

2Q 2013 Presentation

Amsterdam, August 7, 2013

Jo Lunder - CEO

Henk van Dalen - CFO

Disclaimer

This presentation contains “forward-looking statements”, as the phrase is defined in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements relate to the Company's anticipated performance, expected capital expenditures and network developments the ability to realize the benefits of transferring its listing to the NASDAQ and its ability to realize its strategic initiatives in the various countries of operation. The forward-looking statements included in this presentation 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. 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, 2012 filed with the U.S. Securities and Exchange Commission (the “SEC”) 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.

A Solid Performance in 2Q13

Despite Impact of Regulatory and Governmental Measures

Revenues
(USD billion)

5.7
(+1% organic)

EBITDA
(USD billion)

2.4
(-1% organic)

EBITDA margin
(%)

42.4
(-0.8 p.p.)

Total mobile subscriber Base* (million)

215
(+5%)

Net income**
(USD million)

573
(+17%)

Net cash from operating activities (USD billion)

1.4
(+3%)

Highlights:

- 4% YoY organic revenue growth excl. MTR cuts in Italy
- 1% YoY organic EBITDA growth excl. MTR cuts in Italy
- EBITDA impacted by MTR cuts and one-off charges – excl. these EBITDA up 3% YoY organically
- Strong Mobile Data Revenue growth
- Positive operational developments continued in Russia
- Continued market outperformance in Italy
- Net Income attributable to VimpelCom shareholders increased substantially

Comparisons with 2Q12

* Customer base 2012 has been adjusted for sale of Vietnam and Cambodia and adjustments in Algeria and Ukraine

** Net Income attributable to VimpelCom shareholders



Focusing Locally • Empowering People • Connecting Globally

Key Developments

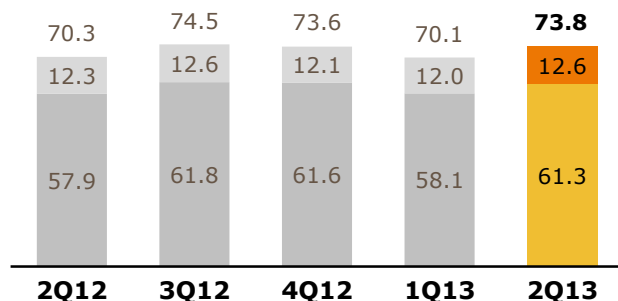
- Andrew Davies appointed as new CFO
- Contract of CEO Jo Lunder extended to April 2016
- Voluntarily transfer of listing to NASDAQ
- Launched LTE in Moscow
- Evaluating strategic options for Canadian investment
- VimpelCom joined United Nations Global Compact

Business Units Performance

Russia Performance 2Q13: Solid Results with Continued Strong Mobile Data Revenue Performance

Revenues (RUB billion)

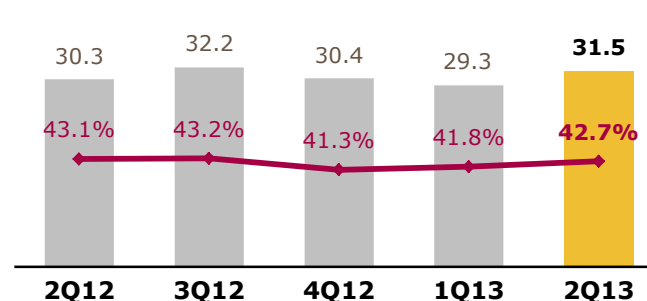
+5% YoY



■ Mobile ■ Fixed-line

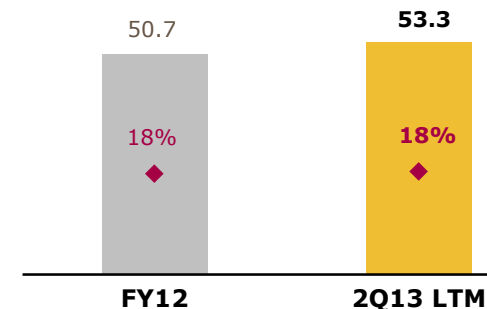
EBITDA and EBITDA Margin (RUB billion)

+4% YoY



■ EBITDA ■ EBITDA Margin

CAPEX* (RUB billion)



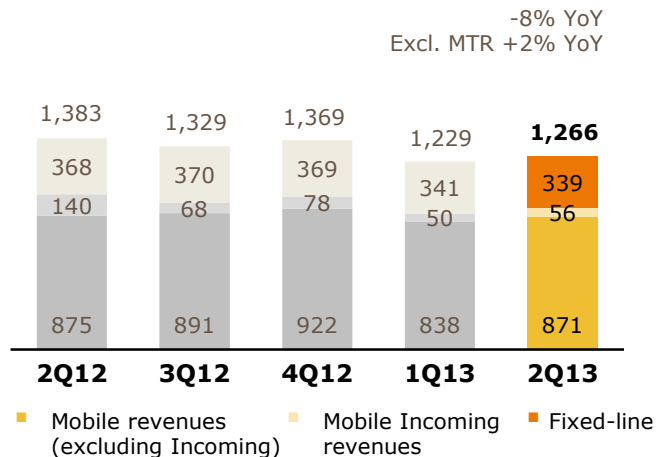
■ CAPEX ■ CAPEX / Revenue

Highlights:

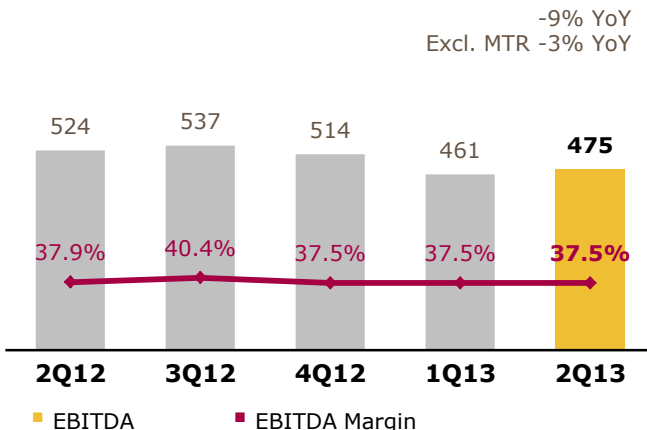
- Revenue increased 5% YoY with 6% growth in mobile revenues and 2% in fixed-line revenues
- Mobile data revenue grew 37% YoY with 48% YoY improvement in data revenues from small screens
- EBITDA increased 4% YoY, leading to an EBITDA margin of 42.7%
- Mobile subscriber base increased 2% YoY to 57.1 million

Italy Performance 2Q13: Continued Market Outperformance

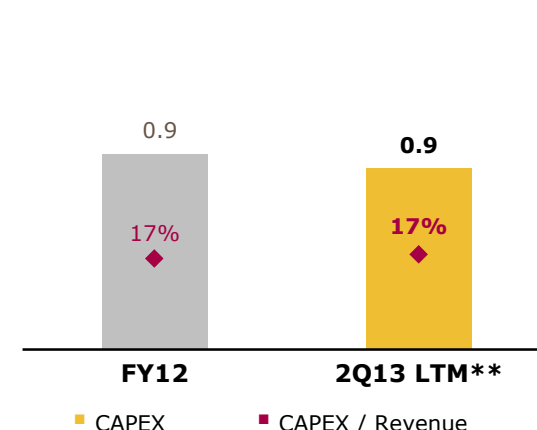
Total Revenues (EUR million)



EBITDA and EBITDA Margin (EUR million)



CAPEX* (EUR billion)



Highlights:

- Continued outperformance in an ongoing challenging mobile market
- Revenues increased 2% YoY excluding MTR impact
- Mobile subscriber base increased 5% YoY to over 22.3 million
- Strong data revenue growth: mobile Internet up 37% YoY and fixed broadband up 9% YoY

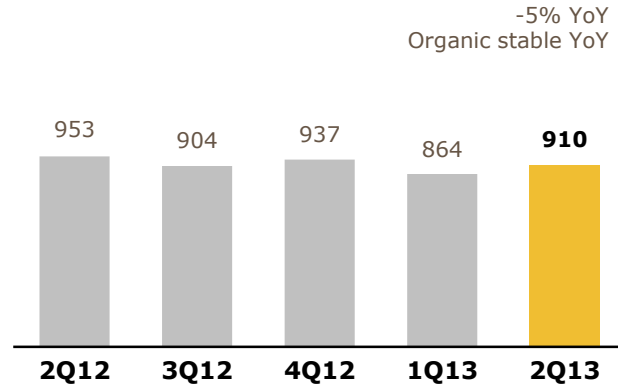
* CAPEX excluding licenses

** CAPEX excludes EUR 136 million of non-cash increase in Intangible Assets related to the contract with Terna in relation to the Right of Way of WIND's backbone in 1Q13

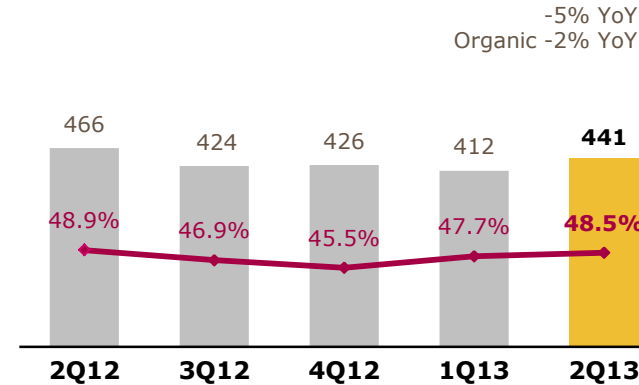
Africa & Asia* Performance 2Q13:

Subscriber Growth Despite Regulatory and Governmental Measures

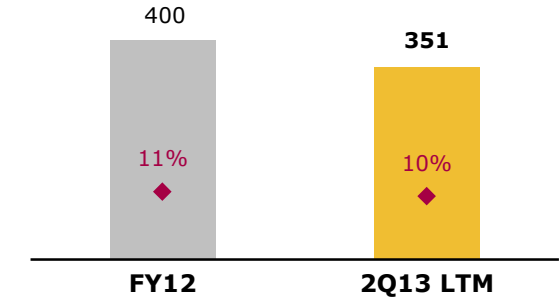
Revenues (USD million)



EBITDA and EBITDA Margin (USD million)



CAPEX** (USD million)



■ EBITDA

■ EBITDA Margin

■ CAPEX

■ CAPEX / Revenue

Highlights:

- Revenues stable YoY organically at USD 910 million, negatively impacted by regulatory and governmental actions
- EBITDA down by 2% YoY organically to USD 441 million, with an EBITDA margin of 48.5%
- Mobile subscriber base increased by 4% to approximately 86 million
- Algeria maintained its market leadership despite on-going bans
- In Pakistan performance was strong despite the political challenges in the market
- New regulation in Bangladesh regarding VoIP usage impacted results and is expected to persist throughout 2013

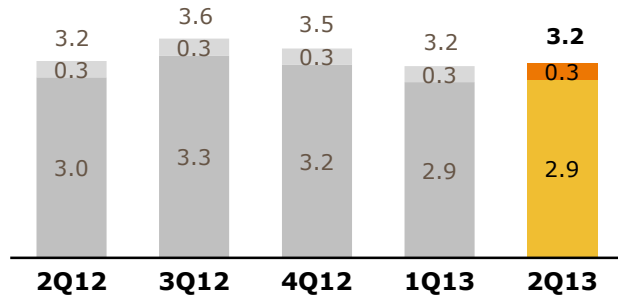
* This segment includes our operations in Algeria, Pakistan, Bangladesh, Sub-Saharan Africa and South East Asia

** CAPEX excluding licenses

Ukraine Performance 2Q13: Subscriber Growth but Pressure on Performance

Revenues (UAH billion)

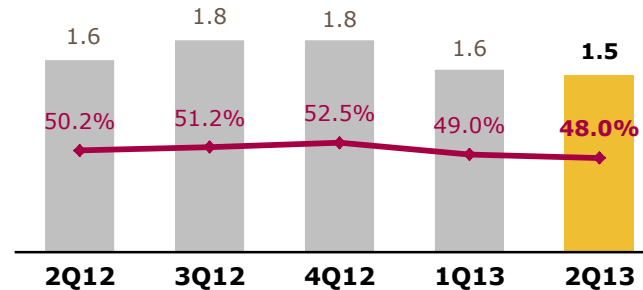
-1% YoY



■ Mobile ■ Fixed-line

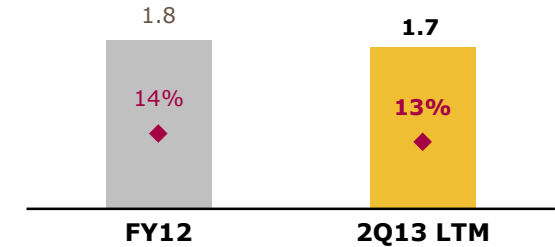
EBITDA and EBITDA Margin (UAH billion)

-6% YoY



■ EBITDA ■ EBITDA Margin

CAPEX* (UAH billion)



■ CAPEX ■ CAPEX / Revenue

Highlights:

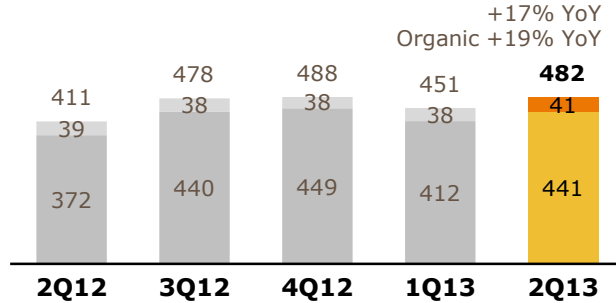
- Revenues decreased 1% YoY to UAH 3.2 billion, due to YoY decline in mobile revenues
- Strong increase in mobile data revenues, up 10% YoY
- EBITDA declined 6% YoY to UAH 1.5 billion; EBITDA margin of 48.0%
- Mobile subscriber base grew 6% YoY** to 25.6 million
- Fixed broadband subscribers increased 38% YoY to 693 thousand

* CAPEX excluding licenses

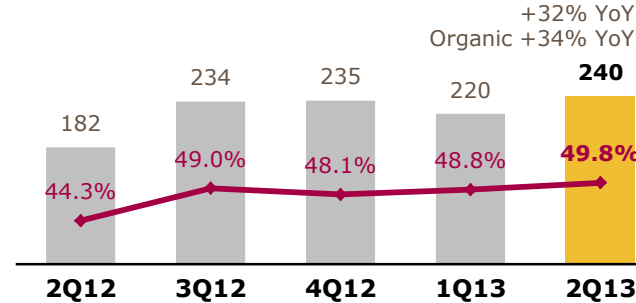
** From 2Q13, Business Unit Ukraine applies the same definition for its active subscribers as for the rest of the VimpelCom Group, which led to a negative adjustment of the subscriber base by 1.4 million. This did not impact historically reported Revenues and EBITDA, but positively affected MOU and ARPU.

CIS* Performance 2Q13: Continued Positive Performance

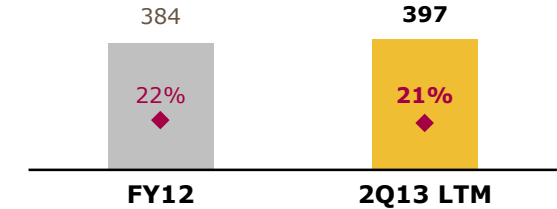
Revenues (USD million)



EBITDA and EBITDA Margin (USD million)



CAPEX** (USD million)



■ Mobile ■ Fixed-line

■ EBITDA ■ EBITDA Margin

■ CAPEX ■ CAPEX / Revenue

Highlights:

- Revenues increased 19% YoY organically with strong positive impact from Uzbekistan
- EBITDA reached USD 240 million with organic growth of 34% YoY
- EBITDA margin expanded 5.5 p.p YoY to 49.8%
- Mobile subscribers increased 18% YoY to 24.2 million
- Mobile data subscriber base grew 28% YoY to 12.4 million
- Fixed broadband subscriber base increased 37% to 351 thousand

* This segment includes our operations in Kazakhstan, Uzbekistan, Armenia, Kyrgyzstan, Tajikistan and Georgia

** CAPEX excluding licenses

Financial Highlights 2Q 2013

Henk van Dalen
CFO

Financial Performance

GROUP			
(USD million)	2Q13	2Q12	YoY
Revenues	5,718	5,745	0%
EBITDA	2,425	2,481	-2%
D&A/Other	(1,201)	(1,289)	-7%
EBIT	1,224	1,192	3%
Financial income / expenses	(521)	(476)	9%
FX and Other	59	13	n.m.
Profit before tax	762	729	5%
Tax	(204)	(247)	-17%
Non-controlling interest	(15)	(6)	n.m.
Net income*	573	488	17%

BUSINESS UNITS						
	Revenue			EBITDA		
	Organic	FX and others	Reported	Organic	FX and others	Reported
Russia	+5%	-2%	+3%	+4%	-2%	+2%
Italy	-8%	+1%	-7%	-9%	+1%	-8%
Africa & Asia	0%	-5%	-5%	-2%	-3%	-5%
Ukraine	-1%	0%	-1%	-6%	0%	-6%
CIS	+19%	-2%	+17%	+34%	-2%	+32%
Total	+1%	-1%	0%	-1%	-1%	-2%

- Overall **revenue** growth on an organic basis was 1% YoY (excl. MTR cuts in Italy it would have been 4% YoY)
- Reported revenues were flat YoY, mainly due to depreciation of local currencies against the USD
- **EBITDA** decreased 1% YoY organically; reported EBITDA down by 2% YoY, impacted by forex, MTR cuts in Italy, VoIP deactivation in Bangladesh and USD 43 million in one-off charges. Underlying EBITDA growth, excluding these effects, would have been 3% YoY
- **EBIT** up 3% YoY mainly due to the positive impact of a declining amortization of intangible assets
- **Profit before tax** increased 5% YoY primarily due to the increase in EBIT
- **Net income** attributable to VimpelCom shareholders increased 17% YoY as a result of higher Profit before tax and lower tax expenses

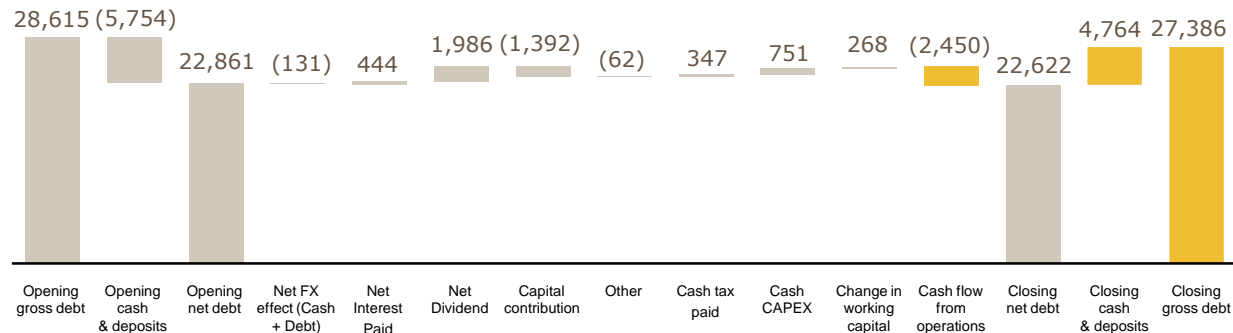
Debt, Cash and Ratios: Stable Financial Position

Key Components

	Jun 30, 2013
<i>(USD million)</i>	
Cash, Cash Equivalents and deposits	4,764
Total Assets	52,547
Gross Debt	27,386
-Short-term	1,510
-Long-term	25,876
Shareholders' equity	13,999
Gross Debt/Assets	0.5
Net Debt	22,622
2Q13 LTM EBITDA	9,749
Pro-forma ratios LTM 2Q13*	
Net Debt/ EBITDA	2.3
EBITDA/ Financial Income and Expenses	4.9
Gross Debt/ EBITDA	2.8

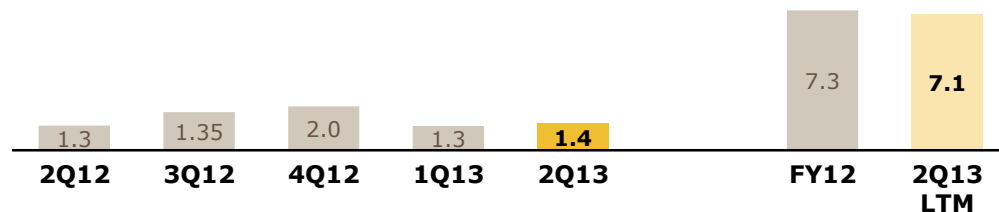
Consolidated Cash and Net Debt Development

Actual 2Q 2013 (USD million)



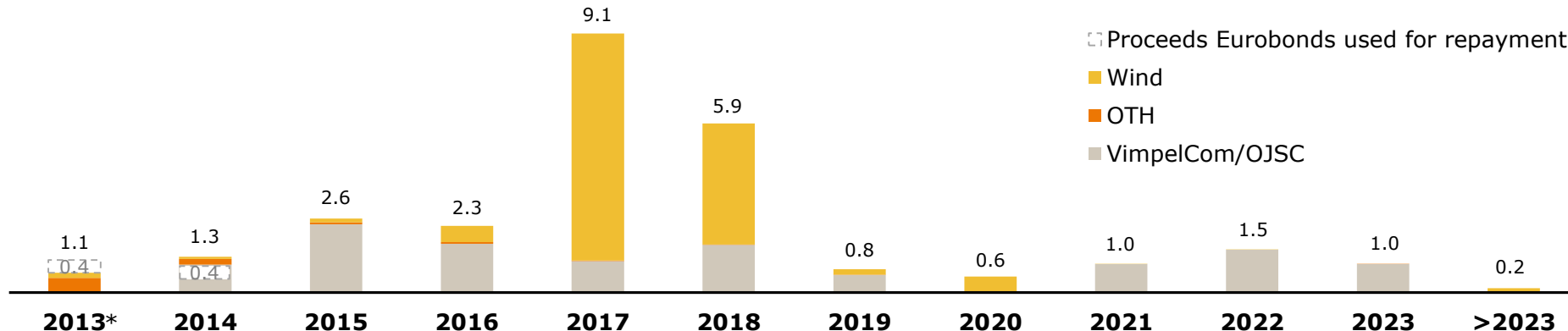
Net Cash Flow From Operating Activities

(USD billion)



Well Balanced Debt Composition and Maturity Profile

Group Debt Maturity Schedule per 30 June 2013



Other information

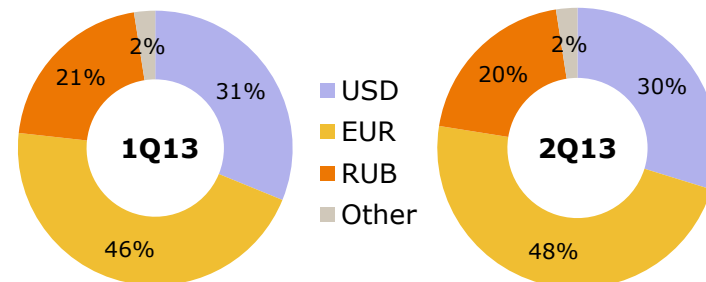
During 2Q13

- Prepayment on the WIND Senior bank loan 2014 and 2015 maturities for EUR 575 million through issuance of Senior Secured Notes by Wind Acquisition Finance
- Repayment of Eurobond by OJSC VimpelCom for USD 801 million.

Available headroom under committed revolving credit facilities per June 2013:

- EUR 250 million (USD 325 million) for Wind
- RUB 15 billion (USD 459 million) for Russia
- EUR 205 million (USD 266 million) and USD 225 million for VIP HQ

Debt Composition by Currency**



Conclusion

Jo Lunder
CEO

On track to deliver on the Value Agenda 2013-2015

- Solid operational performance in most businesses
- Top-line organic growth, despite impact from governmental and regulatory measures
- Strong mobile data revenue growth
- Continued operational improvement in Russia and LTE launched in Moscow
- Underlying EBITDA growth, excluding MTR and one-offs, of 3% YoY
- Strong EBITDA margin of 42.4%
- Continued focus on operational excellence, cost control and customer excellence to grow cash flows

Q&A

Further information

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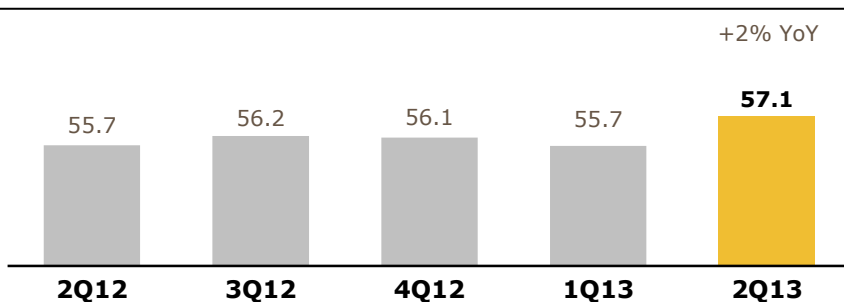


Thank you!

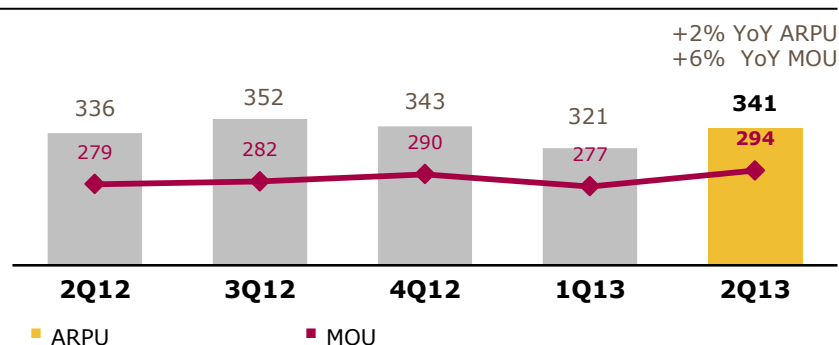
Appendices

Solid Operational Performance in Russia

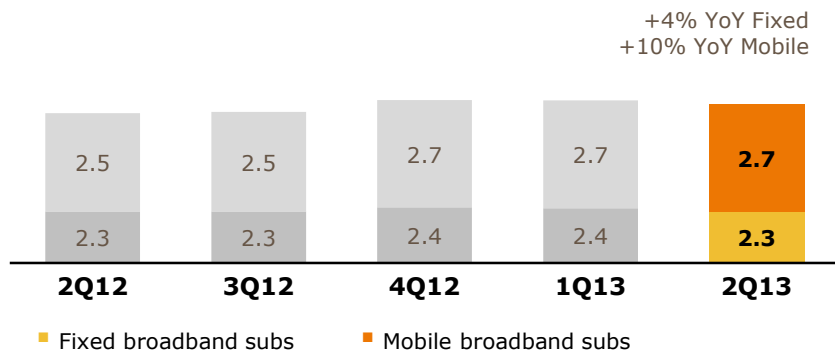
Mobile subscribers (million)



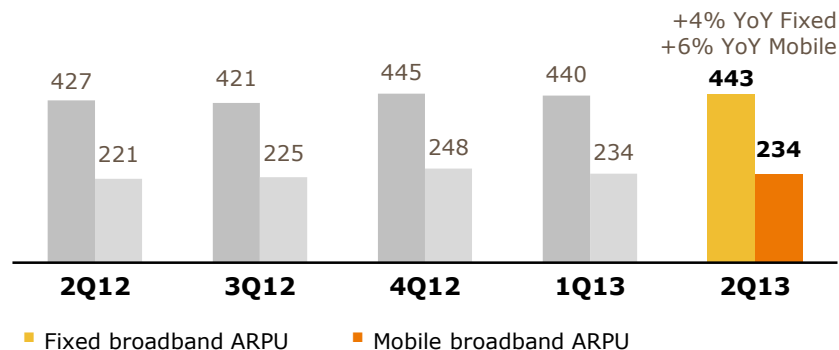
ARPU and MOU (RUB) (min)



Broadband subscribers (million)

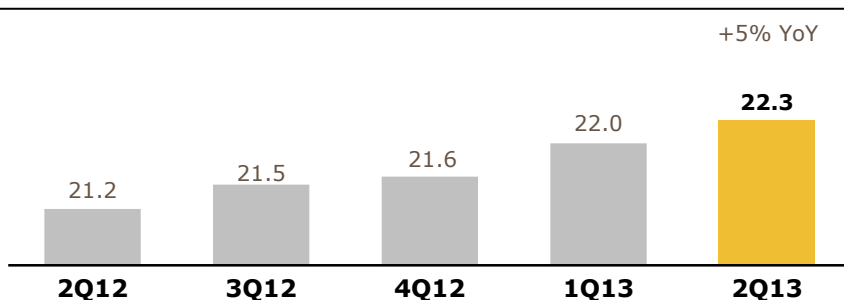


Broadband ARPU (RUB)

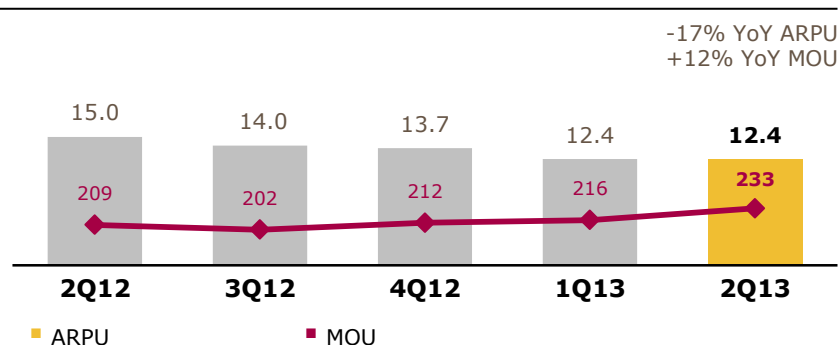


Strong Operational Performance in Italy

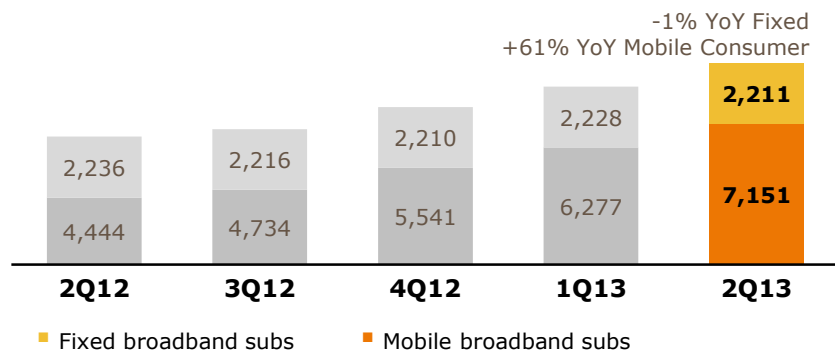
Mobile subscribers (million)



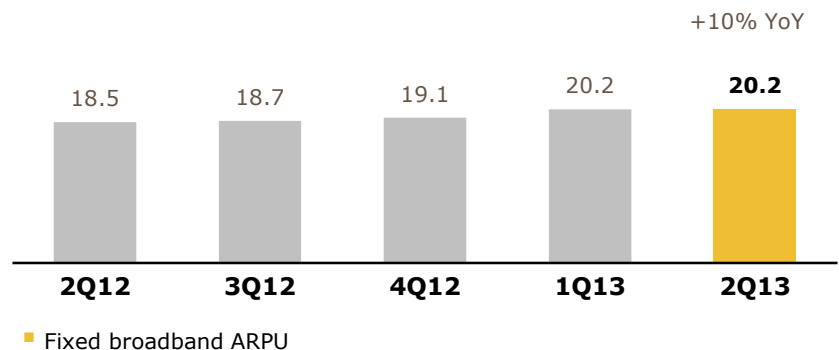
ARPU and MOU (EUR) (min)



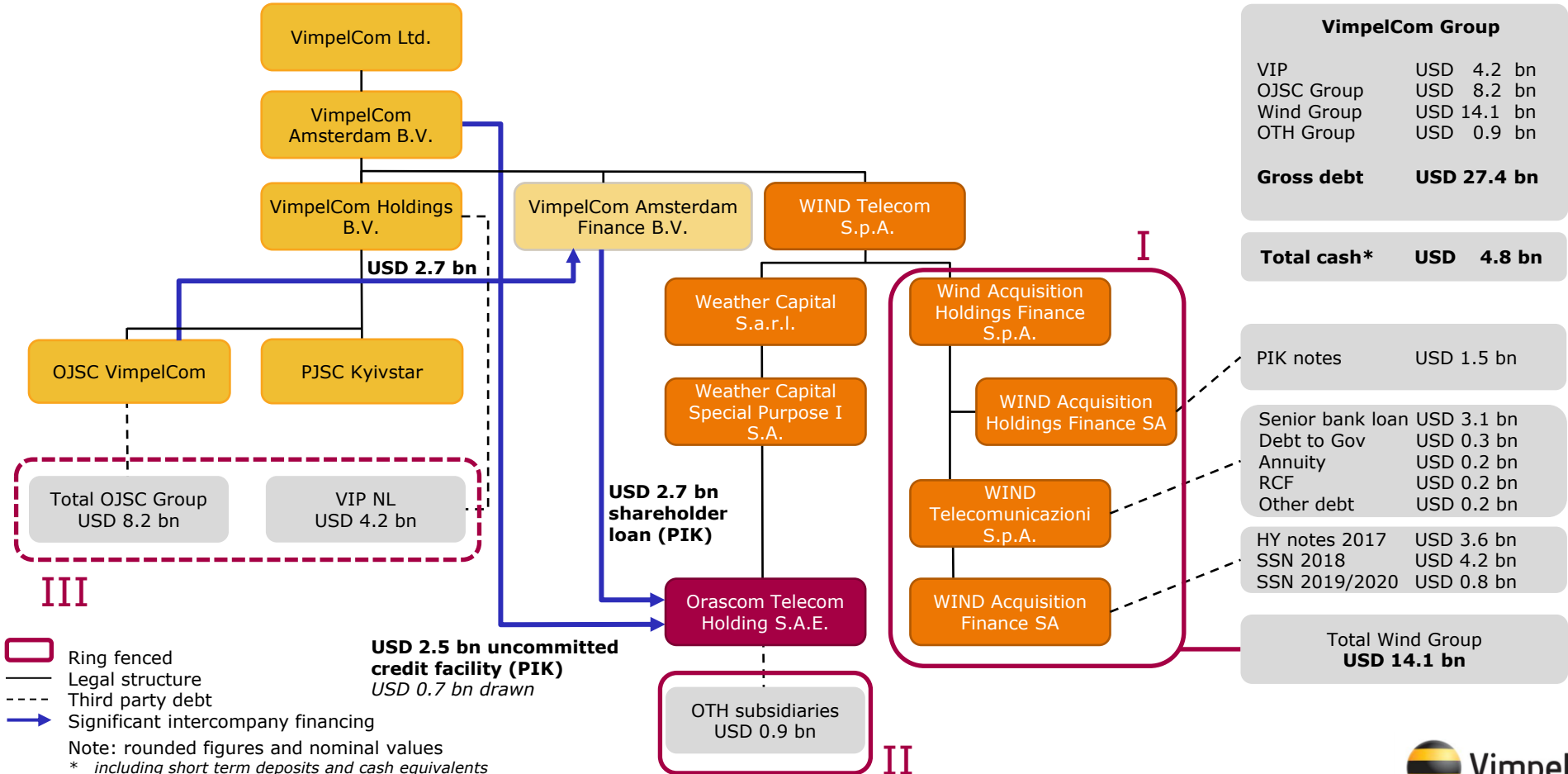
Broadband subscribers* (thousands)



Broadband ARPU (EUR)



Financing Structure as of June 30, 2013



FOREX Development

	Average rates			Closing rates		
	2Q13	2Q12	YoY	2Q13	FY2012	Delta
Russian Ruble	31.62	30.98	-2.0%	32.71	30.37	-7.2%
Euro	0.77	0.78	1.9%	0.77	0.76	-1.4%
Algerian Dinar	79.14	75.99	-4.0%	80.20	78.94	-1.6%
Pakistan Rupee	98.49	92.10	-6.5%	99.60	97.14	-2.5%
Bangladeshi Taka	77.88	81.83	5.1%	77.76	79.78	2.6%
Ukrainian Hryvnia	7.99	7.99	0.0%	7.99	7.99	0.0%
Kazakh Tenge	151.14	148.18	-2.0%	151.65	150.74	-0.6%
Armenian Dram	414.74	401.32	-3.2%	409.90	403.58	-1.5%
Kyrgyz Som	48.30	47.02	-2.7%	48.63	47.40	-2.5%

Reconciliation Tables

Reconciliation of consolidated EBITDA of VimpelCom*

USD mln	2Q13	2Q12**	1H13	1H12**
Unaudited				
EBITDA	2,425	2,481	4,773	4,792
Depreciation	(748)	(726)	(1,514)	(1,447)
Amortization	(438)	(522)	(892)	(1,054)
Impairment loss	(4)	-	(22)	-
Loss on disposals of non-current assets	(11)	(41)	(14)	(84)
EBIT	1,224	1,192	2,331	2,207
Financial Income and Expenses	(521)	(476)	(1,022)	(919)
- including finance income	27	40	49	81
- including finance costs	(548)	(516)	(1,071)	(1,000)
Net foreign exchange (loss)/gain and others	59	13	(4)	34
- including Other non-operating (losses)/gains	43	24	17	(2)
- including Shares of loss of associates and joint ventures accounted for using the equity method	(18)	(12)	(83)	(28)
- including Net foreign exchange gain	34	1	62	64
EBT	762	729	1,305	1,322
Income tax expense	(204)	(247)	(417)	(486)
Profit/(loss) for the year	558	482	888	836
Profit/(loss) for the year attributable to non-controlling interest	(15)	(6)	(93)	30
Profit for the year attributable to the owners of the parent	573	488	981	806

* Income statement 2Q12 and HY12 has been amended to reflect classification of certain operating costs at the Group level without any impact on net income and performance of the business unit

Reconciliation Tables

Reconciliation of consolidated net debt of VimpelCom

USD mln

	2Q12	1Q13	2Q13
Net debt	23,067	22,861	22,622
Cash and cash equivalents	2,883	5,564	4,551
Long - term and short-term deposits	609	190	213
Gross debt	26,559	28,615	27,386
Interest accrued related to financial liabilities	558	448	574
Fair value adjustment	228	-	-
Unamortised fair value adjustment under acquisition method of accounting	841	62	718
Other unamortised adjustments to financial liabilities (fees, discounts etc.)	(147)	749	38
Derivatives not designated as hedges	415	466	474
Derivatives designated as hedges	157	131	172
Total other financial liabilities	28,611	30,471	29,362