

## VIMPELCOM DELIVERS PROFITABLE GROWTH AND STRONG INCREASE IN CASH FLOW IN 4Q12 AND FY12

### KEY RESULTS AND DEVELOPMENTS IN 2012\*

- Revenues of USD 6.0 billion; organic<sup>1)</sup> growth of 3% YoY
- EBITDA of USD 2.4 billion, up 13% YoY organically
- EBITDA margin increased 3.3 p.p. YoY to 41.1%
- Q4**
  - Total mobile subscriber base grew 5% YoY to 214 million
  - Net income increased to USD 801 million
  - Net Cash from Operating Activities up 24% YoY to USD 2.3 billion

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- Revenues of USD 23.1 billion; organic growth of 4% YoY
- EBITDA of USD 9.8 billion, up 8% YoY organically
- FY**
  - EBITDA margin increased 1.8 p.p. YoY to 42.4%
  - Net income increased to USD 2.1 billion
  - Net Cash from Operating Activities up 19% YoY to USD 7.3 billion

**Amsterdam (March 6, 2013)** - “VimpelCom Ltd” (“VimpelCom”, “Company” or “Group”) (NYSE: VIP), a leading global provider of telecommunications services, today announced operating and financial results for the quarter and full year ended December 31, 2012.

### JO LUNDER, CHIEF EXECUTIVE OFFICER COMMENTS:

“I am very pleased to report strong performances from all of our Business Units in the fourth quarter of 2012. Russia delivered a 4% increase in revenue year-on-year with mobile ARPU up 5%, stimulated by usage and Value Added Services growth with mobile data revenues up 37%. EBITDA in Russia increased 15% as a result of the revenue improvement and strong execution on our operational excellence programs. In Italy, we have again outperformed the market, strengthening our market position in both the mobile and fixed-line segments. Excluding the impact of mobile termination rate cuts, mobile service revenues were up 2% year-on-year, with mobile internet revenues growing 37%. In Africa & Asia, we experienced strong increases in subscribers leading to organic revenue growth of 11%. We have made good progress on the transition to bundled tariff plans in Ukraine, resulting in a return to growth, while at the same time increased our subscriber numbers by 5%. Finally, our CIS business continued to deliver double digit revenue and EBITDA growth. The Group EBITDA margin in 4Q12 rose to 41.1%. Our 2012 results, with clear operational improvements, demonstrate our ability to deliver on our strategy and objectives. In 2013 we expect to deliver results in line with our enhanced Value Agenda objectives for 2013-2015.”

### CONSOLIDATED FINANCIAL AND OPERATING HIGHLIGHTS (FY11 IS PRO FORMA)\*

USD mln	4Q12	4Q11	Reported YoY	Organic YoY	FY12	FY11	Reported YoY	Organic YoY
Net operating revenues	5,950	5,889	1%	+3%	23,061	23,477	-2%	+4%
EBITDA	2,446	2,227	10%	+13%	9,768	9,525	3%	+8%
EBITDA margin	41.1%	37.8%	-	-	42.4%	40.6%	-	-
EBIT	709	214	241%	-	4,171	3,175	31%	-
Net income	801	(381)	n.m.	-	2,145	525	309%	-
Capital expenditures**	1,631	3,734	-56%	-	4,120	6,683	-38%	-
Net cash from operating activities	2,301	1,858	24%	-	7,257	-	-	-
Net debt / LTM EBITDA	2.2	2.6	-	-	2.2	2.6	-	-
Total mobile subscribers (millions)***	214	204	5%	-	214	204	5%	-

\* Comparative FY11 figures are Pro forma - for pro forma definition see next page.

\*\* Including licenses of USD 1.8 billion in 4Q11 & FY11 and USD 0.1 billion in FY12

\*\*\* Following the sale of Vietnam the subscriber numbers for 4Q12 exclude the Vietnam subscriber numbers while 4Q11 included 2 million subs in Vietnam. For all other definitions see Attachment E.

1) Organic revenue and EBITDA growth are non-GAAP financial measures that exclude the effect of foreign currency movements and certain items like liquidations and disposals. A reconciliation of organic to reported Revenue and EBITDA growth can be found on page 2. For more information please see the definition of Organic growth Revenue and EBITDA in Attachment E.

## CONSOLIDATED FINANCIAL AND OPERATING HIGHLIGHTS (ACTUAL REPORTED)

USD mln	FY12	FY11	Reported YoY
Net operating revenues	23,061	20,262	14%
EBITDA	9,768	8,256	18%
EBITDA margin	42.4%	40.7%	-
EBIT	4,171	2,854	46%
Net income attributable to VimpelCom Ltd.	2,145	543	295%
Capital expenditures	4,120	6,349	-35%
Net cash from operating activities	7,257	6,106	19%
Net debt / LTM EBITDA	2.2	2.6	-
Total mobile subscribers (millions)	214	204	5%

## ORGANIC GROWTH REVENUE AND EBITDA (FY11 IS PRO FORMA)

USD mln	4Q12 versus 4Q11						FY12 versus FY11					
	Revenue			EBITDA			Revenue			EBITDA		
	Organic	FX and others	Reported	Organic	FX and others	Reported	Organic	FX and others	Reported	Organic	FX and Others	Reported
<b>Business Units</b>												
Russia	4%	0%	4%	15%	1%	16%	7%	-6%	1%	13%	-6%	7%
Europe & NA	-4%	-4%	-8%	-4%	-2%	-6%	-3%	-7%	-10%	-3%	-7%	-10%
Africa & Asia	11%	-9%	2%	36%	-3%	33%	9%	-9%	0%	15%	-4%	11%
Ukraine	4%	0%	4%	9%	0%	9%	2%	0%	2%	-1%	-1%	-2%
CIS	21%	-5%	16%	45%	-8%	37%	15%	-5%	10%	22%	-6%	16%
<b>Total</b>	<b>3%</b>	<b>-2%</b>	<b>1%</b>	<b>13%</b>	<b>-3%</b>	<b>10%</b>	<b>4%</b>	<b>-6%</b>	<b>-2%</b>	<b>8%</b>	<b>-5%</b>	<b>3%</b>

### PRESENTATION OF FINANCIAL RESULTS

Actual twelve months 2011 results reflect the consolidation of Wind Telecom as of April 15, 2011. The Company believes pro forma of FY11 results versus FY12 actual reported results provide the most meaningful comparison of financial performance. For further details about the presentation of the adjustments and assumptions of our pro forma results, please refer to VimpelCom's press release issued on August 18, 2011 and May 14, 2012 both which are available on the Company's website.

The pro forma full year 2011 information presented in this press release reflects what the Company's results of operations would have looked like had the Company's transactions with Wind Telecom occurred on January 1, 2011.

VimpelCom Ltd. consolidated results presented in this earnings release are based on IFRS and have not been audited. The full year 2012 audited financial results under IFRS will be published when the Company files its annual report on Form 20-F for the year ended December 31, 2012.

Certain amounts and percentages that appear in this earnings release have been subject to rounding adjustments. As a result, certain numerical figures shown as totals, including in tables, may not be exact arithmetic aggregations of the figures that precede or follow them.

## STRATEGIC UPDATE

- **Enhanced Value Agenda for 2013-2015 announced highlighting medium-term objectives**
- **Successful issuance of USD 2.0 billion Eurobonds for debt refinancing**
- **AGM elected new Supervisory Board**
- **Acquisition of 0.1% in Euroset, increasing total stake to 50.0%**
- **Paid final dividend 2011 and interim dividend 2012 of in total USD 1.3 billion**

In January, VimpelCom hosted its second annual Analyst & Investor Day in London, where the Company presented its enhanced business strategy, the Value Agenda 2013-2015. This Value Agenda, which is focused on increasing Net Cash from Operating Activities, has four main pillars: Profitable Growth, Customer Excellence, Operational Excellence and Capital Efficiency.

VimpelCom's objectives\* for the period 2013 - 2015 are:

- Revenue and EBITDA CAGR of around mid-single digit;
- Net Debt/EBITDA below 2x in 2015; and
- CAPEX/Revenues, excl. licenses, below 15% in 2015.

As a result of the execution of the Value Agenda the Company indicated its intention to have annual cash flow improvements of USD 2 billion from operations and of between USD 0.6 billion and USD 0.9 billion from finance optimization by the end of 2015.

In December 2012, Altimo delivered a notice to VimpelCom that it intends to convert 128,532,000 Convertible Preferred Shares into Common Shares at a ratio of one Convertible Preferred Share for one Common Share. Altimo set the conversion date for April 16, 2013 and the conversion premium to be paid by Altimo to the Company upon conversion is USD 10.835 per Convertible Preferred Share. Based on this conversion premium, the Company will receive approximately USD 1.4 billion from Altimo for the conversion. Altimo's voting percentage will remain 47.9%, while its economic interest in the Company will increase from 52.7% to 56.2%.

VimpelCom held its Annual General Meeting of Shareholders (AGM) in Amsterdam in December 2012. The AGM approved that the Supervisory Board will continue to consist of nine directors, four nominated by Altimo, three nominated by Telenor and two independent directors. In addition, the Supervisory Board unanimously elected Alexey Reznikovich as its Chairman. As announced yesterday, the Company will have its AGM 2013 on April 24, 2013.

In December 2012, VimpelCom increased its stake in Russian mobile retailer Euroset to 50.0% by acquiring 0.1% of the shares of Euroset. As a result, VimpelCom and Lefbord, a company owned by Megafon and Garsdale Services Investment, have equal economic and governance rights in Euroset. VimpelCom will continue to account for Euroset using the equity method.

Also in December 2012, VimpelCom signed a USD 500 million bilateral credit facility with China Development Bank for financing equipment and services from Huawei. The Facility has a tenor of 8 years and is to date undrawn. In February 2013, VimpelCom completed approximately USD 2 billion in debt refinancing, by issuing 6-year USD 600 million 5.20% guaranteed notes, 10-year USD 1.0 billion 5.95% guaranteed notes and 5-year RUB 12.0 billion 9.0% guaranteed notes. The proceeds will be used for the repayment of maturing debt in VimpelCom and general corporate purposes. The coupon on the USD notes was the lowest coupon in VimpelCom's history. Additionally, the RUB denominated Eurobonds represent the first such issuance by a non-financial services or non-state-owned company. Following the recent debt refinancing, VimpelCom has secured its refinancing requirements into 2014.

The Company announced a final dividend 2011 of USD 0.35 per common share and an interim dividend 2012 of USD 0.45 per common share in December 2012, which has been paid in January 2013 for a total amount of USD 1.3 billion. The dividend guideline of USD 0.80 per common share, assuming 1,628 million common shares are issued and outstanding, is currently under review following the aforementioned intended conversion of Convertible Preferred Shares by Altimo. The Company expects a decision on the dividend policy by the Supervisory Board in 2Q13. The Company also expects to announce the final dividend 2012 and a possible extra-ordinary dividend related to proceeds of a conversion in 2Q13.

The Company recently announced the appointment of Ziad Shatara to the position of CEO of banglalink in Bangladesh and of Taras Parkhomenko as CEO of VimpelCom's operating company in Kazakhstan.

VimpelCom's 51.9%-owned subsidiary Orascom Telecom Holding ("OTH") took steps to increase its stake in WIND Mobile in Canada to 100%, subject to Canadian regulatory approvals.

Finally, negotiations with the Algerian Government are still progressing and the Company aims to reach a mutually beneficial resolution.

\* The above objectives assume constant currency exchange rates, no major regulatory changes, current asset portfolio mix and a stable macroeconomic environment.

## VIMPELCOM GROUP – FINANCIAL AND OPERATING RESULTS 4Q12

- Organic revenue growth of 3% YoY; revenues of USD 6.0 billion
- EBITDA growth of 13% YoY on an organic basis, reaching USD 2.4 billion
- Total mobile subscriber base grew by 5% YoY to 214 million
- Net cash from operating activities increased 24% YoY to USD 2.3 billion
- CAPEX of USD 1.6 billion
- Net debt / LTM EBITDA was 2.2 at end 4Q12

### OPERATING PERFORMANCE OVERVIEW 4Q12

4Q12 results were strong on an organic basis, but in USD terms the results were significantly impacted by the YoY appreciation of the USD against the local currencies in most of VimpelCom's operating businesses. The organic development is highlighted below.

The total mobile subscriber base increased 5% YoY to 214 million by the end of the fourth quarter. The largest absolute contribution came from accelerated growth in subscribers in the Africa & Asia Business Unit and a large increase in subscribers in the CIS Business Unit from growth in Uzbekistan. The Company also achieved solid growth in fixed and mobile broadband subscribers in Russia, Italy and Ukraine.

In **Russia**, the Company continued the positive trend of the first nine months of the year, delivering organic revenue growth of 4% YoY. Mobile broadband subscribers in Russia increased 5% YoY to 2.7 million and fixed broadband subscribers grew 15% YoY to 2.4 million.

In **Italy**, the Company continued to outperform the broader Italian, highly competitive telecom market in the fourth quarter, in a highly competitive environment. VimpelCom strengthened its market position in Italy in both mobile and

fixed-line, increasing its market share in both segments. The fixed broadband subscriber base increased 4% YoY to more than 2.2 million. Mobile broadband consumer subscribers grew 24% YoY.

In the **Africa & Asia** Business Unit, the Company exceeded the 85 million subscribers mark, an increase of 8% YoY, through strong subscriber growth in most of its operations. Solid performance across the main operations, Algeria, Pakistan and Bangladesh, led to organic revenue growth of 11% YoY.

The **Ukraine** Business Unit continued to solidify its market position in the mobile segment through the ongoing transition to bundled tariff plans. The transition is showing good results with mobile total operating revenues returning to growth. Mobile subscribers increased by 5% YoY to 26.0 million.

The **CIS** Business Unit delivered double digit organic revenue growth, mainly resulting from a temporary decrease in competition in Uzbekistan. The Company continues to face particularly strong competition in Kazakhstan, but also in Armenia and Tajikistan.

### OPERATING FINANCIALS PER BUSINESS UNIT (FY11 IS PRO FORMA)

USD mln	4Q12	4Q11	Reported YoY	Organic YoY	FY12	FY11	Reported YoY	Organic YoY
<b>Net operating revenues</b>	<b>5,950</b>	<b>5,889</b>	<b>1%</b>	<b>3%</b>	<b>23,061</b>	<b>23,477</b>	<b>-2%</b>	<b>4%</b>
of which:								
BU Russia	2,371	2,274	4%	4%	9,190	9,064	1%	7%
BU Europe & North America	1,778	1,924	-8%	-4%	6,982	7,771	-10%	-3%
BU Africa & Asia	937	922	2%	11%	3,721	3,719	0%	9%
BU Ukraine	432	417	4%	4%	1,676	1,641	2%	2%
BU CIS	488	419	16%	21%	1,755	1,589	10%	15%
Other	(56)	(67)	-	-	(263)	(307)	-	-
<b>EBITDA</b>	<b>2,446</b>	<b>2,227</b>	<b>10%</b>	<b>13%</b>	<b>9,768</b>	<b>9,525</b>	<b>3%</b>	<b>8%</b>
of which:								
BU Russia	978	844	16%	15%	3,878	3,641	7%	13%
BU Europe & North America	674	718	-6%	-4%	2,658	2,952	-10%	-3%
BU Africa & Asia	426	321	33%	36%	1,741	1,566	11%	15%
BU Ukraine	227	209	9%	9%	859	873	-2%	-1%
BU CIS	235	171	37%	45%	813	703	16%	22%
Other	(94)	(36)	-	-	(181)	(210)	-	-
<b>EBITDA margin</b>	<b>41.1%</b>	<b>37.8%</b>	-	-	<b>42.4%</b>	<b>40.6%</b>	-	-
<b>CAPEX</b>	<b>1,631</b>	<b>3,734</b>	<b>-56%</b>	-	<b>4,120</b>	<b>6,683</b>	<b>-38%</b>	-

## FINANCIAL PERFORMANCE OVERVIEW 4Q12

Total operating **revenues** in the fourth quarter of 2012 increased by 1% YoY impacted by unfavorable currency movements. Organic revenue growth was 3%, with solid performance across most Business Units.

**EBITDA** increased 10% YoY, also impacted by unfavorable currency movements. Excluding these forex effects, EBITDA increased 13% compared to 4Q11. In addition to the focus on operational excellence throughout the businesses, EBITDA in 4Q11 included certain one-off charges, including provisions for HR costs in Russia, Africa & Asia and Ukraine and inventory write-offs in Russia. In addition, 4Q11 included a provision in Africa & Asia for a corporate contingent liability and costs associated with the demerger of OTMT. These combined effects resulted in a more favorable comparison for 4Q12.

Strong EBITDA organic growth YoY was seen in the Russia, Africa & Asia, Ukraine and CIS Business Units, up 15%, 36%, 9% and 45%, respectively. The strong increase in Africa & Asia is also driven by the doubling of the EBITDA in Bangladesh as a result of significantly lower commercial opex in 4Q12, while in 4Q11 banglalink recorded very high customer acquisition costs. Italy showed an EBITDA decline of 4% YoY in local currency, mainly due to the MTR cut in July 2012. Net of the MTR cut, EBITDA would have increased by 2% YoY, supported by cost efficiency measures.

**EBIT** in 4Q12 grew by 231% compared to 4Q11. The 4Q11 results were negatively impacted by impairments for a total of USD 527 million and the impact of the Purchase-Price Allocation related to the acquisition of Wind Telecom in addition to the one-offs mentioned above. EBIT in 4Q12 was positively affected by the declining amortization schedule applied to intangible assets as part of the Wind Telecom acquisition. EBIT in 4Q12 was also impacted by negative forex and an impairment of OTH's shareholder loan to WIND Mobile Canada of USD 328 million, following a detailed business plan review.

Excluding these combined effects for 4Q11 and 4Q12, EBIT would have grown by 24%.

**Profit before tax** increased to USD 764 million, compared to a loss of USD 559 million in the same period a year ago. This increase was primarily the result of a substantially higher EBIT and a Euroset fair value adjustment of USD 606 million, due to IFRS requirements, as a result of the acquisition of the additional 0.1%. Net foreign exchange loss was USD 30 million in 4Q12, while in 4Q11 there was a loss of USD 119 million.

**Net income** increased to USD 801 million compared to a net loss in 4Q11 of USD 381 million. The increase is mainly the result of the aforementioned increase in Profit before tax.

**CAPEX** was USD 1,631 million with investments in the further roll out of the mobile networks in Russia, Bangladesh and the CIS. In Italy, Wind continued to invest in the roll-out of HSPA+ and in backbone capacity to support the growth in data.

USD mln	Actual		
	4Q12	4Q11	YoY
<b>Total operating revenues</b>	<b>5,950</b>	<b>5,889</b>	<b>1%</b>
<b>EBITDA</b>	<b>2,446</b>	<b>2,227</b>	<b>10%</b>
<b>EBITDA margin</b>	<b>41.1%</b>	<b>37.8%</b>	-
<b>EBIT</b>	<b>709</b>	<b>214</b>	<b>231%</b>
Financial income and expenses	(484)	(467)	4%
Net foreign exchange (loss)/gain and others	539	(306)	n.m
<b>Profit before tax</b>	<b>764</b>	<b>(559)</b>	<b>n.m</b>
Income tax expense	(195)	(101)	93%
Profit for the period	569	(660)	n.m
<b>Net income</b>	<b>801</b>	<b>(381)</b>	<b>n.m</b>
Capital expenditures	1,631	3,734	-56%

## STATEMENT OF FINANCIAL POSITION & CASH FLOW (ACTUAL)

USD mln	4Q12	3Q12	QoQ	FY12	FY11	YoY
Total assets	55,360	53,490	3%	55,360	54,039	2%
Shareholders' equity	14,869	14,779	1%	14,869	14,037	6%
Gross debt	26,987	26,637	1%	26,987	26,733	1%
Net debt	21,971	22,681	-3%	21,971	24,230	-9%

  

	4Q12	4Q11	YoY	FY12	FY11	YoY
Net cash from operating activities	2,301	1,858	24%	7,257	6,106	19%
Net cash used (in)/from investing activities	(515)	(3,363)	-85%	(4,008)	(6,945)	-42%
Net cash used (in)/provided financing activities	(125)	691	n.m.	(587)	2,583	n.m.

Total assets in the quarter increased by 3% to USD 55.4 billion, primarily as a result of cash generation, investments in fixed assets and the positive impact of currency translation YoY. Gross debt increased marginally in the quarter to USD 27.0 billion, mainly due to foreign exchange movements. Net debt decreased to USD 22.0 billion, leading to a net debt to LTM EBITDA of 2.2x at the end of the fourth quarter.

Net cash from operating activities increased 24% YoY to USD 2.3 billion positively impacted by the increase in EBITDA and

improvement in working capital, partially offset by higher tax payments compared to the same period last year. The decrease in net cash used in investing activities compared to 3Q12 was mainly impacted by lower cash out for investments in property, equipment and intangible assets in 2012. The decrease in net cash used in financing activities in 4Q12 compared to 4Q11 was mainly the result of the net repayment of debt. Net cash from operating activities in FY12 is USD 7.3 billion, or 19% higher than in FY11.

### NON-CASH ITEMS IN 4Q12 AND FY12 IMPAIRMENTS

On a regular basis the Company performs an impairment test per cash generating unit. Following a detailed business plan review of Wind Mobile in Canada, the Company has recorded an impairment of USD 328 million.

### REVALUATIONS

As a result of the acquisition of the additional 0.1% in Euroset, the Company had to adjust the fair value of the previously held interest in Euroset by USD 606 million due to IFRS requirements.

## VIMPELCOM GROUP – FINANCIAL RESULTS FULL YEAR 2012

- Revenues reached USD 23.1 billion; organic growth of 4% YoY
- EBITDA of USD 9.8 billion, up 8% YoY organically
- EBITDA margin increased 1.8 p.p. YoY to 42.4%
- Net Income increased to USD 2.1 billion
- CAPEX excl. licenses of USD 4.0 billion leading to CAPEX/LTM Revenues of 17%
- Net cash from operating activities increased by 19% to USD 7.3 billion

### FULL YEAR 2012

On a pro forma basis, total operating revenues in 2012 decreased by 2% YoY. Overall organic revenue growth was 4%, with strong performance across all Business Units. In Russia, revenues increased by 1% in USD terms and 7% in local currency. In Italy, revenues in USD decreased by 10% and decreased in local currency by 3%, as a result of the sharp MTR cuts. Excluding MTR effect, net operating revenues improved by 5%. The Africa & Asia Business Unit reported organic revenue growth of 9% and had stable revenues in USD terms, while the Ukraine Business Unit delivered growth of 2% in both USD and in local currency. Lastly, the CIS Business Unit continued to achieve strong performance with a revenue increase of 15% organically, primarily as a result of the network closure of a competitor by the Uzbek authorities.

On a pro forma basis, EBITDA increased by 3% YoY. Strong organic EBITDA growth of 13% was seen in the Russia Business Unit, while EBITDA growth in the Africa & Asia and CIS Business Units were up 15% and 22%, respectively. In the Europe & North America Business Unit, EBITDA decreased 10% in USD terms and declined by 3% in local currency, mainly due to the impact of the MTR cuts. The Ukraine Business Unit EBITDA decreased by 1% in local currency and by 2% in USD terms.

CAPEX excluding licenses stood at USD 4.0 billion, with investments in the further roll out of the mobile networks in Russia, Bangladesh, Pakistan and the CIS. The CAPEX/LTM Revenues excluding licenses for FY12 is 17%. The Company expects FY13 CAPEX, excluding licenses, to be approximately 21% of revenue.

USD mln	Pro-forma			Actual		
	FY12	FY11	YoY	FY12	FY11	YoY
<b>Total operating revenues</b>	<b>23,061</b>	<b>23,477</b>	<b>-2%</b>	<b>23,061</b>	<b>20,262</b>	<b>14%</b>
<b>EBITDA</b>	<b>9,768</b>	<b>9,525</b>	<b>3%</b>	<b>9,768</b>	<b>8,256</b>	<b>18%</b>
<b>EBITDA margin</b>	<b>42.4%</b>	<b>40.6%</b>	<b>-</b>	<b>42.4%</b>	<b>40.7%</b>	<b>-</b>
<b>EBIT</b>	<b>4,171</b>	<b>3,175</b>	<b>31%</b>	<b>4,171</b>	<b>2,854</b>	<b>46%</b>
Financial income and expenses	(1,875)	(1,850)	1%	(1,875)	(1,467)	28%
Net foreign exchange (loss)/gain and others	592	(486)	n.m.	592	(533)	n.m.
<b>Profit before tax</b>	<b>2,888</b>	<b>839</b>	<b>244%</b>	<b>2,888</b>	<b>854</b>	<b>238%</b>
Income tax expense	(906)	(650)	39%	(906)	(585)	55%
Profit for the period	1,982	189	949%	1,982	269	637%
<b>Net income</b>	<b>2,145</b>	<b>525</b>	<b>309%</b>	<b>2,145</b>	<b>543</b>	<b>295%</b>
Capital expenditures*	4,120	6,683	-38%	4,120	6,349	-35%

\* Including licenses of USD 1.8 billion in 4Q11 & FY11 and USD 0.1 billion in FY12

### ORGANIC REVENUE AND EBITDA GROWTH FY12 VERSUS FY11 (FY 11 IS PRO FORMA)

USD mln	Revenue			EBITDA		
	Organic	FX and others	Reported	Organic	FX and others	Reported
<b>Business Units</b>						
Russia	7%	-6%	1%	13%	-6%	7%
Europe & NA	-3%	-7%	-10%	-3%	-7%	-10%
Africa & Asia	9%	-9%	0%	15%	-4%	11%
Ukraine	2%	0%	2%	-1%	-1%	-2%
CIS	15%	-5%	10%	22%	-6%	16%
<b>Total</b>	<b>4%</b>	<b>-6%</b>	<b>-2%</b>	<b>8%</b>	<b>-5%</b>	<b>3%</b>

## BUSINESS UNITS PERFORMANCE IN 4Q12

- Russia
- Europe & North America
- Africa & Asia
- Ukraine
- CIS





## BUSINESS UNIT RUSSIA – FINANCIAL AND OPERATING RESULTS

- **Positive operational trend of previous quarters continued in 4Q12**
- **Revenue growth of 4% YoY, supported by 37% increase YoY in mobile data revenues**
- **EBITDA increase of 15% YoY leading to EBITDA margin growth of 4.2 p.p. YoY to 41.3%**
- **Operational Excellence program delivered more than double of targeted RUB 5 billion annualized savings**

The Russian Business Unit continued the positive trend of the previous quarters, delivering profitable growth with a revenue increase of 4% YoY and EBITDA growing double digit YoY in 4Q12. The strong EBITDA YoY performance was partly the result of a relatively low comparable EBITDA in 4Q11, which was impacted by relatively high commercial and technical costs and one-offs of RUB 800 million in total, including a provision for HR costs and an inventory write-down. During 4Q12, VimpelCom continued its strong execution of its operational excellence program and realized more than double its initial target of RUB 5 billion in annualized savings in 2012.

The mobile subscriber base in Russia declined by 2% YoY to 56.1 million, but the impact on revenue was offset by an increase in ARPU of 5% YoY due to strong increase of mobile data revenues.

Mobile revenues grew by 4% YoY, driven by an increase in ARPU and strong equipment sales. Mobile data revenues increased by 37% YoY with revenues for small screens up by 52%.

Fixed-line revenue growth slowed to 0.4% YoY, mainly due to a decline in wholesale fixed-line voice revenues, while FTTB revenue recorded a strong growth of 24% YoY.

EBITDA margin in 4Q12 was 41.3%, an increase of 4.2 p.p. YoY. This includes the negative effect of forex changes in 4Q12, which impacted EBITDA margin by 0.2 p.p. Savings in commercial costs were among the biggest contributors to the EBITDA margin improvement, primarily driven by the shift to a revenue share model with distributors as part of the Operational Excellence program.

VimpelCom remains on track to deliver continued improvement in network quality to support the growth of mobile data. In 2012, VimpelCom significantly increased IP-zation to 48% from 11% at the start of the year and grew the number of node-Bs by 22%. Improving network quality continues to be the Company's focus with the aim to be on par with its peers in the key regions at the end of 2013. As a result of these efforts, the Company expects CAPEX/Revenues to increase to 22% in 2013.

### KEY DEVELOPMENTS 4Q12

- Total revenue in Russia grew by 4% YoY to RUB 73.6 billion driven by the increase in mobile revenues.
- Mobile revenues increased 4% YoY mainly as a result of growth in data revenue by 37% YoY, as well as in equipment revenues. Mobile ARPU increased by 5% YoY to RUB 343.
- Fixed-line revenue increased 0.4% YoY with continuing growth in fixed broadband revenues, up 23% YoY, offset by a 9% decline YoY in wholesale voice revenues.
- EBITDA increased by 15% YoY and EBITDA margin was 41.3%, an increase of 4.2 p.p. compared to 4Q11, mainly driven by the strong execution of the Operational Excellence program.
- Mobile subscriber base decreased by 2% YoY to 56.1 million; mobile broadband subscribers increased 5% YoY to 2.7 million. The fixed broadband subscriber base grew 15% YoY to 2.4 million.
- CAPEX/Revenues was 34% in 4Q12, in line with the network construction schedule. CAPEX/Revenues for FY12 stood at 18%.

## RUSSIA KEY INDICATORS

RUB mln	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Total operating revenues</b>	<b>73,637</b>	<b>71,022</b>	<b>4%</b>	<b>285,375</b>	<b>266,087</b>	<b>7%</b>
Total operating expenditures	43,259	44,664	-3%	164,897	159,407	3%
<b>EBITDA</b>	<b>30,378</b>	<b>26,358</b>	<b>15%</b>	<b>120,478</b>	<b>106,681</b>	<b>13%</b>
<b>EBITDA margin</b>	<b>41.3%</b>	<b>37.1%</b>		<b>42.2%</b>	<b>40.1%</b>	
CAPEX	25,076	25,318	-1%	50,699	59,795	-15%
CAPEX / Revenues	34%	36%		18%	22%	
<b>Mobile</b>						
Mobile total operating revenues	61,579	59,012	4%	236,922	221,534	7%
- of which mobile data	7,036	5,118	37%	24,330	17,604	38%
Mobile subscribers ('000)	56,110	57,224	-2%			
- of which mobile broadband ('000)	2,654	2,538	5%			
Mobile ARPU (RUB)	343	327	5%			
MOU (min)	290	259	12%			
<b>Fixed</b>						
Fixed-line total operating revenues	12,058	12,009	0%	48,453	44,554	9%
Fixed Broadband revenues	3,148	2,564	23%	11,719	8,676	35%
Fixed Broadband subscribers ('000)	2,378	2,073	15%			
Fixed Broadband ARPU (RUB)	445	432	3%			

## BUSINESS UNIT EUROPE & NA - FINANCIAL AND OPERATING RESULTS ITALY

- Continued relative outperformance of the market
- Total Revenues, excluding MTR impact, increasing 2% YoY
- EBITDA margin increased 0.1 p.p. YoY to 37.5%; MTR cut partially offset by cost efficiency
- EBITDA-CAPEX increased YoY in 4Q12 and FY12
- Strong Data revenue growth: Mobile Internet up 37%, messaging up 6%, fixed broadband up 5%
- 55% share of mobile net additions driven by positive MNP inflow balance

WIND posted a solid performance in 4Q12 with the strong commercial success of WIND's offerings offsetting the regulatory and macroeconomic challenges in the market. Despite the challenging context and the intense competitive environment, WIND was able to further strengthen its competitive position in the market.

Total revenues in 4Q12 declined 4% YoY mainly as a result of the 6% reduction in service revenues arising from the 53% cut in the mobile termination rate (MTR), which occurred in July, partially offset by a strong increase in handset sales driven by the success of WIND's "All Inclusive" mobile offerings and certain settlements with third parties. Excluding the impact from the MTR cut, total revenues grew 2% YoY with total service revenues up 1% YoY.

Mobile service revenues declined by 7% YoY due to the aforementioned MTR cut, net of which growth would have been 2% YoY. WIND's mobile subscriber base increased by 3% YoY due to strong net additions in the quarter, securing over 55% share of mobile network operator (MNO) net additions. The quarter was, however, characterized by a high churn rate due to an acceleration of MNP, but WIND managed to maintain a positive inflow balance.

In fixed-line, the results of the new strategy based on LLU focus and profitability, resulted in a slight decline in total subscribers. The decline in the overall customer base, coupled with a lower pay per use price and traffic driven by competitive pressure and economic slowdown, resulted in a 3% decline in fixed line service revenues, while the new strategy delivered a solid improvement in marginality.

In 4Q12, WIND continued to deliver strong performance in Data with Mobile Internet revenues growing 37%, messaging revenues up 6%, and fixed BB revenues increasing by 5%. The success of WIND's offerings in both fixed and mobile, under the "All Inclusive" umbrella proposition, was clearly demonstrated by the solid increase in mobile broadband subscribers, up 24% YoY, driven by the 23% increase in consumer small screen users which account for 66% of total consumer mobile internet revenues in 2012. Fixed broadband customers grow by 4%, mainly driven by the 6% increase in the more profitable LLU BB subscriber base.

EBITDA in 4Q12 declined by approximately 4% driven by the reduction in top-line, due to the MTR cut, partially offset by

structural cost saving initiatives implemented in the period. The EBITDA margin increased by 0.1 percentage point YoY. Excluding the impact from MTRs, underlying EBITDA grew 2% YoY. MTR reductions will also impact 2013 with a first cut having taken place in January 2013 and a final cut scheduled for July 2013. As part of the overall Cost Efficiency Project WIND launched its Network Transformation Project aimed at achieving OPEX savings of approximately EUR 40-45m per annum starting in 2013.

### KEY DEVELOPMENTS 4Q12

- Total revenues declined 4% YoY to EUR 1,369 million with an underlying increase, excluding MTR impact, of 2%.
- EBITDA in 4Q12 declined 4% to EUR 514 million, with a margin increase of 0.1 percentage points to 37.5%.
- CAPEX in 4Q12, excluding LTE spectrum, was EUR 326 million bringing FY 2012 total CAPEX to EUR 905 million.
- Mobile subscriber base increased 3% to over 21.6 million. Mobile broadband consumer subscribers grew 24% YoY.
- Mobile data ARPU increased by 8% to EUR 4.1 accounting for 30% of the total ARPU of EUR 13.7 declining 10% vs. 4Q11; the voice ARPU decline was due to the July MTR cut and competitive intensity, coupled with the ongoing success of WIND's data only SIM card offerings for tablets, PCs and dongles, which do not generate voice revenues.
- In fixed-line, WIND continued to focus on the direct market, achieving a 4% growth in voice LLU subscribers which reached 2.45 million. LLU customers now account for 79% of the overall fixed voice customer base of 3.11 million. In fixed broadband, the momentum remained strong, with subscribers growing by 4% to 2.21 million, driven by a 6% increase in LLU Broadband customers. Dual-play subscribers grew by 6% YoY reaching 1.85 million.
- Fixed-line ARPU decreased by 8% to EUR 30.7 in 4Q12 driven by the reduction of pay per use traffic and price decline resulting from competitive pressure. Broadband ARPU was stable YoY at EUR 19.1.

## ITALY KEY INDICATORS

Euro mln	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Total operating revenues</b>	<b>1,369</b>	<b>1,424</b>	<b>-3.9%</b>	<b>5,427</b>	<b>5,570</b>	<b>-3%</b>
Total operating expenditures	856	892	-4%	3,365	3,451	-2%
<b>EBITDA</b>	<b>514</b>	<b>533</b>	<b>-4%</b>	<b>2,062</b>	<b>2,120</b>	<b>-3%</b>
<b>EBITDA margin</b>	<b>37.5%</b>	<b>37.4%</b>		<b>38.0%</b>	<b>38.1%</b>	
CAPEX	342	1,533	-78%	1,000	2,139	-53%
CAPEX / Revenues	25%	108%		18%	38%	
<b>Mobile</b>						
Total revenues	1,001	1,037	-4%	3,958	4,073	-3%
Subscribers ('000)	21,650	21,014	3%	21,650	21,014	3%
- of which mobile broadband ('000) <sup>(1)</sup>	5,541	4,479	24%	5,541	4,479	24%
ARPU (€)	13.7	15.2	-10%	14.4	15.6	-8%
MOU (min)	212	205	3%	207	197	5%
<b>Fixed</b>						
Total revenues	369	387	-5%	1,469	1,497	-2%
Total voice subscribers ('000)	3,110	3,142	-1%	3,110	3,142	-1%
Total fixed-line ARPU (€)	30.7	33.2	-8%	31.2	33.2	-6%
Broadband subscribers ('000)	2,210	2,135	4%	2,210	2,135	4%
Broadband ARPU (€)	19.1	19.1	0%	18.8	19.3	-2%
Dual-play subscribers ('000)	1,848	1,743	6%	1,848	1,743	6%

(1) Mobile broadband includes consumer customers that have performed at least one mobile Internet event in the previous month on 2.5G/3G/3.5G

## CANADA

In 4Q12 Wind Mobile continued to strongly deliver on its "Value Plus" strategy, adding primarily postpaid subscribers, while carefully managing prepaid economics for both voice and mobile broadband customers. Wind Mobile became the fastest growing new entrant wireless operator in the Canadian market. The Company added over 80 thousand subscribers during the quarter, increasing its active subscriber base to 590 thousand, with over 70% of the net additions during the quarter being postpaid subscribers. On the commercial side, Wind Mobile enjoyed

a strong holiday season supported by a new media campaign and the launch of promotional offers. The Company continued to grow its distribution footprint and branded points of sale increased to 335 at the end of 2012. Wind Mobile also continued to expand its network and launched in Peterborough and Windsor in 4Q12, increasing its population coverage to over 14 million. The Company continues to focus on improving network quality and increased sites on air to 1,300 sites.

## CANADA KEY INDICATORS

Mobile	4Q12	4Q11	YoY	FY12	FY11	YoY
Subscribers ('000)	590	403	47%	590	403	47%
ARPU (CAD)	28.1	26.4	6%	27.8	27.0	3%

## BUSINESS UNIT AFRICA & ASIA – FINANCIAL AND OPERATING RESULTS

- Revenues reached USD 937 million, with organic growth of 11% YoY
- EBITDA increased to USD 426 million, with organic growth of 36% YoY
- EBITDA margin of 45.5%, supported by operational excellence and cost saving initiatives
- Subscriber base increased by 8% to more than 85 million

Revenues in the Africa & Asia Business Unit reached USD 937 million, with organic growth of 11% YoY. However, actual results in US dollar terms were adversely affected by local currency devaluation against the US dollar, mainly in Algeria and Pakistan. Revenue growth was driven by strong subscriber growth, an increase in APPM in Pakistan and Bangladesh, and further supported by growth in mobile data and Value-Added Services (VAS). EBITDA increased to USD 426 million, achieving an organic growth of 36% YoY, partially as a result of the ongoing operational excellence initiatives. The strong increase in Africa & Asia is also driven by the doubling of the EBITDA in Bangladesh as a result of significantly lower commercial opex (SIM tax subsidy) in 4Q12, while in 4Q11 banglalink recorded very high customer acquisition costs. In addition, EBITDA for 4Q11 was adversely affected by provisions for corporate contingent liabilities and costs associated with the demerger of OTMT.

### ALGERIA (“DJEZZY”)

During 4Q12, Djezzy was able to maintain its leadership position with a market share of 55%, growing its subscriber base by 8% YoY to 17.8 million customers. Revenues increased by 9% YoY in local currency terms, mainly due to the growth in the number of subscribers. Mobile data revenues grew by 12% YoY. EBITDA increased by 8% YoY in local currency terms. During the quarter, Djezzy celebrated its 10<sup>th</sup> anniversary.

### PAKISTAN (“MOBILINK”)

In 4Q12, Mobilink focused on voice, data and VAS offerings, as well as churn management, leading to a 6% increase YoY in the subscriber base to 36.1 million customers. New regulatory restrictions on retail channel sales led to a decline in gross additions for the quarter. Revenues increased by 9% YoY in local currency terms, driven by the increase in data and VAS uptake. Mobile data revenues achieved a growth of 44% YoY. During the quarter, all cellular networks in major cities were shut down upon government request for security reasons on several occasions, resulting in revenue loss for all cellular operators. Despite these issues, EBITDA increased by 13% YoY in local currency terms, mostly on the back of strong measures of the operational excellence initiative. On November 29<sup>th</sup> 2012, Mobile Financial Services (MFS) were launched in collaboration with Waseela Microfinance Bank Limited. Initial services offered include domestic money remittance and bill payment.

### BANGLADESH (“BANGLALINK”)

banglalink increased its subscriber base by 9% YoY, reaching 25.9 million customers at the end of 4Q12. Revenues grew 13% YoY in local currency terms, driven by a higher level of VAS and data adoption, which led to mobile data revenues increasing by 130% YoY, and targeted start-up and reactivation promotions. The new self-regulations set by the local regulator, BTRC, regarding VoIP usage forced banglalink to disconnect suspected VoIP users with high ARPU. This negatively affected revenues and is expected to have significant negative impact during 2013. EBITDA in 4Q12 doubled YoY in local currency terms due to savings on commercial opex resulting from lower gross additions. EBITDA in 4Q11 was adversely affected by the aggressive acquisition strategy that followed the reduction in SIM tax in June 2011, which led to an adjustment in SIM tax subsidy allocation.

### SUB SAHARAN AFRICA (“TELECEL GLOBE”)

Telecel Globe subscribers increased by 42% YoY to approximately 4.5 million, with the number of subscribers in Zimbabwe increasing by 70% YoY. Despite the political situation and armed rebellion that erupted in CAR during December 2012, the network continues to function normally. Nevertheless, revenues decreased by 6% YoY in local currency terms due to lower revenues achieved during December compared to the same period last year, as a result of the security situation in the country. In Burundi, revenues grew by 21% YoY in local currency terms, mainly driven by 21% growth in subscribers to 1.4 million customers. During the quarter, Mobile Financial Services (“Leo Manoti”) were launched in Burundi. Telecel Globe EBITDA showed a significant improvement YoY due to cost optimization initiatives, reversing the loss seen in 4Q11.

### SOUTH EAST ASIA

Revenues for South East Asia decreased by 45% YoY, mainly due to the sale of Vietnam. EBITDA recovered due to the sale of Vietnam and savings on dealer commissions and lower interconnect costs. In Laos, Beeline continued to offer SMS, voice, and data bundles, which were launched in November, and introduced VAS for the first time.

## AFRICA & ASIA KEY INDICATORS

USD mln	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Revenues</b>	<b>937</b>	<b>922</b>	<b>2%</b>	<b>3,721</b>	<b>3,719</b>	<b>0%</b>
Total operating expenditures	511	601	-15%	1,981	2,153	-8%
<b>EBITDA</b>	<b>426</b>	<b>321</b>	<b>33%</b>	<b>1,741</b>	<b>1,566</b>	<b>11%</b>
<b>EBITDA margin</b>	<b>45.5%</b>	<b>34.8%</b>		<b>46.8%</b>	<b>42.1%</b>	
CAPEX	193	646	-70%	400	976	-59%
CAPEX / revenues	21%	70%		11%	26%	

For details per country unit please see Attachment B

## AFRICA & ASIA BUSINESS UNIT: COUNTRY DETAIL

### ALGERIA

DZD bln	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Total operating revenues</b>	<b>37</b>	<b>34</b>	<b>9%</b>	<b>143</b>	<b>136</b>	<b>6%</b>
<b>EBITDA</b>	<b>22</b>	<b>20</b>	<b>8%</b>	<b>85</b>	<b>80</b>	<b>6%</b>
<b>EBITDA margin</b>	<b>58.9%</b>	<b>59.5%</b>		<b>59.4%</b>	<b>59.3%</b>	

### PAKISTAN

PKR bln	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Total operating revenues</b>	<b>27.2</b>	<b>25.0</b>	<b>9%</b>	<b>105.8</b>	<b>97.9</b>	<b>8%</b>
<b>EBITDA</b>	<b>11.7</b>	<b>10.4</b>	<b>12%</b>	<b>45.6</b>	<b>40.0</b>	<b>14%</b>
<b>EBITDA margin</b>	<b>43.0%</b>	<b>41.7%</b>		<b>43.1%</b>	<b>40.9%</b>	

### BANGLADESH

BDT bln	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Total operating revenues</b>	<b>11.2</b>	<b>9.9</b>	<b>13%</b>	<b>45.4</b>	<b>37.9</b>	<b>20%</b>
<b>EBITDA</b>	<b>4.2</b>	<b>2.1</b>	<b>104%</b>	<b>15.7</b>	<b>12.5</b>	<b>26%</b>
<b>EBITDA margin</b>	<b>37.4%</b>	<b>20.8%</b>		<b>34.7%</b>	<b>33.0%</b>	

## BUSINESS UNIT UKRAINE – FINANCIAL AND OPERATING RESULTS

- Revenues increased 4% YoY to UAH 3.5 billion
- Successful transition to mobile bundled tariff plans, leading to recovery in mobile revenues growth
- EBITDA increased by 9% YoY to UAH 1.8 billion; EBITDA margin up 2.2 p.p. to 52.5%
- Mobile subscriber base grew 5% YoY to 26.0 million; Fixed BB subscribers up 54% YoY to 613 thousand

During the fourth quarter, VimpelCom continued to solidify its market position in the mobile segment. The Company showed a solid YoY improvement in revenues and EBITDA, driven by a successful migration of its customers to bundled tariff plans and by strong dynamics in fixed broadband revenues. VimpelCom recorded an EBITDA margin of 52.5% in 4Q12 driven by growth of mobile revenues and cost measures as part of the operational excellence program.

- Total revenues grew 4% to UAH 3.5 billion. The mobile service revenues trend was inverted and returned to a growth of 3% in 4Q12 versus 4Q11, driven by successful transition to bundled tariff plans and a 5% YoY growth of the mobile subscriber base to 26.0 million. The Company transitioned 75% of subscribers to bundled tariffs as of YE 2012 and the transition is expected to be finalized in 2013. Strong YoY growth of handset sales added to the YoY revenue growth of 4%. Fixed-line revenues were up 3% YoY as a result of strong FTTB revenue growth. Fixed residential broadband revenue continued to outgrow the market,

increasing by 77% YoY, driven by a growth in the fixed broadband (FBB) subscriber base of 54% YoY to 613 thousand and an 8% YoY growth of fixed broadband ARPU to UAH 47.2.

- EBITDA increased 9% YoY to UAH 1.8 billion and EBITDA margin was up 2.2 p.p. YoY to 52.5% in 4Q12, mainly due to the growth in mobile service revenue and residential broadband margin, but the YoY comparison was also positively impacted by a one-off provision for HR costs in 4Q11. EBITDA margin was also positively affected by the improved revenue mix in fixed-line with less wholesale voice and a larger share of interconnect revenues.
- CAPEX was UAH 602 million in 4Q12 resulting in a CAPEX/Revenues of 14% for FY12. CAPEX FY12 was 18% below FY11 as a result of reduced investments in the FTTB network following the completion of the rollout.

## UKRAINE KEY INDICATORS

UAH mln	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Net operating revenues</b>	<b>3,453</b>	<b>3,326</b>	<b>4%</b>	<b>13,392</b>	<b>13,078</b>	<b>2%</b>
Total operating expenditures	1,639	1,654	-1%	6,525	6,125	7%
<b>EBITDA</b>	<b>1,814</b>	<b>1,672</b>	<b>9%</b>	<b>6,867</b>	<b>6,953</b>	<b>-1%</b>
<b>EBITDA margin</b>	<b>52.5%</b>	<b>50.3%</b>		<b>51.3%</b>	<b>53.2%</b>	
CAPEX	602	788	-24%	1,848	2,264	-18%
CAPEX / revenues	17%	24%		14%	17%	
<b>Mobile</b>						
Mobile net operating revenues	3,190	3,070	4%	12,326	12,106	2%
Mobile subscribers ('000)	25,960	24,776	5%			
Mobile ARPU (UAH)	40.7	41.1	-1%			
MOU (min)	497.7	482.8	3%			
<b>Fixed-line</b>						
Fixed-line net operating revenues	264	256	3%	1,066	972	10%
Fixed-line broadband revenues	82	47	77%	275	158	74%
Fixed-line broadband subscribers ('000)	613	397	54%			
Fixed-line broadband ARPU (UAH)	47.2	43.7	8%			

## BUSINESS UNIT CIS\* – FINANCIAL AND OPERATING RESULTS

- **Organic growth of revenues of 21% YoY, with strong positive impact from Uzbekistan**
- **EBITDA of USD 235 million, with organic growth of 45% YoY**
- **EBITDA margin of 48.1%**
- **Mobile subscribers up 23% YoY to 24 million**
- **Mobile broadband subscribers up 29% YoY to 12 million; Fixed BB subscriber base up 54% to 326 thousand**

The CIS Business Unit continued to perform strongly, delivering profitable double digit growth in 4Q12. However, since 3Q12 the results were substantially positively impacted by the situation in Uzbekistan, following the network closure of a competitor by the Uzbek authorities.

VimpelCom increased its mobile subscriber base in the CIS by 23% YoY, mainly driven by a 60% YoY growth in subscribers in Uzbekistan. The Company continued to face particularly strong competition in Kazakhstan, but also in Armenia and Tajikistan.

- In 4Q12, total revenues grew organically by 21% YoY, with the main contribution coming from Uzbekistan. Reported revenues grew 16% to USD 488 million, impacted by negative forex movements. If Uzbekistan would have been adjusted to the growth level of 1H12, the revenue organic growth in 4Q12 would have been 9% YoY.
- Total mobile revenues increased organically by 23% YoY in 4Q12 supported by 71% YoY mobile data revenue growth, primarily resulting from small screen subscribers, which more than offset the

slowdown in voice growth and decline in revenue from sales of devices.

- Fixed-line revenues increased organically by 3% YoY, due to strong growth in Kazakhstan, partially offset by voice and wholesale revenue decline in Armenia and Tajikistan.
- EBITDA grew organically 45%, or 37% on a reported basis, mainly due to strong mobile revenue growth in Uzbekistan. If Uzbekistan would have been adjusted to the growth level of 1H12, EBITDA organic growth would have been 17% YoY.
- EBITDA margin reached 48.1% in 4Q12 up 7.3 p.p. over 4Q11, due to strong performance in Uzbekistan and cost measures undertaken as part of the ongoing Operational Excellence programs in all CIS countries.
- In 4Q12 CAPEX was USD 128 million, bringing FY 2012 CAPEX/Revenues to 22%. The Company's main investment projects, focused on data development, are on schedule and network expansion continues to support both traffic and revenue growth.

### KAZAKHSTAN

The market in Kazakhstan remained highly competitive and VimpelCom is transitioning its subscriber base to bundled tariff plans, causing a temporary negative impact on revenues. This negative impact is expected to continue in the coming quarters, but improvements in revenue dynamics are expected to be visible after the transition is completed, as a result of upselling of the subscriber base. Revenues in Kazakhstan increased by 2% YoY organically in 4Q12, driven by a 2% YoY growth of mobile service revenues and a 54% YoY increase in fixed-line revenues. Mobile data revenues showed strong growth of 40% YoY in 4Q12, as a result of the Company's focus on increasing data usage for small screens, causing data revenue growth for smartphones to grow by 50% YoY. EBITDA grew 8% YoY and EBITDA margin improved 2.6 p.p. to 46.2%, supported by cost control measures as part of the Operational Excellence program.

### UZBEKISTAN

In Uzbekistan, VimpelCom continued to strengthen its market position substantially in 4Q12 after the closure of a competitor's network. Revenue was up 99% YoY in local currency, supported by a 60% YoY increase of the subscriber base as well as 26% YoY ARPU increase as a result of the growth of high value subscribers and increasing mobile data revenues. EBITDA grew 192% YoY and EBITDA margin was 60.3%, a sharp increase from 41.0% in 4Q11. These results were supported by exceptional revenue growth, positively driven by the competitor's network closure, and control of structural OPEX. The main focus of management in Uzbekistan is to sustain quality of service and further improve network capacity.

### ARMENIA

Revenues in Armenia declined organically by 10% YoY in 4Q12, primarily due to stagnating fixed voice as a result of fixed to mobile convergence and a lower level of terminated traffic revenues in the fixed-line segment.

\* CIS operations include operations in Kazakhstan, Uzbekistan, Armenia, Kyrgyzstan, Tajikistan, and Georgia.



The mobile segment faces strong competition and revenues were impacted by a slowdown in mobile interconnect, while at the same time mobile data revenues showed an increase of 29% YoY. EBITDA declined 13% YoY and EBITDA margin declined 1.1 p.p. to 39.5%.

### KYRGYZSTAN

Kyrgyzstan continued to show positive dynamics in revenue and EBITDA growth. In local currency, revenues grew 15% YoY, supported by subscriber base growth of 5% YoY and ARPU growth of 10% YoY. EBITDA grew organically by 23% YoY due to structural OPEX decline, resulting in an increased EBITDA margin in local currency of 58.3%. Mobile broadband subscriber growth of 16% YoY coupled with the increase in mobile data usage resulted in significant mobile data revenue growth, up 63% YoY.

### TAJIKISTAN

In Tajikistan, revenues increased organically by 14% YoY in 4Q12, while EBITDA increased by 19% YoY, leading to a 1.8 p.p. increase in EBITDA margin to 45.9%. VimpelCom maintained its market position by growing its subscriber base by 17% YoY in 4Q12. Data revenue grew strongly by 63% supported by an 11% increase in mobile broadband subscribers, in line with increasing usage of mobile data services.

### GEORGIA

Georgia continued to deliver strong results in 4Q12, with subscriber base growth of 16%, revenue growth of 19% and a 52% increase in EBITDA YoY in local currency. EBITDA margin increased 6.3 p.p. YoY to 28.9% due to structural OPEX control measures and focus on efficiency improvement. The Company was able to further strengthen its market position in 4Q12.

## CIS\* KEY INDICATORS

USD mln	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Total operating revenues</b>	<b>488</b>	<b>419</b>	<b>16%</b>	<b>1,755</b>	<b>1,589</b>	<b>10%</b>
Total operating expenditures	253	248	2%	943	886	6%
<b>EBITDA</b>	<b>235</b>	<b>171</b>	<b>37%</b>	<b>813</b>	<b>703</b>	<b>16%</b>
<b>EBITDA margin</b>	<b>48.1%</b>	<b>40.8%</b>		<b>46.3%</b>	<b>44.3%</b>	
CAPEX	128	241	-47%	384	626	-39%
CAPEX / revenues	26%	58%		22%	39%	
<b>Mobile</b>						
Mobile subscribers ('000)	24,167	19,703	23%			
- of which mobile broadband ('000)	11,967	9,287	29%			
<b>Fixed-line</b>						
Fixed-line broadband subscribers ('000)	326	212	54%			
Fixed-line broadband revenues	13	9	46%	34	30	15%

\* CIS operations include operations in Kazakhstan, Uzbekistan, Armenia, Kyrgyzstan, Tajikistan, and Georgia. For details per country unit please see Attachment B

## CIS BUSINESS UNIT: COUNTRY DETAIL

### KAZAKHSTAN

KZT mln

	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Total operating revenues</b>	<b>32,055</b>	<b>31,566</b>	<b>2%</b>	<b>123,665</b>	<b>120,672</b>	<b>2%</b>
<b>EBITDA</b>	<b>14,822</b>	<b>13,749</b>	<b>8%</b>	<b>58,811</b>	<b>57,708</b>	<b>2%</b>
<b>EBITDA margin</b>	<b>46.2%</b>	<b>43.6%</b>		<b>47.6%</b>	<b>47.8%</b>	

### UZBEKISTAN

USD mln

	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Total operating revenues</b>	<b>158</b>	<b>80</b>	<b>99%</b>	<b>463</b>	<b>277</b>	<b>67%</b>
<b>EBITDA</b>	<b>95</b>	<b>33</b>	<b>193%</b>	<b>253</b>	<b>122</b>	<b>107%</b>
<b>EBITDA margin</b>	<b>60.3%</b>	<b>41.0%</b>		<b>54.6%</b>	<b>44.1%</b>	

## CONFERENCE CALL INFORMATION

On March 6, 2013, the Company will host an analyst & investor conference call on its fourth quarter 2012 results. The call and slide presentation may be accessed at <http://www.vimpelcom.com>

### **2:30 pm CET investor and analyst conference call**

US call-in number: + 1 877 616-4476  
International call-in number: + 1 402 875-4763

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The conference call replay and the slide presentations webcast will be available until March 13, 2013. The slide presentation will also be available for download on the Company's website.

### **Investor and analyst call replay**

US Replay number: +1 855 859-2056  
Confirmation code : 11312009

International replay: +1 404 537-3406  
Confirmation code : 11312009

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## CONTACT INFORMATION

### **INVESTOR RELATIONS**

Gerbrand Nijman  
[Investor\\_Relations@vimpelcom.com](mailto:Investor_Relations@vimpelcom.com)  
Tel: +31 20 79 77 200 (Amsterdam)

Remco Vergeer  
[Investor\\_Relations@vimpelcom.com](mailto:Investor_Relations@vimpelcom.com)  
Tel: +31 20 79 77 200 (Amsterdam)

Stefano Songini  
[ir@mail.wind.it](mailto:ir@mail.wind.it)  
Tel +39 06 83111 (Rome)

Mamdouh Abd Elwahab  
[otinvestorrelations@otelecom.com](mailto:otinvestorrelations@otelecom.com)  
Tel: +202 2461 5050 / 51 (Cairo)

### **MEDIA AND PUBLIC RELATIONS**

Bobby Leach  
[pr@vimpelcom.com](mailto:pr@vimpelcom.com)  
Tel: +31 20 79 77 200 (Amsterdam)

## 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 Company’s strategy, development plans and anticipated performance, including the Company’s Value Agenda objectives, CAPEX projections, cost optimization plans, expected cash flow improvements, intentions regarding its interest in WIND Mobile in Canada, expectations regarding negotiations with the Algerian Government and anticipated dividends. 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 our markets, unforeseen developments from competition, governmental regulation of the telecommunications industries, general political uncertainties in our markets and/or litigation with third parties. Future dividend payments are subject to Supervisory Board approval and there can be no assurance as to the timing and amount of such payments. 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 Annual Report on Form 20-F for the year ended December 31, 2011 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 providing voice and data services through a range of traditional and broadband mobile and fixed technologies in Russia, Italy, Ukraine, Kazakhstan, Uzbekistan, Tajikistan, Armenia, Georgia, Kyrgyzstan, Cambodia, Laos, Algeria, Bangladesh, Pakistan, Burundi, Zimbabwe, Central African Republic and Canada. VimpelCom’s operations around the globe cover territory with a total population of approximately 780 million people. VimpelCom provides services under the "Beeline", "Kyivstar", "djuice", "Wind", "Infostrada" "Mobilink", "Leo", "banglalink", "Telecel", and "Djezzy" brands. As of December 31, 2012 VimpelCom had 214 million mobile subscribers on a combined basis. VimpelCom is traded on the New York Stock Exchange under the symbol (VIP). For more information visit: <http://www.vimpelcom.com>

## CONTENT OF THE ATTACHMENT TABLES

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Attachment B	Country units key indicators CIS and Africa & Asia	<b>26</b>
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For more information on financial and operating data for specific countries, please refer to the supplementary file [Factbook4Q2012.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 (ACTUAL)

USD (millions)	Actual Three months ended December 31		Actual Full Year	
	2012	2011	2012	2011
<b>Operating revenues</b>				
Service revenues	5,605	5,594	22,122	19,579
Sales of equipment and accessories	234	190	677	516
Other revenues	111	105	262	167
<b>Total operating revenues</b>	<b>5,950</b>	<b>5,889</b>	<b>23,061</b>	<b>20,262</b>
<b>Operating expenses</b>				
Service costs	1,762	1,440	5,439	4,962
Cost of equipment and accessories	241	254	693	663
Selling, general and administrative expenses	1,501	1,968	7,161	6,381
Depreciation	758	790	2,926	2,726
Amortization	519	664	2,080	2,059
Impairment of GWMC*	328	-	328	-
Impairment loss	58	527	58	527
Loss on disposals of non-current assets	74	32	205	90
<b>Total operating expenses</b>	<b>5,241</b>	<b>5,675</b>	<b>18,890</b>	<b>17,408</b>
<b>Operating profit</b>	<b>709</b>	<b>214</b>	<b>4,171</b>	<b>2,854</b>
Finance costs	522	501	2,029	1,587
Finance income	(38)	(34)	(154)	(120)
Revaluation of previously held interest in Euroset	(606)	-	(606)	-
Other non-operating losses	44	152	75	308
Shares of loss/(profit) of associates and joint ventures accounted for using the equity method	(7)	35	9	35
Net foreign exchange loss/(gain)	30	119	(70)	190
<b>Profit/(loss) before tax</b>	<b>764</b>	<b>(559)</b>	<b>2,888</b>	<b>854</b>
Income tax expense	195	101	906	585
<b>Profit/(loss) for the year from continuing operations</b>	<b>569</b>	<b>(660)</b>	<b>1,982</b>	<b>269</b>
<b>Profit/(loss) for the period</b>	<b>569</b>	<b>(660)</b>	<b>1,982</b>	<b>269</b>
<b>Attributable to:</b>				
The owners of the parent	801	(381)	2,145	543
Non-controlling interest	(232)	(279)	(163)	(274)
	<b>569</b>	<b>(660)</b>	<b>1,982</b>	<b>269</b>
<b>Earnings/loss per share</b>				
Basic, profit for the year attributable to ordinary equity holders of the parent	\$0.49	-\$0.24	\$1.33	\$0.36
Diluted, profit for the year attributable to ordinary equity holders of the parent	\$0.49	-\$0.24	\$1.32	\$0.36

\*Globalive Wireless Management Company

## ATTACHMENT A: VIMPELCOM LTD FINANCIAL STATEMENTS

### VIMPELCOM LTD UNAUDITED CONSOLIDATED STATEMENTS OF INCOME (PRO-FORMA)

USD (millions)	Pro-forma Three months ended December 31		Pro-forma Full Year	
	2012	2011	2012	2011
<b>Operating revenues</b>				
Service revenues	5,605	5,594	22,122	22,794
Sales of equipment and accessories	234	190	677	516
Other revenues	111	105	262	167
<b>Total operating revenues</b>	<b>5,950</b>	<b>5,889</b>	<b>23,061</b>	<b>23,477</b>
<b>Operating expenses</b>				
Service costs	1,762	1,440	5,439	5,693
Cost of equipment and accessories	241	254	693	771
Selling, general and administrative expenses	1,501	1,968	7,161	7,488
Depreciation	758	790	2,926	3,094
Amortization	519	664	2,080	2,663
Impairment of GWMC*	328	-	328	-
Impairment loss	58	527	58	504
Loss on disposals of non-current assets	74	32	205	89
<b>Total operating expenses</b>	<b>5,241</b>	<b>5,675</b>	<b>18,890</b>	<b>20,302</b>
<b>Operating profit</b>	<b>709</b>	<b>214</b>	<b>4,171</b>	<b>3,175</b>
Finance costs	522	501	2,029	2,010
Finance income	(38)	(34)	(154)	(160)
Revaluation of previously held interest in Euroset	(606)	-	(606)	-
Other non-operating losses	44	152	75	323
Shares of loss/(profit) of associates and joint ventures accounted for using the equity method	(7)	35	9	69
Net foreign exchange loss/(gain)	30	119	(70)	94
<b>Profit/(loss) before tax</b>	<b>764</b>	<b>(559)</b>	<b>2,888</b>	<b>839</b>
Income tax expense	195	101	906	650
<b>Profit/(loss) for the year from continuing operations</b>	<b>569</b>	<b>(660)</b>	<b>1,982</b>	<b>189</b>
<b>Profit/(loss) for the period</b>	<b>569</b>	<b>(660)</b>	<b>1,982</b>	<b>189</b>
<b>Attributable to:</b>				
The owners of the parent	801	(381)	2,145	525
Non-controlling interest	(232)	(279)	(163)	(336)
	<b>569</b>	<b>(660)</b>	<b>1,982</b>	<b>189</b>
<b>Earnings/loss per share</b>				
Basic, profit for the year attributable to ordinary equity holders of the parent	\$0.49	-\$0.24	\$1.33	\$0.32
Diluted, profit for the year attributable to ordinary equity holders of the parent	\$0.49	-\$0.24	\$1.32	\$0.32

\*Globalive Wireless Management Company

## ATTACHMENT A: VIMPELCOM LTD INTERIM FINANCIAL STATEMENTS

### VIMPELCOM LTD UNAUDITED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

USD (millions)	31 December 2012, audited	31 December 2011, audited
<b>Assets</b>		
<b>Non-current assets</b>		
Property and equipment	15,666	15,165
Intangible assets	10,601	11,825
Goodwill	16,964	16,776
Investments in associates and joint ventures	1,168	388
Deferred tax asset	312	386
Financial assets	1,091	1,536
Other non-financial assets	18	92
<b>Total non-current assets</b>	<b>45,820</b>	<b>46,168</b>
<b>Current assets</b>		
Inventories	167	227
Trade and other receivables	2,495	2,711
Other non-financial assets	1,290	1,320
Current income tax asset	292	293
Other financial assets	270	345
Cash and cash equivalents	4,949	2,325
<b>Total current assets</b>	<b>9,463</b>	<b>7,221</b>
Assets classified as held for sale	77	650
<b>Total assets</b>	<b>55,360</b>	<b>54,039</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity attributable to equity owners of the parent	14,869	14,037
Non-controlling interests	503	865
<b>Total equity</b>	<b>15,372</b>	<b>14,902</b>
<b>Non-current liabilities</b>		
Financial liabilities	25,955	25,724
Provisions	548	402
Other non-financial liabilities	410	442
Deferred tax liability	1,416	1,624
<b>Total non-current liabilities</b>	<b>28,329</b>	<b>28,192</b>
<b>Current liabilities</b>		
Trade and other payables	4,585	4,566
Dividend payables	1,274	-
Other non-financial liabilities	2,243	2,030
Other financial liabilities	3,126	3,118
Current income tax payable	202	399
Provisions	192	182
<b>Total current liabilities</b>	<b>11,622</b>	<b>10,295</b>
Liabilities associated with assets held for sale	37	650
<b>Total equity and liabilities</b>	<b>55,360</b>	<b>54,039</b>

## ATTACHMENT A: VIMPELCOM LTD FINANCIAL STATEMENTS

### VIMPELCOM LTD UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

USD (millions)	2012	2011
<b>Operating activities</b>		
Profit after tax	2,093	269
Tax expense	866	585
<b>Profit before tax</b>	<b>2,959</b>	<b>854</b>
<b>Non-cash adjustment to reconcile profit before tax to net cash flows:</b>		
Depreciation	2,926	2,726
Amortization	2,080	2,059
Impairment of GWMC	328	-
Impairment loss	37	527
Loss on disposals of non-current assets	205	90
Finance income	(154)	(120)
Finance costs	2,029	1,587
Revaluation of previously held interest in Euroset	(658)	-
Other non-operating losses/(gains)	77	308
Net foreign exchange (gain)/ loss	(70)	190
Shares of loss/(profit) of associates and joint ventures accounted for using the equity method	9	35
Movements in provisions and pensions	36	(25)
<b>Cash from operations</b>	<b>9,804</b>	<b>8,231</b>
<b>Working capital adjustments:</b>		
Change in trade and other receivables and prepayments	10	(176)
Change in inventories	14	(69)
Change in trade and other payables	421	332
Interest paid	(2,144)	(1,528)
Interest received	383	106
Income tax paid	(1,231)	(790)
<b>Net cash flows from operating activities</b>	<b>7,257</b>	<b>6,106</b>
<b>Investing activities</b>		
Proceeds from sale of property, plant and equipment and intangible assets	42	34
Purchase of property, plant and equipment and intangible assets	(3,886)	(6,260)
Payments of loans granted	(189)	(118)
Receipts/(payments) from deposits	107	212
Receipts from/(investments in) associates	(2)	25
Divested cash net of proceeds from sale of shares in subsidiaries	(75)	-
Receipt of dividends	8	-
Acquisition of subsidiaries, net of cash acquired	(13)	(838)
<b>Net cash flows used in investing activities</b>	<b>(4,008)</b>	<b>(6,945)</b>
<b>Financing activities</b>		
Net proceeds from exercise of share options	-	5
Acquisition of non-controlling interest	(9)	-
Proceeds from borrowings net of fees paid	3,094	10,389
Repayment of borrowings	(3,650)	(6,581)
Purchase of treasury shares	-	(1)
Proceeds from sale of treasury stock	3	-
Dividends paid to equity holders of the parent	-	(1,216)
Dividends paid to non-controlling interests	(25)	(13)
<b>Net cash flows used in financing activities</b>	<b>(587)</b>	<b>2,583</b>
Net increase in cash and cash equivalents	2,662	1,744
Net foreign exchange difference	(38)	(304)
Cash and cash equivalents at beginning of period	2,325	885
<b>Cash and cash equivalents at end of period</b>	<b>4,949</b>	<b>2,325</b>



## ATTACHMENT B: COUNTRY UNITS KEY INDICATORS

### AFRICA & ASIA BUSINESS UNIT: COUNTRY DETAIL

#### ALGERIA

DZD bln

	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Revenues</b>	<b>37.0</b>	<b>33.9</b>	<b>9%</b>	<b>143.3</b>	<b>135.6</b>	<b>6%</b>
<b>EBITDA</b>	<b>21.8</b>	<b>20.1</b>	<b>8%</b>	<b>85.2</b>	<b>80.4</b>	<b>6%</b>
<b>EBITDA margin</b>	<b>58.9%</b>	<b>59.5%</b>		<b>59.4%</b>	<b>59.3%</b>	
CAPEX (USD mln)	30	21	45%	47	40	18%
CAPEX / revenues (USD)	5%	5%		2%	2%	
Mobile						
Subscribers ('000)	17,846	16,595	8%			
ARPU (DZD)	674	673	0%			
MOU (min)	254	278	-9%			

#### PAKISTAN

PKR bln

	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Revenues</b>	<b>27.2</b>	<b>25.0</b>	<b>9%</b>	<b>105.8</b>	<b>97.9</b>	<b>8%</b>
<b>EBITDA</b>	<b>11.7</b>	<b>10.4</b>	<b>13%</b>	<b>45.6</b>	<b>40.0</b>	<b>14%</b>
<b>EBITDA margin</b>	<b>43.0%</b>	<b>41.7%</b>		<b>43.1%</b>	<b>40.9%</b>	
CAPEX (USD mln)	89.2	109.7	-19%	172.7	261.2	-34%
CAPEX / revenues (USD)	32%	38%		15%	23%	
Mobile						
Subscribers ('000)	36,141	34,214	6%			
ARPU (PKR)	243	235	3%			
MOU (min)	215	209	3%			

#### BANGLADESH

BDT bln

	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Revenues</b>	<b>11.2</b>	<b>9.9</b>	<b>13%</b>	<b>45.4</b>	<b>37.9</b>	<b>20%</b>
<b>EBITDA</b>	<b>4.2</b>	<b>2.1</b>	<b>104%</b>	<b>15.7</b>	<b>12.5</b>	<b>26%</b>
<b>EBITDA margin</b>	<b>37.4%</b>	<b>20.8%</b>		<b>34.7%</b>	<b>33.0%</b>	
CAPEX (USD mln)	43.2	336.8	-87%	116.4	428.2	-73%
CAPEX / revenues (USD)	31%	261%		21%	84%	
Mobile						
Subscribers ('000)	25,883	23,754	9%			
ARPU (BDT)	138	140	-1%			
MOU (min)	191	207	-8%			

#### SUB SAHARAN AFRICA (TELECEL GLOBE)

USD mln

	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Revenues</b>	<b>23</b>	<b>24</b>	<b>-3%</b>	<b>91</b>	<b>94</b>	<b>-3%</b>
<b>EBITDA</b>	<b>7.0</b>	<b>(5.1)</b>	<b>n.m.</b>	<b>33.3</b>	<b>7.9</b>	<b>322%</b>
<b>EBITDA margin</b>	<b>27%</b>	<b>n.a.</b>		<b>34%</b>	<b>8%</b>	
Mobile						
Subscribers ('000)	4,464	3,140	42%			

#### SEA (CONSOLIDATED)

USD mln

	4Q12	4Q11	YoY	FY12	FY11	YoY
<b>Revenues</b>	<b>13</b>	<b>23.5</b>	<b>-45%</b>	<b>60.8</b>	<b>68.7</b>	<b>-12%</b>
<b>EBITDA</b>	<b>0</b>	<b>(19.7)</b>	<b>n.m.</b>	<b>(9.7)</b>	<b>(75.5)</b>	<b>n.m.</b>
<b>EBITDA margin</b>	<b>2%</b>	<b>n.a.</b>		<b>n.a.</b>	<b>n.a.</b>	
Mobile						
Subscribers ('000)	915	1,418	-35%			

## CIS BUSINESS UNIT: COUNTRY DETAIL

### KAZAKHSTAN

KZT mln

	4Q12	4Q11	YoY	YTD12	YTD11	YoY
<b>Net operating revenues</b>	<b>32,055</b>	<b>31,566</b>	<b>2%</b>	<b>123,665</b>	<b>120,672</b>	<b>2%</b>
<b>EBITDA</b>	<b>14,822</b>	<b>13,749</b>	<b>8%</b>	<b>58,814</b>	<b>57,708</b>	<b>2%</b>
<b>EBITDA margin</b>	<b>46.2%</b>	<b>43.6%</b>		<b>47.6%</b>	<b>47.8%</b>	
CAPEX (USD mln)	57	99	-42%	166	264	-37%
CAPEX / revenues (USD)	27%	47%		20%	32%	
<b>Mobile</b>						
Subscribers ('000)	8,589	8,409	2%			
ARPU (KZT)	1,156	1,161	-0.4%			
MOU (min)	237	165	44%			

### ARMENIA

AMD mln

	4Q12	4Q11	YoY	YTD12	YTD11	YoY
<b>Net operating revenues</b>	<b>15,706</b>	<b>17,498</b>	<b>-10%</b>	<b>63,441</b>	<b>70,541</b>	<b>-10%</b>
<b>EBITDA</b>	<b>6,202</b>	<b>7,108</b>	<b>-13%</b>	<b>25,257</b>	<b>27,038</b>	<b>-7%</b>
<b>EBITDA margin</b>	<b>39.5%</b>	<b>40.6%</b>		<b>39.8%</b>	<b>38.3%</b>	
CAPEX (USD mln)	3	7	-50%	15	30	-50%
CAPEX / revenues (USD)	9%	14%		10%	16%	
<b>Mobile</b>						
Subscribers ('000)	800	765	5%			
ARPU (AMD)	2,678	2,887	-7%			
MOU (min)	273	261	5%			

### UZBEKISTAN

USD mln

	4Q12	4Q11	YoY	YTD12	YTD11	YoY
<b>Net operating revenues</b>	<b>158</b>	<b>80</b>	<b>99%</b>	<b>463</b>	<b>277</b>	<b>67%</b>
<b>EBITDA</b>	<b>95</b>	<b>33</b>	<b>193%</b>	<b>253</b>	<b>122</b>	<b>107%</b>
<b>EBITDA margin</b>	<b>60.3%</b>	<b>41.0%</b>		<b>54.6%</b>	<b>44.1%</b>	
CAPEX (USD mln)	43	85	-50%	137	219	-37%
CAPEX / revenues (USD)	27%	107%		30%	79%	
<b>Mobile</b>						
Subscribers ('000)	10,194	6,361	60%			
ARPU (USD)	5.3	4	26%			
MOU (min)	516	458	13%			

### TAJKISTAN

USD mln

	4Q12	4Q11	YoY	YTD12	YTD11	YoY
<b>Net operating revenues</b>	<b>29</b>	<b>25</b>	<b>14%</b>	<b>107</b>	<b>101</b>	<b>6%</b>
<b>EBITDA</b>	<b>13</b>	<b>11</b>	<b>19%</b>	<b>51</b>	<b>48</b>	<b>8%</b>
<b>EBITDA margin</b>	<b>45.9%</b>	<b>44.1%</b>		<b>47.9%</b>	<b>47.2%</b>	
CAPEX (USD mln)	6	14	-58%	20	29	-29%
CAPEX / revenues (USD)	20%	54%		19%	29%	
<b>Mobile</b>						
Subscribers ('000)	1,132	965	17%			
ARPU (USD)	8.9	8	7%			
MOU (min)	256	229	12%			

## GEORGIA

GEL mln

	4Q12	4Q11	YoY	YTD12	YTD11	YoY
<b>Net operating revenues</b>	<b>35</b>	<b>29</b>	<b>19%</b>	<b>129</b>	<b>106</b>	<b>22%</b>
<b>EBITDA</b>	<b>10</b>	<b>7</b>	<b>52%</b>	<b>35</b>	<b>25</b>	<b>42%</b>
<b>EBITDA margin</b>	<b>28.9%</b>	<b>22.6%</b>		<b>27.3%</b>	<b>23.4%</b>	
CAPEX (USD mln)	3	14	-76%	13	39	-68%
CAPEX / revenues (USD)	16%	80%		16%	63%	
<b>Mobile</b>						
Subscribers ('000)	969	833	16%			
ARPU (GEL)	10.9	11	-1%			
MOU (min)	244	217	12%			

## KYRGYZSTAN

KGS mln

	4Q12	4Q11	YoY	YTD12	YTD11	YoY
<b>Net operating revenues</b>	<b>2,009</b>	<b>1,753</b>	<b>15%</b>	<b>7,582</b>	<b>6,531</b>	<b>16%</b>
<b>EBITDA</b>	<b>1,171</b>	<b>954</b>	<b>23%</b>	<b>4,266</b>	<b>3,567</b>	<b>20%</b>
<b>EBITDA margin</b>	<b>58.3%</b>	<b>54.4%</b>		<b>56.3%</b>	<b>54.6%</b>	
CAPEX (USD mln)	15	21	-29%	31	44	-29%
CAPEX / revenues (USD)	35%	55%		19%	31%	
<b>Mobile</b>						
Subscribers ('000)	2,482	2,371	5%			
ARPU (KGS)	269.9	245	10%			
MOU (min)	253	292	-14%			

## ATTACHMENT C: RECONCILIATION TABLES

### RECONCILIATION OF CONSOLIDATED EBITDA OF VIMPELCOM\*(PRO FORMA)

USD mln	4Q12 (unaudited)	4Q11 (unaudited)	YTD12 (audited)	YTD11 (unaudited)
<b>EBITDA</b>	<b>2,446</b>	<b>2,227</b>	<b>9,768</b>	<b>9,525</b>
Depreciation	(758)	(790)	(2,926)	(3,094)
Amortization	(519)	(664)	(2,080)	(2,663)
Impairment of GWMC**	(328)	-	(328)	-
Impairment loss	(37)	(527)	(58)	(504)
Loss on disposals of non-current assets	(74)	(32)	(205)	(89)
<b>EBIT</b>	<b>709</b>	<b>214</b>	<b>4,171</b>	<b>3,175</b>
Financial Income and Expenses	(484)	(467)	(1,875)	(1,850)
- including finance income	38	34	154	160
- including finance costs	(522)	(501)	(2,029)	(2,010)
Net foreign exchange (loss)/gain and others	589	(306)	592	(486)
- including revaluation of previously held interest in Euroset	606	-	606	-
- including Other non-operating (losses)/gains	(44)	(152)	(75)	(323)
- including Shares of (loss)/profit of associates and joint ventures accounted for using the equity method	7	(35)	(9)	(69)
- including Net foreign exchange (loss)/gain	(30)	(119)	70	(94)
<b>Profit before tax</b>	<b>764</b>	<b>(559)</b>	<b>2,888</b>	<b>839</b>
Income tax expense	(195)	(101)	(906)	(650)
<b>Profit for the period</b>	<b>569</b>	<b>(660)</b>	<b>1,982</b>	<b>189</b>
Profit for the period attributable to non-controlling interest	(232)	(279)	(163)	(336)
<b>Net income</b>	<b>801</b>	<b>(381)</b>	<b>2,145</b>	<b>525</b>

\* See also the supplementary file [FactbookQ42012.xls](http://vimpelcom.com/ir/financials/results.wbp) on our website at <http://vimpelcom.com/ir/financials/results.wbp>

\*\*Globalive Wireless Management Company

## ATTACHMENT C: RECONCILIATION TABLES

### RECONCILIATION OF CONSOLIDATED EBITDA OF VIMPELCOM\* (ACTUAL)

USD mln	4Q12 (unaudited)	4Q11 (unaudited)	YTD12 (audited)	YTD11 (audited)
<b>EBITDA</b>	<b>2,446</b>	<b>2,227</b>	<b>9,768</b>	<b>8,256</b>
Depreciation	(758)	(790)	(2,926)	(2,726)
Amortization	(519)	(664)	(2,080)	(2,059)
Impairment of GWMC**	(328)	-	(328)	-
Impairment loss	(37)	(527)	(58)	(527)
Loss on disposals of non-current assets	(74)	(32)	(205)	(90)
<b>EBIT</b>	<b>709</b>	<b>214</b>	<b>4,171</b>	<b>2,854</b>
Financial Income and Expenses	(484)	(467)	(1,875)	(1,467)
- including finance income	38	34	154	120
- including finance costs	(522)	(501)	(2,029)	(1,587)
Net foreign exchange (loss)/gain and others	539	(306)	592	(533)
- including revaluation of previously held interest in Euroset	606	-	606	-
- including Other non-operating (losses)/gains	(44)	(152)	(75)	(308)
- including Shares of (loss)/profit of associates and joint ventures accounted for using the equity method	7	(35)	(9)	(35)
- including Net foreign exchange (loss)/gain	(30)	(119)	70	(190)
<b>EBT</b>	<b>764</b>	<b>(559)</b>	<b>2,888</b>	<b>854</b>
Income tax expense	(195)	(101)	(906)	(585)
<b>Profit/(loss) for the year</b>	<b>569</b>	<b>(660)</b>	<b>1,982</b>	<b>269</b>
(Profit)/loss for the year attributable to non-controlling interest	(232)	(279)	(163)	274
<b>Profit for the year attributable to the owners of the parent</b>	<b>801</b>	<b>(381)</b>	<b>2,145</b>	<b>543</b>

\* See also the supplementary file [FactbookQ42012.xls](http://vimpelcom.com/ir/financials/results.wbp) on our website at <http://vimpelcom.com/ir/financials/results.wbp>

\*\*Globalive Wireless Management Company

## ATTACHMENT C: RECONCILIATION TABLES

### RECONCILIATION OF VIMPELCOM CONSOLIDATED NET DEBT (ACTUAL)

USD mln	1Q12	2Q12	3Q12	4Q12
Net debt	24,339	23,067	22,681	21,971
Cash and cash equivalents	4,033	2,883	3,241	4,949
Long – term and short-term deposits	219	609	715	67
Gross debt	28,591	26,559	26,637	26,987
Interest accrued related to financial liabilities	450	558	451	536
Fair value adjustment	148	228	28	-
Unamortised fair value adjustment under acquisition method of accounting	909	841	817	794
Other unamortised adjustments to financial liabilities (fees, discounts etc.)	(103)	(147)	69	73
Derivatives not designated as hedges	403	415	429	453
Derivatives designated as hedges	173	157	178	237
Total other financial liabilities	30,570	28,611	28,609	29,080

### AVERAGE AND CLOSING RATES OF FUNCTIONAL CURRENCIES TO USD \*

	Average rates			Closing rates		
	FY12	FY11	YoY	FY12	FY11	Delta
Russian Ruble	31.09	29.39	-5.5%	30.37	32.20	6.0%
Euro	0.78	0.72	-7.5%	0.76	0.77	1.6%
Algerian Dinar	77.84	72.93	-6.3%	78.94	75.33	-4.6%
Pakistan Rupee	93.40	86.33	-7.6%	97.14	89.95	-7.4%
Bangladeshi Taka	81.84	74.07	-9.5%	79.78	81.83	2.6%
Ukrainian Hryvnia	7.99	7.97	-0.3%	7.99	7.99	0.0%
Kazakh Tenge	149.11	146.62	-1.7%	150.74	148.40	-1.6%
Armenian Dram	401.76	372.44	-7.3%	403.58	385.77	-4.4%
Kyrgyz Som	47.01	46.14	-1.9%	47.40	46.48	-1.9%

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

## ATTACHMENT D: WIND TELECOMUNICAZIONI GROUP CONDENSED STATEMENTS OF INCOME

EUR mln	FY 12	FY 11
<b>Revenues</b>	<b>5,262</b>	<b>5,431</b>
Other revenues	165	139
<b>Total Revenues</b>	<b>5,427</b>	<b>5,570</b>
<b>EBITDA</b>	<b>2,063</b>	<b>2,120</b>
D&A	(1,147)	(1,068)
EBIT	916	1,052
Financial Income and expenses	(875)	(934)
EBT	40	118
Income Tax	(164)	(278)
Profit/(Loss) from discontinued operations	-	6
Net income	(124)	(154)

## ATTACHMENT E: DEFINITIONS

**ARPU (Monthly Average Revenue per User)** is calculated by dividing service revenue during the relevant period, including revenue from voice-, roaming-, interconnect-, and value added services (including mobile data, SMS, MMS), but excluding revenue from connection fees, sales of handsets and accessories and other non-service revenue, by the average number of subscribers during the period and dividing by the number of months in that period. For Business Unit Africa & Asia (except SEA) visitors roaming revenue is excluded from service revenues.

**Broadband subscribers** 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 and xDSL technologies as well as mobile internet access via WiFi and USB modems using 3G/HSDPA technologies. Italian subsidiary measures broadband subscribers based on the number of active contracts signed. Russian Business Unit includes IPTV activities.

**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.

**EBIT** is a non-U.S. GAAP measure and is calculated as EBITDA plus depreciation, amortization and impairment loss. Our management uses EBIT as a supplemental performance measure and believes that it provides useful information of earnings of the Company before making accruals for financial income and expenses and Net foreign exchange (loss)/gain and others. Reconciliation of EBIT to net income attributable to VimpelCom Ltd., the most directly comparable U.S. GAAP financial measure, is presented above.

**EBITDA** is a non-U.S. GAAP financial measure. EBITDA is defined as earnings before interest, tax, depreciation and amortization. VimpelCom calculates EBITDA as operating income before depreciation, amortization and impairment loss and includes certain non-operating losses and gains mainly represented by litigation provisions for all of its Business Units except for its Russia Business Unit. The Russia Business Unit's EBITDA is calculated as operating income before depreciation and amortization. EBITDA should not be considered in isolation or as a substitute for analyses of the results as reported under U.S. GAAP. Historically our management used OIBDA (defined as operating income before depreciation, amortization and impairment losses) instead of EBITDA. Following the acquisition of Wind Telecom, our management concluded that EBITDA is a more appropriate measure because it is more widely used amongst European-based analysts and investors to assess the performance of an entity and compare it with other market players. Our management uses EBITDA and EBITDA margin as supplemental performance measures and believes that EBITDA and EBITDA 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 EBITDA include the key revenue and expense items for which the Company's operating managers are responsible and upon which their performance is evaluated. EBITDA also assists management and investors by increasing the comparability of the Company's performance against the performance of other telecommunications companies that provide EBITDA information. This increased comparability is achieved by excluding the potentially inconsistent effects between periods or companies of depreciation, amortization and impairment losses, which items may significantly affect operating income between periods. However, our EBITDA results may not be directly comparable to other companies' reported EBITDA results due to variances and adjustments in the components of EBITDA (including our calculation of EBITDA) or calculation measures. Additionally, a limitation of EBITDA'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 EBITDA to net income attributable to VimpelCom Ltd., the most directly comparable U.S. GAAP financial measure, is presented above.

**EBITDA margin** is calculated as EBITDA divided by net operating revenues, expressed as a percentage.

**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.

**LLU (local loop unbundling)**, in Italy, this is the regulatory process of allowing multiple telecommunications operators to use connections from Telecom Italia's local exchanges to the customer's premises.

**MNP (Mobile number portability)** is a facility provided by telecommunications operators which enables customers to keep their telephone numbers when they change operators.

**Mobile subscribers** 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 subscribers also includes SIM-cards for use of mobile Internet service via USB modems and subscribers for WiFi. The number for Italy is based on SIM-cards, users of which generated revenue at any time during the twelve months prior to the measurement date. For the purpose of this earnings release, we include all subscribers of Zimbabwe, which is accounted for as investment at cost, into Business Unit Africa & Asia and subscribers of all our Canada equity investee into Business Unit Europe and North America, both of which are included into total subscribers of VimpelCom.

**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 subscribers 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, long-term and short-term deposits and fair value hedge. 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.

**Net foreign exchange (loss)/gain and others** represents the sum of Net foreign exchange (loss)/gain, Equity in net (loss)/gain of associates and Other (expense)/income, net (primarily losses from derivative instruments), and is adjusted for certain non-operating losses and gains mainly represented by litigation provisions. Our management uses Net foreign exchange (loss)/gain and others as a supplemental performance measure and believes that it provides useful information about the impact of our debt denominated in foreign currencies on our results of operations due to fluctuations in exchange rates, the performance of our equity investees and other losses and gains the Company needs to manage to run the business.

**Organic growth Revenue and EBITDA** are non-U.S. GAAP financial measures that reflect changes in Revenue and EBITDA excluding foreign currency movements and other factors, such as business under liquidation, disposals, mergers and acquisitions. We believe investors should consider these measures as they are more indicative of our ongoing performance and management uses these measures to evaluate the Company's operational results and trends.

**Reportable segments**, the Company identified Russia, Europe and North America, Africa & Asia, CIS and Ukraine 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. Intersegment revenues are eliminated in consolidation.