Pioneering towards the digital frontier

London, February 17, 2016
Agenda

- **2:00pm** Introduction: Bart Morselt – Group Director & Head of IR
- **2:10pm** 2015 key achievements: Jean-Yves Charlier – Chief Executive Officer
- **2:20pm** Group FY2015 results: Andrew Davies – Chief Financial Officer
- **3:00pm** The vision & World class operations: Jean-Yves Charlier – Chief Executive Officer
- **3:20pm** New revenue streams & Digital leadership (customer interaction): Christopher Schlaeffer – Chief Digital Officer
- **3:50pm** Q&A (30’) + Coffee and tea break (20’)
- **4:40pm** Digital leadership (digital enablement) & Portfolio and asset optimization: Yogesh Malik – Chief Technology Officer
- **5:10pm** Performance transformation: Alexander Matuschka – Chief Performance Officer
- **5:40pm** Structural improvements: Andrew Davies – Chief Financial Officer
- **FY2016 outlook:** Andrew Davies – Chief Financial Officer
- **6:00pm** Q&A + Refreshments
Disclaimer

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Key achievements in 2015

Jean-Yves Charlier
Chief Executive Officer VimpelCom

London, February 17, 2016
VimpelCom has delivered on its 2015 targets despite a difficult backdrop of currency devaluations and economic challenges.

- **2015 financial results in line with expectations**
- **Progress visible against USD 750 million cash flow improvement**
- **New strategic framework launched in 2015 to reinvent VimpelCom into a digital operator**
2015 Key achievements

- Refinancing for USD 5 billion
- Reduction in interest costs by ~200 million
- Algeria transaction completed
- Prospective settlement with SEC, DOJ, OM
- Set-up of performance transformation team across the footprint
- Focus on simplification, digitalization and globalization of operations
- Reduction in 2015 Capex/Revenues ratio by ~3 p.p. to 18.2%
- Italian towers sale
- Joint Venture with Hutchison in Italy
- Merger with Warid in Pakistan
- Russian network sharing (MTS, Megafon) strategic initiatives
- Zimbabwe sale agreement

- Implementing a global operating model
- Strengthened the management team
- Focus on NPS with leadership position in 7 countries
- Data revenue growth 24% YoY in FY15
- Strong focus on developing the device portfolio and monobrand footprint
- Dedicated B2B division to focus on the enterprise segment
- Leverage the fixed broadband operations in 5 countries with 3.4 million customers
- Mobile financial services revenue more than doubled YoY in FY15
- London Digital division announced
- Investment in new customer engagement platform and new digital IT stack launched

~40% of USD 750 million cash flow improvement target already delivered in 2015
Currency devaluation and economic turmoil remain challenging in emerging markets

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forex impact</td>
<td>-11%</td>
<td>-30%</td>
</tr>
<tr>
<td>Reported total revenue</td>
<td>-14%</td>
<td>-29%</td>
</tr>
<tr>
<td></td>
<td>USD 13.4 billion</td>
<td>USD 9.6 billion</td>
</tr>
<tr>
<td>Organic total revenue</td>
<td>-3%</td>
<td>+0.6%</td>
</tr>
</tbody>
</table>

Against this backdrop, 2015 revenue stabilized, on an organic basis
Group results FY15 - overview

Service revenue and Total revenue YoY organic\(^1\) development

- Service revenue: -1.5%\(^\text{a}\), -3.0%\(^\text{b}\)
- Total revenue: -0.2%, 0.6%

FY14/13: -1.5%, -3.0%
FY15/14: -0.2%, 0.6%

Capex/revenue development

- FY15: 18.2%

Underlying\(^2\) EBITDA Margin development

- FY14: 41.6%
- FY15: 40.8%

OCF Margin = (Underlying EBITDA\(^2\) – CAPEX)/revenue

- FY15: 22.6%

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1 Organic revenue change is non-GAAP financial measure that excludes the effect of foreign currency translation and certain items such as liquidations and disposals
2 Underlying EBITDA margin excludes in 2014 nonrecurring items of USD 65 million, mainly related to the Algeria transaction (USD 50 million); in 2015, it excludes USD 1,069 million, which mainly consists of provisions for investigations (related to SEC/DOJ/OM) of USD 900 million and transformation costs of USD 156 million
## 2015 key targets delivered

<table>
<thead>
<tr>
<th></th>
<th>Targets 2015¹</th>
<th>Actual¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service Revenue</strong></td>
<td>Flat to low single digit decline YoY</td>
<td>✓</td>
</tr>
<tr>
<td><strong>EBITDA Margin²</strong></td>
<td>Flat to minus one p.p. YoY</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CAPEX / Revenue</strong></td>
<td>18-20%</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Leverage (Net Debt / EBITDA)</strong></td>
<td>~1.6x</td>
<td>✓</td>
</tr>
</tbody>
</table>

¹ Key targets for 2015 assumed constant currency, no major regulatory changes, no change to the asset portfolio and no major macro-economic changes and no transformation costs; targets are also adjusted for Italy classified as asset held for sale

² EBITDA Margin at constant currency and stable fair value of derivatives, excluding exceptional charges such as impairment charges, restructuring charges, litigation and settlements, impact of M&A transactions and related accounting, other one-off charges, transformation costs
2015 Results

Andrew Davies
Chief Financial Officer

London, February 17, 2016
2015 group service revenue

Reported revenue decline...

-29.5%

<table>
<thead>
<tr>
<th>Service revenue 2014</th>
<th>Disposals¹</th>
<th>Service revenue 2014 excl. disposals</th>
<th>Voice</th>
<th>Data and MFS</th>
<th>Interconnect and roaming</th>
<th>Other</th>
<th>Organic service revenue 2015</th>
<th>FOREX</th>
<th>Service revenue 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>13,231</td>
<td>(70)</td>
<td>13,161</td>
<td>(402)</td>
<td>379</td>
<td>20</td>
<td>(28)</td>
<td>13,129</td>
<td>(3,797)</td>
<td>9,332</td>
</tr>
</tbody>
</table>

organic revenue stabilizing

-0.2%

<table>
<thead>
<tr>
<th>Service revenue 2014</th>
<th>Disposals¹</th>
<th>Service revenue 2014 excl. disposals</th>
<th>Russia</th>
<th>Emerging Markets</th>
<th>Eurasia</th>
<th>Other &amp; intercompany</th>
<th>Organic service revenue 2015</th>
<th>FOREX</th>
<th>Service revenue 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>13,231</td>
<td>(70)</td>
<td>13,161</td>
<td>(147)</td>
<td>(16)</td>
<td>244</td>
<td>(113)</td>
<td>13,129</td>
<td>(3,797)</td>
<td>9,332</td>
</tr>
</tbody>
</table>

¹ Organic growth excludes CAR and Burundi contribution in service revenue for 2014, due to disposal in October 2014
4Q15 group service revenue

Reported revenue decline...

-25.0%

Service revenue 4Q2014: 2,922
Voice: 2,899
Data and MFS: 89
Interconnect and roaming: (15)
Other: (17)
FOREX: (706)
Service revenue 4Q2015: 2,193

...organic revenue stabilizing

-0.8%

Service revenue 4Q2014: 2,922
Russia: (59)
Emerging Markets: (10)
Eurasia: 9
Other & intercompany: 36
Organic service revenue 4Q2015: 2,899
FOREX: (706)
Service revenue 4Q2015: 2,193
### 2015 group EBITDA

#### USD MILLION

<table>
<thead>
<tr>
<th>EBITDA 2014</th>
<th>Exceptionals and disposals</th>
<th>Underlying EBITDA 2014</th>
<th>Total revenue</th>
<th>Service costs</th>
<th>Customer associated costs</th>
<th>Network and IT costs</th>
<th>HR costs</th>
<th>Other structural OPEX</th>
<th>Exceptionals</th>
<th>FOREX</th>
<th>EBITDA 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,560</td>
<td>65</td>
<td>5,625</td>
<td>12</td>
<td>80</td>
<td>(80)</td>
<td>(9)</td>
<td>(38)</td>
<td>(2)</td>
<td>(1,069)</td>
<td>(1,662)</td>
<td>2,857</td>
</tr>
</tbody>
</table>

#### Reported EBITDA decline...

- Underlying EBITDA broadly stable organically

1. Mainly related to Algeria transaction (USD 50 million)
2. Excluding USD 1,069 million, which mainly consists of provisions for investigations (related to SEC/DOJ/OM) of USD 900 million and transformation costs of USD 156 million
### 4Q15 group EBITDA

<table>
<thead>
<tr>
<th>USD MILLION</th>
<th>EBITDA 4Q15</th>
<th>Exceptionals 1</th>
<th>Underlying EBITDA 4Q14</th>
<th>Total revenue</th>
<th>Service costs</th>
<th>Customer associated costs</th>
<th>Network and IT costs</th>
<th>HR costs</th>
<th>Other structural OPEX</th>
<th>Exceptionals 2</th>
<th>FOREX</th>
<th>EBITDA 4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,074</td>
<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>793</td>
</tr>
<tr>
<td>1,151</td>
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</tbody>
</table>

**Reported EBITDA decline...**

**...underlying\(^2\) EBITDA increasing organically**

1. Mainly related to Algeria transaction closing (USD 50 million) and other exceptional items in 4Q14
2. Related to transformation costs of USD 112 million, legal costs on Uzbekistan investigation of USD 11 million and net of others net positive items for USD 18 million
2015 EBITDA exceptional items

FY15 Exceptional items breakdown
(USD million)

- Uzbekistan provision: $900 million
- Transformation costs: $156 million
- Other: $13 million

Total: $1,069 million

4Q15 Exceptional items breakdown
(USD million)

- Transformation costs: $112 million
- Other: $105 million

Total: $117 million
Russia: continued operational improvements

- Improved quality of the customer base, NPS gap vs #1 (among big 3) further reduced
- Customer base grew YoY for fifth consecutive quarter
- Churn decreased 12 pp YoY to 51%
- Total service revenue decreased 4% YoY
- Slight increase in mobile service revenue YoY, while fixed-line service revenue declined 21% YoY, mainly due to B2B voice
- Good growth in mobile data revenue, up 16% YoY
- Underlying EBITDA stable YoY, excluding the negative effect of the weakening ruble

**Service revenue**

- 4Q15: 11.3 billion
- 3Q15: 11.3 billion
- 4Q14: 11.3 billion

- 4Q15 Mobile: 56.5 billion
- 3Q15 Mobile: 58.3 billion
- 4Q14 Mobile: 56.4 billion

**Mobile customers (million)**

- 4Q15: 59.8 million
- 4Q14: 57.2 million

**EBITDA and EBITDA margin**

- 4Q15 EBITDA positively impacted by a one-off of RUB 2.2 billion related to site rental capitalization but partially offset by a provision of RUB 1.3 billion related to transformation costs

- 4Q15: 23.4 billion
- 3Q15: 21.0 billion
- 4Q14: 20.5 billion

**CAPEX excl. licenses and LTM CAPEX/revenue**

- 4Q15 +13% YoY
- 4Q14 +13% YoY

- 4Q15 19.0%
- 3Q15 21.0%
- 4Q14 20.5%

1. 4Q15 EBITDA positively impacted by a one-off of RUB 2.2 billion related to site rental capitalization but partially offset by a provision of RUB 1.3 billion related to transformation costs.
Algeria: transformation program ongoing

- Transformation program ongoing, however market remains challenging with aggressive price competition
- Service revenue declined YoY due to high-value customer churn and ARPU erosion
- Remained strong leader in NPS
- Data revenue doubled YoY
- EBITDA Margin robust at 54.3% due to
  - Favorable change in interconnect rates
  - Impact of performance transformation program
- CAPEX increased due to further expansion of 3G to new regions

### Service revenue

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>3Q15</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>33.5</td>
<td>33.1</td>
<td>31.2</td>
</tr>
</tbody>
</table>

-7% YoY

### Mobile customers (million)

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>17.7</td>
<td>17.0</td>
</tr>
</tbody>
</table>

-3.9% YoY

### EBITDA and EBITDA margin

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>3Q15</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>12.4</td>
<td>18.3</td>
<td>17.3</td>
</tr>
<tr>
<td>Mobile</td>
<td>36.9%</td>
<td>54.8%</td>
<td>54.3%</td>
</tr>
</tbody>
</table>

+39% YoY

+11% (underlying)

### CAPEX excl. licenses and LTM CAPEX/revenue

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAPEX</td>
<td>7.0</td>
<td>7.3</td>
</tr>
<tr>
<td>Mobile</td>
<td>22.9%</td>
<td>15.3%</td>
</tr>
</tbody>
</table>

+5.5% YoY

1 4Q15 EBITDA negatively impacted by a one-off of DZD 1.3 billion related to transformation costs
2 4Q14 EBITDA negatively impacted by a one-off of DZD 4.3 billion related to Algeria closing transaction
Pakistan: continued revenue and EBITDA growth

- Mobile customers declined due to market SIM verification process (underlying customer base +3% YoY)
- Successful launch of co-branded handsets and smartphones
- Strong data revenue increase of 79% YoY and MFS revenue increase of 72% - MFS now 3% of service revenue
- EBITDA margin >40% for three consecutive quarters
- CAPEX decreased due to the completion of 2G modernization program at the end of 2014, with a substantial improvement in network and service quality

<table>
<thead>
<tr>
<th>Service revenue</th>
<th>Mobile customers (million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PKR BILLION, UNLESS STATED OTHERWISE</td>
<td>4Q14</td>
</tr>
<tr>
<td>Mobile customers (million)</td>
<td>24.3</td>
</tr>
<tr>
<td>+4.2% YoY</td>
<td>38.5</td>
</tr>
<tr>
<td>-5.9% YoY</td>
<td>4Q14</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>EBITDA and EBITDA margin</th>
<th>Mobile customers (million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PKR BILLION, UNLESS STATED OTHERWISE</td>
<td>4Q14</td>
</tr>
<tr>
<td>EBITDA</td>
<td>10.1</td>
</tr>
<tr>
<td>+8% YoY</td>
<td>39.5%</td>
</tr>
<tr>
<td>+10% YoY (underlying)</td>
<td>4Q14</td>
</tr>
<tr>
<td>CAPEX excl. licenses and LTM CAPEX/revenue</td>
<td>9.1</td>
</tr>
<tr>
<td>-21% YoY</td>
<td>35.0%</td>
</tr>
<tr>
<td>4Q14</td>
<td>4Q15</td>
</tr>
</tbody>
</table>

1. 4Q15 EBITDA negatively impacted by a one-off of PKR 0.2 billion related to transformation costs
Bangladesh: continued strong performance

- Customer growth 5% YoY driven by attractive simple tariff offering
- Strong lead in NPS due to strengthened network and attractive data offers
- Ongoing strong growth in data revenue at 65% YoY
- Robust underlying EBITDA Margin at 48%, excluding performance transformation costs and movements in provisions

**Service revenue**

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>3Q15</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>11.2</td>
<td>11.8</td>
<td>11.8</td>
</tr>
</tbody>
</table>

**Mobile customers (million)**

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>30.8</td>
<td>32.3</td>
</tr>
</tbody>
</table>

**EBITDA and EBITDA margin**

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>3Q15</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>4.6</td>
<td>5.3</td>
<td>4.0</td>
</tr>
</tbody>
</table>

1. **CAPEX excl. licenses and LTM CAPEX/revenue**

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>4.6</td>
<td>3.3</td>
</tr>
</tbody>
</table>

1. 4Q15 EBITDA negatively impacted by a one-off of BDT 1.8 billion related to transformation costs
Ukraine: robust results supported by successful 3G launch

- Market leadership continues to strengthen, despite challenging macro-economic environment
- Successful 3G launch with most extensive national coverage
- Mobile data revenue growth of 75% YoY
- Solid mobile service revenue growth driven by higher interconnect revenue and 3G launch

**Service revenue**

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>3Q15</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>2.9</td>
<td>3.3</td>
<td>3.2</td>
</tr>
<tr>
<td>Fixed-line</td>
<td>0.2</td>
<td>0.2</td>
<td>0.3</td>
</tr>
</tbody>
</table>

+12.1% YoY

**Mobile customers** (million)

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>4Q14</td>
<td>26.2</td>
<td>25.4</td>
</tr>
<tr>
<td>-3.1% YoY</td>
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**EBITDA and EBITDA margin**

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>3Q15</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>4Q14</td>
<td>1.3</td>
<td>1.8</td>
<td>1.7</td>
</tr>
<tr>
<td>+30.2% YoY</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>+23% YoY (underlying)</td>
<td></td>
<td></td>
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<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>3Q15</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAPEX excl. licenses and LTM CAPEX/revenue</td>
<td>0.6</td>
<td>0.9</td>
<td></td>
</tr>
<tr>
<td>+57 % YoY</td>
<td></td>
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</tbody>
</table>

1. 4Q14 EBITDA negatively impacted by a one-off of UAH 72 million related to non-recoverable VAT expenses
Italy: ongoing sequential improvement

- Further YoY improvement in mobile service revenue trend
- Mobile ARPU stable, confirming the trend seen throughout 2015
- Double digit mobile data revenue with data customers growing 14% YoY
- Fixed broadband customer base grew +3% YoY with dual play customer up 7% YoY
- 4G/LTE population coverage now at 56%
- EC competition authority formally notified on February 5, 2016
## 2015 income statement

<table>
<thead>
<tr>
<th></th>
<th>FY15</th>
<th>FY14</th>
<th>YoY</th>
<th>Organic YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>9,625</td>
<td>13,517</td>
<td>(29%)</td>
<td>+0.6%</td>
</tr>
<tr>
<td><strong>Service Revenue</strong></td>
<td>9,332</td>
<td>13,231</td>
<td>(29%)</td>
<td>(0.2%)</td>
</tr>
<tr>
<td><strong>EBITDA underlying</strong></td>
<td>3,926</td>
<td>5,625</td>
<td>(30%)</td>
<td>(0.6%)</td>
</tr>
<tr>
<td><strong>EBITDA reported</strong></td>
<td>2,857</td>
<td>5,560</td>
<td>(49%)</td>
<td>(18.3%)</td>
</tr>
<tr>
<td>D&amp;A, impairments and other</td>
<td>(2,350)</td>
<td>(3,687)</td>
<td>(36%)</td>
<td></td>
</tr>
<tr>
<td>- o/w impairments</td>
<td>(245)</td>
<td>(976)</td>
<td>n.m.</td>
<td></td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>506</td>
<td>1,873</td>
<td>(73%)</td>
<td></td>
</tr>
<tr>
<td><strong>Net financial expenses</strong></td>
<td>(777)</td>
<td>(1,025)</td>
<td>(24%)</td>
<td></td>
</tr>
<tr>
<td><strong>FOREX and Other</strong></td>
<td>(343)</td>
<td>(472)</td>
<td>(27%)</td>
<td></td>
</tr>
<tr>
<td><strong>Profit/(loss) before tax</strong></td>
<td>(613)</td>
<td>375</td>
<td>n.m.</td>
<td></td>
</tr>
<tr>
<td><strong>Tax</strong></td>
<td>(238)</td>
<td>(599)</td>
<td>(60%)</td>
<td></td>
</tr>
<tr>
<td><strong>Loss for the period</strong></td>
<td>(851)</td>
<td>(223)</td>
<td>n.m.</td>
<td></td>
</tr>
<tr>
<td><strong>Profit / (loss) from discontinued operations</strong></td>
<td>263</td>
<td>(679)</td>
<td>n.m.</td>
<td></td>
</tr>
<tr>
<td><strong>Non-controlling interest</strong></td>
<td>(103)</td>
<td>256</td>
<td>n.m.</td>
<td></td>
</tr>
<tr>
<td><strong>Net loss</strong></td>
<td>(691)</td>
<td>(647)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Due to local currencies depreciation of USD 1,662 million and exceptional items of USD 1,069 million in 2015 and USD 65 million in 2014
- Lower impairment charges in 2015 and accelerated depreciation in Pakistan due to network equipment swap
- Significantly lower financial expenses as a result of successful refinancing activities in 2014 and 2015
- Due to a decrease in provision for future withholding taxes on intercompany dividends
- Improving YoY, mainly due to significantly lower financial expenses as a result of the refinancing of WIND Italy and gain from tower transaction
- Sale of 51% in OTA in Algeria
In 2014 (excluding Italy) EBITDA was adjusted to exclude USD 65 million of exceptional items and disposals, o/w USD 50 million related to Algeria transaction; in 2015, exceptional items totaled USD 1,069 million and mainly consisted of provisions for investigations (related to SEC/DOJ/OM) of USD 900 million and transformation costs of USD 156 million.

1 Capex including licenses
Vision & World class operations

Jean-Yves Charlier
Chief Executive Officer VimpelCom

London, February 17, 2016
Vision

To be a pioneer, working at the frontier to unlock new opportunities for customers as they navigate the digital world.
World class operations

Creating a superior customer experience

Next generation operating model

Strengthened management team
Strong Net Promoter Score and market positions

NPS leader
Algeria, Bangladesh, Italy, Ukraine, Kyrgyzstan

NPS co-leader
Armenia, Uzbekistan

2015 Mobile customers market position (share)1

- Algeria
- Pakistan2
- Ukraine
- Uzbekistan
- Italy2
- Kazakhstan
- Armenia
- Russia
- Bangladesh2

Developing a #1 or a strong #2 market share position, leveraging on customer experience

1 Company estimates based on public information; data as of September 2015, only Bangladesh as per December 2015
2 Market share positions assume Italian and Pakistan transactions closing; Bangladesh assumes the closing of Robi-Airtel transaction
Note: Georgia, Kyrgyzstan and Tajikistan excluded as no reliable competitive data available
Next-generation operating model

- Simplification
- Digitalization
- Globalization

- Lean HQ
- Contact centers
- Managed services
- Shared service centers
- Centers of excellence
Group Executive Committee

Andrew Davies
Chief Financial Officer

Jon Eddy
Emerging Markets CEO

Scott Dresser
General Counsel

Mikhail Gerchuk
Eurasia CEO

Jeremy Roffe-Vidal
Chief Human Resources Officer

Maximo Ibarra
Italy CEO

Rozzyn Boy
Chief Communications and Brand Officer

Mikhail Slobodin
Russia CEO

Alexander Matuschka
Chief Performance Officer

Anton Kudryashov
Chief Business Development and Portfolio Officer

Christopher Schlaeffer
Chief Digital Officer

Jean-Yves Charlier
Chief Executive Officer

Dr. Stephen Collins
Chief Corporate and Regulatory Affairs Officer

Yogesh Malik
Chief Technology Officer

Enrique Aznar
Chief Compliance Officer

= speaking today

= < 2 years at VimpelCom

Strengthened management team
New revenue streams and digital leadership

Christopher Schlaeffer
Chief Digital Officer

London, February 17, 2016
New revenues streams and digital leadership – three core elements

- **Revenue acceleration**
  Top line turnaround and service revenue market share growth

- **Digital engagement model**
  Creating a digital pure play engagement model

- **Digital products and services**
  Introducing new digital products and services
Revenue acceleration program to focus on four core areas

- **Data**
  - Realize full potential

- **Voice / messaging**
  - Increase share of wallet

- **Fixed broadband**
  - Capture the household

- **B2B**
  - Unlock opportunities

Leading in customer experience
Voice/messaging – increase share of wallet

Grow revenue market share through increasing share of wallet

More granular and dynamic customer segmentation for dynamic relevance

Upgrade pricing and tariff portfolio to increase share of usage and improve quality of customer base

Use of machine learning to derive insights and drive value (upsell, churn reduction)

Customer segmentation

Smart pricing and portfolio simplification

Customer base management

Advanced Analytics
Data – realize full potential

- Ensure well-balanced device portfolio
- Stimulate data usage via customer engagement app and OTT
- Increase distribution presence and control
- Integrate mobile data in group pricing strategy

Outperform data revenue market
Fixed broadband – capture the household

Progressively expand our fixed value proposition targeting households

2P

3P

4P

‘xP’

Smartly expand fixed footprint, leveraging large mobile customer base and existing backbone
B2B – unlock opportunities

Ambition to become one of VimpelCom’ major growth engines, delivering recognized global B2B ICT services for Large Enterprise, SME and SoHo

Key goals
- Strengthening our mobile and fixed core businesses
- Extending our offering
- Delivering best quality

Growth levers
- Untapped customer segments
- Mobile churn reduction
- Mobile up-sell and data monetization
- Fixed-mobile convergence
- Value added services

Key enablers
- Dedicated B2B BU and CoE
- Results-Delivery-Office
- NPS tracking
- Tailored GTM and customer seg.
- Unified practices and processes
- Digital transformation
The total tech and media attention up for grabs is enormous: more than half the waking day is spent on tech and media.

Average employed adult daily behavior, U.S., 2014, hours: minutes

TOTAL: 31 HOURS 28 MINUTES

Sleep
7:06
Media & consumer tech activity (video, audio, social media, gaming, reading)
11:05
Work & education
6:04
Other non-working activity
7:13
(Cooking, housework & shopping, personal & household care, leisure fitness, community & other activities, eating & drinking)
7:13

Sources: Bureau of Labor Statistics, The Telegraph, Edison Research, We Are Social, eMarketer, Nielsen, National Sleep Foundation, Deloitte, SNL Kagan, Sandvine, Ipsos, comScore, Global Web Index, OECD, Activate analysis. Behaviors averaged over 7 days. Related travel time is included within timing reported for daily activities.
These behaviors dominate people’s attention worldwide

- **USA**: 11h05m
- **UK**: 8h44m
- **BRAZIL**: 10h34m
- **CHINA**: 5h25m
- **JAPAN**: 4h40m

- Video
- Audio
- Social media

Sources: Edison, eMarketer, Nielsen, Sandvine, US Media Consulting, Cisco, Experientia, Media UK, Global Web Index, Secom, Ofcom, GroupM, Activate analysis
VimpelCom’s digital strategy will be built from the Customer Experience outwards
Digital engagement model

<table>
<thead>
<tr>
<th>PLATFORM/API</th>
<th>I JOIN</th>
<th>I PAY</th>
<th>I MANAGE</th>
<th>I SOLVE</th>
<th>I LEAVE</th>
</tr>
</thead>
</table>

Full digitization of the customer journey allows a drastic simplification of the service model, while offering the convenience of 24/7 digital services.
New digital products and services

Key principles

- Sizable in the short/ mid-term
- Asset-light
- Effective use of own assets
- Drive customer base stickiness

Capture untapped opportunities in emerging markets
- Lower level of international competition
- Strong need for localization to succeed
Transforming from a telecom to a digital company

Personalizing the user experience

Customer-facing operations

Product Development

Process

Culture

Enabled by technology
First Q&A Performance Transformation Structural Improvements World Class Operations New Revenue Streams Portfolio and Asset Optimization Digital Leadership
Digital leadership - Portfolio and asset optimization

Yogesh Malik
Chief Technology Officer

London, February 17, 2016
Digital technology leadership

- Spearhead new architecture principles
- Unleash and own critical technologies
- Ensure execution
Thinking differently in the new technology age

**Traditional telco pitfalls**

- Relying on external vendors for innovation
- Sticking too much to classic industry standards
- Depending on system integrators for IT projects
- Not utilizing the data to the full extent

**Digital company**

- ‘Own’ critical customer facing technologies
- Grow and foster own development capabilities
- Unleash the power of data to drive business decisions
Spearheading new architecture principles

Challenges

- Transaction volume
- Demand for real-time
- Extensive use of data

Our architecture principles

- Separate data from the application logic
- Make data seamlessly accessible
- Fully elastic infrastructure
Launching global initiatives across technology layers

User interfacing systems

Flexible OSS/BSS Stack

Real-time data analytics

Clean-sheet thinking about customer experience

IT stack enabling new products and services

Foundation for contextually sensitive interactions
Implementing OSS/BSS transformation on a global scale

- Unprecedented scale of transformation across 11 countries
- Designed to bring IT costs substantially down by sun-setting the legacy
- Open interfaces enabling new business partnerships
- Flexibility/configurability to enable new products and services
### Moving from local to the next generation IT operating model

<table>
<thead>
<tr>
<th>Local operating model</th>
<th>Next generation IT operating model</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group level</strong></td>
<td></td>
</tr>
</tbody>
</table>
| IT strategy and integration activities are defined on a high level | • Runs part of IT as a shared service center  
• Sets architectural priorities and timelines  
• Runs development and operations out of shared service center |
| **OpCo level**        |                                    |
| Standalone IT systems in OpCo’s, relatively little coordination | • OpCo’s outsource substantial part of their IT to the Group shared service center on an SLA basis |

© VimpelCom Ltd 2016
Harnessing the power of data and analytics

Utilize our data assets

Customer profiling  Network optimization  Offer personalization
Ensuring execution by establishing strong technology talent

### Facts

- Majority of our regions have appointed new CTO leadership in 2015
- HQ Technology team was completely revamped in 2014 and 2015

### Results achieved

- Hands-on, delivery-oriented team culture
- Instant innovation and close-knit cooperation between HQ and operating companies
Ensuring execution by ramping up internal capabilities

- Emphasizing front-end application development
- Opening mobile App development centers
- Growing internal data science competence
Portfolio and asset optimization

Next-generation operating model

On track with CAPEX efficiency

Structural OPEX reduction
Pioneering the next-generation operating model

- Consolidating Network Operating Centers
- Raising efficiency by establishing service centers/hubs
- Partnering with key vendors toward a lean operating model
On track with CAPEX efficiency
despite macroeconomic headwinds

What we achieved

• Clear NPV-based CAPEX framework applied across all OpCos
• Improved sourcing and strict spend discipline instilled with key vendors
• Streamline architecture to reduce the number of physical network elements

What we are planning to do

• Maximizing traffic to 4G and minimizing 3G capacity
• Network sharing in key countries
• Full virtualization of core network elements and consolidation of Network Operating Centers
Ambitious infrastructure sharing plans

- Joint project with MegaFon to cover 10 Russian regions for more than 1,300 4G/LTE base stations
- Joint deal with MTS in Russia to share mobile spectrum in addition to infrastructure sharing agreement
- Network sharing negotiations in several countries
Taking tower monetization to the next level

- Tower monetization program is being deployed across the footprint, driven by an NPV-based approach
- Several formal processes have already started
- The industrial driver of tower transactions is the asset light strategy
Reducing structural OPEX
in spite of growing traffic and increased number of sites

Examples of levers pulled:

1. Renegotiation of site rental agreements (e.g. in Russia)
2. Energy saving measures (e.g. Pakistan fuel rationalization)
3. Maintenance cost renegotiations (e.g. field maintenance in Algeria)

Technical OPEX (USD billion)

- FX change
- Organic reduction

2014: 2.05
2015: 1.6
2016: 2017: 2018:

-20%
### Example Russia

Keeping site rental costs flat despite heavy inflationary trends

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total site rental cost</strong> (RUB billion)</td>
<td>6.8</td>
<td>7.0</td>
</tr>
<tr>
<td>+4%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total number of sites</strong> (thousand)</td>
<td>31.7</td>
<td>34.1</td>
</tr>
<tr>
<td>+7%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Avg. rental cost per site</strong> (RUB thousand)</td>
<td>17.8</td>
<td>17.2</td>
</tr>
<tr>
<td>-3%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Measures taken:

- Renegotiation of agreements
- New motivation program
- Tighter control over end-to-end site acquisition process

---

1. Example Russia keeping site rental costs flat despite heavy inflationary trends
Example Pakistan
reducing generator fuel costs despite increased number of sites

Fuel and refueling costs (PKR billion)

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs</td>
<td>4.2</td>
<td>3.3</td>
</tr>
</tbody>
</table>

Total number of sites (thousand)

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sites</td>
<td>9.6</td>
<td>10.0</td>
</tr>
</tbody>
</table>

Reduced fuel consumption (million liters)

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption</td>
<td>46</td>
<td>32</td>
</tr>
</tbody>
</table>

Measures taken

- Modernized equipment
- Lower power consumption
- Tighter fuel management
# Example Algeria

## Reducing Maintenance Costs

### Maintenance Costs (DZD billion)

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs</td>
<td>4.2</td>
<td>3.3</td>
</tr>
</tbody>
</table>

-21% Decrease from 2014 to 2015

### Total Number of Sites (thousand)

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sites</td>
<td>6.9</td>
<td>6.5</td>
</tr>
</tbody>
</table>

-6% Decrease from 2014 to 2015

### Avg. Maintenance Cost per Site (DZD thousand)

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs</td>
<td>610</td>
<td>510</td>
</tr>
</tbody>
</table>

-16% Decrease from 2014 to 2015

### Measures Taken

- 2G site dismantling
- Maintenance in-sourcing
- Leased line rationalization
Performance transformation

Alexander Matuschka
Chief Performance Officer

London, February 17, 2016
Performance transformation aspirations

Create the next-generation operating model
- Save and reinvest
- Drive 750 million cash improvement
- Create local champions and local ownership

To reinvent VimpelCom with substantially lower cost base
Performance transformation – three core elements

Next-generation operating model

Procurement

Supply Chain
Next-generation operating model
Next-generation operating model

- Lean HQ
- Contact centers
- Shared service centers
- Centers of excellence
- Managed services

Simplification
Digitization
Globalization
Next-generation operating model

From

14 companies with separate operating models
Amsterdam HQ administrative oversight
Patchwork of local competencies & skills

To

Next-generation operating model
Lean HQ with strategy focus
Global competencies and skills
Shared service centers

**From**

- **Wide Range** of non-standardized processes
- **Almost no automation**
- **Fragmented operating model**

**To**

- **Standardized, consolidated global support processes**
- **Lean, automated processes**
- **Global operating model**
Centers of excellence

From

Local pockets
of expertise

Limited
Knowledge sharing

0
Global centers of excellence

To

Global expertise

Agile replication of intelligence
across the group

>15
Global centers of excellence
Managed services

**From**

Country-based
Managed service solution

Network Centric
Operational model, obsolete tooling

Multiple In-country
Network Operation Centers

**To**

Cross-border
Managed service solutions

Service oriented
Operating model, Customer experience

Consolidated
Network Operation Centers
Contact centers

From

No big data analytics
Silo-view
Non-standardized call centers

To

One customer view
In real time
First contact resolution
Standardized contact centers
Customer service oriented
Procurement
Procurement

From

Local
Vendor strategy

Vendors in control
Through localised decisions

Traditional approach
Close to incumbents

To

Global
Vendor agreements

VimpelCom in control

Innovative approach
We expect disruptive behaviour
Procurement

From

>40% price difference across OpCos

<5%
Global purchasing

30%
FOREX exposure

To

Same price across OpCos

>70%
Global purchasing

10%
FOREX exposure
Procurement

From

Local
Vendor relationship

No
Global price books

Local vendor
With local terms & conditions

To

26
Binding global relationship agreements

14
Global price books

Global vendor model
Best in class, compliant
Supply chain
Supply chain

From

Budget-driven Ordering

Manual Planning

40% Supplier deliveries on time

Demand-driven ordering

System-based Planning with harmonized master data

95% Supplier deliveries on time

To
Supply chain

From

>150 warehouses

>180 days stock

3 months updated
Inventory level

To

<50 warehouses

<90 days stock

Real time
Inventory data
Why we will succeed
One project management

One global PMO, satellite in each OpCo
Every initiative based on a business case
Every business case linked to P&L
Every business case validated by 4 eye principle
Stringent governance

Every OpCo reviewed monthly
Every global initiative reviewed monthly
Every local initiative reviewed monthly
Reviews held locally & in person
One project management tool

Every initiative is tracked in the tool
Every initiative is linked to structural KPI’s
Every initiative is linked to financial KPI’s
Weekly progress updates
Monthly reconciliation of impact with financial results
Implemented so far

150 full time employees managing program
1,200 transformation measures
1,700 trackable actions
330 measure owners
One big data mining tool

Total no. of internal HC
Ramp-downs
Ramp-ups
No. of layers
Average job grade
# of micro-teams
Average span of control
Average personnel costs/ internal HC
Total # of external HC
Ramp-downs
Ramp-ups
Profile of contract duration
Average daily rate
Customer care cost base
Network maintenance cost base
IT support cost base
Span of control
Sales cost base
Network maintenance costs (mobile)
Network maintenance costs (fixed)
# of subcontractors (IT)
# of subcontractors (NW maintenance)
Total spend on subcontractors
Outsourced call center costs (fixed)/ 3m active subscriber
Outsourced call center costs (mobile)/ 3m active subscriber
Claims collected value /
Network Maintenance costs
Claims collected value /
IT Maintenance costs
IT maintenance costs / 3 months active subscribers
Total cost base
HC-driven costs
Non-HC-driven costs
HC driven costs per internal HC
Employee benefit per internal HC
Employee training costs per internal HC
Travel costs per internal HC
Fleet costs per internal HC
Cost of office supplies/ HC
Cost of prof. services & consulting
Cost of recruiting
Cost of other G&A
Internat./ domestic flight cost
Internat./ domestic flight no.
Booking in advance
Triggered travel
# of hotel nights
# of flexible/ restricted tickets
# of bus./eco./1st class tickets
Hotel category ratio
# of miles
Red Book Opex HC/ non-HC driven
Red Book Opex intensity HC/ non-HC driven
Total # of sites
Space
Actual office utilization
Desk sharing ratio
m2 per employee
m2 per desk
Call center peak utilization
m2 per call center desk
Average rent per m2
Average FM + utilities cost/ per m2
Real Estate Opex intensity
Total Real Estate Opex
Structural KPI methodology

From

Desk sharing ratio
1.0

To

Desk sharing ratio
1.4

= -25% of space
Structural KPI methodology

From

Micro-teams
3,300

Span of Control admin functions
9

To

Micro-teams
300

Span of Control admin functions
6

= Agile Lean Upgrade
New mode of operation

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced flights</td>
<td>Booked time</td>
</tr>
<tr>
<td>3 days</td>
<td>14 days</td>
</tr>
</tbody>
</table>

= 25% cost reduction
Structural improvements & targets 2016

Andrew Davies
Chief Financial Officer

London, February 17, 2016
Group delivery on structural improvements (1/2)

Deleverage – Key events

January 2015
- Algeria transaction

March 2015
- Italy tower sale

August 2015
- Italy JV with subsequent deconsolidation of WIND

April 2014
- Italy refinancing 1st round
- Bond issue in Bangladesh

May 2014
- Italy refinancing 2nd round

July 2014

January 2015
- Tender offer on USD bonds

March 2015
- RUB bonds put options exercise

August 2015
- RUB bond issue in Russia

October 2015
- RUB bond secondary offering

November 2015

December 2015
- New Sberbank credit facility
- CDB - RMB facility

Capital structure optimization
• In 2014, USD 21 billion in total financing activities at group level were completed.

• In 2015, we managed to further improve the capital structure profile, reducing gross debt and completing USD 5 billion in financing activities.

• Leverage ratio is currently at 1.4x$^1$

---

$^1$ Net leverage ratio: Consolidated Net Debt/Underlying EBITDA  
$^2$ Excluding effect of cross-currency swaps
Progress on debt optimization

**Group gross debt** (currency breakdown and evolution)

- **2014** (USD 26.4 billion)
  - Average cost: 6.3%
  - USD: 8.2%
  - RUB: 3.0%
  - Others: 0.5%
  - EUR: 14.6%

- **2014 excl. Italy, pro-forma** (USD 12.9 billion)
  - Average cost: 7.1%
  - USD: 3.0%
  - RUB: 0.5%
  - Others: 9.4%

- **2015** (USD 9.5 billion)
  - Average cost: 7.3%
  - USD: 1.7%
  - RUB: 0.9%
  - Others: 6.9%

**Average interest cost** ~USD 0.9 bln  
~USD 0.7 bln

**Run-rate interest savings** ~USD 200 million
Liquidity analysis

Group Cash breakdown by currency (December 31, 2015)

Solid cash position, largely held in USD, and headroom of USD 4 billion

Unused RCF headroom at the end 4Q15:

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>VimpelCom - syndicate</td>
<td>USD 1.8 billion</td>
</tr>
<tr>
<td>PJSC VimpelCom - Sberbank</td>
<td>RUB 15 billion (USD 0.2 billion)</td>
</tr>
</tbody>
</table>

Unused VF/CF headroom at the end 4Q15:

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>VimpelCom - CDB/BoC</td>
<td>USD 1.0 billion</td>
</tr>
<tr>
<td>VimpelCom - CDB</td>
<td>RMB 0.7 billion (USD 0.1 billion)</td>
</tr>
<tr>
<td>Algeria - syndicate</td>
<td>DZD 32 billion (USD 0.3 billion)</td>
</tr>
<tr>
<td>Pakistan - syndicate</td>
<td>PKR 20 billion (USD 0.2 billion)</td>
</tr>
<tr>
<td>PJSC VimpelCom - Sberbank</td>
<td>RUB 30 billion (USD 0.4 billion)</td>
</tr>
</tbody>
</table>
Capital structure and capital allocation priorities

- Closing of Italy transaction
- GTH refinancing
- Improving cash upstream
- Optimization of local debt structures
- Global capital allocation model
- Asset light strategy
- Create flexibility for reinvesting

Paving the way to return to a meaningful dividend policy
Expect to deliver >50% of USD 750 mln p.a. cash flow target in 2016

2015-2016E Operating Cash flow improvement¹
(USD, million)

- 2015 Delta Underlying EBITDA: +318
- 2015 Delta Capex: 352
- 2016E Delta OCF (Underlying EBITDA – CAPEX): ~100-200
- Target 2016: ~750
- 2015 Transformation costs: (33)
- 2015/16E Transformation costs: ~(250)
- 2015 Transformation costs breakdown:
  - Personnel cost (severance): 125
  - Others: 31

¹ 2015 at constant 2014 currency; 2016E in line with guidance
² 2019E run-rate figure
## 2016 guidance

<table>
<thead>
<tr>
<th></th>
<th>Targets 2015</th>
<th>Actual 2015</th>
<th>Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service Revenue</strong></td>
<td>Flat to low single digit decline YoY</td>
<td>(0.2%)</td>
<td>Flat to low single digit growth YoY</td>
</tr>
<tr>
<td><strong>EBITDA Margin</strong></td>
<td>Flat to minus one p.p. YoY</td>
<td>40.8%</td>
<td>Flat to +1 p.p.</td>
</tr>
<tr>
<td><strong>CAPEX / Revenue</strong></td>
<td>18-20%</td>
<td>18.2%</td>
<td>17-18%</td>
</tr>
<tr>
<td><strong>OCF margin</strong></td>
<td><em>Not used as a target in 2015</em></td>
<td>22.6%</td>
<td>Flat to +2 p.p.</td>
</tr>
<tr>
<td><strong>Leverage</strong></td>
<td>~1.6x</td>
<td>1.4x</td>
<td>~2x</td>
</tr>
</tbody>
</table>

1 All targets except leverage calculated at constant currency. Targets for 2016 assume no major regulatory changes, no change to the asset portfolio and no major macro-economic changes; targets are also adjusted for Italy classified as asset held for sale; EBITDA Margin excludes exceptional charges such as impairment charges, restructuring charges, litigation and settlements, impact of M&A transactions and related accounting and other one-off charges and transformation costs.

2 Leverage target 2016 on assumed FX for 2016 (all currencies, e.g. Ruble/Dollar of 70). See attachment for table with currency assumptions 2016; leverage target 2016 assumes closing of JV Italy as well as JV Pakistan.
Final Q&A
Appendix
Reconciliation of EBITDA from reported to underlying

<table>
<thead>
<tr>
<th>USD mln, unaudited</th>
<th>4Q15</th>
<th>4Q14</th>
<th>FY15</th>
<th>FY14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBITDA</strong></td>
<td>793</td>
<td>1,074</td>
<td>2,857</td>
<td>5,560</td>
</tr>
<tr>
<td>Transformation costs, of which</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>severance (restructuring) costs</td>
<td>112</td>
<td>156</td>
<td></td>
<td></td>
</tr>
<tr>
<td>other transformation costs at OpCo level</td>
<td>31</td>
<td>31</td>
<td></td>
<td></td>
</tr>
<tr>
<td>other transformation costs at HQ level</td>
<td>16</td>
<td>16</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Expenses related to Uzbekistan investigation, of which</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>provision</td>
<td>65</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>legal costs</td>
<td>11</td>
<td>900</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other exceptional items in OpCos, of which</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russia site rent capitalization</td>
<td>(18)</td>
<td>27</td>
<td>(14)</td>
<td>38</td>
</tr>
<tr>
<td>Kazakhstan technical maintenance from CAPEX to OPEX</td>
<td>30</td>
<td></td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>other</td>
<td>12</td>
<td>14</td>
<td>17</td>
<td>14</td>
</tr>
<tr>
<td><strong>Settlement related to the 51% sale in Algeria</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Deconsolidation of the CAR and Burundi in October 2014</strong></td>
<td></td>
<td></td>
<td>(23)</td>
<td></td>
</tr>
<tr>
<td><strong>Total exceptional items</strong></td>
<td>105</td>
<td>77</td>
<td>1,069</td>
<td>65</td>
</tr>
<tr>
<td><strong>EBITDA underlying</strong></td>
<td>897</td>
<td>1,151</td>
<td>3,926</td>
<td>5,625</td>
</tr>
</tbody>
</table>
Kazakhstan: heightened competitive pressure

- Mobile service revenue decreased by 6% YoY, excluding MTR reductions
- Fixed-line service revenue growth of 22% YoY
- Beeline continues to gain EBITDA market share, despite intensifying competition
- Competitive environment expected to remain challenging throughout 2016

### Service revenue

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>3Q15</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>31.1</td>
<td>28.8</td>
<td>27.1</td>
</tr>
<tr>
<td>Fixed-line</td>
<td>3.8</td>
<td>4.1</td>
<td>4.6</td>
</tr>
</tbody>
</table>

### Mobile customers (million)

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>9.8</td>
<td>9.5</td>
</tr>
<tr>
<td>Fixed-line</td>
<td>-3.1% YoY</td>
<td></td>
</tr>
</tbody>
</table>

### EBITDA and EBITDA margin

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>3Q15</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>14.1</td>
<td>14.1</td>
<td>13.7</td>
</tr>
<tr>
<td>Fixed-line</td>
<td>40.2%</td>
<td>42.5%</td>
<td>41.9%</td>
</tr>
<tr>
<td>Mobile</td>
<td>-2% YoY</td>
<td>-15% YoY (underlying)</td>
<td></td>
</tr>
</tbody>
</table>

### CAPEX excl. licenses and LTM CAPEX/revenue

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>10.1</td>
<td>7.6</td>
</tr>
<tr>
<td>Fixed-line</td>
<td>14.5%</td>
<td>13.3%</td>
</tr>
<tr>
<td>Mobile</td>
<td>-24.3% YoY</td>
<td></td>
</tr>
</tbody>
</table>

1. **4Q15 EBITDA negatively impacted by a one-off of KZT 0.2 billion related to transformation costs**
2. **4Q14 EBITDA negatively impacted by a one-off of KZT 2.4 billion related to adjustment of technical maintenance of software from CAPEX to OPEX**
Uzbekistan: good growth in mobile data

- Strong growth in mobile service revenue of 12% YoY driven by mobile data and VAS revenue
- Mobile data ARPU increased 30% YoY
- Rational competition from third and fourth entrants during the quarter
- Competition expected to increase in 2016, while new government tax measures related to customers and profit will substantially negatively impact EBITDA margin
Armenia: strengthened market position

- Growing customer and revenue market share in a declining market
- Mobile data revenue growth of 16% YoY driven by promotion of data bundles

**Service revenue**

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>3Q15</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>7.4</td>
<td>7.2</td>
<td>6.5</td>
</tr>
<tr>
<td>Fixed-line</td>
<td>6.2</td>
<td>6.7</td>
<td>5.7</td>
</tr>
</tbody>
</table>

**Mobile customers (million)**

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.8</td>
<td>0.8</td>
</tr>
</tbody>
</table>

**EBITDA and EBITDA margin**

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>3Q15</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>2.5</td>
<td>5.9</td>
<td>3.2</td>
</tr>
<tr>
<td>Fixed-line</td>
<td>17.9%</td>
<td>40.7%</td>
<td>25.1%</td>
</tr>
</tbody>
</table>

**CAPEX excl. licenses and LTM CAPEX/revenue**

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2.6</td>
<td>3.5</td>
</tr>
<tr>
<td>Mobile</td>
<td>11.0%</td>
<td>15.0%</td>
</tr>
</tbody>
</table>
Kyrgyzstan: remained clear market leader

- Remained clear market leader with leading NPS position due to high quality network and attractive value proposition
- Strong mobile data revenue growth of 19% YoY
- Customer base negatively impacted by increased migration due to Kyrgyzstan’s entry into the Eurasian Customs Union (EACU)
- EBITDA margin up 4 pp YoY supported by network cost optimization

### Service revenue

<table>
<thead>
<tr>
<th>Period</th>
<th>Mobile (KGS Billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4Q14</td>
<td>2.5</td>
</tr>
<tr>
<td>3Q15</td>
<td>2.9</td>
</tr>
<tr>
<td>4Q15</td>
<td>2.7</td>
</tr>
</tbody>
</table>

### Mobile customers (million)

<table>
<thead>
<tr>
<th>Period</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>4Q14</td>
<td>2.7</td>
<td></td>
</tr>
<tr>
<td>4Q15</td>
<td>2.7</td>
<td></td>
</tr>
</tbody>
</table>

### EBITDA and EBITDA margin

<table>
<thead>
<tr>
<th>Period</th>
<th>EBITDA (KGS Billion)</th>
<th>EBITDA margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4Q14</td>
<td>1.3</td>
<td>52.0%</td>
</tr>
<tr>
<td>3Q15</td>
<td>1.6</td>
<td>56.9%</td>
</tr>
<tr>
<td>4Q15</td>
<td>1.5</td>
<td>55.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Period</th>
<th>CAPEX excl. licenses and LTM CAPEX/revenue (KGS Billion)</th>
<th>CAPEX excl. licenses and LTM CAPEX/revenue (KGS Billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4Q14</td>
<td>0.6</td>
<td>15.0%</td>
</tr>
<tr>
<td>4Q15</td>
<td>0.7</td>
<td>14.0%</td>
</tr>
</tbody>
</table>
Georgia: continued customer improvement

- Customer growth of 5% YoY due to attractive value proposition and improving churn
- NPS continues to improve
- Service revenue pressure mainly due to cancellation of asymmetrical MTRs and increased price competition
- Strong mobile data revenue growth of 50% YoY driven by 4G/LTE launch
- EBITDA margin decreased 6 pp YoY due to decline in voice revenues partially offset by cost efficiencies
Tajikistan: outperformed a challenging market

**Service revenue**

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>3Q15</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>33</td>
<td>35</td>
<td>28</td>
</tr>
</tbody>
</table>

-17.4% YoY

**Mobile customers**

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>(million)</td>
<td>1.3</td>
<td>1.2</td>
</tr>
</tbody>
</table>

-10% YoY

**EBITDA and EBITDA margin**

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>3Q15</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>12.8</td>
<td>72.7</td>
<td>17.4</td>
</tr>
</tbody>
</table>

+35.8% YoY

|        | 38.5% | 62.7% |

CAPEX excl. licenses and LTM CAPEX/revenue

<table>
<thead>
<tr>
<th></th>
<th>4Q14</th>
<th>4Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>4Q14</td>
<td>11.2</td>
<td>9.6</td>
</tr>
</tbody>
</table>

-15% YoY

|        | 12.0% | 13.0% |

-17.4% YoY

- Environment remains challenging with increasing competition and currency headwinds
- Continued improvements in network quality
- Service revenue decreased 17% due to lower incoming international traffic due to fewer migrants living abroad
- EBITDA grew 36% YoY due to lower international and local interconnect costs
Reduced net debt offset by FOREX impact on EBITDA

Net debt / EBITDA\(^1\)
(September 30, 2015)

Group: 1.3
Including Italy: 2.8

Net debt / EBITDA\(^1\)
(December 31, 2015)

Group: 1.4
Including Italy: 2.9

\(^1\) Underlying EBITDA
Debt maturity schedule

As at 31 December 2015, in USD billion

Group debt maturity schedule by Business Units

<table>
<thead>
<tr>
<th>Year</th>
<th>Russia</th>
<th>GTH</th>
<th>HQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>1.5</td>
<td>0.7</td>
<td>0.1</td>
</tr>
<tr>
<td>2017</td>
<td>2.6</td>
<td>1.5</td>
<td>0.1</td>
</tr>
<tr>
<td>2018</td>
<td>1.1</td>
<td>0.6</td>
<td>0.1</td>
</tr>
<tr>
<td>2019</td>
<td>1.2</td>
<td>1.0</td>
<td>0.1</td>
</tr>
<tr>
<td>2020</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>2021</td>
<td>0.7</td>
<td>0.7</td>
<td>0.1</td>
</tr>
<tr>
<td>2022</td>
<td>1.3</td>
<td>1.3</td>
<td>0.7</td>
</tr>
<tr>
<td>&gt;2022</td>
<td>1.0</td>
<td>1.0</td>
<td>0.7</td>
</tr>
</tbody>
</table>

Group debt maturity schedule by currency¹

<table>
<thead>
<tr>
<th>Year</th>
<th>USD</th>
<th>RUB</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>0.7</td>
<td>0.5</td>
<td>0.4</td>
</tr>
<tr>
<td>2017</td>
<td>1.5</td>
<td>0.9</td>
<td>0.2</td>
</tr>
<tr>
<td>2018</td>
<td>0.6</td>
<td>0.3</td>
<td>0.2</td>
</tr>
<tr>
<td>2019</td>
<td>1.0</td>
<td>0.0</td>
<td>0.2</td>
</tr>
<tr>
<td>2020</td>
<td>0.1</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>2021</td>
<td>0.7</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>2022</td>
<td>1.3</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>&gt;2022</td>
<td>1.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

¹ After effect of cross currency swaps
## Debt by entity

As at 31 December 2015, USD million

<table>
<thead>
<tr>
<th>Entity</th>
<th>Bonds</th>
<th>Loans</th>
<th>RCF</th>
<th>Vendor Financing</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>VimpelCom Holdings B.V.</td>
<td>3,347</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,347</td>
</tr>
<tr>
<td>VimpelCom Amsterdam B.V.</td>
<td>-</td>
<td>1,000</td>
<td>-</td>
<td>638</td>
<td>-</td>
<td>1,638</td>
</tr>
<tr>
<td>PJSC VimpelCom</td>
<td>2,229</td>
<td>832</td>
<td>-</td>
<td>114</td>
<td>41</td>
<td>3,216</td>
</tr>
<tr>
<td>Pakistan Mobile Communications Limited</td>
<td>75</td>
<td>309</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>384</td>
</tr>
<tr>
<td>Banglalink Digital Communications Ltd.</td>
<td>300</td>
<td>85</td>
<td>-</td>
<td>-</td>
<td>19</td>
<td>404</td>
</tr>
<tr>
<td>Omnium Telecom Algeria S.p.A.</td>
<td>-</td>
<td>514</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>514</td>
</tr>
<tr>
<td>KaR-Tel LLP</td>
<td>-</td>
<td>12</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>12</td>
</tr>
<tr>
<td>Others</td>
<td>-</td>
<td>19</td>
<td>-</td>
<td>9</td>
<td>0</td>
<td>29</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,952</td>
<td>2,771</td>
<td>-</td>
<td>761</td>
<td>60</td>
<td>9,544</td>
</tr>
</tbody>
</table>
## 4Q15 cash flow statement

<table>
<thead>
<tr>
<th>USD million</th>
<th>4Q15</th>
<th>4Q14</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>793</td>
<td>1,074</td>
<td>(281)</td>
</tr>
<tr>
<td>Changes in working capital and other</td>
<td>(62)</td>
<td>122</td>
<td>(184)</td>
</tr>
<tr>
<td>Net interest paid</td>
<td>(120)</td>
<td>(172)</td>
<td>52</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>(126)</td>
<td>(108)</td>
<td>(18 )</td>
</tr>
<tr>
<td>Net operating cash flow from discontinued operations</td>
<td>422</td>
<td>482</td>
<td>(60 )</td>
</tr>
<tr>
<td><strong>Net cash from operating activities</strong></td>
<td>907</td>
<td>1,398</td>
<td>(491)</td>
</tr>
<tr>
<td>Net investing cash flow from continued operations</td>
<td>(674)</td>
<td>(580)</td>
<td>(94)</td>
</tr>
<tr>
<td>Net investing cash flow from discontinued operations</td>
<td>(275)</td>
<td>(326)</td>
<td>51</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td>(949)</td>
<td>(906)</td>
<td>(43)</td>
</tr>
<tr>
<td>Net financing cash flow from continued operations</td>
<td>(97)</td>
<td>368</td>
<td>(465)</td>
</tr>
<tr>
<td>Net financing cash flow from discontinued operations</td>
<td>(3)</td>
<td>(109)</td>
<td>106</td>
</tr>
<tr>
<td><strong>Net cash flow from financing activities</strong></td>
<td>(100)</td>
<td>259</td>
<td>(359)</td>
</tr>
<tr>
<td><strong>Net (decrease)/increase in cash and cash equivalents</strong></td>
<td>(142)</td>
<td>752</td>
<td>(894)</td>
</tr>
</tbody>
</table>
# 2015 Cash Flow Statement

<table>
<thead>
<tr>
<th>USD million</th>
<th>FY15</th>
<th>FY14</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>2,857</td>
<td>5,560</td>
<td>(2,703)</td>
</tr>
<tr>
<td>Changes in working capital and other</td>
<td>(324)</td>
<td>451</td>
<td>(775)</td>
</tr>
<tr>
<td>Net interest paid</td>
<td>(758)</td>
<td>(956)</td>
<td>198</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>(671)</td>
<td>(442)</td>
<td>(229)</td>
</tr>
<tr>
<td>Net operating cash flow from discontinued operations</td>
<td>929</td>
<td>666</td>
<td>263</td>
</tr>
<tr>
<td><strong>Net cash from operating activities</strong></td>
<td>2,033</td>
<td>5,279</td>
<td>(3,246)</td>
</tr>
<tr>
<td>Net investing cash flow from continued operations</td>
<td>(2,494)</td>
<td>(2,993)</td>
<td>499</td>
</tr>
<tr>
<td>Net investing cash flow from discontinued operations</td>
<td>(140)</td>
<td>(984)</td>
<td>844</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td>(2,634)</td>
<td>(3,977)</td>
<td>1,343</td>
</tr>
<tr>
<td>Net financing cash flow from continued operations</td>
<td>(732)</td>
<td>2,007</td>
<td>(2,739)</td>
</tr>
<tr>
<td>Net financing cash flow from discontinued operations</td>
<td>(707)</td>
<td>(678)</td>
<td>(29)</td>
</tr>
<tr>
<td><strong>Net cash flow from financing activities</strong></td>
<td>(1,439)</td>
<td>1,329</td>
<td>(2,768)</td>
</tr>
<tr>
<td><strong>Net (decrease)/increase in cash and cash equivalents</strong></td>
<td>(2,040)</td>
<td>2,631</td>
<td>(4,671)</td>
</tr>
</tbody>
</table>
## FOREX development

### Rates of functional currency to USD

<table>
<thead>
<tr>
<th>Currency</th>
<th>4Q15</th>
<th>4Q14</th>
<th>YoY</th>
<th>FY16 Targets</th>
<th>FY15</th>
<th>FY14</th>
<th>YoY</th>
<th>FY15</th>
<th>FY14</th>
<th>YoY</th>
<th>FY15</th>
<th>FY14</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russian Ruble</td>
<td>65.94</td>
<td>47.42</td>
<td>39.0%</td>
<td>70.00</td>
<td>60.96</td>
<td>38.42</td>
<td>58.7%</td>
<td>70.00</td>
<td>60.96</td>
<td>38.42</td>
<td>58.7%</td>
<td>72.88</td>
<td>66.24</td>
</tr>
<tr>
<td>Euro</td>
<td>0.91</td>
<td>0.80</td>
<td>14.1%</td>
<td>0.88</td>
<td>0.90</td>
<td>0.75</td>
<td>19.5%</td>
<td>0.88</td>
<td>0.90</td>
<td>0.75</td>
<td>19.5%</td>
<td>0.92</td>
<td>0.89</td>
</tr>
<tr>
<td>Algerian Dinar</td>
<td>106.81</td>
<td>85.11</td>
<td>25.5%</td>
<td>100.00</td>
<td>100.37</td>
<td>80.61</td>
<td>24.5%</td>
<td>100.00</td>
<td>100.37</td>
<td>80.61</td>
<td>24.5%</td>
<td>107.10</td>
<td>106.21</td>
</tr>
<tr>
<td>Pakistan Rupee</td>
<td>104.94</td>
<td>101.89</td>
<td>3.0%</td>
<td>105.00</td>
<td>102.75</td>
<td>101.03</td>
<td>1.7%</td>
<td>105.00</td>
<td>102.75</td>
<td>101.03</td>
<td>1.7%</td>
<td>104.73</td>
<td>104.46</td>
</tr>
<tr>
<td>Bangladeshi Taka</td>
<td>78.46</td>
<td>77.52</td>
<td>1.2%</td>
<td>79.00</td>
<td>77.96</td>
<td>77.55</td>
<td>0.5%</td>
<td>79.00</td>
<td>77.96</td>
<td>77.55</td>
<td>0.5%</td>
<td>78.25</td>
<td>77.78</td>
</tr>
<tr>
<td>Ukrainian Hryvnia</td>
<td>22.85</td>
<td>14.43</td>
<td>58.3%</td>
<td>25.00</td>
<td>21.83</td>
<td>11.91</td>
<td>83.3%</td>
<td>25.00</td>
<td>21.83</td>
<td>11.91</td>
<td>83.3%</td>
<td>24.00</td>
<td>21.53</td>
</tr>
<tr>
<td>Kazakh Tenge</td>
<td>300.44</td>
<td>181.39</td>
<td>65.6%</td>
<td>350.00</td>
<td>222.25</td>
<td>179.12</td>
<td>24.1%</td>
<td>350.00</td>
<td>222.25</td>
<td>179.12</td>
<td>24.1%</td>
<td>339.47</td>
<td>270.40</td>
</tr>
<tr>
<td>Uzbekistan Som</td>
<td>2,712.0</td>
<td>2,393.5</td>
<td>13.3%</td>
<td>2,840.0</td>
<td>2,568.7</td>
<td>2,311.5</td>
<td>11.1%</td>
<td>2,840.0</td>
<td>2,568.7</td>
<td>2,311.5</td>
<td>11.1%</td>
<td>2,810.0</td>
<td>2,621.0</td>
</tr>
<tr>
<td>Armenian Dram</td>
<td>478.50</td>
<td>430.64</td>
<td>11.1%</td>
<td>480.00</td>
<td>477.82</td>
<td>415.75</td>
<td>14.9%</td>
<td>480.00</td>
<td>477.82</td>
<td>415.75</td>
<td>14.9%</td>
<td>483.75</td>
<td>473.71</td>
</tr>
<tr>
<td>Kyrgyz Som</td>
<td>72.25</td>
<td>56.99</td>
<td>26.8%</td>
<td>70.00</td>
<td>64.48</td>
<td>53.66</td>
<td>20.2%</td>
<td>70.00</td>
<td>64.48</td>
<td>53.66</td>
<td>20.2%</td>
<td>75.90</td>
<td>68.84</td>
</tr>
<tr>
<td>Georgian Lari</td>
<td>2.40</td>
<td>1.81</td>
<td>32.8%</td>
<td>2.25</td>
<td>2.27</td>
<td>1.77</td>
<td>28.6%</td>
<td>2.25</td>
<td>2.27</td>
<td>1.77</td>
<td>28.6%</td>
<td>2.39</td>
<td>2.38</td>
</tr>
</tbody>
</table>

*Source: National Banks of the respective countries, Company calculations*
## Reconciliation of EBITDA

<table>
<thead>
<tr>
<th></th>
<th>4Q15</th>
<th>4Q14</th>
<th>FY15</th>
<th>FY14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unaudited</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>793</td>
<td>1,074</td>
<td>2,857</td>
<td>5,560</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(363)</td>
<td>(421)</td>
<td>(1,550)</td>
<td>(1,996)</td>
</tr>
<tr>
<td>Amortization</td>
<td>(129)</td>
<td>(131)</td>
<td>(517)</td>
<td>(647)</td>
</tr>
<tr>
<td>Impairment loss</td>
<td>(136)</td>
<td>(1,037)</td>
<td>(245)</td>
<td>(976)</td>
</tr>
<tr>
<td>Loss on disposals of non-current assets</td>
<td>(16)</td>
<td>(21)</td>
<td>(38)</td>
<td>(68)</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>148</td>
<td>(536)</td>
<td>506</td>
<td>1,873</td>
</tr>
<tr>
<td>Financial Income and Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- including finance income</td>
<td>(184)</td>
<td>(114)</td>
<td>(777)</td>
<td>(1,025)</td>
</tr>
<tr>
<td>- including finance costs</td>
<td>(201)</td>
<td>(225)</td>
<td>(829)</td>
<td>(1,077)</td>
</tr>
<tr>
<td>Net foreign exchange (loss)/gain and others</td>
<td>(64)</td>
<td>(282)</td>
<td>(343)</td>
<td>(472)</td>
</tr>
<tr>
<td>- including Other non-operating (losses)/gains</td>
<td>(12)</td>
<td>145</td>
<td>(43)</td>
<td>122</td>
</tr>
<tr>
<td>- including Shares of loss of associates and joint ventures accounted for using the equity method</td>
<td>1</td>
<td>4</td>
<td>14</td>
<td>(38)</td>
</tr>
<tr>
<td>- including Net foreign exchange gain</td>
<td>(54)</td>
<td>(325)</td>
<td>(314)</td>
<td>(556)</td>
</tr>
<tr>
<td><strong>EBT</strong></td>
<td>(100)</td>
<td>(933)</td>
<td>(613)</td>
<td>375</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>90</td>
<td>34</td>
<td>238</td>
<td>599</td>
</tr>
<tr>
<td>Profit/ (loss) from discontinued operations</td>
<td>252</td>
<td>(90)</td>
<td>263</td>
<td>(679)</td>
</tr>
<tr>
<td>Profit/(loss) for the year</td>
<td>62</td>
<td>(1,057)</td>
<td>(589)</td>
<td>(903)</td>
</tr>
<tr>
<td>Profit/(loss) for the year attributable to non-controlling interest</td>
<td>41</td>
<td>(166)</td>
<td>103</td>
<td>(256)</td>
</tr>
<tr>
<td>Profit for the year attributable to the owners of the parent</td>
<td>21</td>
<td>(890)</td>
<td>(691)</td>
<td>(647)</td>
</tr>
</tbody>
</table>
Reconciliation of consolidated net debt

<table>
<thead>
<tr>
<th>USD mln</th>
<th>31 December 2015</th>
<th>30 September 2015</th>
<th>31 December 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net debt</td>
<td>5,496</td>
<td>5,437</td>
<td>19,992</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>3,614</td>
<td>3,930</td>
<td>6,342</td>
</tr>
<tr>
<td>Long-term and short-term deposits</td>
<td>434</td>
<td>375</td>
<td>109</td>
</tr>
<tr>
<td>Gross debt</td>
<td>9,544</td>
<td>9,742</td>
<td>26,443</td>
</tr>
<tr>
<td>Interest accrued related to financial liabilities</td>
<td>180</td>
<td>127</td>
<td>410</td>
</tr>
<tr>
<td>Fair value adjustment</td>
<td>-</td>
<td>-</td>
<td>29</td>
</tr>
<tr>
<td>Other unamortised adjustments to financial liabilities (fees, discounts etc.)</td>
<td>60</td>
<td>58</td>
<td>(106)</td>
</tr>
<tr>
<td>Derivatives not designated as hedges</td>
<td>0</td>
<td>3</td>
<td>259</td>
</tr>
<tr>
<td>Derivatives designated as hedges</td>
<td>5</td>
<td>2</td>
<td>89</td>
</tr>
<tr>
<td>Total other financial liabilities</td>
<td>9,788</td>
<td>9,932</td>
<td>27,124</td>
</tr>
</tbody>
</table>