

MOBILE TELESYSTEMS OJSC
Form 6-K
May 20, 2008

FORM 6-K

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**Report of Foreign Issuer
May 20, 2008**

**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

20 May 2008

Press Release

MTS ANNOUNCES RECOMMENDED AMOUNT OF DIVIDENDS FOR FY 2007

Moscow, Russian Federation Mobile TeleSystems OJSC (MTS NYSE: MBT), the largest mobile phone operator in Russia and the CIS, announces the recommended amount of dividends for the full year 2007.

On May 19, 2008, MTS Board of Directors (BoD) recommended the annual general meeting of shareholders (AGM) approve annual dividends of RUR 14.84 per ordinary MTS share (approximately \$3.12 per ADR(1)) for the 2007 fiscal year, amounting to a total of RUR 29.58 billion (\$1,242.9 million) or 60% of US GAAP net income. As announced earlier, the record date for the Company's share- and ADR-holders entitled to participate in the AGM and to receive dividends was May 8, 2008. The AGM will be held on June 27, 2008.

(1) According to the Russian Central Bank exchange rate of 23.7939 RUR/\$ as of May 5, 2008.

The Company's dividend policy adopted in 2007 targets a return of a minimum of 50% of annual US GAAP net income to its shareholders through dividend payments. The amount could vary depending on a number of factors, including the outlook for earnings growth, capital expenditure requirements, cash flow from operations, potential acquisition opportunities as well as the Company's debt position.

The Chairman of MTS BoD, Vitaliy Savelyev, commented: The dividend amount is a clear sign of MTS' commitment to enhancing shareholder value. The rewards enjoyed by our shareholders have historically grown inline with the scale and profitability of our business. We endeavor to continue rewarding our shareholders by continuing to employ a sound financial policy and running profitable and efficient operations.

For further information, please contact:

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Mobile TeleSystems OJSC (MTS) is the largest mobile phone operator in Russia and the CIS. Together with its subsidiaries, the Company services over 85.68 million subscribers. The regions of Russia, as well as Armenia, Belarus, Turkmenistan, Ukraine, and Uzbekistan, in which MTS and its associates and subsidiaries are licensed to provide GSM services, have 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 MTS can be found on MTS website at www1.mtsgsm.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 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 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, 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, 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: /s/ Leonid Melamed
Name: Leonid Melamed
Title: CEO

Date: **May 20, 2008**