



CTC MEDIA, INC.

Reporting Policy

(As adopted on February 20, 2006)

CTC Media, Inc. (the “Company”) has adopted a Restated Code of Business Conduct and Ethics (the “Code”) applicable to all employees that encourages employees promptly to discuss with or disclose to the Company’s Chief Financial Officer or members of the Audit Committee of the Board of Directors concerns regarding non-compliance with the Code, including questionable accounting or auditing matters or complaints regarding accounting, internal accounting controls or auditing matters.

As an additional measure to support our commitment to ethical conduct, the Board of Directors has adopted this Reporting Policy (the “Policy”) specifying the policies and procedures for (i) the receipt, retention, and treatment of complaints received by the Company regarding suspected violations of the Code and questionable accounting, internal controls, and auditing matters; and (ii) the confidential, anonymous submission by employees of concerns regarding suspected violations of the Code or questionable accounting or auditing matters.

1. Reporting of Concerns or Complaints

You are urged to report suspected violations of the Code or this Policy and concerns regarding questionable accounting or auditing matters or complaints regarding accounting, internal accounting controls, auditing matters. Employees are urged to come forward with any such information, without regard to the identity or position of the suspected offender.

2. Methods of Submission

You may choose any of the following methods for communicating concerns and complaints:

- address the concern to your immediate supervisor who is obligated to then contact either the Company’s Chief Financial Officer or a member of the Audit Committee to discuss the matter;
- write directly to the Company’s Chief Financial Officer, Boris Podolsky, at CTC Media, Inc., 15A Pravda Street, Moscow 125124, Russia, fax: +7-095-797-4110, email: bpodolsky@ctcmedia.ru; or
- write directly to any member of the Audit Committee.

If an employee would like to discuss any matter with the Audit Committee, the employee should indicate this in the submission and, if the submission is not intended to be anonymous, include a telephone number or e-mail at which he or she might be contacted if the Audit Committee deems it appropriate.

3. Receipt of Concerns and Complaints

All concerns and complaints received by a supervisor must be forwarded to the Company's Chief Financial Officer.

All concerns and complaints received by the Company's Chief Financial Officer will be forwarded to the Audit Committee, unless such concerns and complaints are determined to be without merit by the Chief Financial Officer in the Chief Financial Officer's reasonable judgment. In any event, a record of all complaints and concerns received will be provided to the Audit Committee each fiscal quarter.

Following receipt by the Audit Committee of any complaint hereunder, the Audit Committee will investigate each such matter so reported and take corrective and disciplinary actions, if appropriate, which may include, alone or in combination, a warning or letter of reprimand, demotion, loss of merit increase, loss of bonus or stock options, suspension without pay or termination of employment.

The Audit Committee may enlist committee members, Board of Director members, employees, including internal audit employees, and/or outside legal, accounting or other advisors, as appropriate, to conduct any investigation of complaints hereunder.

4. Confidentiality

Employees may submit concerns and complaints pursuant to this Policy on a confidential or anonymous basis if they wish. While we prefer that you identify yourself when reporting violations so that we may follow up with you, as necessary, for additional information, you may report violations anonymously if you wish.

The Company will treat all communications under this Policy in a confidential manner, except to the extent necessary (a) to conduct a complete and fair investigation, or (b) for reviews of Company operations by the Company's Board of Directors, its Audit Committee, and the Company's independent public accountants and outside legal counsel.

5. Retaliation

The Company will not discipline, discriminate against or retaliate against any employee who reports, in good faith, a possible violation of the Code or this Policy, even if the report was mistaken, unless it was determined that the report was made with knowledge that it was false.

6. Document Retention

The Audit Committee shall retain as a part of the records of the Audit Committee any complaints or concerns received pursuant to this Policy or the Code for a period of no less than three (3) years.