses and reserves

- Total assets of US$ 1.9 billion
- US$ 147.2 million of operating cash flow
- 49.1% year on year reduction in cash outflows on capital expenditure to US$ 91.7 million and US$ 55.5 million of free cash flow †

Sergey Aslanian, President of SITRONICS, commented: "We continued to outperform the market in 2009 and firmly established the Group as one of the leading Russian and international technology companies. We have continued to work closely with both the Russian and other governmental organisations, and have also expanded our presence in key vertical sector markets and extended our geographical footprint.

"We have made provisions and written down assets, in order to fully reflect the deterioration in market conditions in 2009. When excluding these factors, our underlying OIBDA margin increased year on year to 10%, in line with our focus on higher margin businesses that are less capital intensive. We also generated free cash flow as a group following the optimisation of our cost base and the reduction in our capital expenditure budgets.

"We have renegotiated US$ 780 million of debt during the year and increased the proportion of long term debt to over 50% with an overall weighted average borrowing cost of less than 9%. Furthermore, we anticipate that a debt for equity swap will be executed this year with our majority shareholder, Sistema, in order to reduce our borrowing levels.

"Moving forward, we have a pipeline of US$ 979 million of contracts secured since the beginning of 2009, of which approximately US$ 546 is expected to be booked in 2010. We do therefore expect to continue to outperform the market and deliver low double digit revenue growth in 2010 with a stable OIBDA margin when compared with the full year adjusted margin in 2009."

† Here and below free cash flow is defined as operating cash flow net of cash capital expenditure

FINANCIAL SUMMARY

(US$ millions)	**Q4 2009**	Q4 2008	**FY 2009**	FY 2008
Revenues	**398.8**	496.1	**1,024.2**	1,401.3
Adjusted OIBDA	**54.0**	63.8	**101.1**	116.5
Adjusted OIBDA margin	**13.5%**	12.9%	**9.9%**	8.3%
Impairments losses and reserves	**(73.0)**	(11.9)	**(94.4)**	(18.7)
Total OIBDA	**(19.0)**	51.9	**6.7**	97.8
Net loss from continuing operations	**(43.7)**	(16.3)	**(100.8)**	(76.3)
Net income / (loss) from discontinued operations	**-**	6.5	**(26.2)**	27.1
Net loss attributable to SITRONICS	**(37.3)**	(7.8)	**(119.1)**	(53.9)
Total assets	**1,926.8**	2,035.0	**1,926.8**	2, 035.0

OPERATING REVIEW

Group Overview

The Group's consolidated revenues declined by 13.4% year on year at constant exchange rates in the fourth quarter, and by 13.9% for the full year. The performance in the quarter reflected a year on year sales decline in the Telecommunication Solutions business, which was offset to an extent by a return to growth in the Information Technologies and Microelectronics business areas. Information Technologies sales were also up at constant exchange rates year on year for the full year. The decline in reported Group revenues for the quarter and the full year also reflected the significant weakening of the Group's operating currencies against the US dollar reporting currency.

The Group has won US$ 979 million of new contracts since the beginning of 2009 to date, of which approximately US$ 546 million of revenue is expected to be booked in 2010. US$ 389 million of new contracts have been won since the announcement of the Group's third quarter 2009 results on December 3, 2009.

Operating expenses, when excluding depreciation and amortization costs and the impairments and provisions in the fourth quarter, were reduced by 29.9% year on year to US$ 48.8 million in the fourth quarter, and by 30.1% to US$ 176.6 million for the full year. The savings reflected the cost optimization measures implemented during the second half of 2008 and throughout 2009, as well as the divestment of the lower margin IT distribution business in April 2009. Selling, general and administrative expenses net of stock option expense were reduced by 8.9% year on year in the quarter and by 23.5% for the full year.

The Group reported a 15.4% year on year decline in adjusted OIBDA in the quarter and a 13.2% decrease for the full year, with increased adjusted OIBDA margins of 13.5% and 9.9% for the two respective periods, compared to margins of 12.9% and 8.3% for the respective periods of 2008.

The Group recognized US$ 73.0 million of impairment losses and reserves in the fourth quarter and US$ 94.4 million for the full year. The costs arose from provisions for accounts receivable and the impairment of inventories, fixed assets and investments following our routine quarterly closing and year end impairment tests. US$ 54.6 million of the costs are provisions for accounts receivable, essentially bad debts in our Telecommunication Solutions and Microelectronics divisions that we will continue to seek to recover but have been prudently provided for given the deterioration in the market conditions in 2009. A further US$ 18.9 million of the losses arose from the impairment of inventories in our Telecommunication Solutions and former Consumer Services & Products businesses. The impairment of US$ 14.1 million of short-term investments and US$ 6.8 million of fixed assets reflected a prudent revaluation of these assets, given the sharp deterioration in market conditions last year and the resulting change in the projected return on these assets moving forward.

The Group's net interest expenses increased year on year to US$ 15.6 million from US$ 10.4 million in the fourth quarter, and to US$ 51.9 million from US$ 37.5 million for the full year. This reflected the year on year changes in the Group's debt levels and cash balances, as well as currency exchange rate movements.

The Group reported a foreign exchange gain of US$ 0.2 million in the fourth quarter and a loss of US$ 3.2 million for the full year, compared to losses of US$ 38.1 million and US$ 50.9 million for the two corresponding periods of 2008. The full year loss primarily reflected the difference in the value of the Group's US dollar denominated borrowings between the balance sheet dates.

The Group reported a net loss of US$ 43.7 million from continuing operations in the fourth quarter and a net loss of US$ 100.8 million for the full year. The Group's full year results also included a net loss from discontinued operations of US$ 26.2 million, which comprised the US$ 25.8 million difference between the sale price and the book value of the assets of the Information Technologies division's distribution business as at the disposal date in April 2009, and US$ 0.4 of losses incurred by the businesses up to the date of sale.

The Group reported a net loss attributable to SITRONICS shareholders of US$ 37.3 million in the fourth quarter and a net loss of US$ 119.1 million for the full year.

The Group generated a six-fold year on year increase in net cash flow from operations to US$ 147.2 million from US$ 22.1 million, and US$ 55.5 million of free cash flow for the full year.

Segmental Review

SITRONICS Telecommunication Solutions

(US$ millions)

	Q4 2009	Q4 2008	**FY 2009**	FY 2008
Revenues	**208.3**	283.6	**579.0**	787.1
Adjusted OIBDA	**30.4**	40.3	**54.7**	71.8
Impairments losses and reserves	**(15.9)**	(11.4)	**(32.1)**	(16.7)
Total OIBDA	**14.5**	28.9	**22.6**	55.1
Net income/(loss) attributable to SITRONICS	**7.9**	0.1	**(26.0)**	(43.0)
Total assets	**909.3**	977.1	**909.3**	977.1

Revenues were down 26.3% year on year in the quarter and 18.9% for the full year at constant exchange rates. The year on year revenue declines reflected the impact of the global recession on the telecommunications industry, which led to the reduction and postponement of investments in new technology by our customers

The segment reported stable adjusted OIBDA margins of 14.6% in the fourth quarter and 9.4% for the full year.

The segment businesses has secured US$ 544 million of new contracts since the beginning of 2009, and US$ 151 million of new contracts since the announcements of the Group's third quarter results in December 2009. Approximately US$ 302 million of this revenue pipeline is expected to be booked in 2010.

SITRONICS became one of the world's ten largest wireless data transfer solution providers in 2009. Sales of wireless network systems accounted for 37% of segment revenues in 2009, whilst sales of telecommunications software including OSS/BSS solutions accounted for 27% of revenues, and outsourcing and other solutions accounted for 36%.

Wireless Network System Sales
The best-selling solutions during 2009 were the WIBAS Point-to-Multipoint wireless platforms and INTRALINK PDH/SDH microwave link platforms, and the Group signed

contracts with several leading international operators including Etisalat in the U.A.E, MAXIS Berhad in Malaysia, and Sistema Shyam TeleServices in India. The Group also delivered telecommunications equipment to expand the networks of Mobile TeleSystems (MTS) in Russia, K-Telecom in Armenia, GLOBUL in Bulgaria and Moldtelecom in Moldova.

Telecommunications Software Sales
The FORIS billing solution is now used by telecommunications operators to bill over 100 million mobile telephony subscribers in Russia, the CIS, the Czech Republic, Serbia, India, Congo and Uganda. MTS' pre-paid subscribers in Ukraine and Telecom Srbija's post-paid subscribers were successfully migrated to the FORIS solution during 2009. The solution was also implemented for MTS-India, and a contract was signed in the fourth quarter to extend the usage of the solution by Warid Telecom in Uganda. The first ever project in Russia to implement an automated electricity billing solution was launched for energy generation and distribution company OJSC Bashkirenergo in 2009 and is expected to be completed by 2010.

The Group signed a two year US$ 2.7 million contract in December to deliver a 3G billing solution to Moldovan incumbent Moldtelecom, and a EUR 2.3 million 3 year contract to implement and support a Fault Management system for leading Greek mobile operator Wind Hellas.

The leading software sales products in 2009 were the fs|cdn IPTV solution and the NGIN application suite. The IPTV solution was implemented for a number of operators in North America including Santa Rosa Telephone Cooperative and Taylor Telephone, and IPTV equipment was also delivered to Telecom Srbija.

Outsourcing and Other Solution Sales. The Group signed an EUR 11.8 million contract with the Romanian Ministry of Administration & Internal Affairs in December to supply and install an integrated IT platform, which will be used in the implementation of the Schengen Information System II in 2010. The Group also deployed network integration projects and provided technical support services to various operators in Greece with a total value of approximately EUR 10 million.

SITRONICS Information Technologies

(US$ millions)	**Q4 2009**	Q4 2008	**FY 2009**	FY 2008
Revenues	**120.9**	131.8	**221.5**	273.6
Adjusted OIBDA	**13.9**	17.1	**25.0**	17.8
Impairments losses and reserves	**(1.9)**	2.2	**(2.5)**	(0.3)
Total OIBDA	**12.0**	19.3	**22.4**	17.6

(US$ millions)	**Q4 2009**	Q4 2008	**FY 2009**	FY 2008
Net income / (loss) from continuing operations	**5.1**	2.2	**8.7**	(1.3)
Net income / (loss) from discontinued operations	**-**	6.5	**(26.2)**	27.1
Net income / (loss) attributable to SITRONICS	**5.1**	8.7	**(17.4)**	25.9
Total assets	**279.9**	453.8	**279.9**	453.8

Revenues were up 8.5% year on year in the quarter and up 4.2% for the full year at constant exchange rates, which reflected the Group's enhanced position in the Russian IT integration market.

The adjusted OIBDA margin was lower year on year at 11.5% in the fourth quarter, but increased substantially to 11.3% for the full year.

The segment businesses have secured US$ 178 million of new contracts since the announcement of the Group's third quarter results in December 2009, and US$ 239 million of new contracts since the beginning of 2009. Approximately US$ 68 million of this revenue pipeline is expected to be booked in 2010.

SITRONICS Information Technologies is one of the leading IT companies in Russia and CIS. IT Infrastructure and System Integration sales comprised 40% of full year segment revenues, while sales of Telecommunications Integration solutions contributed 33% of sales, and the sale of Business Consulting and IT Outsourcing solutions accounted for 27% of revenues.

IT Infrastructure and System Integration Solution Sales

The Group implemented projects for the governments of Bashkortostan, Kazakhstan and Tatarstan in 2009. The Group developed and delivered "Multiservice Information Educational System" (MIOS) software for the Kazakhstan Ministry of Defence and public schools in Tatarstan, and is developing an electronic document management system for the Bashkirian government. The Group is also engaged in the construction of a data processing centre for Sberbank in Ukraine, and has won a contract to modernise the IT infrastructure of the Bashneft oil company. The project to construct a new IT infrastructure for the First Ukrainian International Bank was completed in 2009, and a contract was signed to supply IT support for Ukrsotsbank, which is one of the largest universal banks in Ukraine. The Company also completed the implementation of the AgroClever solution for one of the largest agricultural groups in Ukraine.

Telecommunications Integration Solution Sales
The construction of a WiMAX network for Comstar-UTS in Russia and a test wireless broadband access network for Comstar-Ukraine were completed during 2009, and the third stage of the construction of a CDMA-based high-speed wireless access network for MTS in Ukraine commenced. IT infrastructure was also put in place to provide a billing platform for FreshTel, which is Ukraine's first 4G mobile operator. SITRONICS signed a US$ 36.7 million IT infrastructure development contract with MTS in December 2009, as well as a US$ 4.7 million contract with Rostelecom.

Business Consulting and IT Outsourcing Solution Sales
SITRONICS Information Technologies implemented a number of large scale contracts in 2009, including the successful implementation of an Oracle-based retail network management system in more than 120 Detsky Mir retail stores across Russia, and the implementation of the Siebel CRM system for MTS. The project with MTS was the largest implementation of Siebel systems in Eastern Europe to date. A CRM solution project for Sberbank in Russia was also initiated and is expected to be completed in 2010.

SITRONICS Microelectronics

(US$ millions)	**Q4 2009**	Q4 2008	**FY 2009**	FY 2008
Revenues	**64.8**	69.6	**208.1**	291.7
Adjusted OIBDA	**17.4**	17.3	**48.8**	60.6
Impairments losses and reserves	**(41.1)**	0.1	**(42.9)**	1.1
Total OIBDA	**(23.7)**	17.4	**5.9**	61.7
Net income / (loss) attributable to SITRONICS	**(27.0)**	6.2	**(28.6)**	24.7
Total assets	**711.4**	544.3	**711.4**	544.3

Revenues were up 3.1% year on year in the quarter and down 9.9% for the full year at constant exchange rates. The improvement in performance in the fourth quarter reflected the improved operating environment in the microelectronics sector following the stabilization of the broader economic situation.

The adjusted segment OIBDA margin increased year on year to 26.9% in the fourth quarter and to 23.5% for the full year.

The segment businesses have signed US$ 60 million of new contracts since the announcement of the Group's third quarter results in December 2009, and US$ 196 million of new contracts since the beginning of 2009. Approximately US$ 176 million of this revenue pipeline is expected to be booked in 2010.

SITRONICS Microelectronics is the market leader in Russia in each of its market segments, including the production of smart cards and RFIDproducts, and is the number one semiconductor producer in Russia and the CIS. 35% of segment revenues were generated from the sale of integrated circuits in 2009, while 35% of sales were generated from RFID products. Smart cards sales contributed 19% of segment revenues, and specialised commissioned R&D projects accounted for the remaining 11% of the revenue.

Integrated Circuit Sales
SITRONICS manufactures more than 500 different IC and semiconductor products, primarily for the domestic Russian market, and exports power management IC for a broad range of electronic and power management LEDs to Taiwan, Korea, China, Japan and Hong Kong.

RFID Product Sales
SITRONICS continued to provide tickets and travel cards for the underground and overground transportation systems in Moscow, St. Petersburg, Tyumen, Nizhny Novgorod, Kazan and Magnitogorsk in 2009. A new approximately US$ 100 million one year contract was signed with the Moscow Metro in December 2009 to deliver RFID cards during 2010. A project to deploy RFID technology for use in retail outlets was launched in 2009 together with the Russian Corporation of Nanotechnologies (RUSNANO) and X5 Retail Group.

Smart Card Sales
SITRONICS won a number of major tenders in 2009, including a three year agreement to deliver Visa and MasterCard chip cards to Sberbank in Russia, and a tender to deliver banking cards to VTB24 bank. The business also won a tender to deliver SIM cards to MegaFon, which is Russia's third largest mobile operator.

Commissioned R&D projects
SITRONICS carried out research and development projects for more than 300 customers during 2009, and participated in the 2008-2015 Federal Programme for the Development of an Electronics and Radio Electronic Components Base.

The key development during the year was the signing of the agreement with RUSNANO in the fourth quarter to develop and launch full-scale 90 nanometre technology microchip production at SITRONICS' existing facility in Zelenograd.

FINANCIAL POSITION

Net cash provided by operating activities amounted to US$ 147.2 million for the full year, compared to US$ 22.1 million in 2008.

Net cash used in investing activities amounted to US$ 107.9 million for the full year and included US$ 91.7 million of capital expenditure. This compared to US$ 281.6 million of total investments and US$ 180.0 million of capital expenditure in 2008. The year on year reduction in capital expenditure reflected the Group's ongoing focus on optimizing and focusing its investment programmes.

Net cash used in financing activities amounted to US$ 2.9 million for the full year, compared to US$ 213.5 million of net cash flow provided by financing activities in 2008. SITRONICS repaid, refinanced or extended US$ 780 million of loans during 2009, including the refinancing of the US$ 230.0 million debt by Bank of Moscow as Arranger and Agent and GOLDEN GATES B.V. as original lender in November 2009, the repayment of the US$ 75 million Dresdner Bank loan, and the redemption of the Group's RUR 3 billion bond issue in March 2009.

The Group's cash and cash equivalents therefore increased to US$ 161.9 million at the end of the period, compared to US$ 116.7 million at the end of 2008. The Group's total borrowings amounted to US$ 745.9 million at the end of the year, which included up to US$ 100 million of liabilities to majority shareholder AFK Sistema and its subsidiaries. The weighted average cost of borrowing was 8.6% as at December 31, 2009. The proportion of long-term debt to total debt increased in 2009 to approximately 56% from 28%. Approximately 35% of the Group's debt was dollar denominated at the end of the year, with 32% in Euros and 33% in roubles. The Group's net debt was therefore reduced year on year from US$ 609.5 million at the end of 2008 to US$ 584.0 million at the end of 2009.

The Group signed a RUR 4 billion credit agreement with Bank of Moscow after the end of the period in March 2010, and announced in April 2010 that it intends to issue and place RUR 5 billion of non-convertible interest-bearing rouble-denominated bonds in two tranches in the coming months. The objective of both initiatives is to refinance the Group's short-term liabilities.

OTHER INFORMATION

Conference call

SITRONICS management will host a conference call today at 4.00 PM Moscow local time, 1.00 PM London local time and 8.00 AM New York local time to present and discuss these results. Participants may dial the following numbers in order to access the call:

UK/ International:	+44 20 8515 2302
US:	+1 480 629 9820

A replay facility will be made available for 7 days after the call. To access the replay, please dial:

UK/ International: +44 207 154 2833
US: +1 303 590 3030

The replay access pin code is 4283267#

***

For further information, please visit www.sitronics.com or contact:

Irina Lanina
Vice President, Corporate Communications
Tel: +7 495 225 0030
lanina@sitronics.com

Natalia Tsarkova
IR Director
Tel: +7 495 225 0030
ntsarkova@sitronics.com

SITRONICS is a leading provider of telecommunication solutions, including software, equipment and systems integration, IT solutions and microelectronic solutions in Russia and the Commonwealth of Independent States with a strong presence in Central and Eastern Europe and a growing presence in the Middle East and Africa.

SITRONICS serves over 3,500 clients, maintains offices in 32 countries and exports its products and services to more than 60 countries.

SITRONICS' key Telecommunication Solutions operations are based in Prague, Czech Republic and Athens, Greece, while the company's IT Solutions and Microelectronics divisions are based in Kiev, Ukraine and Zelenograd, Russia respectively.

SITRONICS generated revenues of US$ 1,024.2 million for the full year ended December 31, 2009 and had total assets of US$ 1,936.8 million at the end of the period. SITRONICS is majority owned by Sistema, the largest public diversified corporation in Russia and the CIS, which manages fast growing companies operating in the consumer services sector.

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 SITRONICS. You can identify forward-looking statements by terms such as "expect," "believe," "anticipate," "estimate," "intend," "will," "could," "may" or "might" the negative of such terms or other expressions. These statements are only predictions and actual events or results may differ materially. We do not intend to or undertake any obligation to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, general economic conditions, our competitive environment, risks associated with operating in Russia, rapid technological and market change in our industries, and other factors specifically related to SITRONICS and its operations.

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
FOR THE FOURTH QUARTER OF 2009 AND THE FOURTH QUARTER OF 2008
(Amounts in thousands of U.S. dollars or if otherwise stated)

	4Q 2009	4Q 2008*
Revenues	$ 398,809	$ 496,069
Cost of sales, exclusive of depreciation and amortization shown separately below	(295,993)	(362,667)
Research and development expenses	(5,832)	(9,793)
Selling, general and administrative expenses	(46,483)	(55,265)
Depreciation and amortization	(17,921)	(24,026)
Impairment losses and reserves	(73,013)	(11,897)
Other operating income/(expenses), net	3,486	(4,568)
OPERATING (LOSS)/ INCOME	(36,947)	27,853
Interest income	2,634	1,512
Interest expense	(18,265)	(11,925)
Foreign currency transactions gains/ (losses)	210	(38,112)
Other non-operating losses	(8,021)	-
Loss from continuing operations before income tax	(60,389)	(20,672)
Income tax credit	16,694	4,331
LOSS FROM CONTINUING OPERATIONS	(43,695)	(16,341)
Income on discontinued operations	-	6,457
NET LOSS	**$ (43,695)**	**$ (9,884)**
Less: net loss attributable to the noncontrolling interests	6,366	2,112
NET LOSS ATTRIBUTABLE TO SITRONICS	**$ (37,329)**	**$ (7,772)**

* The Statement of operations has been amended to reflect the disposal of discontinued operations.

CONSOLIDATED STATEMENTS OF OPERATIONS (INCLUDING EARNINGS PER SHARE)
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Amounts in thousands of U.S. dollars unless otherwise stated)

	2009	2008*
Revenues	$ 1,024,219	$ 1,401,257
Cost of sales, exclusive of depreciation and amortization shown separately below	(746,501)	(1,032,159)
Research and development expenses	(21,162)	(39,094)
Selling, general and administrative expenses	(159,706)	(214,197)
Depreciation and amortization	(58,012)	(73,742)
Impairment losses and reserves	(94,387)	(18,729)
Other operating income, net	4,240	690
OPERATING (LOSS)/INCOME	(51,309)	24,026
Interest income	11,069	4,851
Interest expense	(62,942)	(42,341)
Foreign currency transactions losses	(3,167)	(50,910)
Other non-operating losses	(8,746)	-
Loss from continuing operations before income tax	(115,095)	(64,374)
Income tax credit/(expense)	14,288	(11,897)
LOSS FROM CONTINUING OPERATIONS	(100,807)	(76,271)
(Loss)/income from discontinued operations, net of income tax expense of $317 and $3,367, respectively	(404)	27,143
Loss from disposal of discontinued operations, net of income tax expense of $0 and $0, respectively	(25,750)	-
(Loss)/ income on discontinued operations	(26,154)	27,143
NET LOSS	**$ (126,961)**	**$ (49,128)**
Less: net loss/(profit) attributable to the noncontrolling interests	7,886	(4,764)
NET LOSS ATTRIBUTABLE TO SITRONICS	**$ (119,075)**	**$ (53,892)**
EARNINGS PER SHARE – BASIC AND DILUTED, US cent:		
Loss from continuing operations:	(1.05)	(0.89)
(Loss)/gain from discontinued operations:	(0.30)	0.28
Net loss	(1.35)	(0.61)
Weighted average number of common shares outstanding, basic and diluted:	8,828,989,131	8,774,622,491
AMOUNTS ATTRIBUTABLE TO SITRONICS:		
Loss from continuing operations, net of tax	(92,921)	(78,437)
(Loss)/Gain from discontinued operations, net of tax	(26,154)	24,545
NET LOSS	**$ (119,075)**	**$ (53,892)**

* The Statement of comprehensive loss has been amended to reflect the disposal of discontinued operations.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Amounts in thousands of U.S. dollars unless otherwise stated)

	2009	2008*
NET LOSS	**$ (126,961)**	**$ (49,128)**
Other comprehensive loss, net of tax:		
Translation adjustment, net of tax	(8,548)	(61,543)
Unrecognized actuarial gains, net of tax	306	483
Total other comprehensive loss, net of tax	**(8,242)**	**(61,060)**
COMREHENSIVE LOSS	**(135,203)**	**(110,188)**
Comprehensive loss attributable to the noncontrolling interest	7,439	5,926
COMPREHENSIVE LOSS ATTRIBUTABLE TO SITRONICS	**$ (127,764)**	**$ (104,262)**

* The Statement of comprehensive loss has been amended to reflect the disposal of discontinued operations.

CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2009 AND 2008
(Amounts in thousands of U.S. dollars)

	2009	2008*
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 161,864	$ 116,720
Short-term investments	2,315	20,740
Trade receivables, net	406,388	566,326
Other receivables and prepaid expenses, net	100,269	117,276
Inventories, net	154,790	181,763
Restricted cash	1,116	7,492
Deferred tax assets, current portion	30,868	5,395
Current assets from discontinued operations	-	145,746
Total current assets	857,610	1,161,458
NON-CURRENT ASSETS:		
Property, plant and equipment, net	495,634	499,541
Intangible assets, net	197,319	160,193
Goodwill	86,858	86,858
Inventories, net	17,792	30,768
Long-term investments	183,721	10,441
Long-term trade receivables	58,154	57,269
Deferred tax assets, non-current portion	23,855	24,486
Other long-term assets	5,884	2,476
Non-current assets from discontinued operations	-	1,492
Total non-current assts	1,069,217	873,524
TOTAL ASSETS	**$ 1,926,827**	**$ 2,034,982**

*The Balance sheet has been amended to reflect the disposal of discontinued operations

CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2009 AND 2008 (CONTINUED)
(Amounts in thousands of U.S. dollars, except share and per share amounts)

	2009	2008*
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade accounts payable	$ 269,504	$ 324,893
Taxes payable	34,466	25,861
Accrued expenses and other current liabilities	136,479	184,532
Short-term loans and notes payable	193,959	403,057
Current portion of long-term debt	135,596	123,436
Deferred tax liabilities, current portion	16,041	10,542
Current liabilities from discontinued operations	-	56,990
Total current liabilities	786,045	1,129,311
LONG-TERM LIABILITIES:		
Capital lease obligations	167,558	3,963
Long-term debt	416,299	199,716
Other long-term liabilities	9,937	9,508
Deferred tax liabilities, non-current portion	20,385	24,248
Non-current liabilities from discontinued operations	-	13,359
Total long-term liabilities	614,179	250,794
TOTAL LIABILITIES	1,400,224	1,380,105
EQUITY:		
SHAREHOLDERS' EQUITY:		
Share capital (9,547,087,190 and 9,547,087,190 shares authorized and issued as of December 31, 2009 and 2008, respectively, with par value of 1 Russian Ruble)	335,764	335,764
Treasury stock (688,052,044 and 739,856,026 shares as of December 31, 2009 and 2008, respectively, with par value of 1 Russian Ruble)	(46,158)	(50,940)
Shareholder's receivable	(10,215)	(9,552)
Additional paid-in capital	429,774	423,999
Accumulated deficit	(342,342)	(220,166)
Accumulated other comprehensive income	7,543	16,096
Foreign currency translation	7,211	15,920
Defined benefit pension plan	332	176
TOTAL EQUITY ATTRIBUTABLE TO SITRONICS SHAREHOLDERS'	374,366	495,201
Equity attributable to non-controlling interest	152,237	159,676
TOTAL EQUITY	526,603	654,877
TOTAL LIABILITIES AND EQUITY	**$ 1,926,827**	**$ 2,034,982**

* The Balance sheet has been amended to reflect the disposal of discontinued operations

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Amounts in thousands of U.S. dollars)

	2009	2008
OPERATING ACTIVITIES:		
Net loss	$ (126,961)	$ (49,128)
Adjustments to reconcile net loss to net cash provided by/ (used in) operations:		
Depreciation and amortization	58,012	73,769
(Gain)/Loss from disposal of property, plant and equipment	(857)	534
Loss/(Gain) on disposal of subsidiaries	26,154	(5,871)
Deferred income tax	(21,855)	(926)
Bad debt expense	54,627	8,999
Inventory obsolescence provision	18,882	10,698
Stock based compensation	5,248	13,583
Change in liability for uncertain tax positions	9,296	3,644
Impairment losses and reserves	28,666	1,285
Unrealized foreign currency transactions	14,393	46,123
Changes in operating assets and liabilities:		
Trade receivables	126,616	(160,183)
Other receivables and prepaid expenses	2,811	8,930
Inventories	17,401	4,677
Accounts payable	(15,687)	93,980
Taxes payable	7,268	(8,545)
Accrued expenses and other current liabilities	(56,855)	(19,463)
Net cash provided by operating activities	$ 147,159	$ 22,106
INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(29,569)	(128,311)
Proceeds from disposals of property, plant and equipment	1,050	7,224
Purchases of intangible assets	(62,113)	(51,647)
Purchases of businesses, net of cash acquired	(4,435)	(107,470)
Proceeds from sale of businesses	1,458	1,164
Cash disposed on the sale of businesses	(10,455)	-
Change in restricted cash	6,032	2,110
Purchases of short-term investments	(14,381)	(4,147)
Proceeds from sales of short-term investments	3,924	8,624
Purchases of long-term investments	(554)	(9,194)
Proceeds from sale of long-term investments	1,130	-
Net cash used in investing activities	$ (107,913)	$ (281,647)

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(Amounts in thousands of U.S. dollars)

	2009	2008
FINANCING ACTIVITIES:		
Proceeds from short-term borrowings	$ 454,743	$ 1,128,575
Principal payments on short-term borrowings	(771,454)	(926,599)
Proceeds from long-term borrowings	331,754	197,849
Principal payments on long-term borrowings	(8,227)	(177,625)
Principal payments on capital lease obligations	(7,555)	(7,472)
Debt issuance costs	(3,883)	(1,190)
Proceeds from stock options exercised	2,800	3,810
Repurchase of common stock	(1,119)	(3,800)
Net cash (used in)/provided by financing activities	$ (2,941)	$ 213,548
Effects of exchange rate changes on cash and cash equivalents	(136)	(13,798)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**$ 36,169**	**$ (59,791)**
CASH AND CASH EQUIVALENTS from continued operations, beginning of the year	116,720	178,964
CASH AND CASH EQUIVALENTS, from discontinued operations, beginning of the year	8,975	6,522
TOTAL CASH AND CASH EQUIVALENTS, beginning of the year	**$ 125,695**	**$ 185,486**
CASH AND CASH EQUIVALENTS from continued operations, end of the year	161,864	116,720
CASH AND CASH EQUIVALENTS, from discontinued operations, end of the year	-	8,975
TOTAL CASH AND CASH EQUIVALENTS, end of the year	**$ 161,864**	**$ 125,695**
CASH PAID DURING THE YEAR FOR:		
Interest, net of amounts capitalized	$ (42,991)	$ (30,750)
Income taxes	(5,457)	(47,097)
NON-CASH ITEMS:		
Equipment acquired under capital lease	$ 173,413	$ 11,881
Amounts due for purchase of long-lived assets	49,611	38,865

Non-cash investing and financing activities for the years ended December 31, 2009 and 2008 included acquisitions and disposals of subsidiaries and stock-based compensation.

Attachment A

Non-GAAP financial measures. This press release includes financial information prepared in accordance with accounting principles generally accepted in the United States of America, or US GAAP, as well as other financial measures referred to as non-GAAP. The non-GAAP financial measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with US GAAP.

Operating Income Before Depreciation and Amortization (OIBDA) and OIBDA margin. OIBDA represents operating income before depreciation and amortization. OIBDA margin is defined as OIBDA as a percentage of our net revenues. Our OIBDA may not be similar to OIBDA measures of other companies; is not a measurement under accounting principles generally accepted in the United States and should be considered in addition to, but not as a substitute for, the information contained in our consolidated statement of operations. While depreciation and amortization are considered operating costs under generally accepted accounting principles, these expenses primarily represent the non-cash current period allocation of costs associated with long-lived assets acquired or constructed in prior periods. OIBDA can be reconciled to our consolidated statements of operations as follows:

(US$ 000's)	**Q4 2009**	Q4 2008	**FY 2009**	FY 2008
Operating Income/(Loss)	**(36,947)**	27,853	**(51,309)**	24,026
Depreciation and Amortization	**(17,921)**	(24,026)	**(58,012)**	(73,742)
OIBDA	**(19,026)**	51,879	**6,703**	97,768
Impairments and reserves	**(73,013)**	(11,897)	**(94,387)**	(18,729)
Adjusted OIBDA	**53,987**	63,776	**101,090**	116,497