



CONCORDE CAPITAL

Ukraine / Media

United Media Holding

Leadership in press ads preserved in 9M08

October 29, 2008

Current price: USD 7.8/ EUR 6.2
12M Target: USD 11.9/ EUR 7.6

BUY

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Tickers

GDR (Frankfurt/Xetra) A65 GR

Market information

Market price, EUR	6.20
USD	7.79
MCap, EUR mln	224.51
USD mln	282.21
Chg YTD	17%
Hi/Lo YTD, EUR	6.55/5.31
USD	10.03/7.79
DRs per common share	2:1
No of shares, mln	18.1
Avg Mon Tr Vol YTD, USD mln	0.04
Free float	19.1%
Free float, EUR mln	42.9
USD mln	53.9

Prices as of Oct. 28, 2007

Shareholders

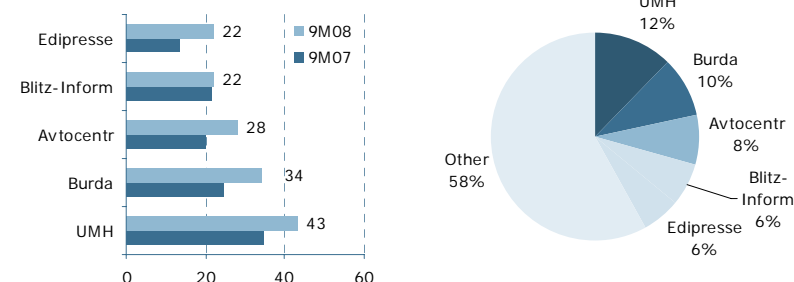
Integrity Int'l Holding Ltd	80.9%
Institutional investors	15.0%
Torbock Holdings Ltd	4.1%

- **UMH preserved its leadership on Ukraine's press advertising market, with a 12.1% share in 9M08**
- **Telenedelya, the company's core brand, doubled its share in TV guides' ad segment in Russia to 12.2% in 8M08**

UMH preserves leadership in press ads in 9M08

United Media Holding held up its #1 spot in the key press advertising segment, with a 12.1% market share in 9M08, according to the report from Monitoring of Ukraine's Media which became available to us on Monday. The monitoring data indicates that UMH's gross press advertising revenues were USD 43.4 mln during the period, up 25% yoy. Due to specifics of the data, which does not account for discounts provided by media companies to their clients, and for advertising by media companies, it is not directly comparable to UMH's net revenues. However, guided by the company's management, we confirm our projection that UMH will receive USD 28 mln of its net revenue from press advertising in 2008.

Revenues from press advertising, Players in Ukraine's press advertising, Ukraine, USD mln gross % market

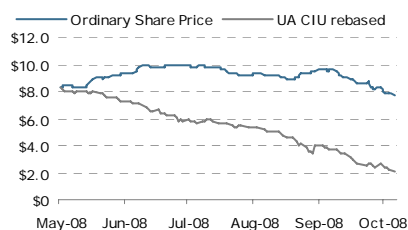


Source: Monitoring of Ukraine's Media

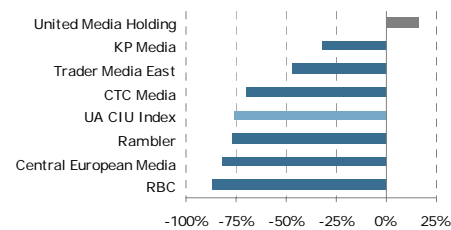
Telenedelya doubles its segment share in Russia

UMH's management told us Monday that core Russian brand Telenedelya grew its advertising share in the Russian TV guide segment from 5.9% in 8M07 to 12.2% in 8M08, according to TNS Gallup AdFact data. Telenedelya's ad revenues (gross, including VAT) rose by 153% yoy to USD 14.9 mln in 8M08.

Stock performance, YTD



Sector performance, YTD*



Note: The Concorde Investable Universe Index (UA CIU) is free float weighted and includes the 57 most liquid Ukrainian stocks listed on the PFTS, London, Warsaw and Frankfurt stock exchanges. Note: United Media Holding was listed in May 2008. Source: Bloomberg, Concorde Capital
*Bid prices are used

Key financials & ratios, USD mln

	Revenue	EBITDA	Net income	EV/S	EV/EBITDA	P/E
2008E	153.2	(1.2)	(17.0)	2.7	n/m	n/m
2009E	212.1	21.9	3.2	2.1	20.0	108.7
2010E	265.5	42.8	18.3	1.7	10.3	19.0

Spot exchange rate: 4.85 UAH/USD

FLASH NOTE

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Appendix - Disclosures

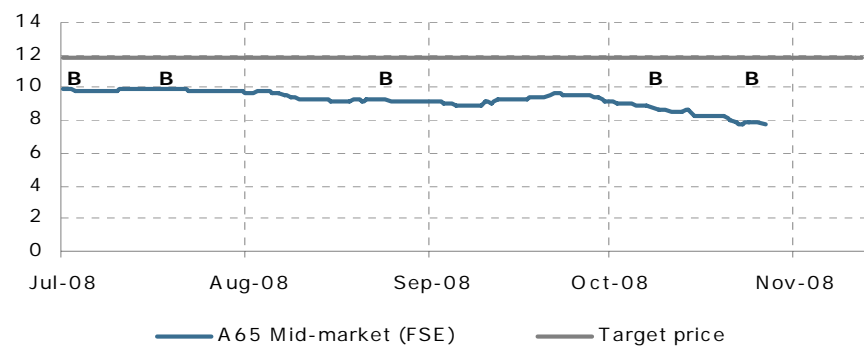
Analyst certification

I, Olha Pankiv, hereby certify that the views expressed in this research report accurately reflect our personal views about the subject securities and issuers. We also certify that no part of our compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this research report.

A65 GR ratings history

Date	Target price, USD	Market Price, USD	Rating	Action
27-Jun-08	11.9	9.5	BUY	Initiating
14-Jul-08	11.9	10	BUY	Maintain
24-Sep-08	11.9	9.7	BUY	Maintain
08-Oct-08	11.9	8.9	BUY	Maintain
29-Oct-08	11.9	7.8	BUY	Maintain

Target price history, USD per share



Investment Ratings

The time horizon for target prices in Concorde Capital's research is 12 months unless otherwise stated. Concorde Capital employs three basic investment ratings: Buy, Hold and Sell. Typically, Buy recommendation is associated with an upside of 15% or more from the current market price; Sell is prompted by downside from the current market price (upside <0%); Hold recommendation is generally for limited upside within 15%. Though investment ratings are generally induced by the magnitude of upside, they are not derived on this basis alone. In certain cases, an analyst may have reasons to establish a recommendation where the associated range given above does not correspond. Temporary discrepancies between an investment rating and its upside at a specific point in time due to price movement and/or volatility will be permitted; Concorde Capital may revise an investment rating at its discretion. A recommendation and/or target price might be placed Under Review when impelled by corporate events, changes in finances or operations. Investors should base decisions to Buy, Hold or Sell a stock on the complete information regarding the analyst's views in the research report and on their individual investment objectives and circumstances.

Buy	90	74%
Hold	18	15%
Sell	7	6%
Under Review	7	6%
Total	122	100%

Buy	7	100%
Hold	0	0%
Sell	0	0%
Under Review	0	0%
Total	7	100%

* Within the last twelve month period, Concorde Capital has obtained compensation from these companies for investment banking services.

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