



## VIMPELCOM LTD ANNOUNCES FIRST QUARTER 2011 RESULTS

Amsterdam and New York (June 1, 2011) - "VimpelCom Ltd" ("VimpelCom", the "Company" or the "Group") (NYSE: VIP), a leading international provider of telecommunications services, today announced operating and financial results for the quarter ended March 31, 2011.

This earnings release contains actual 1Q11 financial and operational results as well as selected results on a pro forma basis.

VimpelCom is consolidating the results of Wind Telecom S.p.A. ("Wind Telecom") starting from April 15, 2011.

### Quarterly highlights and recent developments:

- On April 15, 2011, VimpelCom completed the combination with Wind Telecom, creating a leading global telecom group
- Financing of US\$6.5 billion was completed to fund Wind Telecom transaction and further business expansion
- Net operating revenues increased by 23% y-o-y to US\$2.7 billion
- OIBDA reached US\$1.2 billion (up 16% y-o-y); OIBDA margin was 44.1%
- Net income attributable to VimpelCom was US\$590 million (up 55% y-o-y)
- Net cash from operating activities was US\$1.0 billion (up 25% y-o-y)
- South-East Asian presence was strengthened through acquisition in Laos and a new agreement in Vietnam
- On April 14, 2011, the Supervisory Board declared the payment of a final dividend of US\$244 million in relation to its 2010 results, bringing total 2010 dividends to US\$1.1 billion

## Pro Forma Figures

Below are selected preliminary results on a pro forma basis assuming that the business combination of VimpelCom and Wind Telecom had taken place on January 1, 2011\*. The Company intends to provide a full set of pro forma data for 1Q10, 2Q10, 3Q10, 4Q10, 1Q11 and FY10 in early August.

## Selected Financial and Operating Results on a Pro Forma Basis

	1Q 11
Net operating revenues (US\$, billions)	5.5
OIBDA (US\$, billions)	2.3
OIBDA margin	42%
Capital expenditures (US\$, billions)	0.7
Mobile subscriptions (millions)	186
Fixed-line Broadband subscriptions (millions)	4

The preliminary consolidated debt following the merger of VimpelCom with Wind Telecom is approximately US\$27 billion gross with a net debt of approximately US\$23 billion and net debt / OIBDA of around 2.5x.

### Additional information:

- Page 11: highlights of published 1Q11 results of Wind Telecomunicazioni S.p.A. ("Wind Italy") on a stand-alone basis
- Page 12: highlights of published 1Q11 results of Orascom Telecom Holding ("Orascom") on a stand-alone basis
- Page 13: additional information on the integration of VimpelCom and Wind Telecom, IFRS reporting and updated dividend guidelines for VimpelCom

\* These pro forma figures have been prepared by the Company to provide a better understanding of what the Company's results of operations and financial position might have looked like had the combination of VimpelCom and Wind Telecom taken place on January 1, 2011. These figures have not been reviewed by independent accountants. This information does not purport to indicate the results that actually would have been obtained had the combination been completed on the date indicated, nor does this information purport to indicate the results that may be realized in the future. You should not rely on this information as being indicative of the historical results or the future results that VimpelCom will experience. The pro forma figures are based on available information and certain assumptions that the Company believes to be reasonable. The adjustments made in the calculation of these pro forma figures could materially change as the purchase price allocation and consolidation procedures have not been finalized. The Net debt / OIBDA ratio is based on the preliminary pro forma net debt amount as of March 31, 2011 and the pro forma OIBDA amount for the full year 2010.



## Key Consolidated Financial and Operating Results\*

CONSOLIDATED OPERATIONS (US\$, MILLIONS)	1Q 11	1Q 10	1Q 11/1Q 10	4Q 10	1Q 11/ 4Q 10
Net Operating revenues	2,742.9	2,231.1	22.9%	2,815.6	-2.6%
OIBDA	1,209.5	1,041.2	16.2%	1,251.6	-3.4%
OIBDA margin	44.1%	46.7%		44.5%	
SG&A	812.9	643.3	26.4%	854.7	-4.9%
SG&A percentage	29.6%	28.8%		30.4%	
Net income attributable to VimpelCom Ltd.	589.7	381.5	54.6%	461.2	27.9%
Net income attributable to VimpelCom Ltd. per ADS, basic (US\$)	0.46	0.38	21.1%	0.34	35.3%
Net cash from operating activities	1,004.4	803.3	25.0%	769.1	30.6%
Capital expenditures	456.4	179.3	154.5%	1,142.6	-60.1%
ROCE	18.0%	24.7%		19.9%	

\* See definitions in Attachment E. References to “year-on-year” or “y-o-y” are to comparisons of 1Q11 vs. 1Q10, while references to “quarter-on-quarter” or “q-o-q” are to 1Q11 vs. 4Q10.

Alexander Izosimov, Chief Executive Officer of VimpelCom, said, *“With the consolidation of the assets of Wind Telecom into our portfolio, the scale of our operations has nearly doubled, making VimpelCom a truly global telecom operator with one of the largest customer bases in the world. I truly believe that we have strong prospects for profitable growth going forward. We are now focusing on the integration of our businesses, extracting synergies and capitalizing on the Company’s strengthened leadership, scale and market expertise in order to efficiently manage our substantially expanded operations.”*

*“We understand the success of the Group depends on the performance of our businesses in each of our markets and, therefore, we continue to closely monitor and manage each of our country-level operations in Russia, Ukraine, the CIS and South-East Asia. The first quarter demonstrates the development of our businesses is progressing as planned, with year-on-year revenue growth across our business units. In particular, our actions in Russia to strengthen our competitive position are delivering positive results and, although challenges remain, we expect further progress as our programs continue to unfold. Overall, we maintain our focus on revenue growth, efficiency and optimization of our market positions across our business units.”*

*“With our advantages of scope and scale, coupled with strengthening market positions, we are confident VimpelCom will deliver value to all of its stakeholders.”*



## Russia - Financial and Operating Results

<b>RUSSIA (RUR millions)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11 / 1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/ 4Q 10</b>
Net operating revenues	60,334	57,350	5.2%	64,552	-6.5%
OIBDA	25,395	27,235	-6.8%	28,026	-9.4%
OIBDA margin	42.1%	47.5%		43.4%	
SG&A	16,912	15,664	8.0%	17,948	-5.8%
including Sales & Marketing Expenses	5,372	4,966	8.2%	6,595	-18.5%
including General & Administrative Costs	11,540	10,698	7.9%	11,353	1.6%
SG&A percentage	28.0%	27.3%		27.8%	
Capital expenditures	9,486	3,709	155.8%	24,842	-61.8%
ROIC	30.0%	33.0%		30.9%	

<b>RUSSIA REVENUES (RUR millions)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11 / 1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/ 4Q 10</b>
Net operating revenues	60,334	57,350	5.2%	64,552	-6.5%
Mobile	50,067	47,882	4.6%	53,828	-7.0%
including data revenue	3,882	3,209	21.0%	3,619	7.3%
Fixed-line	10,267	9,468	8.4%	10,724	-4.3%
Business segment	4,529	4,479	1.1%	4,857	-6.8%
Wholesale	3,550	3,390	4.7%	3,886	-8.6%
Residential	2,188	1,598	36.9%	1,981	10.4%
including FTTB revenue	1,654	1,162	42.3%	1,464	13.0%

<b>RUSSIA OIBDA DEVELOPMENT (RUR millions)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11 / 1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/ 4Q 10</b>
OIBDA Total	25,395	27,235	-6.8%	28,026	-9.4%
Mobile	22,762	24,523	-7.2%	24,993	-8.9%
Fixed-line	2,633	2,712	-2.9%	3,033	-13.2%
Total OIBDA margin	42.1%	47.5%		43.4%	
Mobile	45.5%	51.2%		46.4%	
Fixed-line	25.6%	28.6%		28.3%	



<b>RUSSIA OPERATING DEVELOPMENT</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11 / 1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/ 4Q 10</b>
Mobile operations					
Subscriptions ('000)	52,991	51,254	3.4%	52,020	1.9%
including mobile broadband subscriptions	2,313	1,169	97.9%	1,927	20.0%
MOU, min	217.8	203.9	6.8%	228.4	-4.6%
Adjusted MOU*, min	226.4	208.4	8.6%	235.5	-3.9%
ARPU, RUR	307.8	307.7	0.0%	332.6	-7.5%
Fixed-line operations					
FTTB subscriptions ('000)	1,510	1,088	38.8%	1,358	11.2%
FTTB ARPU, RUR	385.4	371.9	3.6%	383.9	0.4%

\* Adjusted MOU is calculated for mobile subscriptions excluding mobile broadband subscriptions using USB modems.

### Quarterly highlights:

- In the mobile segment:
  - We added almost 1 million subscriptions in the quarter, bringing the total active base to 53 million, or 3.4% growth year-on-year and 1.9% growth quarter-on-quarter, as our stepped-up marketing activities drove market share gains
  - Revenues grew to 50.1 billion rubles, up 4.6% year-on-year, reflecting our sales efforts in a highly competitive environment. Revenues were down 7.0% quarter-on-quarter due to seasonality
  - Mobile data revenues were 3.9 billion rubles, a 21% increase compared to 1Q10. Our total number of mobile broadband subscriptions increased to 2.3 million, up 98% year-on-year and up 20% quarter-on-quarter
  - VAS revenues were 11.9 billion rubles, a 17% increase compared to 1Q10
  - Mobile OIBDA margin was 45.5%, reflecting the cost of our ongoing marketing activities and the challenging Russian mobile market. Mobile OIBDA margin was also impacted by low margin revenues from the sale of devices, which we supported in order to drive penetration of mobile data services
  - General and administrative costs increased by nearly 8% to 11.5 billion rubles during first quarter 2011 from 10.7 billion rubles a year ago. To a large extent, this increase was driven by accelerated development of our 3G and FTTB networks and an increase in social tax in 2011. To compensate for this, we have already launched a number of cost optimization initiatives
  - Revenues from the sale of devices increased by 0.7 billion rubles, up 102% versus 1Q10 due to active promotion of mobile data services
  - Capex increased year-on-year reflecting the acceleration of network development and an improved phasing of capex throughout the year



- In the fixed-line segment:
  - Revenues increased to 10.3 billion rubles, up 8.4% year-on-year and down 4.3% quarter-on-quarter due to seasonal factors
  - FTTB revenues were 1.7 billion rubles, growing by 42% year-on-year on the back of strong growth in subscriptions, which were up 39% year-on-year and good ARPU dynamics, which increased by 3.6% when compared to 1Q10
  - During the quarter, IPTV service was launched in 7 additional cities, bringing the total number to 25 as of the end of 1Q11

The Russian mobile segment's growth prospects are strong and the Company continues its efforts to enhance its market position. Furthermore, fixed-line revenue growth also continues, mainly due to solid progress in FTTB. With both segments expected to continue this momentum, the Company will maintain its sales and marketing programs to capture opportunities and drive growth.



## Ukraine - Financial and Operating Results

<b>UKRAINE PRO-FORMA (UAH millions)</b>	<b>1Q 11</b>	<b>pro-forma* 1Q 10</b>	<b>1Q 11/ 1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/ 4Q 10</b>
Net operating revenues	2,980.5	2,854.5	4.4%	3,198.2	-6.8%
OIBDA	1,621.2	1,410.3	15.0%	1,709.1	-5.1%
OIBDA margin	54.4%	49.4%		53.4%	
SG&A	860.8	906.1	-5.0%	944.1	-8.8%
including Sales & Marketing Expenses	122.5	160.4	-23.6%	176.2	-30.5%
including General & Administrative Costs	738.3	745.7	-1.0%	767.9	-3.9%
SG&A percentage	28.9%	31.7%		29.5%	
Capital expenditures	368.8	480.3	-23.2%	584.0	-36.8%

<b>UKRAINE PRO-FORMA REVENUES (UAH millions)**</b>	<b>1Q 11</b>	<b>pro-forma* 1Q 10</b>	<b>1Q 11/ 1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/ 4Q 10</b>
Net operating revenues	2,980.5	2,854.5	4.4%	3,198.2	-6.8%
Mobile	2,766.3	2,661.7	3.9%	3,009.8	-8.1%
Fixed-line	214.2	192.8	11.1%	188.4	13.7%
Business segment	84.2	79.8	5.5%	87.4	-3.7%
Wholesale	95.5	92.5	3.2%	68.4	39.6%
Residential	34.5	20.5	68.3%	32.7	5.5%

<b>UKRAINE ACTUAL (UAH millions)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/ 1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/ 4Q 10</b>
Net operating revenues	2,980.5	359.2	729.8%	3,198.2	-6.8%
OIBDA Total	1,621.2	80.7	1908.9%	1,709.1	-5.1%

<b>UKRAINE PRO-FORMA OPERATING DEVELOPMENT</b>	<b>1Q 11</b>	<b>pro-forma* 1Q 10</b>	<b>1Q 11/ 1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/ 4Q 10</b>
Mobile operations					
Subscriptions ('000)	24,398	23,885	2.1%	24,390	0.0%
MOU, min	465.6	406.3	14.6%	456.6	2.0%
ARPU mobile, UAH	37.7	36.5	3.3%	40.3	-6.5%
ARPU mobile, US\$	4.7	4.6	2.2%	5.1	-7.8%
Fixed-line operations					
Broadband subscriptions ('000)	235.5	91.8	156.5%	200.4	17.5%
Broadband ARPU, UAH	49.2	68.8	-28.5%	55.7	-11.7%
Broadband ARPU, US\$	6.2	8.6	-27.9%	7.0	-11.4%

\* Pro forma means that the numbers are presented assuming that the business combination with Kyivstar had taken place on January 1, 2009.

\*\* Mobile and fixed revenues for all periods were adjusted; see definition of reportable segments in Attachment E.



**Quarterly highlights:**

- Mobile subscriptions reached 24.4 million, an increase of 2.1% year-on-year, while broadband subscriptions grew 156% to 235 thousand. The FTTB subscription base has been revised for the period of 1Q10-1Q11 based on the standard VimpelCom definition for broadband subscriptions to reflect a 3-months active base
- Revenue trends were positive year-on-year in 1Q11 with a total revenue increase of more than 4%, reflecting growing demand for mobile data
- Residential revenues grew 68% year-on-year to UAH 34 million driven by a significant increase in FTTB subscriptions
- OIBDA was 15% above 1Q10 and OIBDA margin increased to 54.4% due to realized synergies and the continued effect of operational excellence initiatives
- Capex amounted to UAH 369 million, or 12% of revenues
- Synergy initiatives are progressing well and delivering savings ahead of schedule

VimpelCom's newly implemented pricing strategy is continuing to deliver positive results in Ukraine despite a challenging competitive environment characterized by aggressive tariff campaigns targeted at gaining subscriber market share.





## CIS\* - Financial and Operating Results

CIS OPERATIONS (US\$ millions)	1Q 11	1Q 10	1Q 11/ 1Q 10	4Q 10	1Q 11/ 4Q 10
Net operating revenues	350.9	294.8	19.0%	362.0	-3.1%
OIBDA	159.6	139.6	14.3%	160.2	-0.4%
OIBDA margin	45.5%	47.4%		44.3%	
SG&A	97.1	79.1	22.8%	110.8	-12.4%
including Sales & Marketing Expenses	21.8	18.2	19.8%	31.5	-30.8%
including General & Administrative Costs	75.3	60.9	23.6%	79.3	-5.0%
SG&A percentage	27.7%	26.8%		30.6%	
Capital expenditures	72.8	32.3	125.4%	256.1	-71.6%
ROIC	10.8%	9.3%		10.8%	
Mobile subscriptions ('000)	16,168	13,125	23.2%	15,612	3.6%
including mobile broadband subscriptions	38.1	14.5	162.8%	32.5	17.2%
Broadband fixed-line subscriptions ('000)	113.0	43.9	157.4%	91.8	23.1%

\* CIS operations include operations in Kazakhstan, Uzbekistan, Armenia, Kyrgyzstan (since 1Q10), Tajikistan, and Georgia.

### Quarterly highlights:

- Revenues reached US\$351 million, an increase of 19% year-on-year
- OIBDA increased to US\$160 million, growing 14% compared to 1Q10
- Total mobile subscriptions reached 16 million, up 23% year-on-year and 4% quarter-on-quarter
- Mobile revenue increased almost 19% compared to 1Q10, supported by positive trends in sales and active subscriber base growth
- Fixed-line revenue amounted to US\$41 million, growing 21% versus 1Q10 mainly due to the increase in rent of channels revenue in Kazakhstan, an increase in traffic termination revenue in all countries and an increase in Internet revenue in Armenia
- OIBDA margin decreased year-on-year, affected by a change in revenue mix due to increasing volume of low-margin customer equipment sales
- General and administrative costs increased by nearly 24% year-on-year mainly due to the rapid deployment of 3G network in Kazakhstan and Kyrgyzstan
- Capex spending reflects the acceleration of 3G network development in Kazakhstan, Uzbekistan and Kyrgyzstan and the ongoing FTTB roll-out in Kazakhstan

Overall, the CIS business continues to show strong financial and operating results. VimpelCom is growing revenues year-on-year at double-digit rates in virtually all of its markets despite more intense competition in all CIS countries.



## South-East Asia - Financial and Operating Results

### Quarterly highlights:

- VimpelCom began consolidation of the newly acquired operations in Laos from March 9, 2011. On a pro forma basis, Laos showed year-on-year growth of 60% in active subscriptions in 1Q11. Operations are well on track to achieve strong growth in 2011
- The development of our business in Cambodia continues to evolve rapidly. Compared to 1Q10, Cambodia had growth of 73% in revenues and 54% in active subscriptions, and quarter-on-quarter growth showed a 16% increase in subscriber base and an 11% increase in revenue. Network quality, effective marketing campaigns and a pro-active approach to distribution helped further improve our market position and substantially improve cash flow
- Subsequent to the close of 1Q11, we agreed to finance the further development of our operations in Vietnam. Presently, our networks in Vietnam cover approximately 57% of the total population with commercial activity in 51 out of 63 provinces. VimpelCom has developed a strategy that includes more focused investments in its network and a comprehensive commercial re-launch

Overall, VimpelCom continues to increase the Company's presence in South-East Asia and we are confident that the management expertise and experience we can leverage from our newly consolidated operations will help facilitate the development of our business in the region.

SEA (US\$ mln)	1Q 11	1Q 10	1Q 11/ Q 10	4Q 10	1Q 11/ 4Q 10
Net operating mobile revenues	10.0	4.4	127.3%	6.9	44.9%
Mobile OIBDA	(3.2)	(8.6)	n/a	(9.8)	n/a



## ADDITIONAL INFORMATION

### Wind Italy – 1Q11 Financial and Operating Results\*

On May 5, 2011, Wind Telecomunicazioni S.p.A. (“**Wind Italy**”) reported its results for the first quarter ended March 31, 2011. We have provided the highlights of those results below for your reference. VimpelCom will begin reporting consolidated financial results including Wind Telecom starting from April 15, 2011.

#### Quarterly Highlights:

- Total revenues reached €1,351 million, up 4.3% over 1Q10 revenues of €1,295 million
- EBITDA increased 2.8% y-o-y to €497 million; EBITDA margin was 36.8%
- EBIT grew 9.7% to €264 million versus €241 million in 1Q10
- Net financial indebtedness declined to €8,265 million from €8,415 million recorded as of December 31, 2010
- Mobile customer base increased by 7.7% y-o-y to 20.3 million subscribers
- Fixed-line voice customers approached 3.1 million (up 7.3% y-o-y) driven by solid growth of Direct voice subscribers, up 12% over the previous year
- Strong performance in Broadband with the customer base increasing by 19% y-o-y to 2.03 million, and 118 thousand net additions in 1Q11

For the full 1Q11 press release of Wind Italy, please visit

<http://www.windgroup.it/eng/media/comunicati/comunicato530.phtml>

\*Results are presented according to IFRS. This information is not adjusted for the impact of demergers following the April 15, 2011 combination of VimpelCom and Wind Telecom.



## ADDITIONAL INFORMATION

### **Orascom Telecom – 1Q11 Financial and Operating Results\***

On May 18, 2011, Orascom Telecom Holding (“OTH” or “Orascom”), announced its consolidated results for the first quarter ended March 31, 2011. We have provided the highlights of those results below for your reference. VimpelCom will begin reporting consolidated financial results including Orascom starting from April 15, 2011.

#### **Quarterly Highlights:**

- Total subscribers exceeded 104 million in 1Q11, an increase of 16% y-o-y
- On January 4, 2011, OTH sold its entire shareholding in Orascom Tunisia Holding and Carthage Consortium through which OTH owned 50% of Orascom Telecom Tunisia (“OTT”) for a total cash consideration of US\$1.2 billion. The financial figures for Q1 2010 have been restated accordingly. Taking into consideration the 20% tax on capital gains in Tunisia and its associated investment cost, OTH recognized a gain of US\$754 million on the transaction. As a result, Net Income before minority interest for the first quarter of 2011 stood at US\$822 million; displaying a sharp increase compared to the same period of the previous year. Net income attributable to equity holders for the first quarter of 2011 was US\$813 million
- Revenues reached US\$949 million, increasing by 5% y-o-y as a result of strong growth in all GSM operations
- EBITDA reached US\$437 million, an increase of 11% y-o-y, demonstrating a solid performance across all the GSM subsidiaries
- EBITDA margin stood at 46%, an increase of 2% y-o-y. EBITDA margins for the major subsidiaries were: Djezzy 59.4%, Mobilink 40.3% and banglalink 35.7%
- Net Debt as of March 31, 2011 stood at US\$3,078 million, a decrease of 23% compared to 31 December 2010; with a Net Debt/EBITDA of 1.9x

**For the full 1Q11 press release of Orascom Telecom Holding, please visit**  
[http://www.orascomtelecom.com/Investor\\_Relations/EarningRelease.aspx](http://www.orascomtelecom.com/Investor_Relations/EarningRelease.aspx)

\* Results are presented according to IFRS. This information is not adjusted for the impact of demergers following the April 15, 2011 combination of VimpelCom and Wind Telecom.



## ADDITIONAL INFORMATION

### Integration of VimpelCom Ltd and Wind Telecom

As previously announced, the merger of VimpelCom Ltd and Wind Telecom S.p.A. closed on April 15, 2011. Following the closing, the Company began a comprehensive integration project to ensure that all synergies will be realized and to build the joint organization. Currently, the Company has initiated 12 workstreams, primarily in the areas of organization, human resources, technology, procurement, commercial coordination and finance. The Company continues to expect a net present value of US\$2.5 billion in estimated synergies with procurement operating expense and capital expenditures expected to represent the largest source of synergies.

### Update of Reporting Standards

Beginning in 2012, VimpelCom will implement IFRS reporting companywide and begin reporting financial results according to IFRS guidelines, as issued by IASB. The Company currently anticipates that it will continue to report its 2011 consolidated quarterly results under US GAAP and aims to report its full year 2011 audited financial results under IFRS.

### Updated Dividend Guidelines\*

It is VimpelCom's intention to pay a dividend substantially in line with the development of its operational performance. The Company aims to pay interim and final dividends annually in cash that represent a significant part of its annual Operating Free Cash Flow, defined as "Net Cash from Operating Activities minus Capital Expenditure", to its shareholders. For the period 2011-2013, the Group aims to pay out at least US\$0.80 per share per year, assuming not more than 1,628 million common shares are issued and outstanding. The Company plans to pay the annual dividend in two tranches. The first tranche will be an interim dividend paid during the second half of the year. The second tranche will be the final dividend that will be paid out following the annual results announcement. The precise amount and timing of dividends for a particular year will be approved by the Supervisory Board, subject to certain constraints and guidelines.

\* For the full dividend guidelines, please refer to [www.vimpelcom.com](http://www.vimpelcom.com).



## 2010 Audited Consolidated Financial Statements

In order to satisfy technical requirements in relation to disclosure of our financial results, simultaneously with this earnings release the Company is furnishing to the SEC on Form 6-K its audited consolidated financial statements as of December 31, 2010 and 2009 and for the years ended December 31, 2010, 2009 and 2008.

## Conference Call

The Company's management will discuss its first quarter 2011 results during a conference call and slide presentation on June 1, 2011 at 4:30 pm CET, (10:30 am US ET). The call and slide presentation may be accessed via webcast at <http://www.vimpelcom.com>.

Participant passcode: 3955055  
US call-in number: + 1 888-282-4591  
International call-in number: + 1 719-457-2654

The conference call replay and the slide presentation webcast will be available through June 8, 2011 and July 1, 2011, respectively. The slide presentation will also be available for download on the Company's website.

US Replay Number: +1 888-203-1112 Confirmation Code: 3955055  
International Replay Number: +1 719-457-0820 Confirmation Code: 3955055

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## Disclaimer

*This press release contains “forward-looking statements”, as the phrase is defined in Section 27A of the Securities Act and Section 21E of the Exchange Act. These statements include those relating to the benefits and synergies from the Company’s transaction with Wind Telecom, the Company’s conversion to IFRS reporting and the expected growth and development of the Company’s operations. These and other forward-looking statements are based on management’s best assessment of the Company’s strategic and financial position and of future market conditions and trends. These discussions involve risks and uncertainties. The actual outcome may differ materially from these statements as a result of continued volatility in the economies in the markets in which the Company operates, unforeseen developments from competition, governmental regulation of the telecommunications industries, general political uncertainties in the markets in which the Company operates and/or litigation with third parties. The actual outcome may also differ materially if the Company is unable to obtain all necessary corporate approvals relating to its business, if the Company is unable to successfully integrate Wind Telecom, its Ukrainian operations and other newly-acquired businesses and other factors. In addition, there are risks related to the combination with Wind Telecom, including the possibility that the anticipated benefits combination may not materialize as expected; that the parties are unable to successfully implement integration strategies or otherwise realize the synergies anticipated for the transaction; the possibility that Telenor may succeed in the arbitration against the Company and Altimo Holdings and Investments Ltd. or bring other legal challenge (including requests for injunctive relief) against the Company, its officers or directors and/or Altimo in respect of its claims to pre-emptive rights or otherwise; and other risks and uncertainties that are beyond the parties’ control. There can be no assurance that such risks and uncertainties will not have a material adverse effect on the Company. Certain factors that could cause actual results to differ materially from those discussed in any forward-looking statements include the risk factors described in the Company’s registration statement on Form F-4 filed with the U.S. Securities and Exchange Commission (the “SEC”), the Company’s proxy statement furnished to the SEC on Form 6-K on February 15, 2011, OJSC VimpelCom’s public filings with the SEC, including its Annual Report on Form 20-F for the year ended December 31, 2009, and other public filings made by the Company with the SEC, which risk factors are incorporated herein by reference. The Company disclaims any obligation to update developments of these risk factors or to announce publicly any revision to any of the forward-looking statements contained in this release, or to make corrections to reflect future events or developments.*

## About VimpelCom Ltd

VimpelCom is one of the world’s largest integrated telecommunications services operators offering a wide range of wireless, fixed, and broadband services in Russia, Ukraine, Kazakhstan, Uzbekistan, Tajikistan, Armenia, Georgia, Kyrgyzstan, Vietnam, Cambodia, Laos, Algeria, Bangladesh, Pakistan, Burundi, Zimbabwe, Namibia, Central African Republic, Italy and Canada. VimpelCom’s operations around the globe cover territory with a total population of approximately 843 million people. VimpelCom provides services under the "Beeline", "Kyivstar", "djuice", "Wind", "Infostrada" "Mobilink", "Leo", "Banglalink", "Telecel", and "Djezzy" brands. As of March 31, 2011 VimpelCom had 186 million mobile subscribers on combined basis. VimpelCom is traded on the New York Stock Exchange under the symbol (VIP). For more information visit: [www.vimpelcom.com](http://www.vimpelcom.com).



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For more information on financial and operating data for specific countries, as well as reconciliation of OIBDA, please refer to the supplementary file FinancialOperatingQ12011.xls on our website at <http://vimpelcom.com/ir/financials/results.wbp>.





**Attachment A: VimpelCom Ltd Financial Statements**
**VimpelCom Ltd Unaudited Consolidated Statements of Income**

	<b>Three months ended March 31,</b>	
	<b>2011</b>	<b>2010</b>
	<i>(In thousands of US dollars, except share amounts)</i>	
<b>Operating revenues:</b>		
Service revenues	\$2,673,139	\$2,202,629
Sales of equipment and accessories	66,133	26,579
Other revenues	3,588	1,920
Net operating revenues	<u>2,742,860</u>	<u>2,231,128</u>
<b>Operating expenses:</b>		
Service costs	625,172	501,588
Cost of equipment and accessories	82,408	26,350
Selling, general and administrative expenses	812,921	643,297
Depreciation	475,432	352,553
Amortization	100,667	66,694
Provision for doubtful accounts	12,908	18,643
Total operating expenses	<u>2,109,508</u>	<u>1,609,125</u>
<b>Operating income</b>	633,352	622,003
<b>Other income and expenses:</b>		
Interest income	15,059	11,546
Net foreign exchange gain	139,530	104,934
Interest expense	(134,936)	(141,660)
Equity in net gain/(loss) of associates	55,588	(3,784)
Other expenses, net	(5,274)	(48,345)
Total other income and expenses	<u>69,967</u>	<u>(77,309)</u>
<b>Income before income taxes</b>	703,319	544,694
Income tax expense	<u>94,610</u>	<u>153,049</u>
<b>Net income</b>	608,709	391,645
Net income attributable to the noncontrolling interest	19,036	10,166
<b>Net income attributable to VimpelCom</b>	<u>\$589,673</u>	<u>\$381,479</u>
Basic EPS :		
Net income attributable to VimpelCom per common share	\$ 0.46	\$ 0.38
Weighted average common shares outstanding (thousand)	1,292,051	1,014,292
Diluted EPS :		
Net income attributable to VimpelCom per common share	\$ 0.46	\$ 0.38
Weighted average diluted shares (thousand)	1,292,214	1,015,004



## VimpelCom Ltd Consolidated Balance Sheets

	March 31, 2011 (unaudited)	December 31, 2010
	<i>(In thousands of US dollars, except share amounts)</i>	
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,857,617	\$ 885,125
Trade accounts receivable, net of allowance for doubtful accounts	549,112	506,322
Inventory	197,682	137,413
Deferred income taxes	89,689	117,236
Input value added tax	163,752	137,958
Due from related parties	106,998	87,151
Short-term bank deposits	592,409	34,305
Other current assets	340,332	383,964
Total current assets	<b>3,897,591</b>	<b>2,289,474</b>
Property and equipment, net	7,378,016	6,935,287
Telecommunications licenses, net	529,704	562,931
Goodwill	7,323,946	7,003,714
Other intangible assets, net	1,462,617	1,481,800
Software, net	613,167	627,330
Investments in associates	504,095	446,130
Due from related party	10,890	4,905
Other non-current assets	560,688	576,324
Total assets	<b>\$ 22,280,714</b>	<b>\$ 19,927,895</b>
<b>Liabilities, redeemable noncontrolling interest and equity</b>		
Current liabilities:		
Accounts payable	\$ 953,704	\$ 963,450
Due to employees	130,786	108,050
Due to related parties	19,636	5,634
Accrued liabilities	297,217	212,323
Taxes payable	309,257	233,848
Customer advances, net of VAT	435,900	452,055
Customer deposits	29,345	33,835
Deferred income taxes	34,847	50,313
Short-term debt	1,242,508	1,162,444
Total current liabilities	<b>3,453,200</b>	<b>3,221,952</b>
Deferred income taxes	635,737	688,206
Long-term debt	6,046,926	4,498,861
Other non-current liabilities	185,174	184,133
Total liabilities	<b>10,321,037</b>	<b>8,593,152</b>
Redeemable noncontrolling interest	525,436	522,076
Equity:		
Convertible voting preferred stock (0.001 US\$ nominal value per share), 128,532,000 shares authorized; 128,532,000 shares issued and outstanding	129	129
Common stock (0.001 US\$ nominal value per share), 2,000,000,000 shares authorized; 1,302,559,308 shares issued (December 31, 2010: 1,302,559,308); 1,292,080,700 shares outstanding (December 31, 2010: 1,292,050,700 )	1,303	1,303
Ordinary stock (0.001 US\$ nominal value per share), 50,000,000 shares authorized; nil shares issued and outstanding	-	-
Additional paid-in capital	6,290,459	6,292,269
Retained earnings	5,500,277	5,153,819
Accumulated other comprehensive loss	(316,682)	(561,154)
Treasury stock, at cost, 10,478,608 shares of common stock (December 31, 2010: 10,508,608)	(215,474)	(215,763)
Total VimpelCom shareholders' equity	<b>11,260,012</b>	<b>10,670,603</b>
Noncontrolling interest	174,229	142,064
Total equity	<b>11,434,241</b>	<b>10,812,667</b>
Total liabilities, redeemable noncontrolling interest and equity	<b>\$ 22,280,714</b>	<b>\$ 19,927,895</b>



**VimpelCom Ltd Unaudited Condensed Consolidated Statements of Cash Flows**

**Three months ended March 31,**  
**2011**                      **2010**  
*(In thousands of US dollars)*

**Operating activities**

**Net cash provided by operating activities**                      \$    1,004,432                      \$            803,279

**Investing activities**

Purchases of property and equipment	(478,100)	(144,113)
Purchases of intangible assets	(6,958)	(8,503)
Purchases of software	(62,158)	(57,379)
Proceeds from sale of property, plant and equipment	6,859	
Acquisition of subsidiaries, net of cash acquired	(103,768)	-
Receipts from associates	12,500	-
Cash increase due to Sky Mobile consolidation	-	4,702
Loan granted	-	(5,044)
Net flow from (investments in) deposits	(556,665)	225,743
Purchases of other assets, net	(6,837)	(8,051)
<b>Net cash (used in)/provided by investing activities</b>	<b>(1,195,127)</b>	<b>7,355</b>

**Financing activities**

Proceeds from bank and other loans	1,500,000	203,227
Repayments of bank and other loans	(101,672)	(927,551)
Payments of fees in respect of debt issues	(7,122)	(83)
Purchase of noncontrolling interest in consolidated subsidiaries	(3,750)	(2,294)
Payment of dividends	(256,407)	(2,049)
Payment of dividends to noncontrolling interest	-	(7,874)
Other payments	501	-
<b>Net cash (used in)/from financing activities</b>	<b>1,131,550</b>	<b>(736,624)</b>

Effect of exchange rate changes on cash and cash equivalents	31,637	8,646
--	--------	-------

<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>972,492</b>	<b>82,656</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>885,125</b>	<b>1,446,949</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$    1,857,617</b>	<b>\$    1,529,605</b>



**VimpelCom Ltd - First Quarter 2011 Results**

**Three months ended March 31,**  
**2011                      2010**

*(In thousands of US dollars)*

**Supplemental cash flow information**
**Cash paid during the period:**

Income tax	\$      102,980	\$      175,208
Interest (net of amounts capitalized)	39,350	112,191

**Non-cash activities:**

Equipment acquired under financing agreements	1,638	-
Accounts payable for property, equipment and other long-lived assets	412,948	138,899



**Attachment B: Reconciliation Tables**
**Reconciliation of Consolidated OIBDA of VimpelCom\***

	1Q 11	1Q 10	4Q 10
<b>OIBDA</b>	<b>1,209.5</b>	<b>1,041.2</b>	<b>1,252.0</b>
Depreciation	(475.4)	(352.5)	(513.6)
Amortization	(100.7)	(66.7)	(107.1)
<b>Operating income</b>	<b>633.4</b>	<b>622.0</b>	<b>630.6</b>
Interest income	15.1	11.6	13.8
Net foreign exchange gain/(loss)	139.5	104.9	(10.3)
Interest expense	(134.9)	(141.6)	(140.4)
Equity in net gain/(loss) of associates	55.6	(3.8)	26.7
Other (expense)/income, net	(5.4)	(48.5)	(5.7)
Income tax expense	(94.6)	(153.0)	(44.2)
<b>Net income</b>	<b>608.7</b>	<b>391.6</b>	<b>470.4</b>

**Reconciliation of Consolidated OIBDA Margin of VimpelCom\***

	1Q 11	1Q 10	4Q 10
<b>OIBDA margin</b>	<b>44.1%</b>	<b>46.7%</b>	<b>44.5%</b>
Less: Depreciation as a percentage of net operating revenues	(17.3%)	(15.8%)	(18.2%)
Less: Amortization as a percentage of net operating revenues	(3.7%)	(3.0%)	(3.8%)
<b>Operating income as a percentage of net operating revenues</b>	<b>23.1%</b>	<b>27.9%</b>	<b>22.4%</b>
Interest income	0.5%	0.5%	0.5%
Net foreign exchange (loss)/gain	5.1%	4.7%	(0.4%)
Interest expense	(4.9%)	(6.3%)	(5.0%)
Equity in net gain/(loss) of associates	2.0%	(0.2%)	0.9%
Other (expense)/income, net	(0.2%)	(2.2%)	(0.2%)
Income tax expense	(3.4%)	(6.9%)	(1.6%)
<b>Net income margin</b>	<b>22.2%</b>	<b>17.6%</b>	<b>16.7%</b>

\*See also the supplementary file FinancialOperatingQ12011.xls on our website at <http://vimpelcom.com/ir/financials/results.wbp>



## Reconciliation of VimpelCom Consolidated ROCE and Net Debt

(In millions of US\$)

VimpelCom Ltd. Actual ROCE	1Q '09	2Q '09	3Q '09	4Q '09	1Q '10	2Q '10	3Q '10	4Q '10	1Q '11
<b>Consolidated operating income LTM</b>	<b>2,402</b>	<b>2,357</b>	<b>2,179</b>	<b>2,578</b>	<b>2,633</b>	<b>2,710</b>	<b>2,830</b>	<b>2,852</b>	<b>2,864</b>
Net debt	6,729	6,325	5,547	5,420	4,850	3,865	3,970	4,740	4,840
Long - term debt	5,307	5,732	5,593	5,540	5,292	4,801	4,367	4,499	6,047
Short-term debt	2,388	2,242	2,476	1,813	1,356	1,532	2,126	1,162	1,243
Cash and cash equivalents	(966)	(1,649)	(2,522)	(1,447)	(1,530)	(2,353)	(2,467)	(885)	(1,858)
Long - term and short-term deposits	-	-	-	(486)	(268)	(115)	(56)	(36)	(592)
Total equity	3,146	4,038	4,569	4,509	5,376	10,644	11,138	10,813	11,434
Redeemable noncontrolling interest	500	500	505	509	512	515	519	522	525
Total capital employed (CE)	10,375	10,863	10,621	10,438	10,738	15,024	15,627	16,075	16,799
<b>Average capital employed</b>		<b>11,690</b>	<b>10,999</b>	<b>10,574</b>	<b>10,665</b>	<b>11,705</b>	<b>12,957</b>	<b>14,366</b>	<b>15,881</b>
<b>ROCE consolidated</b>		<b>20.2%</b>	<b>19.8%</b>	<b>24.4%</b>	<b>24.7%</b>	<b>23.2%</b>	<b>21.8%</b>	<b>19.9%</b>	<b>18.0%</b>

## Reconciliation of ROIC

Russia, ROIC (based on RUR millions)	1Q 11	1Q 10	4Q 10
<b>Operating income LTM</b>	<b>74,792</b>	<b>76,798</b>	<b>76,664</b>
Property and equipment	138,296	120,740	135,806
Licenses	3,752	5,740	4,242
Intangible assets	12,045	14,189	12,583
Goodwill	80,632	78,897	79,884
Software	11,451	9,976	12,096
Frequency permissions	3,420	3,143	3,362
<b>Total Invested Capital</b>	<b>249,596</b>	<b>232,685</b>	<b>247,973</b>
<b>ROIC</b>	<b>30.0%</b>	<b>33.0%</b>	<b>30.9%</b>

CIS, ROIC (based on US\$ millions)	1Q 11	1Q 10	4Q 10
<b>Operating income LTM</b>	<b>295.4</b>	<b>243.3</b>	<b>291.6</b>
Property and equipment	1,292.3	1,102.6	1,257.2
Licenses	225.0	247.4	238.3
Intangible assets	163.1	178.3	172.5
Goodwill	983.2	987.8	953.4
Software	75.5	81.7	77.0
Frequency permissions	4.5	4.6	4.5
<b>Total Invested Capital</b>	<b>2,743.6</b>	<b>2,602.4</b>	<b>2,702.9</b>
<b>ROIC</b>	<b>10.8%</b>	<b>9.3%</b>	<b>10.8%</b>



**Average Rates of Functional Currencies to USD\***

Functional Currency/1 US\$		1Q 10	2Q 10	3Q 10	4Q 10	1Q 11
Russia	RUR	29.89	30.24	30.62	30.71	29.27
Kazakhstan	KZT	147.68	146.81	147.40	147.49	146.42
Ukraine	UAH	7.99	7.92	7.90	7.93	7.95
Armenia	AMD	384.26	384.49	365.57	360.72	365.93
Georgia	GEL	1.72	1.80	1.84	1.77	1.76
Kyrgyzstan	KGS	44.55	45.75	46.74	46.80	47.39

\* Functional currencies in Tajikistan, Uzbekistan and Cambodia are US dollars.

**Capex Development**

CAPEX (in US\$ millions)	1Q 11	1Q 10	1Q 11/1Q 10	4Q 10	1Q 11/4Q 10
Total capex	456.4	179.3	154.5%	1,142.6	-60.1%
Russia	333.6	124.1	168.8%	806.8	-58.7%
Ukraine	46.4	6.0	673.3%	73.6	-37.0%
Other CIS	72.8	32.3	125.4%	256.1	-71.6%
All other	3.6	16.9	-78.7%	6.1	-41.0%

**VimpelCom Ltd Financial and Operational Highlights on Pro Forma Basis\*\***

CONSOLIDATED OPERATIONS (US\$, millions)	1Q 11	pro-forma 1Q 10	1Q 11/1Q 10	4Q 10	1Q 11/4Q 10
Net operating revenues	2,742.9	2,535.0	8.2%	2,815.6	-2.6%
OIBDA	1,209.5	1,205.0	0.4%	1,251.6	-3.4%
OIBDA margin	44.1%	47.5%		44.5%	
SG&A	812.9	741.0	9.7%	854.7	-4.9%
SG&A percentage	29.6%	29.2%		30.4%	
Net income attributable to VimpelCom Ltd.	589.7	412.0	43.1%	461.2	27.9%
Net cash from operating activities	1,004.4	n/a		769.1	30.6%
Capital expenditures	456.4	235.1	94.1%	1,142.6	-60.1%

\*\* "Pro forma basis" means – that the numbers are presented assuming that the business combination with Kyivstar had taken place on January 1, 2009



**Attachment C: Financial and Operational Highlights in Functional Currencies**
**Ukraine**

<b>UKRAINE ACTUAL (UAH millions)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	2,980.5	359.2	729.8%	3,198.2	-6.8%
OIBDA	1,621.2	80.7	1908.9%	1,709.1	-5.1%
OIBDA margin	54.4%	22.5%		53.4%	
SG&A	860.8	146.9	486.0%	944.1	-8.8%
including Sales & Marketing Expenses	122.5	26.7	358.8%	176.2	-30.5%
including General & Administrative Costs	738.3	120.2	514.2%	767.9	-3.9%
SG&A percentage	28.9%	40.9%		29.5%	
Capital expenditures	368.8	47.6	674.8%	584.0	-36.8%

<b>UKRAINE ACTUAL REVENUES (UAH millions)*</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	2,980.5	359.2	729.8%	3,198.2	-6.8%
Mobile	2,766.3	183.0	1411.6%	3,009.8	-8.1%
Fixed-line	214.2	176.2	21.6%	188.4	13.7%
Business segment	84.2	74.0	13.8%	87.4	-3.7%
Wholesale	95.5	81.7	16.9%	68.4	39.6%
Residential	34.5	20.5	68.3%	32.7	5.5%

**CIS - Revenues Development**

<b>KAZAKHSTAN (KZT mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	26,850	23,555	14.0%	28,556	-6.0%
Mobile	25,406	23,079	10.1%	27,772	-8.5%
Fixed-line	1,444	476	203.4%	784	84.2%

<b>ARMENIA (AMD mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	16,890	16,017	5.5%	17,159	-1.6%
Mobile	7,384	5,787	27.6%	7,041	4.9%
Fixed-line	9,505	10,230	-7.1%	10,118	-6.1%

\*Mobile and fixed revenues for all periods were adjusted; see definition of reportable segments in Attachment E.





**VimpelCom Ltd - First Quarter 2011 Results**

<b>UZBEKISTAN (US\$ mln)*</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	58.9	45.3	30.0%	59.0	-0.2%
Mobile	56.4	42.9	31.5%	56.4	0.0%
Fixed-line	2.5	2.4	4.2%	2.6	-3.8%

<b>TAJIKISTAN (US\$ mln)*</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	20.5	14.8	38.5%	21.1	-2.8%
Mobile	18.0	13.3	35.3%	16.6	8.4%
Fixed-line	2.5	1.5	66.7%	4.5	-44.4%

<b>GEORGIA (GEL mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	21.2	18.8	12.8%	20.4	3.9%
Mobile	20.6	18.3	12.6%	19.5	5.6%
Fixed-line	0.6	0.5	20.0%	0.9	-33.3%

<b>KYRGYZSTAN (KGS mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Mobile net operating revenues	1,445	1,138	27.0%	1,431	1.0%

<b>CIS REVENUES (US\$ mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	350.9	294.8	19.0%	362.0	-3.1%
Mobile	309.8	260.8	18.8%	321.0	-3.5%
Fixed-line	41.1	34.0	20.9%	41.0	0.2%

\* US\$ is the functional currency in Uzbekistan and Tajikistan.



**CIS – OIBDA Development**

<b>KAZAKHSTAN (KZT mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
OIBDA total	13,663	13,068	4.6%	14,616	-6.5%
OIBDA margin	50.9%	55.5%		51.2%	

<b>ARMENIA (AMD mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
OIBDA total	5,742	7,348	-21.9%	6,462	-11.1%
OIBDA margin	34.0%	45.9%		37.7%	

<b>UZBEKISTAN (US\$ mln)*</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
OIBDA total	26.9	19.6	37.2%	21.2	26.9%
OIBDA margin	45.7%	43.3%		35.9%	

<b>TAJIKISTAN (US\$ mln)*</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
OIBDA total	9.2	4.4	109.1%	10.7	-14.0%
OIBDA margin	44.9%	29.7%		50.7%	

<b>GEORGIA (GEL mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
OIBDA Total	4.1	2.0	105.0%	3.3	24.2%
OIBDA margin	19.3%	10.6%		16.2%	

<b>KYRGYZSTAN (KGS mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Mobile OIBDA	810	426	90.1%	713	13.6%
Mobile OIBDA margin	56.1%	37.4%		49.8%	

<b>CIS OIBDA (US\$ mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
OIBDA total	159.6	139.6	14.3%	160.3	-0.4%
OIBDA margin	45.5%	47.4%		44.3%	

\* US\$ is the functional currency in Uzbekistan and Tajikistan.



### CIS - Operating Highlights

<b>KAZAKHSTAN</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Mobile subscriptions ('000)	6,987	6,062	15.3%	6,867	1.7%
MOU, min	113.3	102.2	10.9%	123.6	-8.3%
ARPU mobile, US\$	8.0	8.4	-4.8%	9.2	-13.0%
ARPU mobile, (KZT)	1,173.5	1,264.0	-7.2%	1,359.0	-13.6%
Broadband internet subscriptions ('000)	15.4	2.7	470.4%	12.0	28.3%

<b>ARMENIA</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Mobile subscriptions ('000)	699	549	27.3%	672	4.0%
including mobile broadband subscriptions	8.4	6.8	23.5%	7.0	20.0%
MOU, min	237.6	345.6	-31.3%	274.9	-13.6%
ARPU mobile, US\$	7.8	9.0	-13.3%	10.0	-22.0%
ARPU mobile, (AMD)	2,839.3	3,478.0	-18.4%	3,560.0	-20.2%
Broadband internet subscriptions ('000)	84.4	31.2	170.5%	68.0	24.1%

<b>UZBEKISTAN</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Mobile subscriptions ('000)	5,102	3,489	46.2%	4,822	5.8%
including mobile broadband subscriptions	29.7	7.7	285.7%	25.5	16.5%
MOU, min	390.7	369.2	5.8%	402.9	-3.0%
ARPU mobile, US\$	3.8	4.2	-9.5%	4.0	-5.0%
Broadband internet subscriptions ('000)	13.2	10.0	32.0%	11.8	11.9%

<b>TAJIKISTAN</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Mobile subscriptions ('000)	804	820	-2.0%	787	2.2%
MOU, min	203.4	157.9	28.8%	197.3	3.1%
ARPU mobile, US\$	7.6	5.6	35.7%	7.1	7.0%

<b>GEORGIA</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Mobile subscriptions ('000)	611	431	41.8%	560	9.11%
MOU, min	147.1	125.0	17.7%	133.8	9.94%
ARPU mobile, US\$	6.1	7.5	-18.7%	6.6	-7.58%
ARPU mobile, (GEL)	10.8	13.7	-21.2%	11.7	-7.69%

<b>KYRGYZSTAN</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Mobile subscriptions ('000)	1,965	1,774	10.8%	1,904	3.2%
MOU, min	289.7	193.9	49.4%	312.9	-7.4%
ARPU mobile, US\$	5.1	4.7	8.5%	5.6	-8.9%
ARPU mobile, (KGS)	243.2	207.9	17.0%	261.2	-6.9%



**Attachment D: Key Financial Results in US Dollars\***
**Russia**

<b>RUSSIA (US\$ millions)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11 / 1Q 10</b>	<b>4Q 10</b>	<b>1Q 11 / 4Q 10</b>
Net operating revenues	2,064.4	1,918.6	7.6%	2,101.7	-1.8%
OIBDA	868.4	911.1	-4.7%	912.7	-4.9%
OIBDA margin	42.1%	47.5%		43.4%	
SG&A	578.9	524.0	10.5%	584.3	-0.9%
including Sales & Marketing Expenses	183.9	166.0	10.8%	214.7	-14.3%
including General & Administrative Costs	395.0	358.0	10.3%	369.6	6.9%
SG&A percentage	28.0%	27.3%		27.8%	
Capital expenditures	333.6	124.1	168.8%	806.8	-58.7%

<b>RUSSIA REVENUES (US\$ millions)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11 / 1Q 10</b>	<b>4Q 10</b>	<b>1Q 11 / 4Q 10</b>
Net operating revenues	2,064.4	1,918.6	7.6%	2,101.7	-1.8%
Mobile revenues	1,713.1	1,602.2	6.9%	1,752.6	-2.3%
Fixed-line revenues	351.3	316.4	11.0%	349.1	0.6%
Business segment	155.0	150.0	3.3%	158.1	-2.0%
Wholesale	121.5	113.4	7.1%	126.5	-4.0%
Residential	74.9	53.0	41.3%	64.5	16.1%

<b>RUSSIA OIBDA DEVELOPMENT (US\$ millions)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11 / 1Q 10</b>	<b>4Q 10</b>	<b>1Q 11 / 4Q 10</b>
OIBDA total	868.4	911.1	-4.7%	912.7	-4.9%
Mobile	778.4	820.5	-5.1%	814.2	-4.4%
Fixed-line	90.0	90.6	-0.7%	98.5	-8.6%
total OIBDA margin	42.1%	47.5%		43.4%	
Mobile	45.4%	51.2%		46.5%	
Fixed-line	25.6%	28.6%		28.2%	

\* Please find information on respective operating income amounts in the supplementary file FinancialOperatingQ12011.xls on our website at <http://vimpelcom.com/ir/financials/results.wbp>



### Ukraine

<b>UKRAINE ACTUAL (US\$ millions)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	375.2	44.9	735.6%	403.2	-6.9%
OIBDA	204.0	10.1	1919.8%	215.5	-5.3%
OIBDA margin	54.4%	22.5%		53.4%	
SG&A	108.3	18.3	491.8%	119.0	-9.0%
including Sales & Marketing Expenses	15.4	3.3	366.7%	22.2	-30.6%
including General & Administrative Costs	92.9	15.0	519.3%	96.8	-4.0%
SG&A percentage	28.9%	40.8%		29.5%	
Capital expenditures	46.4	6.0	673.3%	73.6	-37.0%

<b>UKRAINE ACTUAL REVENUES (US\$ millions)*</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	375.2	44.9	735.6%	403.2	-6.9%
Mobile	348.2	22.9	1420.5%	379.5	-8.2%
Fixed-line	27.0	22.0	22.7%	23.7	13.9%
Business segment	10.9	9.3	17.2%	11.2	-2.7%
Wholesale	11.7	10.1	15.8%	8.4	39.3%
Residential	4.3	2.6	65.4%	4.1	4.9%

\*Mobile and fixed revenues for all periods were adjusted; see definition of reportable segments in Attachment E.



**CIS Revenues in US\$**

<b>KAZAKHSTAN (US\$ mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	183.4	159.5	15.0%	193.6	-5.3%
Mobile	173.5	156.3	11.0%	188.3	-7.9%
Fixed-line	9.9	3.2	209.4%	5.3	86.8%

<b>ARMENIA (US\$ mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	46.2	41.7	10.8%	47.5	-2.7%
Mobile	20.2	15.1	33.8%	19.5	3.6%
Fixed-line	26.0	26.6	-2.3%	28.0	-7.1%

<b>UZBEKISTAN (US\$ mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	58.9	45.3	30.0%	59.0	-0.2%
Mobile	56.4	42.9	31.5%	56.4	0.0%
Fixed-line	2.5	2.4	4.2%	2.6	-3.8%

<b>TAJKISTAN (US\$ mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	20.5	14.8	38.5%	21.1	-2.8%
Mobile	18.0	13.3	35.3%	16.6	8.4%
Fixed-line	2.5	1.5	66.7%	4.5	-44.4%

<b>GEORGIA (US\$ mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Net operating revenues	12.0	10.9	10.1%	11.5	4.3%
Mobile	11.6	10.6	9.4%	11.0	5.5%
Fixed-line	0.4	0.3	33.3%	0.5	-20.0%

<b>KYRGYZSTAN (US\$ mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
Mobile net operating revenues	30.5	25.5	19.6%	30.6	-0.3%



**CIS OIBDA in US\$**

<b>KAZAKHSTAN (US\$ mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
OIBDA total	93.3	88.5	5.4%	99.1	-5.9%
OIBDA margin	50.9%	55.5%		51.2%	

<b>ARMENIA (US\$ mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
OIBDA total	15.7	19.1	-17.8%	17.9	-12.3%
OIBDA margin	34.0%	45.8%		37.7%	

<b>UZBEKISTAN (US\$ mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
OIBDA total	26.9	19.6	37.2%	21.2	26.9%
OIBDA margin	45.7%	43.3%		35.9%	

<b>TAJIKISTAN (US\$ mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
OIBDA total	9.2	4.4	109.1%	10.7	-14.0%
OIBDA margin	44.9%	29.7%		50.7%	

<b>GEORGIA (US\$ mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
OIBDA total	2.3	1.1	109.1%	1.9	21.1%
OIBDA margin	19.2%	10.1%		16.5%	

<b>KYRGYZSTAN (US\$ mln)</b>	<b>1Q 11</b>	<b>1Q 10</b>	<b>1Q 11/1Q 10</b>	<b>4Q 10</b>	<b>1Q 11/4Q 10</b>
OIBDA Total	17.1	9.5	80.0%	15.2	12.5%
OIBDA margin	56.1%	37.3%		49.7%	



## Attachment E: Definitions

**OIBDA** is a non-U.S. GAAP financial measure. OIBDA, previously referred to as EBITDA or OIBDA by OJSC VimpelCom, is defined as operating income before depreciation and amortization. Our management uses OIBDA and OIBDA margin as supplemental performance measures and believes that OIBDA and OIBDA margin provide useful information to investors because they are indicators of the strength and performance of the Company's business operations, including its ability to fund discretionary spending, such as capital expenditures, acquisitions and other investments, as well as indicating its ability to incur and service debt. In addition, the components of OIBDA include the key revenue and expense items for which the Company's operating managers are responsible and upon which their performance is evaluated. OIBDA also assists management and investors by increasing the comparability of the Company's performance against the performance of other telecommunications companies that provide OIBDA or EBITDA (earnings before interest, taxes, depreciation and amortization) information. This increased comparability is achieved by excluding the potentially inconsistent effects between periods or companies of depreciation and amortization, which items may significantly affect operating income between periods. However, our OIBDA results may not be directly comparable to other companies' reported OIBDA or EBITDA results due to variances and adjustments in the components of OIBDA (including our calculation of OIBDA) or calculation measures. Additionally, a limitation of OIBDA's use as a performance measure is that it does not reflect the periodic costs of certain capitalized tangible and intangible assets used in generating revenues or the need to replace capital equipment over time. Reconciliation of OIBDA to net income, the most directly comparable U.S. GAAP financial measure, is presented above (Attachment B) and in the supplementary file `FinancialOperatingQ12011.xls` on our website at <http://vimpelcom.com/ir/financials/results.wbp>.

**OIBDA margin** is a non-U.S. GAAP financial measure. We calculate OIBDA margin as OIBDA divided by net operating revenues, expressed as a percentage. Reconciliation of OIBDA margin to net income as a percentage of net operating revenues, the most directly comparable U.S. GAAP financial measure, is presented above (Attachment B) and in the supplementary file `FinancialOperatingQ12011.xls` on our website at <http://vimpelcom.com/ir/financials/results.wbp>.

**ARPU (Monthly Average Revenue per User)** is calculated by dividing service revenue during the relevant period, including roaming revenue and interconnect revenue, but excluding revenue from connection fees, sales of handsets and accessories and other non-service revenue, by the average number of subscriptions during the period and dividing by the number of months in that period.

**Broadband subscriptions** are the customer contracts that served as a basis for revenue generating activity in the three months prior to the measurement date, as a result of activities including monthly internet access using FTTB, xDSL and WiFi technologies as well as mobile internet access via USB modems using 3G/HSDPA technologies.

**Capital expenditures (Capex)** - purchases of new equipment, new construction, upgrades, software, other long lived assets and related reasonable costs incurred prior to intended use of the non current asset, accounted at the earliest event of advance payment or delivery. Long-lived assets acquired in business combinations are not included in capital expenditures.

**CIS Geographic Segment** for the purpose of VimpelCom's reporting includes our operations in the following countries: Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan, Armenia and Georgia. Starting from the second quarter 2010 OJSC VimpelCom's operation in Ukraine was included into a separate reporting segment together with Kyivstar and reported on a pro forma basis for all periods starting from the first quarter of 2010.

**General and administrative costs (G&A)** include salaries and outsourcing costs, including related social contributions required by law; stock price-based compensation expenses; repair and maintenance expenses; rent, including lease





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payments for base station sites; utilities; other miscellaneous expenses, such as insurance, operating taxes, license fees, and accounting, audit and legal fees.

**Households passed** are households located within buildings, in which indoor installation of all the FTTB equipment necessary to install terminal residential equipment has been completed.

**Mobile subscriptions** are SIM-cards registered in the system as of a measurement date, users of which generated revenue at any time during the three months prior to the measurement date. This includes revenue coming from any incoming and outgoing calls, subscription fee accruals, debits related to service, outgoing SMS, Multimedia Messaging Service (referred to as MMS), data transmission and receipt sessions, but does not include incoming SMS and MMS sent by VimpelCom or abandoned calls. VimpelCom's total number of mobile subscriptions also includes SIM-cards for use of mobile Internet service via USB modems.

**Mobile services** are wireless voice and data transmission services excluding WiFi.

**MOU (Monthly Average Minutes of Use per User)** is calculated by dividing the total number of minutes of usage for incoming and outgoing calls during the relevant period (excluding guest roamers) by the average number of mobile subscriptions during the period and dividing by the number of months in that period.

**Net debt** is a non-U.S. GAAP financial measure and is calculated as the sum of interest bearing long-term debt and short-term debt minus cash and cash equivalents and long-term and short-term deposits. The Company believes that net debt provides useful information to investors because it shows the amount of debt outstanding to be paid after using available cash and cash equivalent and long-term and short-term deposits. Net debt should not be considered in isolation as an alternative to long-term debt and short-term debt, or any other measure of the company financial position. Reconciliation of net debt to long-term debt and short-term debt, the most directly comparable U.S. GAAP financial measures, is presented below in the reconciliation tables section.

**Reportable segments** – The Company identified Russia mobile, Russia fixed-line, CIS, Ukraine and All other reporting segments based on the business activities in different geographical areas. Although Georgia is no longer a member of the CIS, consistent with VimpelCom's historic reporting practice VimpelCom continues to include Georgia in its CIS reporting segment. Mobile primarily includes activities for the providing of wireless telecommunication services to the Company's subscribers and other operators; fixed-line primarily includes all activities for providing wireline telecommunication services, broadband and consumer Internet. Intersegment revenues are eliminated in consolidation. Mobile and fixed revenues for all periods for Ukraine were adjusted for consistency purposes.

**ROCE** is a non-U.S. GAAP financial measure and is calculated as operating income for the last twelve months divided by the sum of net debt, total equity and redeemable noncontrolling interest calculated as an average of the quarter-end balances for the last four quarters. The Company believes that ROCE (return on capital employed) provides useful information to management of our company and investors because it is an indicator of our company's operational performance and represents a return on employed capital at the end of each reported period. Calculation of ROCE on the basis of U.S. GAAP financial measures is presented in the reconciliation tables section above (Attachment B).

**ROIC** is a non-U.S. GAAP financial measure and is calculated as operating income for the last twelve months divided by the sum of property and equipment, licenses, intangible assets, goodwill, software and frequency permissions as reflected on the balance sheet as of the end of the period. The Company believes that ROIC (return on invested capital) provides useful information to management of our company because it is an indicator of our company's operational performance and provides a useful indication of how profitably our company used its resources in each reportable segment over the reported period. Calculation of ROIC on the basis of U.S. GAAP financial measures is presented below in the reconciliation tables section above (Attachment B).



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**SEA Geographic segment** – VimpelCom’s operations in South-East Asia, which include operations in Cambodia, Laos and VimpelCom’s respective equity in net results of operations of its Vietnamese associate entity GTEL-Mobile JSC (“GTEL-Mobile”).

**Sales and marketing costs (S&M)** include marketing, advertising and dealer commissions expenses.

**Ukraine segment** – Due to change in the reporting structure of VimpelCom and in line with intentions made public by the Company in the previous quarter, Ukraine was considered to be a separate reporting segment apart from the CIS and includes the operations of VimpelCom’s indirect Ukrainian subsidiaries Closed Joint Stock Company “Ukrainian Radio Systems” (“URS”) and “Golden Telecom” Limited Liability Company (“GT LLC”), as well as Kyivstar.

**VAS (value added services)** includes short messages (“SMS”), multimedia messages (“MMS”), caller number identification, call waiting, data transmission, mobile Internet, downloadable content and other services.

