

# Russian Broadcaster CTC Media Says No Q2 Dividend After Net Profit Falls

By [The Moscow Times](#)

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Russian broadcaster CTC Media said Thursday that its board had decided not to declare a second-quarter dividend as its net profit halved compared with the first quarter of 2014.

The company said net profit fell 54 percent in the first quarter to 511.6 million rubles (\$9.94 million) while revenues decreased 25 percent to 4.9 billion rubles.

"The board decides not to declare a dividend in the second quarter to preserve the financial and strategic flexibility of the company in the current market, operational and corporate circumstances," CTC Media said in a statement.

CTC, 38 percent owned by Sweden's MTG Group, said it continued to explore potential sales to comply with a new Russian law limiting foreign ownership. Media reports suggested Rostelecom was considering buying it.

The company said it expected full-year revenues to be in line with the Russian television

advertising market, referring to analyst expectations of a 20-25 percent decline.

Revenues will also be adversely affected by the loss of sub-licensing revenues in Ukraine following the change of regulations that prohibits the screening of Russian content produced after Jan. 1, 2014, CTC said.

Its operating income before depreciation and amortization (OIBDA) fell 74 percent to 521.7 million rubles, with its OIBDA margin sliding to 10.6 percent from 30.3 percent a year ago.

CTC said it expected the 2015 OIBDA margin to be broadly in line with the first quarter.

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