

MOBILE TELESYSTEMS OJSC
Form 6-K
May 08, 2015

FORM 6-K

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Issuer
May 8, 2015

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.

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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

Press release

MTS Signs USD/RMB Facility Agreement with China Development Bank Corporation

08 May 2015

Moscow, Russian Federation Mobile TeleSystems OJSC (MTS or the Company NYSE: MBT), the leading telecommunications provider in Russia and the CIS, announces that it has signed a USD 200 mln equivalent term loan facility agreement with China Development Bank Corporation (CDB) in renminbi and US dollars. Funds drawn under the facility agreement will be used for procurement of network equipment and related services from Huawei Technologies Co. Ltd (Huawei), a leading global information and communications technology (ICT) solutions provider.

The agreement was signed by MTS CEO Andrei Dubovskov and Chairman of China Development Bank, Hu Huaibang, during the official visit of the President of the People's Republic of China, Xi Jinping, to Moscow.

The term loan facility was signed for a tenor of seven years. The facility consists of two tranches: a USD 100 mln tranche and an RMB-denominated tranche equivalent to USD 100 mln, which has been fixed at roughly RMB 620 mln.

Mr. Andrei Dubovskov, President and CEO of MTS, commented, "Concluding this agreement demonstrates the continued strength of MTS in attracting financing and our success in further diversifying our sources of credit. We are pleased with our first experience in working with CDB and look forward to further long-term cooperation. MTS will use this loan to finance construction of next-generation networks in Russia using equipment from our long-standing partner, Huawei."

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About CDB

As a fully state-owned bank, CDB provides medium- to long-term financing facilities that assist in the development of a robust economy and a healthy, prosperous community. It aligns its business focus with national economic strategy and allocates resources to break through bottlenecks

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in China's economic and social development. CDB carries out its mission by supporting the development of national infrastructure, promoting coordinated regional development and urbanization, facilitating China's cross-border investment and global business cooperation.

For further information, please contact in Moscow:

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Mobile TeleSystems OJSC

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

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Mobile TeleSystems OJSC (MTS) is the leading telecommunications group in Russia, Central and Eastern Europe, offering mobile and fixed voice, broadband and pay TV in one of the world's fastest growing regions. Including its subsidiaries, the Group services over 100 million mobile subscribers. The Group has been awarded GSM licenses in

Russia, Ukraine, Uzbekistan, Armenia, Turkmenistan 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.mtsgsm.com.

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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 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, 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.

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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

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

Date: **May 8, 2015**