

Creating value by investing in the future

Gerbrand Nijman

Group Director & Head of Investor Relations



VimpelCom

A&I Site Visit

**Georgia
Kazakhstan**

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, among other things, VimpelCom Ltd.’s and its relevant subsidiaries’ anticipated performance, strategic initiatives and directions, anticipated return on investment, operational and network developments, expected benefits from existing or future OTT partnership, and anticipated regulatory and market developments. The forward-looking statements included in this presentation are based on management’s best assessment of VimpelCom Ltd.’s and its subsidiaries’ 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. 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 VimpelCom Ltd.’s Annual Report on Form 20-F for the year ended December 31, 2014 filed with the U.S. Securities and Exchange Commission (the “SEC”) and other public filings made by VimpelCom Ltd. with the SEC, which risk factors are incorporated herein by reference. VimpelCom Ltd. and its subsidiaries’ disclaim 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.

Program April 1, 2015

Time	Kazakhstan analyst & investor site visit – Almaty	
10:00-10:05	Gerband Nijman	Head of IR VimpelCom
10:05-10:30	Taras Parkhomenko	CEO Kazakhstan
10:30-11:10	Alexander Komarov	CCO Kazakhstan
11:10-11:30	Break	
11:30-12:00	Gulnar Kulybekova	CFO Kazakhstan
12:00-12:20	Oleg Snimshikov	Deputy COO Kazakhstan
12:20-13:20	Q&A	With all presenters
13:20-14:20	Lunch	All presenters
14:20-15:00	Departure to monobrand store	
15:00-16:30	Visit monobrand store	
16:30-17:00	Departure to hotel	
18:00-20:30	Informal dinner and drinks with management	All presenters

Kazakhstan Analyst & Investor Site Visit

Taras Parkhomenko

Chief Executive Officer



VimpelCom

A&I Site Visit

Kazakhstan

Welcome to Kazakhstan



Country with long-term ambition (Kazakhstan 2050):



- Joining the top-30 developed countries
- GDP per capita: growth to USD 60K in 2050
- Share of SME: 2 times increase by 2020
- Volume of transit services increase: x2 by 2020, x10 by 2050
- Share of agricultural produces increase: x5 by 2050
- Alternative energy resources development
- International investments for new technologies and innovation
- Increase of presence at Space Services World Market by 2030

Kazakhstan at a glance

Key facts

Population: 17.4 million

Area: 2,724,900 square km

GDP (PPP): USD 396 billion

GDP (PPP) per capita: USD 23,211

Real GDP growth: 4.3%

Inflation: 4.7%



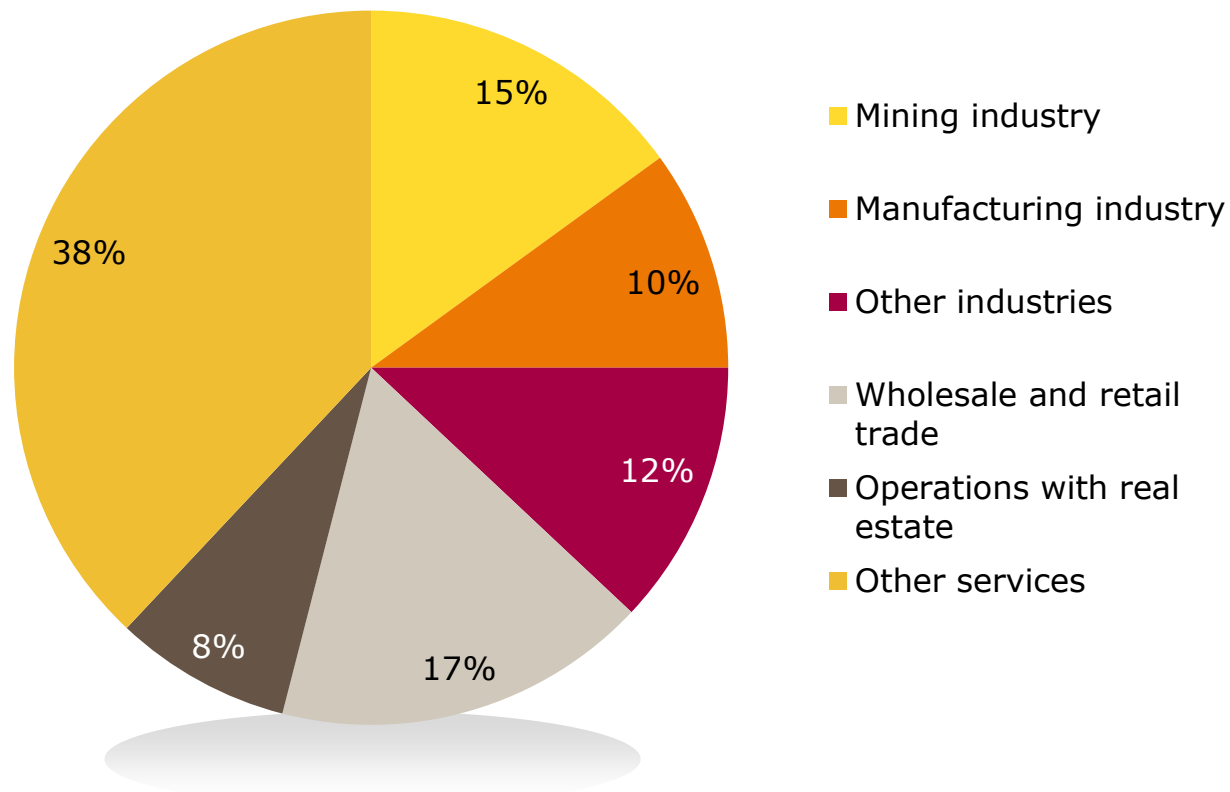
Key indicators

- | | |
|--|--|
| <ul style="list-style-type: none"> • Consistent economic growth • Risk of currency devaluation • Minerals (oil) and natural resources (ferrous metals) are the key export streams | <ul style="list-style-type: none"> • High sovereign credit rating: <ul style="list-style-type: none"> ▶ S&P: BBB (negative) ▶ Moody's: Baa2 (stable) |
| <ul style="list-style-type: none"> • 160% mobile penetration • 60% internet penetration • 45% people aged below 25 years • 91% in mobile coverage by population | <ul style="list-style-type: none"> • Low unemployment rate: 5% • Low poverty level: 3% population below size of a living wage • Improving social indicators |

Sound investment climate

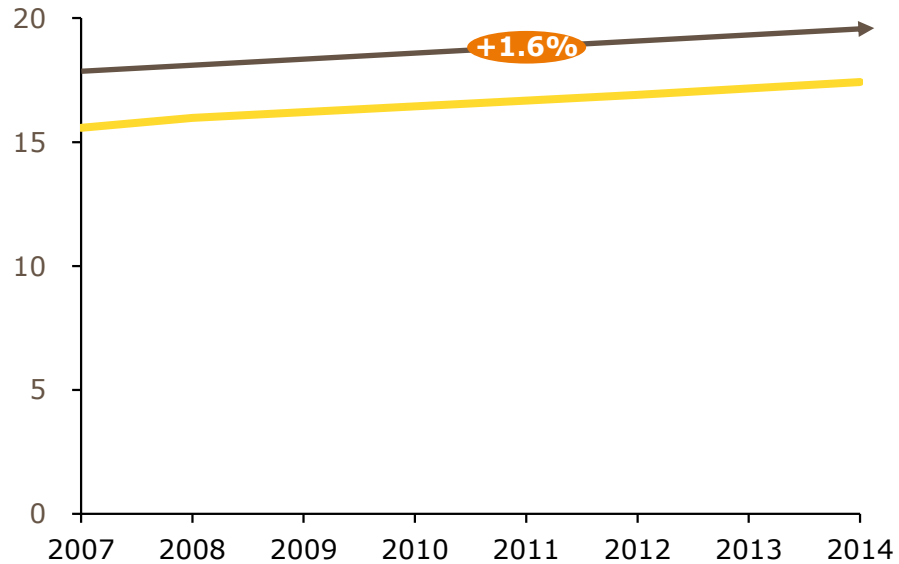
Resilient economic growth with high sovereign rating

Well diversified economy

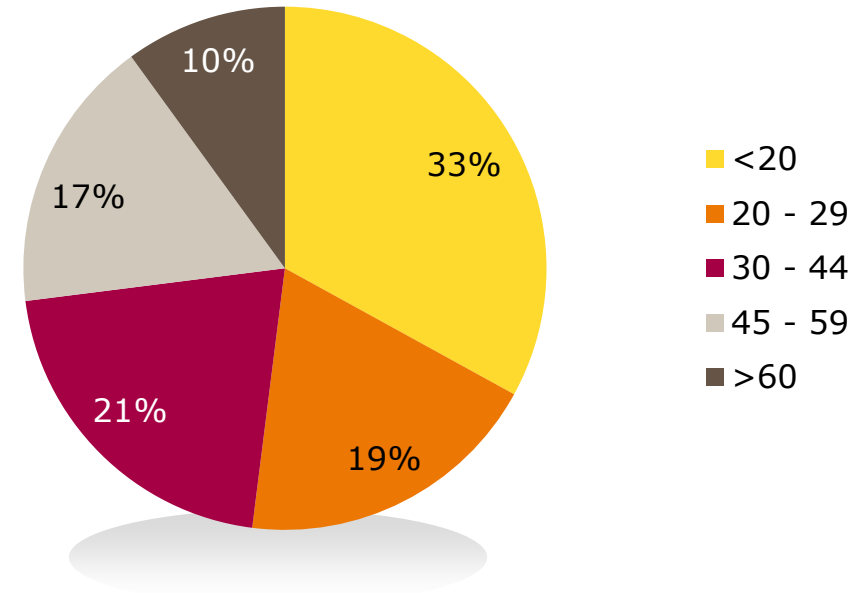


Growing population and high share of youth

Population
(million)

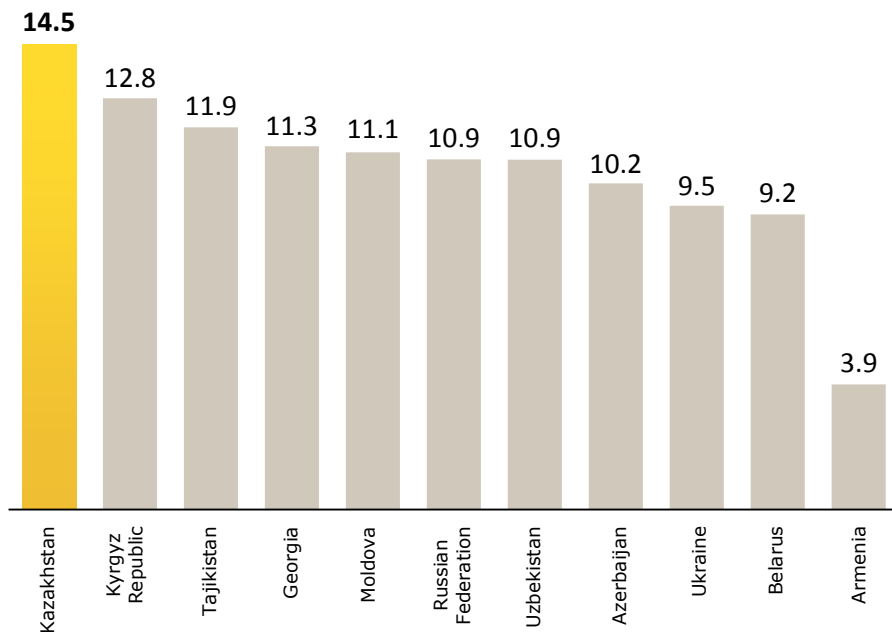


Age distribution
(%)



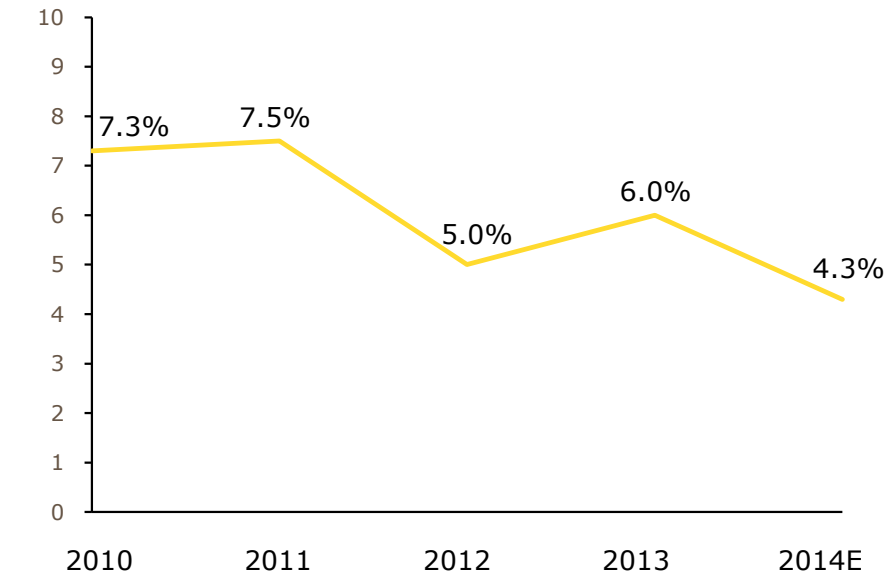
The fastest growing economy in CIS

3 years average GDP per capita growth (%)



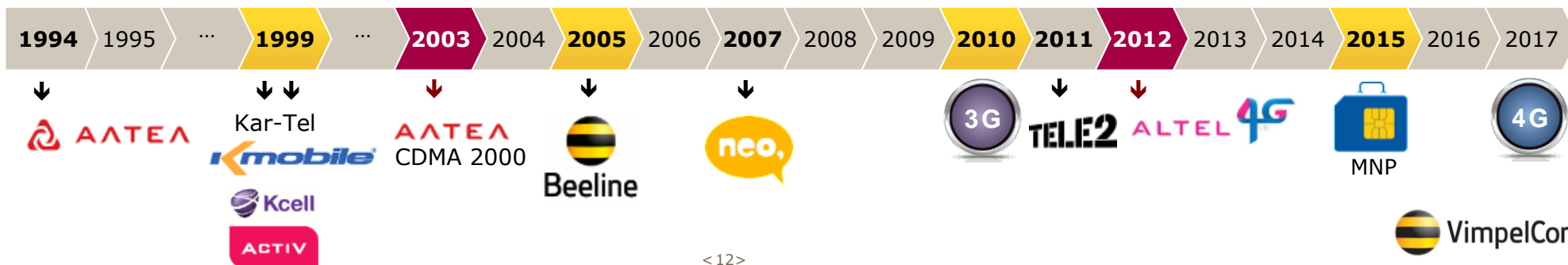
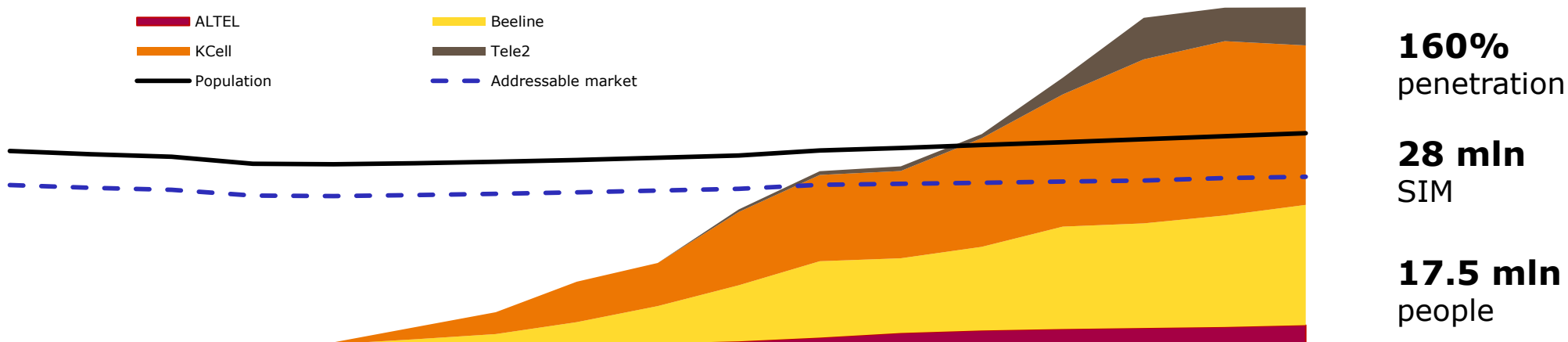
Source: World Bank, CAGR 2010-2013

Real GDP growth (%)



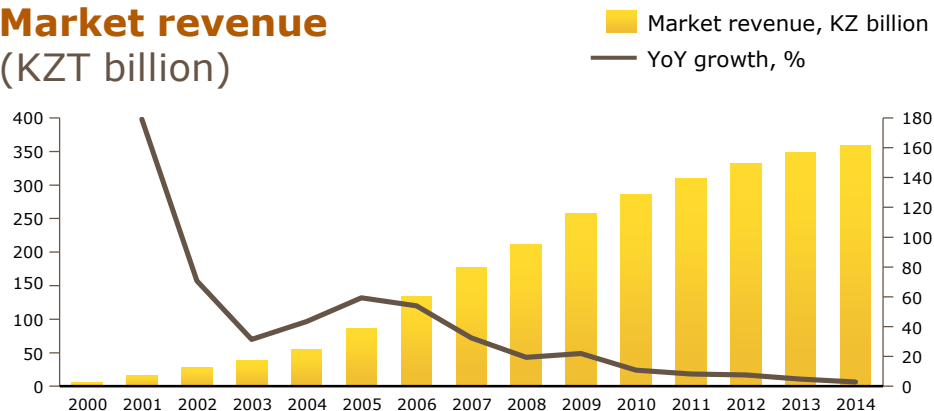
Source: National Statistic Committee of Kazakhstan

Market is highly penetrated, with big share of multi-SIM and increasing competition

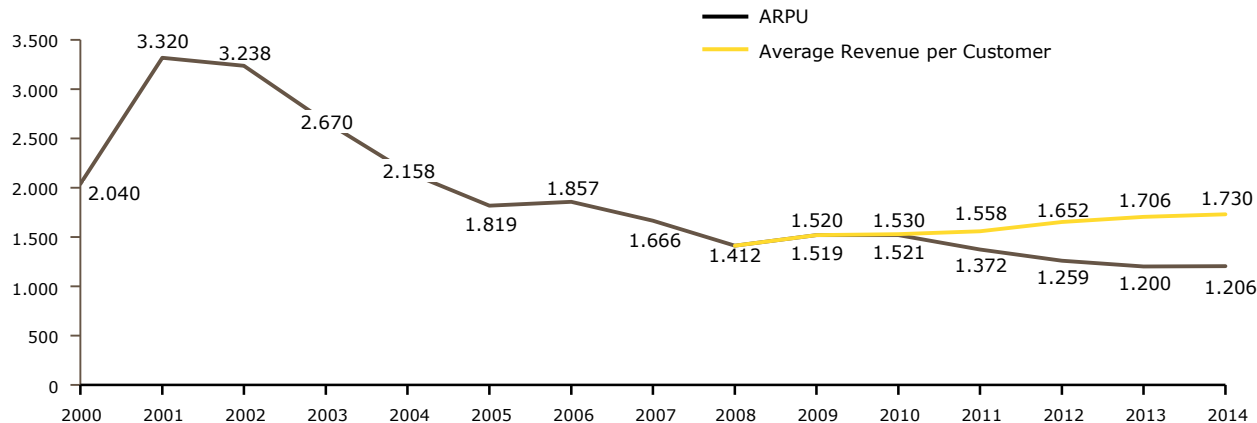
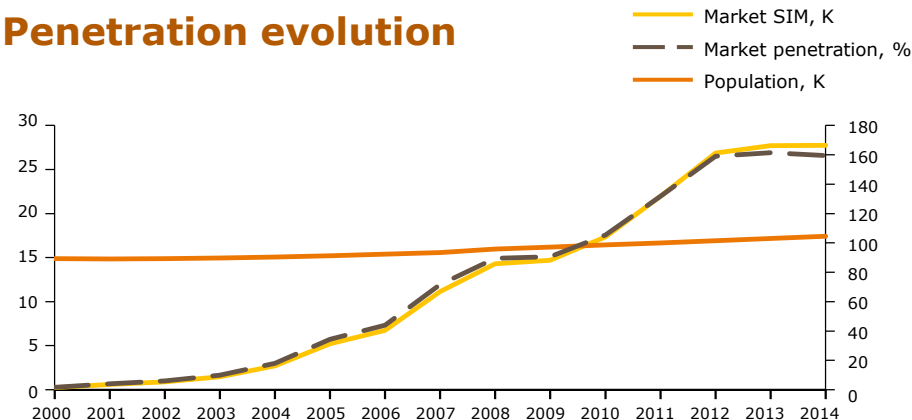


Market growth is slowing down while spending per person increases

Market revenue (KZT billion)

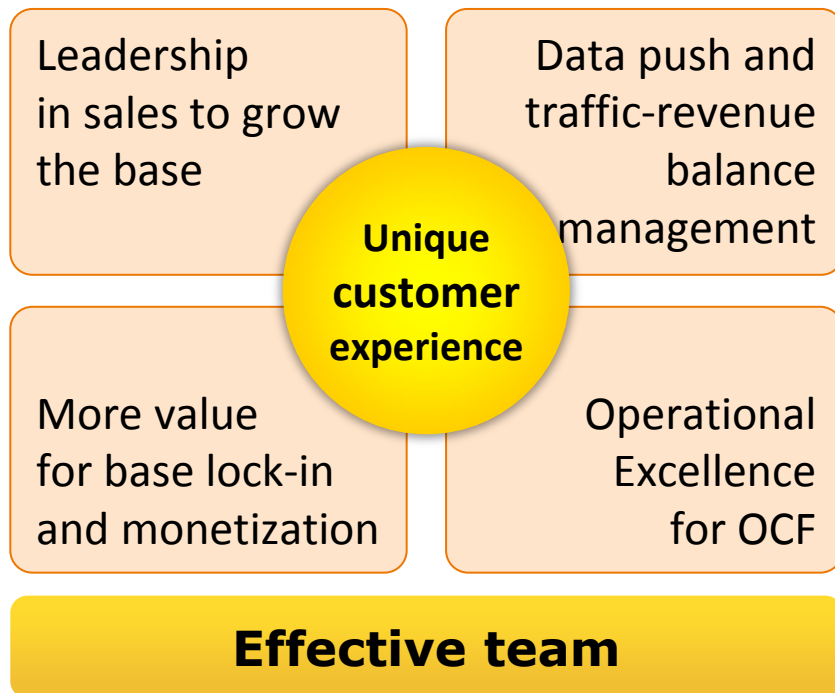


Penetration evolution



Note: Revenue per person is calculated as revenue/total SIM (when penetration in addressable market is <100%) and as total revenue/addressable market (when penetration in addressable market is >=100%)

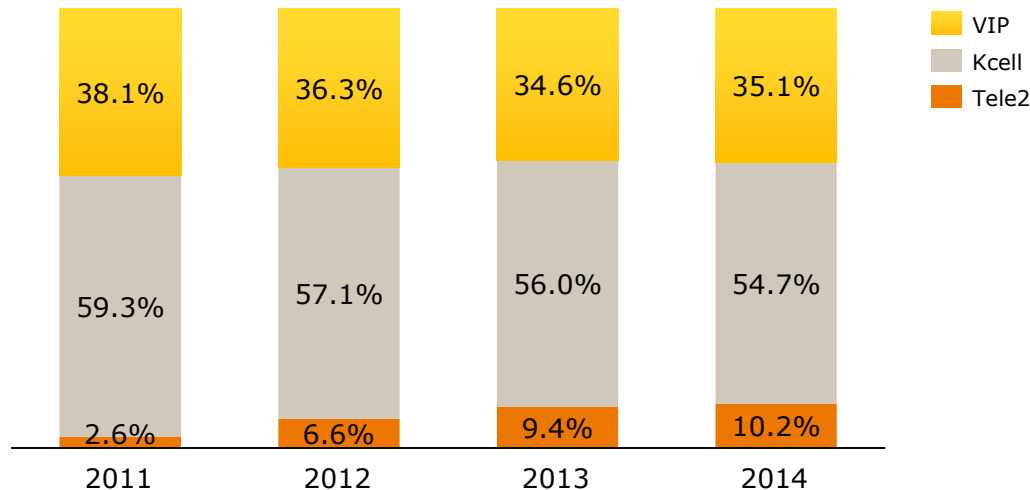
Key pillars of profitable growth and Big Idea



Beeline has been growing revenue share driven by customer generated revenue growth

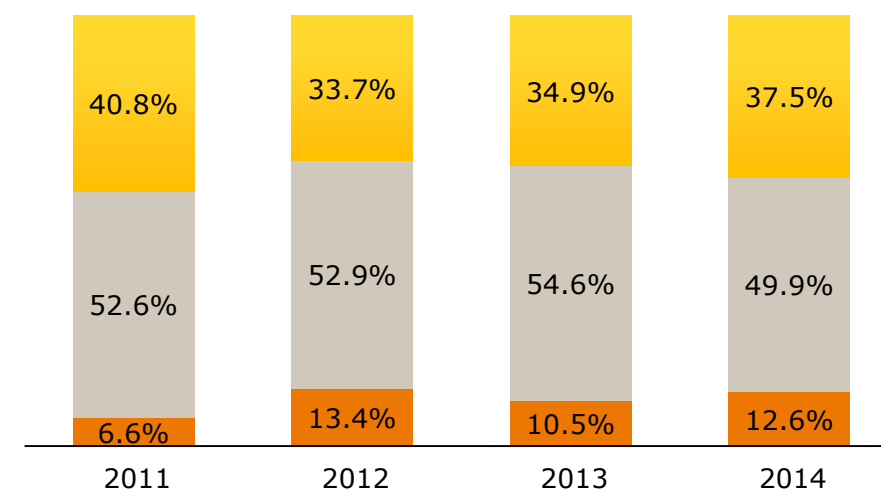
Revenue mobile market share

(Actual)



Customer base market share

(Actual)

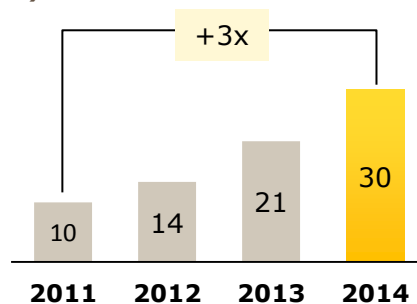


Source: Company estimates

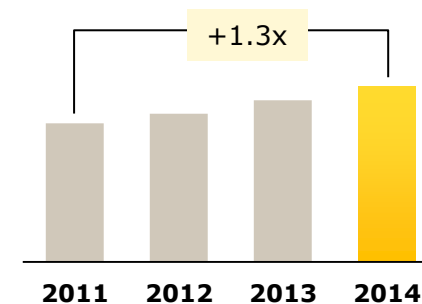
High growth of mobile data



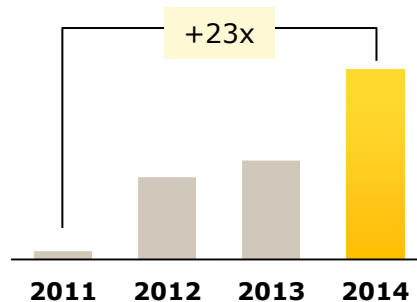
Smartphone penetration (%)



3G customers evolution

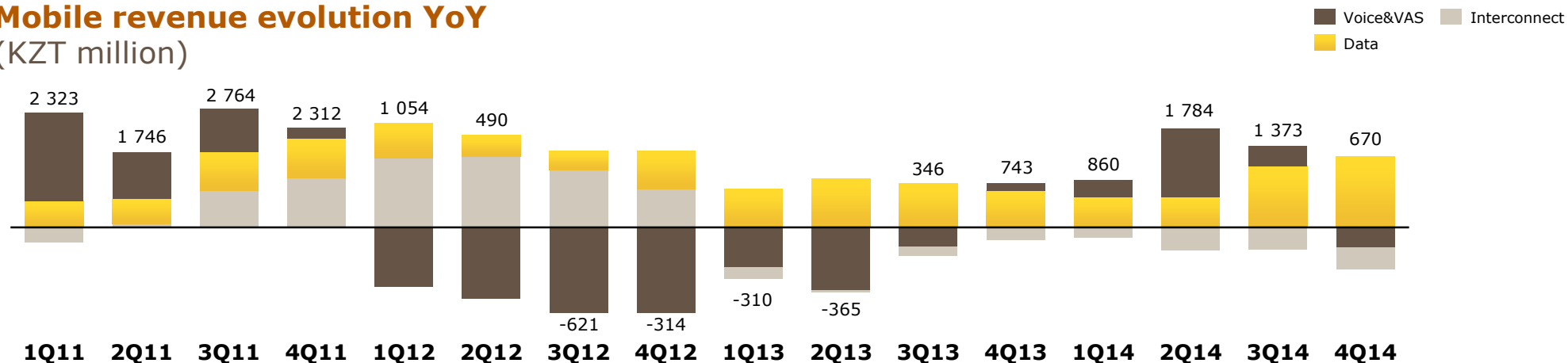


3G traffic

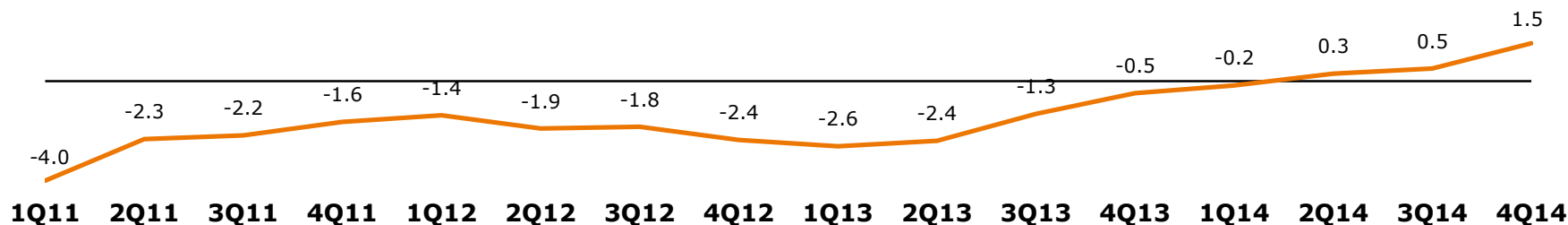


The successful turnaround

Mobile revenue evolution YoY (KZT million)



Revenue market share evolution YoY (percentage points)



Regulatory environment and developments

Ongoing top relevant topics (2015)

4G/LTE

Only 1 operator has 4G/LTE in the market

MNP

MNP introduction in presence of inappropriate MNP rules

CDP¹

New stricter rules in the matter of DP introduced since Dec 2013

Future topics (2016-2019)

International Roaming

Eurasian Economic Commission may introduce "zero roaming rate" in the area within 4 years

1800MHz/ 800MHz

35MHz in 1800MHz to be available for future assignment. 800MHz band currently used by TV broadcaster expected to be assigned to MNOs after 2017

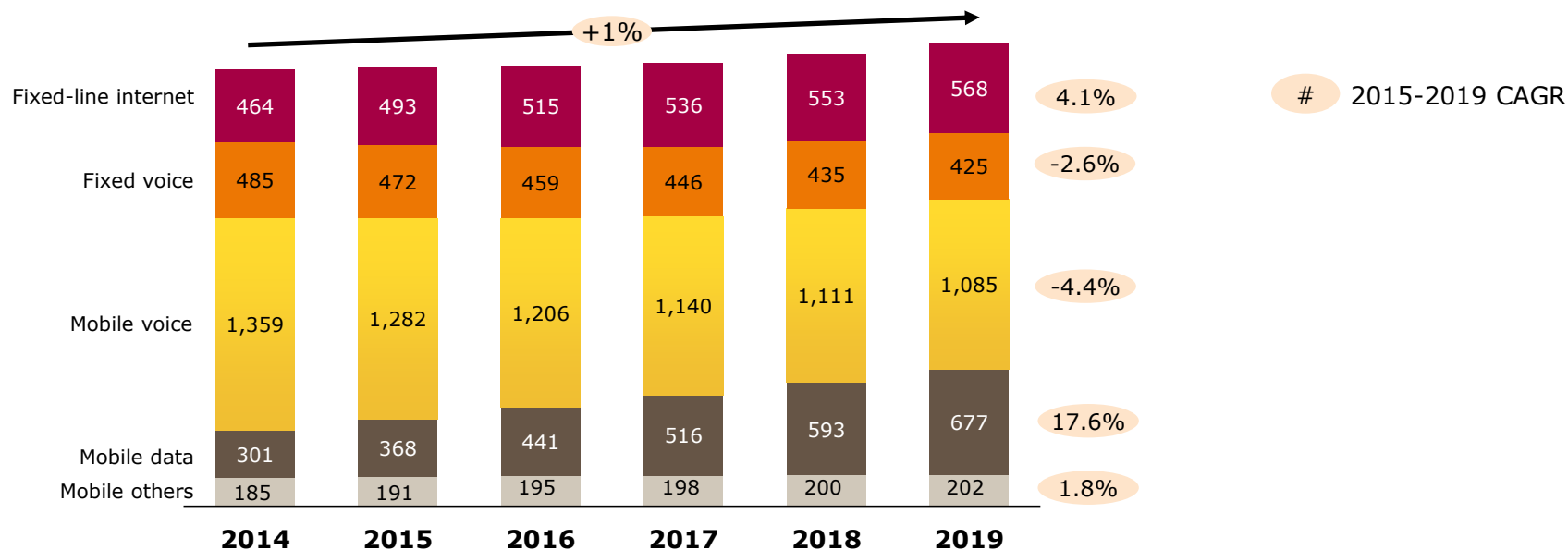
SMP

Beeline designated as SMP operator and subject to retail regulation

¹ Customer data protection

Overall telecom market is expected to grow by 1% CAGR

Total telecom market in Kazakhstan (USD million; Latest estimates)



¹ Includes VAS, messaging, content, devices and others

Source: Company estimates

Profitable growth after successful turnaround

Leading market position

Strong management team

Attractive growth of mobile data

Leading in customer experience (NPS)

Thank you

Questions please!

Kazakhstan Analyst & Investor Site Visit

Alexander Komarov

Chief Commercial Officer



VimpelCom

A&I Site Visit

Kazakhstan

Market share development 2014

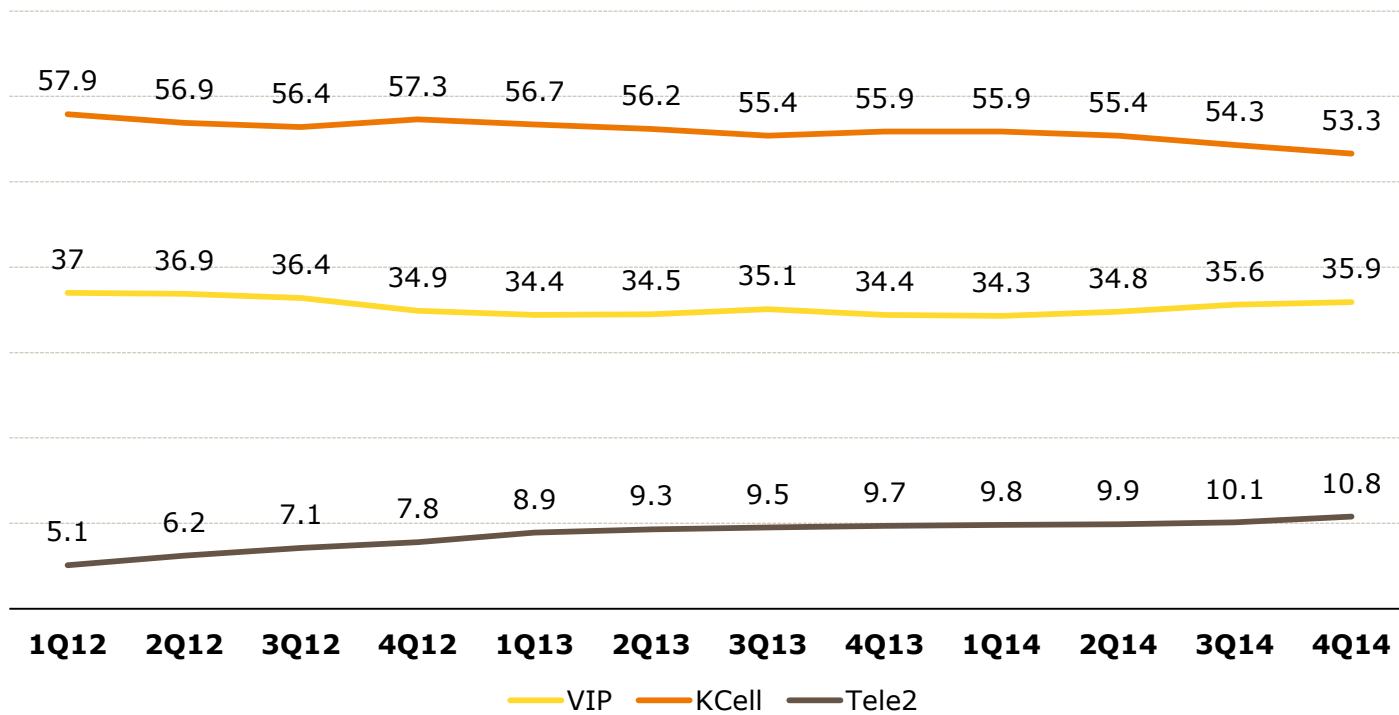


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A successful turnaround in 2014

Revenue market share (%)

2014 vs 2013
(Percentage points)



-1.3

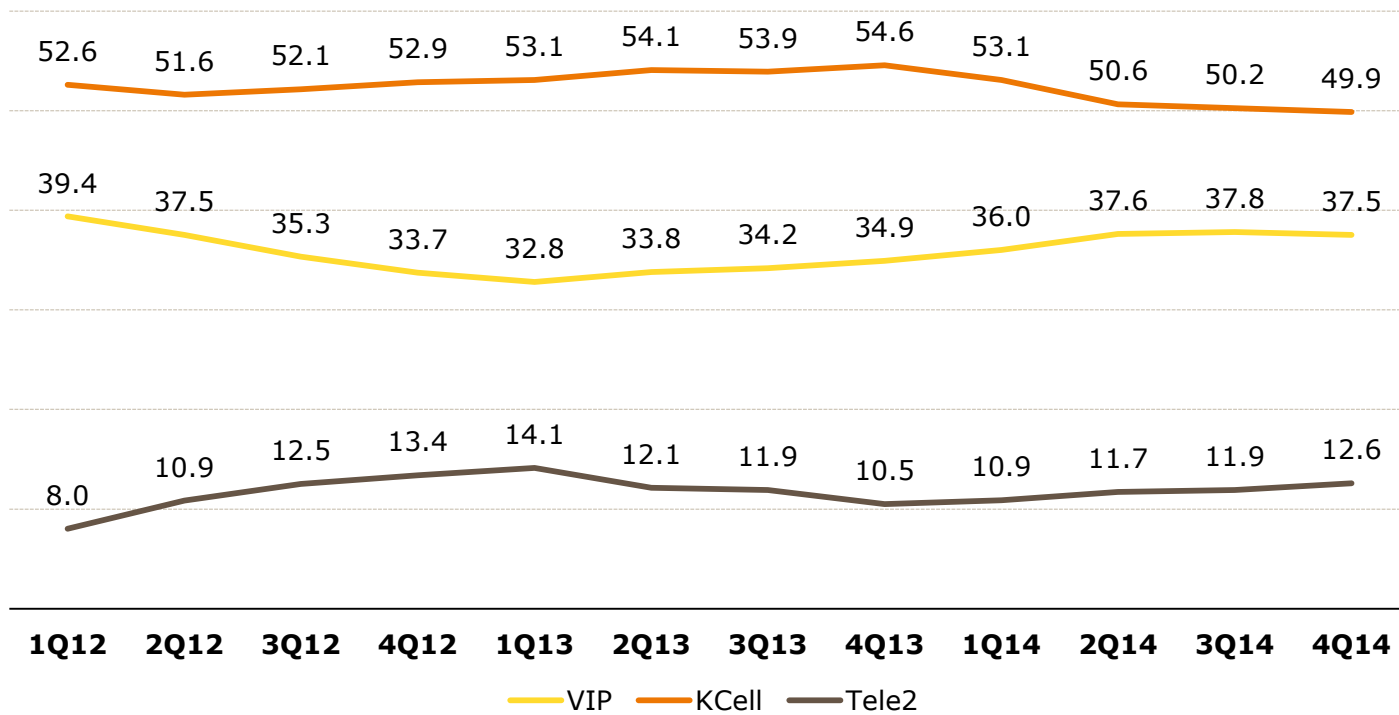
+0.6

+0.8

Customer market share growing from 2013

Customer market share (%)

2014 vs 2013
(percentage points)



-4.7

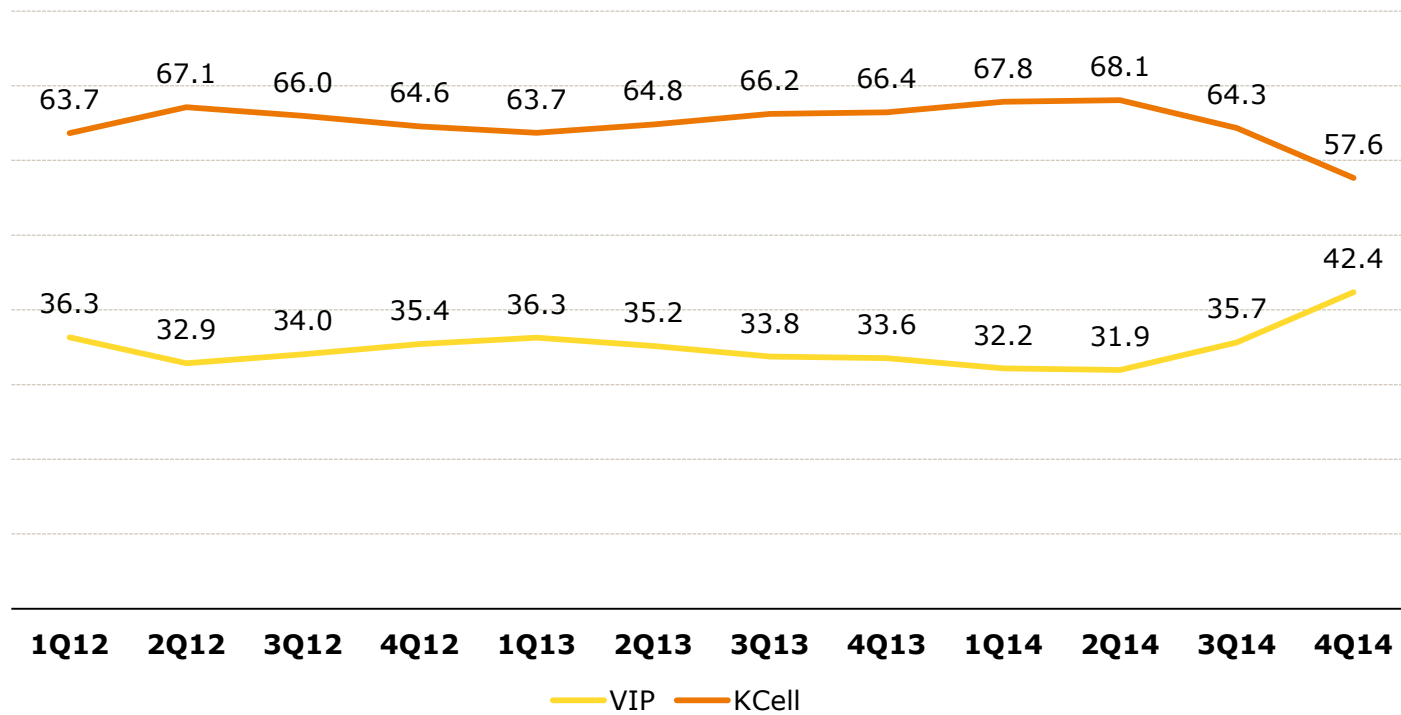
+2.6

+2.1

Data revenue market share turnaround from 2H14

Data revenue market share (%)

2014 vs 2013
(percentage points)

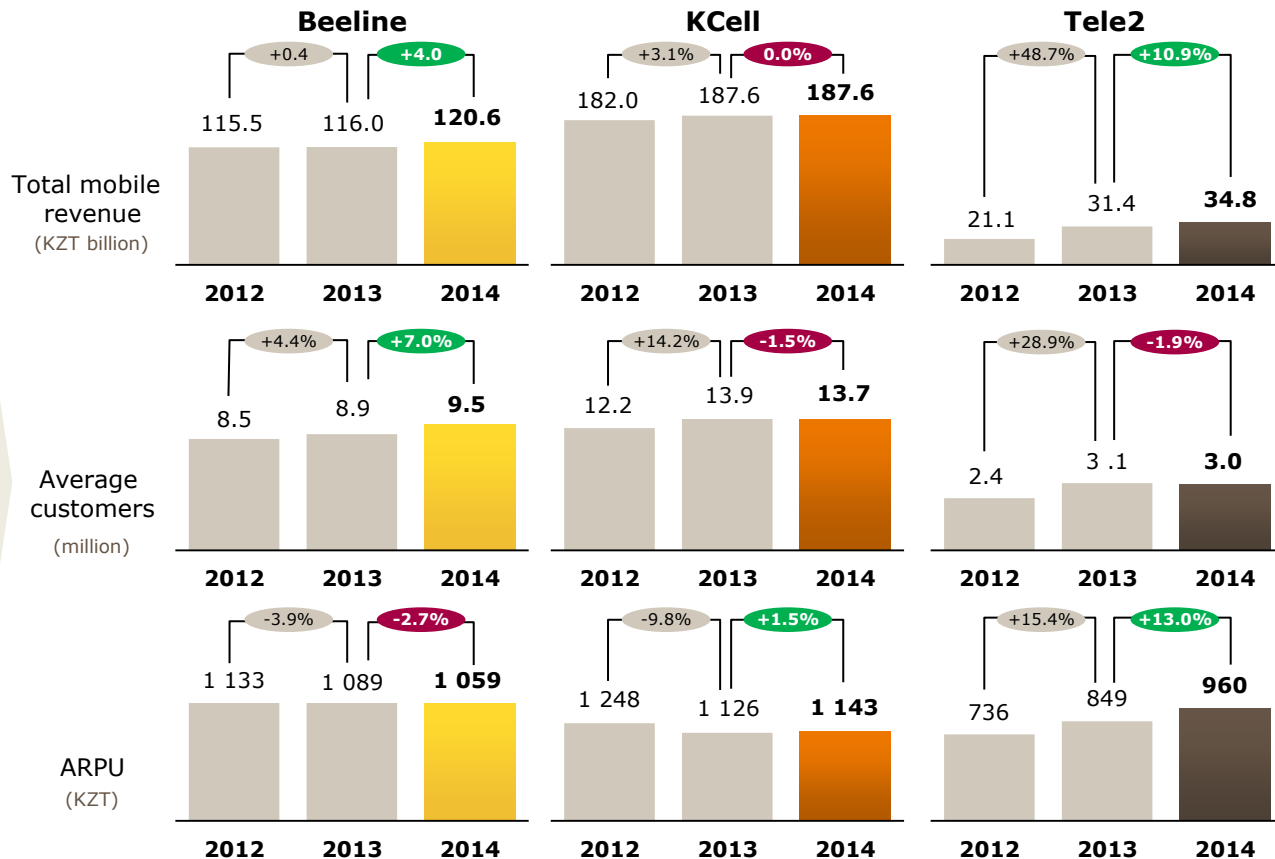
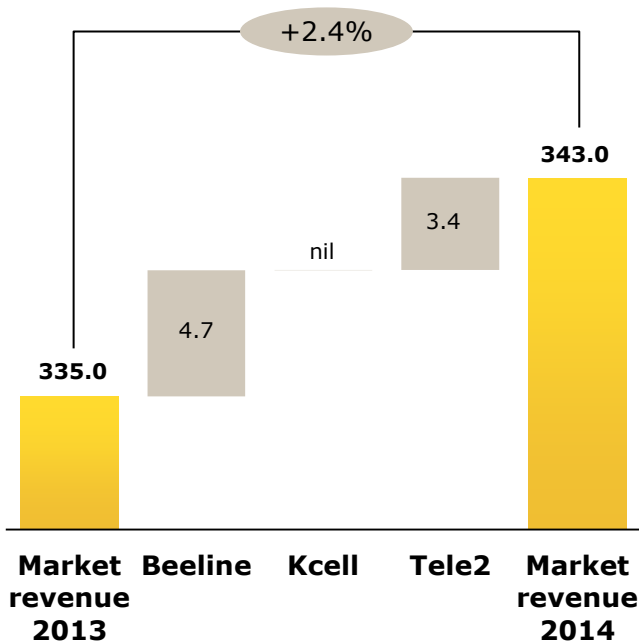


-1.1

+1.1

Market revenue growth driven by growth in customers and ARPU

(KZT billion)



Strategy



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Kazakhstan

✓ **(1) Get more**

(2) Drive mobile data ✓

(5) CEM

✓ **(3) Drive sales to grow the base**

**(4) Operational Excellence
to ensure OCF** ✓

✓ (1) Get more

(2) Enforce mobile data ✓

On-n

Bund

Regio

(1) Value proposition - Get more

- ✓ Regional approach
- ✓ On-net lock-in
- ✓ Bundles transition

✓ (

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efficiency

1. Get More – Attractive “flat” regional offers

до
21,6
Мбит/сек
дейін

жыл бойы
круглый год

0 T
ИНТЕРНЕТ

06 06 906
www.beeline.kz

Beeline™

7+ for Almaty

- ▶ Onnet – 7 tg/min
- ▶ Offnet – 7 tg/min
- ▶ Free Whatsapp

«Simple+» for Karaganda

- ▶ Onnet – 7 tg and then 1 tg per minute
- ▶ Offnet – 7 tg/min
- ▶ Free Whatsapp

1. Get More – FreeStyle family price plan as a main network “lock-in” tool



FreeStyle Lite

300 min

within the network for free

☎ 06 06 88 www.beeline.kz

Тарифная комплектация пакета услуг включает в себя 300 минут разговоров. Тариф действует круглосуточно. Стоимость перевода на тарифный план 100 тенге. 300 бесплатных минут внутри сети в месяц предоставляется при условии пополнения баланса на абонентскую сумму. Стоимость перевода на тарифный план 100 тенге.

«Freestyle» Family

- ▶ Onnet – Unlimited / 300 min/day
- ▶ Top up/fee – 200 tg/week or 790 tg/month / 29 tg/day
- ▶ Offnet - 18 tg/min

1. Get More – based on new “Inspiring for More” brand platform



1. Get More – “All Inclusive” On-net integrated bundle

Бүгінке шаббаттан да рағад
Вдохновляя на большее

**Бәрі қосұлы
Всё включено**

Қоңыраулар, SMS, жойылмайтын трафик
Звонки, SMS, несгораемый трафик

«All Inclusive»

- ▶ 49/59/79/89 Tg per day.
- ▶ 100 min/sms on-net per day
- ▶ 15/45/100/150 mb per day, after 1 tg for 1 mb.
- ▶ Free soc. networks

1. Get More – “All Inclusive 2” On-net/off-net integrated bundle

Билікке шабыттандырады
Вдохновляя на большее

BEELINE НӨМІРЛЕРІ
0 ₸
НОМЕРА
BEELINE

БАСҚА ОПЕРАТОРЛАРҒА *
120 МИН
НА ДРУГИХ
ОПЕРАТОРОВ

ТЕГІН
f o B В
БЕСПЛАТНО

Бәрі қосылған 2
Всё включено 2

350 ₸ / апта
в неделю

☎ 06 06 334 www.beeline.kz

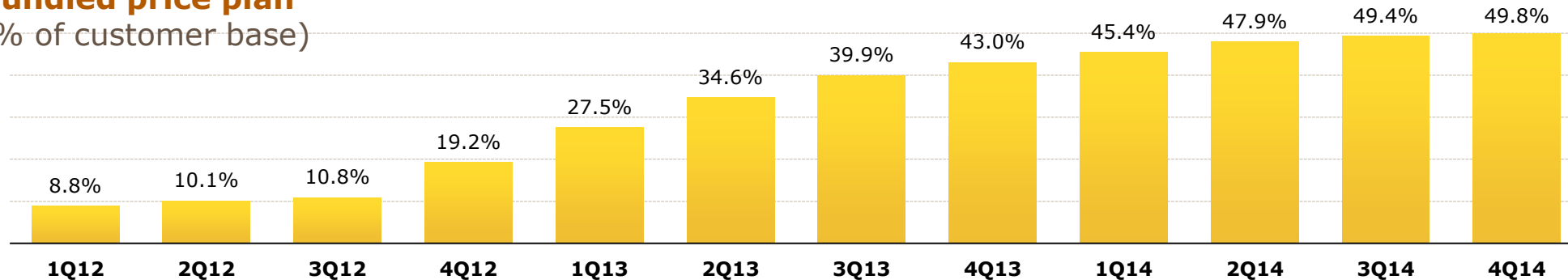
АБОНЕНТТІК ТӨЛЕМ УСТАЛҒАН ЖАҒДАЙДА ҚР БОЙЫНША БАСҚА ОПЕРАТОРЛАРДЫҢ НӨМІРЛЕРІНЕ ҚОЙҒАУ СОҒУ АПТАСЫНА 30 МИНУТ, ОЛ АЙЫНА 120 МИНУТКА ТЕҢ БОЛАДЫ
*30 минут звонков в неделю, которые приравниваются к 120 минутам в месяц на номера других операторов связи РК при условии списания абонентской платы.

«All Inclusive 2»

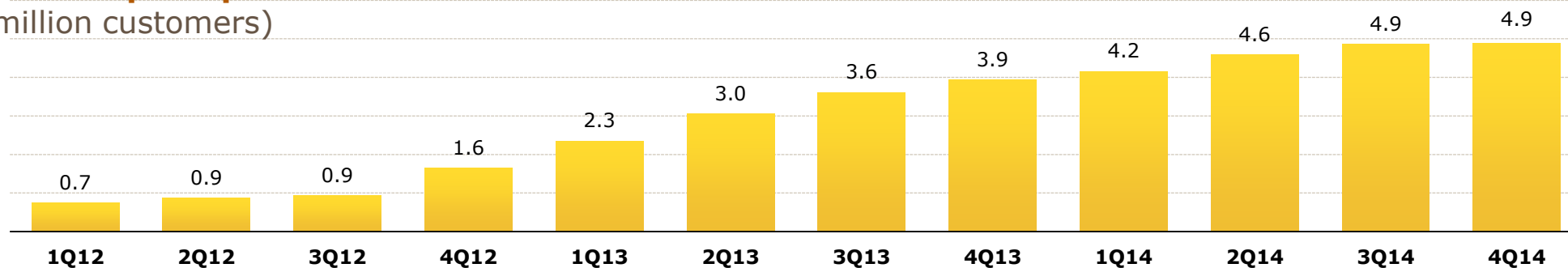
- ▶ Fee - 350 tg, 450 tg, 550 tg, 650 tg weekly
- ▶ Onnet - unlimited
- ▶ Offnet – 30 minutes per week, over package 18 tg/min
- ▶ 150 MB, 350 MB, 700 MB, 110 MB per week
- ▶ Free social networks

Transitioning customer base to bundles

Bundled price plan (% of customer base)



Bundled price plan (million customers)



1. Get More – “All Inclusive” family price plan

“All inclusive”
as is

	M	L	L+	XL
Onnet, min	• 100/day	100/day	100/day	100/day
Offnet, min	• -	-	-	-
SMS, min	• 100/day	100/day	100/day	100/day
Data, Mb	• 15/day	45/day	100/day	150/day
Fee	• 49KZT/day	59KZT/day	79KZT/day	89KZT/day

New offer as
planned

	M	L	L+	XL
Onnet, min	• Unlimited	Unlimited	Unlimited	Unlimited
Offnet, min	• 30/week	30/week	30/week	30/week
SMS, min	• 700/week	700/week	700/week	700/week
Data, Mb	• 150/week	350/week	700/week	1100/week
Fee	• 350KZT/week	450KZT/week	550KZT/week	650KZT/week
OTT				

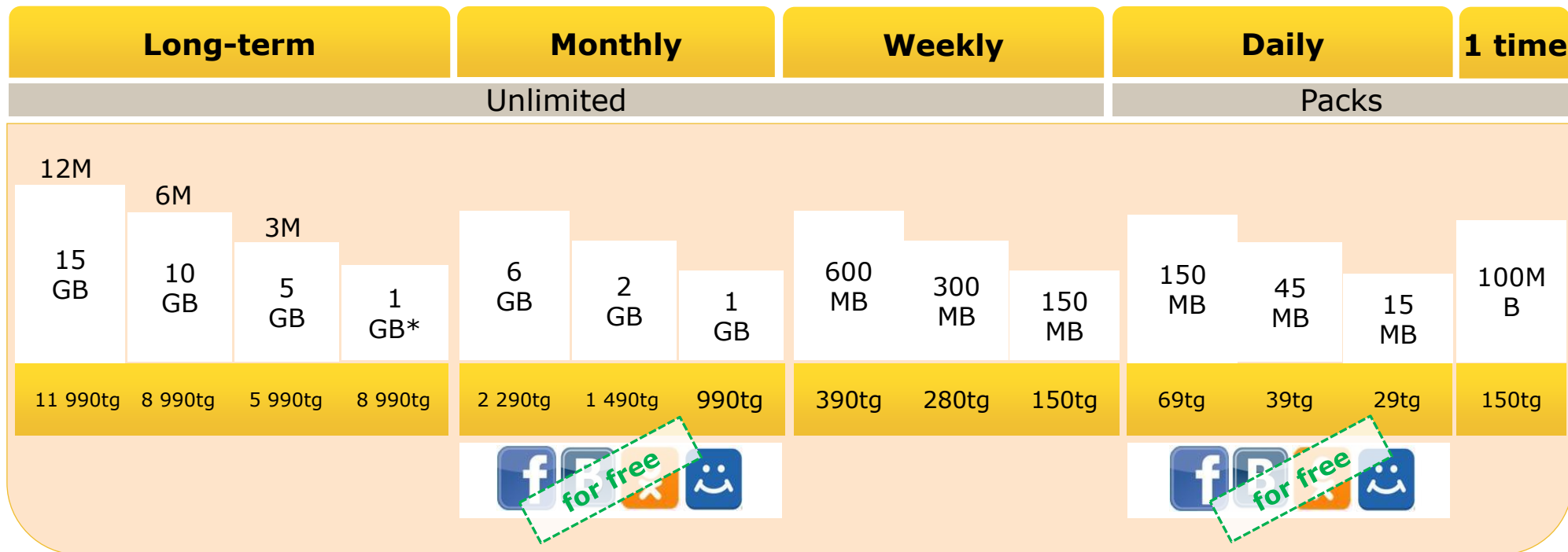
Weekly charges are
more competitive and
additional OTT value

(2) Drive mobile data

- ✓ Data usage growth
- ✓ Data users growth

2. Drive mobile data – new data price plan portfolio

Data portfolio



- ✓ Daily unlims became daily
- ✓ Monthly packs became unlimited
- ✓ Added weekly unlims
- ✓ Added long term approach
- ✓ Added free social networks
- ✓ No payment for service activation in daily packs

* For SS (12m)

2. Drive mobile data



Gigabyte+

Cumulative internet traffic!

* 100 # 📞 | www.beeline.kz

Giga+ daily packs

- ▶ 15/45/150 Mb for 29/39/69 tg per day
- ▶ Free social networks

2. Gigabyte+ based on new “Inspiring for More” brand platform



2. Drive mobile data – the most attractive market offer

азбука СВЯЗИ

4 дюймді бейнебет
4-дюймовый дисплей

3,2 Мрiх камера
камера 3,2 Мрiх

2 SIM карта
2 SIM-карты

2 ядро*1300Mhz
2 ядра*1300Mhz

11 990 ₸ Тиімді ұсыныс
Выгодное предложение

+ 3000 МИН | 3000 SMS | 450 МБ | айға В МЕСЯЦ

06 06 006 www.beeline.kz

ҚЖМҚД №0000117 мемлекеттік фирмасымен «Бай-Теле» ЖШС-қа 74.08.1998 ж., ҚР Білім және Ғылым министрлігі берілген. Государственная лицензия выдана ТОО «Бай-Теле» НТК 08.08.1998 г. Выдана Министерством транспорта и коммуникаций РК.

Affordable Android smartphone «Keneksi»

- ▶ With 3,000 min/sms and 450 Mb for free

2. Drive mobile data – Beeline Smart



Beeline
ұсынған ұшқыр
3G смартфон

Скоростной
3G смартфон
от Beeline

14 990 ₸

Тиімді ұсыныс
Выгодное предложение

	4-дюймді бейнебет 4-дюймовый дисплей		Оперативтік жады 512 МБ Оперативная память 512 МБ
	3,2 Мп камера Камера 3,2 Мп		2 ядро *1300 МГц 2 ядро *1300 МГц

Affordable Android smartphone «Beeline»

- ▶ With 3,000 min/sms and 450 Mb for free

2. Drive mobile data first “Money Back” initiative

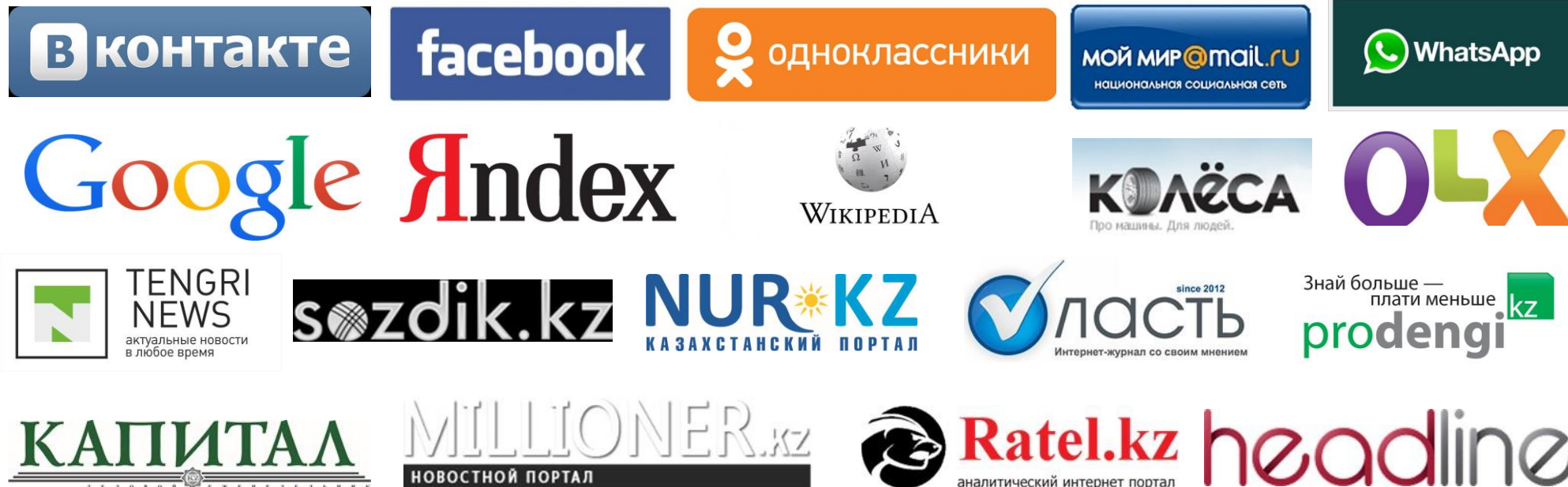


The advertisement features a central HTC smartphone with a red frame. The screen displays the time 10:08, the date 05.10.2015, and a sports field image. Several gold coins with the Cyrillic letter 'Т' are scattered around the phone. The HTC logo is in the top right. A large yellow speech bubble contains the text 'Деньги возвращаются!' (Money is returned!). Below it, a white bar shows a phone icon and the date '06 06 19'. At the bottom, there are five small circles, with the fourth one highlighted in yellow.

Affordable Android smartphone «Beeline»

- ▶ Buy HTC and get 50,000 tg back to balance.
- ▶ 4,200 tg monthly bonus
- ▶ Bonus can be used for on-net minutes, sms and Internet

2. Drive mobile data – OTT partnerships



✓ (1) Get more

(2) Enforce mobile data ✓

On-n

Bund

Regio

(3) Drive sales to grow the base

- ✓ Sales push activity
- ✓ Increase coverage by current sales team based on STS capabilities
- ✓ Consumer electronic shop cooperation
- ✓ Increase monobrand efficiency

✓ (

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efficiency

3. Drive sales to grow the base

Sales structure

Monobrand:

POS ~ 400

Share in sales – 18%



Multi-brand:

POS ~ 16,000

Share in sales – 82%



3. Drive sales to grow the base – overall distribution strategy

- **№ 1 in distribution:** widest POS coverage in Kazakhstan
- **Exclusive sales team:** direct delivery to independent retail
- **SIM Tracing System (STS):** Kazakhstan is the first country in VimpelCom Group that launched independent retail sales monitoring system
- **Largest number of monobrand stores**
- **Largest in Kazakhstan mobile device retail chain 'Azbuka Svyazy':** fully controlled monobrand partner in implementing device strategy
- **Focus on development of zero-commission channels and electronic TOP-ups**

3. Drive sales to grow the base – key focus points 2014

- Increase of POS coverage in Multibrand channel by 50% via direct delivery
- Implementation of revenue-based KPIs in monobrand channel
- Azbuka Svyazy turnaround
- Renovation of 8 own stores
- Optimization of top-up channels and increase
- Improvement sellers & partners customer experience
- Increase of zero-commission channel by 15%

✓ (1) Get more

(2) Enforce mobile data ✓

On-n
Bund
Regio

(4) Operational Excellence to ensure OCF improvement

- ✓ Top-up commission reduction
- ✓ Operational Excellence projects portfolio in commercial

✓ (

Sal
Inc
cur
on
Cor
cod
Incre
efficiency

✓ (1) Get more

- ✓ On-net lock-in
- ✓ Bundles transition
- ✓ Regional VP approach

(2) Drive mobile data ✓

- ✓ Data users growth
- ✓ Data usage growth

(5) CEM¹

- ✓ Customer care
- ✓ NPS
- ✓ Anti churn

✓ (3) Drive sales to grow

- ✓ Sales Push Activity
- ✓ Increase coverage by current sales team based on STS capabilities
- ✓ Consumer electronic shop cooperation
- ✓ Increase monobrand efficiency

Measure OCF as in BUD ✓

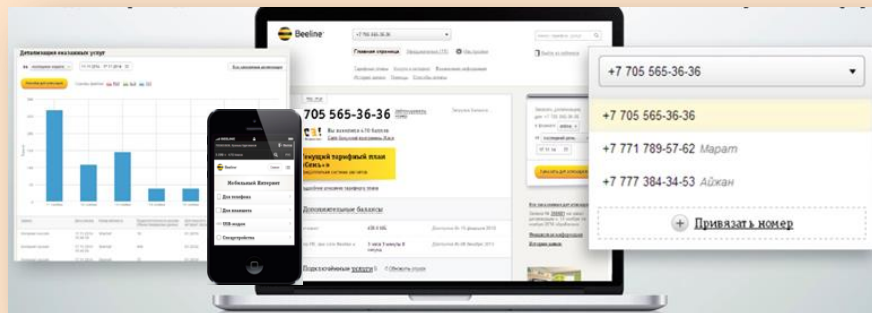
- ✓ Top-Up Commission reduction
- ✓ Operational Excellence projects portfolio
- ✓ ICLM

¹ Customer Experience Management

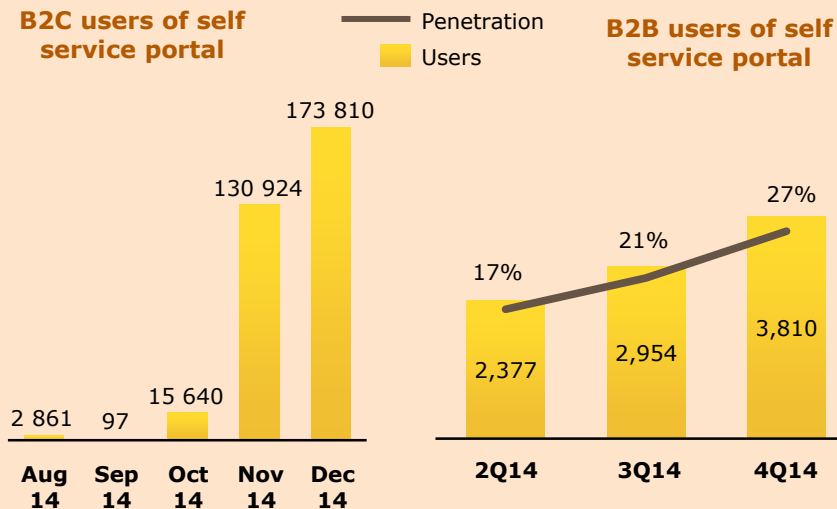
5. CEM - Customer care

- Digitalization
- Transformation to profit center
- Cost optimization
- Create superior Customer Experience

New web site and self service portals



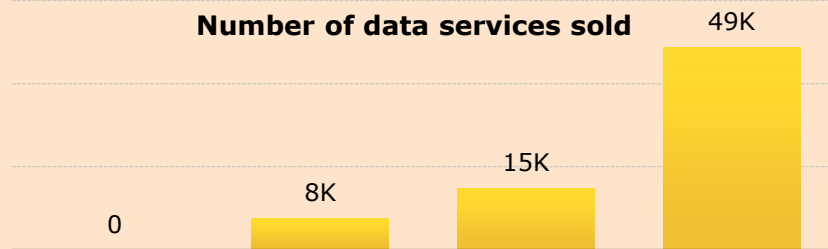
Users of self service portals



5. CEM - Customer care focus on digitalization and automization

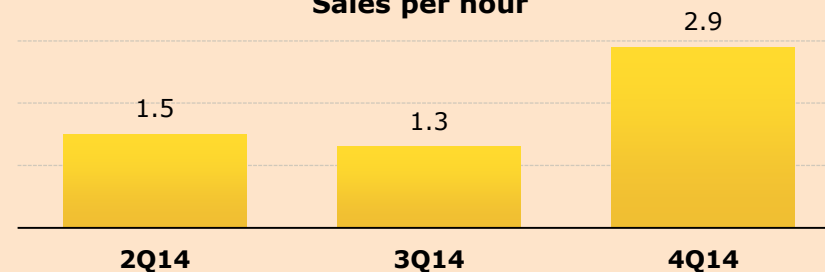
Dedicated team to sell data services on outbound sales

Number of data services sold



Tuned segmentation & solid agent motivation increased sales productivity on outbound calls

Sales per hour

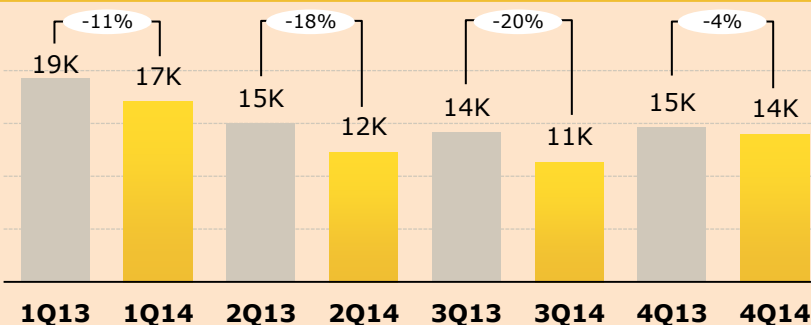


Autosetup for Wi-Fi routers

Autosetup improve Customer Experience and help us increase labor productivity

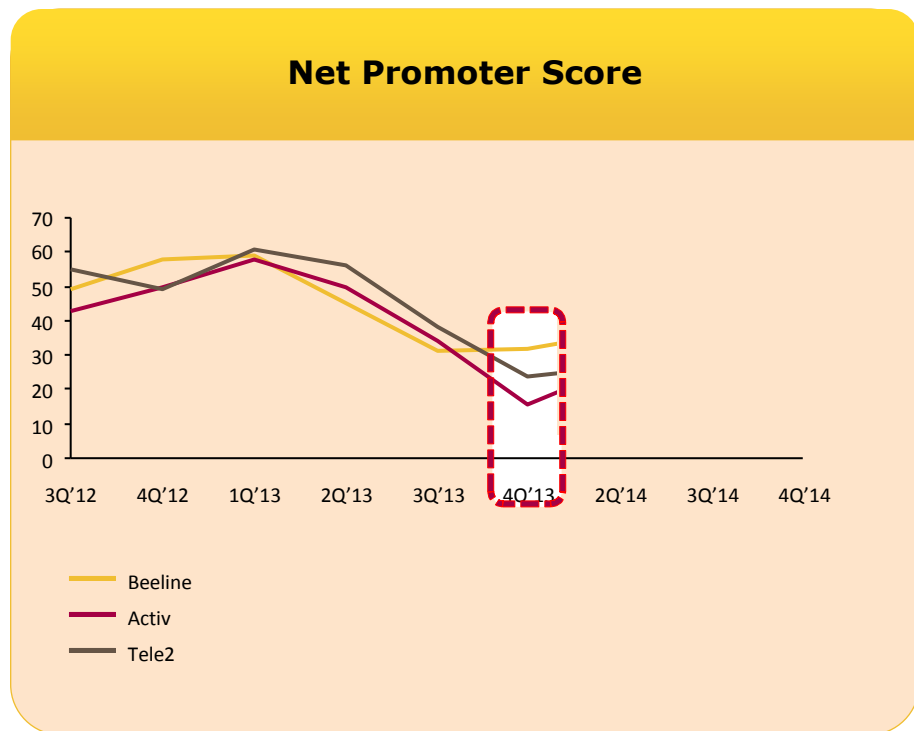


AutoRouter has decreased number of calls to the call center



5. CEM- Improving Net Promoter Score

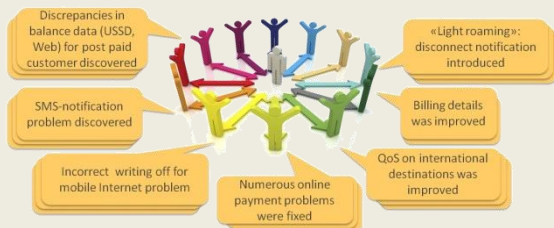
Where did we start in 4Q13? ... from unstable position



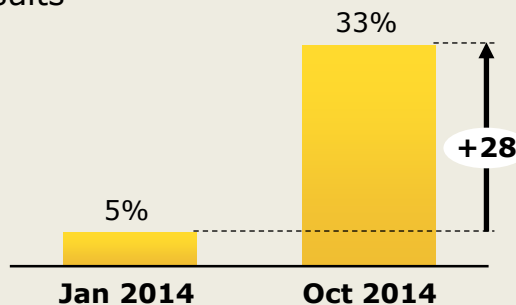
- ### Comments
- Based on root cause analysis there were two main focus areas:
 - ▶ Network as a main reason for detraction
 - ▶ Employee's attitude: eNPS < NPS

5. CEM Net Promoter Score – Actions taken

(1) Commercial tariffs for employees



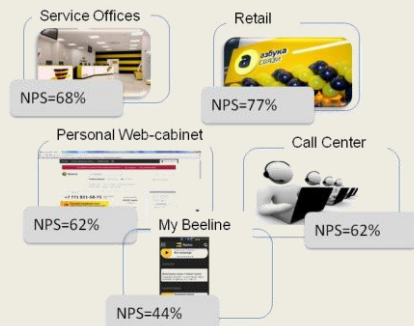
(2) eNPS measurement and results



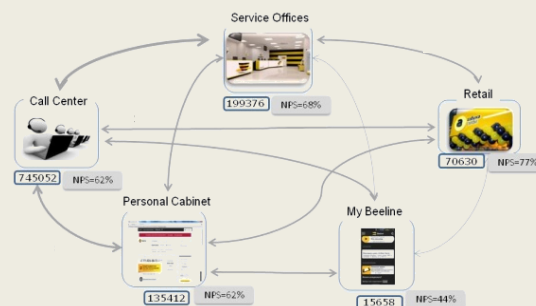
(3) Rollout prioritization methodology

- Flexible & transparent approach
 - Incorporates both business and technical KPI
 - Provides long term competitive advantage

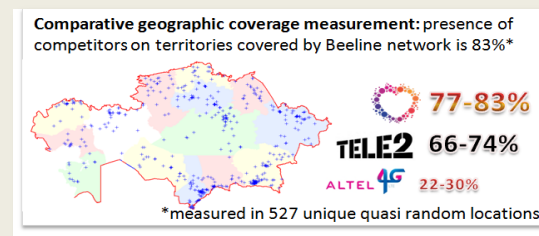
(4) Bottom-up NPS measurements



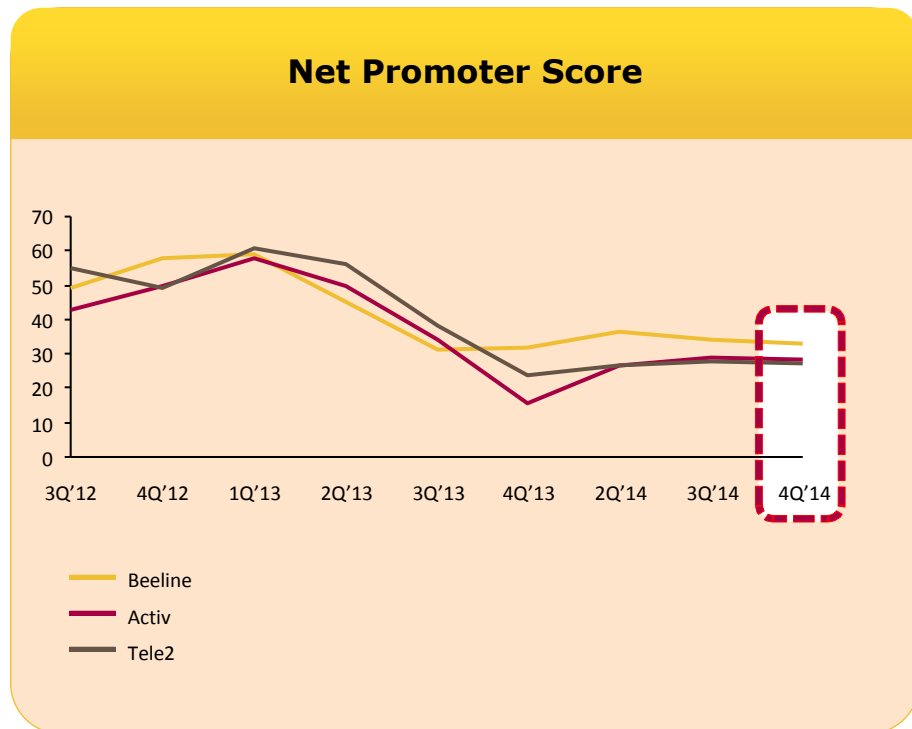
(5) Customer journeys outlined



(6) Coverage & quality comparative measurements



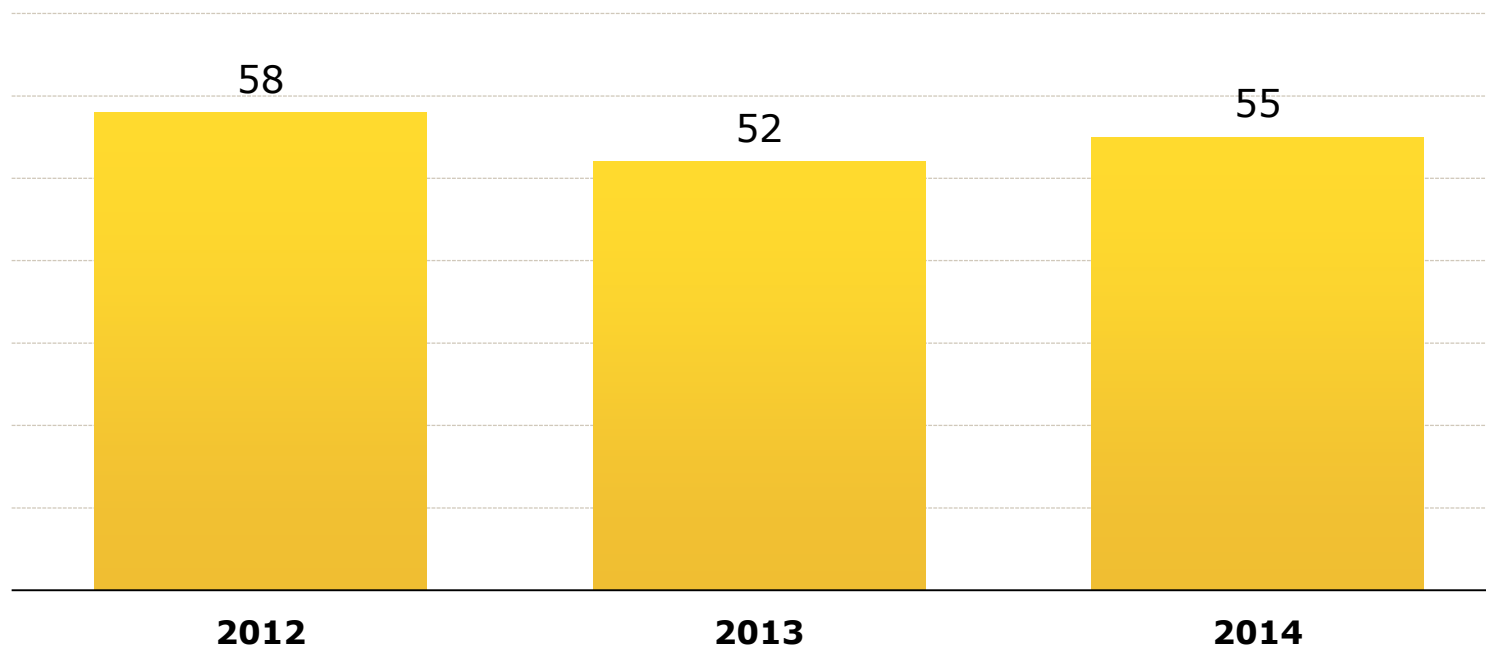
5. CEM- Solid leader in Net Promoter Score



- ### Comments
- Beeline keeps NPS leadership
 - Network as a main reason for detraction decrease from 63% to 28%
 - Employee's attitude significantly improved:
 - ▶ +28 pp as to Beeline as employer
 - ▶ +19 pp as to the products and services
 - ▶ eNPS>NPS

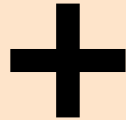
5. CEM - Anti churn efforts

Annualized churn (%)



Increasing competition in 2015

Drive «Get More» concept



Drive mobile data



Digitalization of customer journey



NPS leadership



Thank you

Questions please!

Kazakhstan Analyst & Investor Site Visit

Gulnar Kulybekova

Chief Financial Officer



Agenda

1. Financial overview

2. CAPEX and OPEX efficiency programs

3. Working capital improvements

4. KZT devaluation – hedging policy

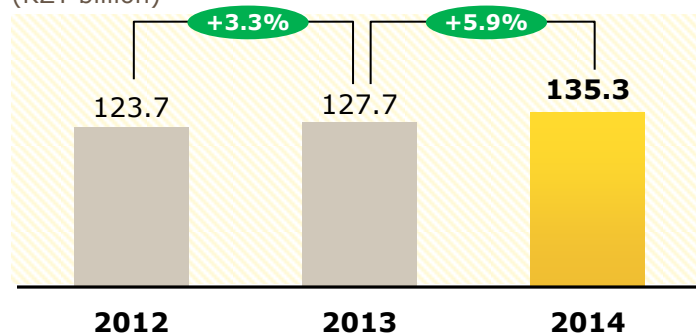
5. Cash position



Customer and mobile data growth driving revenue

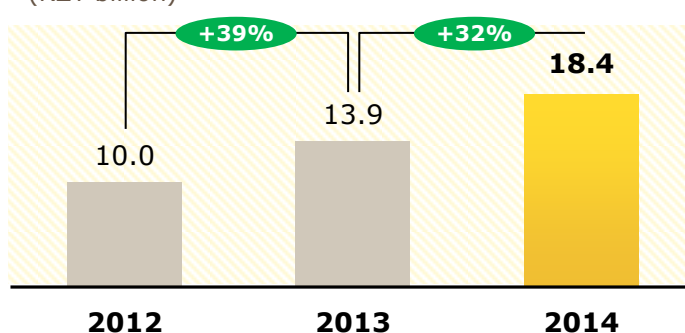
Revenue

(KZT billion)



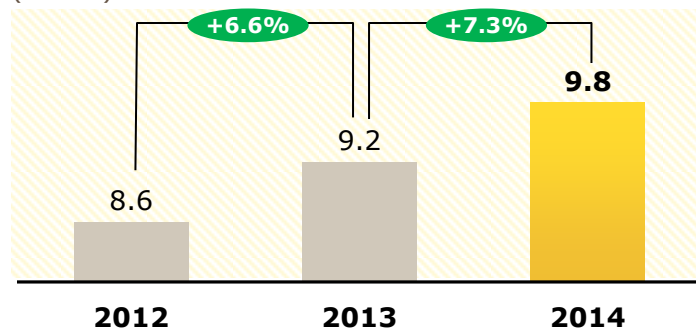
Mobile data revenue

(KZT billion)



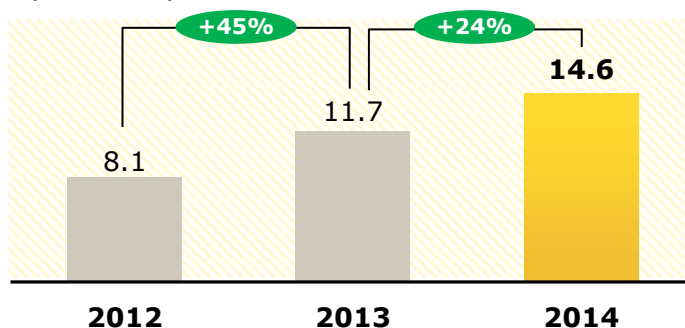
Mobile customers

(million)



Fixed-line service revenue

(KZT billion)



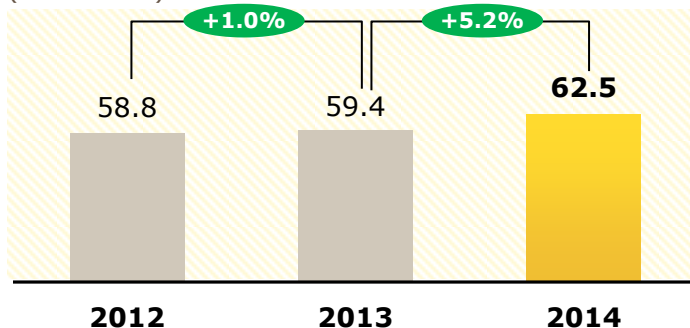
- Solid revenue growth driven by:

- ▶ Mobile customer growth
- ▶ Mobile data revenue growth
- ▶ Fixed-line revenue growth

Strong EBITDA driven by revenue growth and Operational Excellence

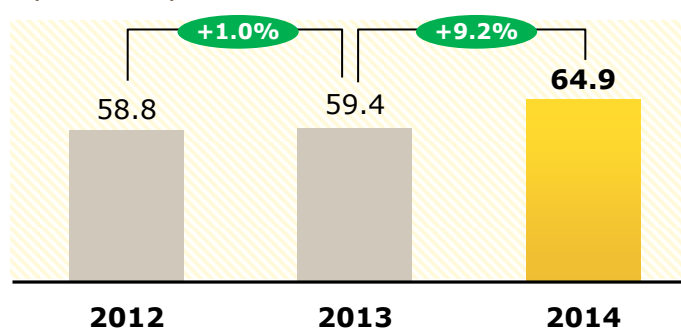
EBITDA

(KZT billion)



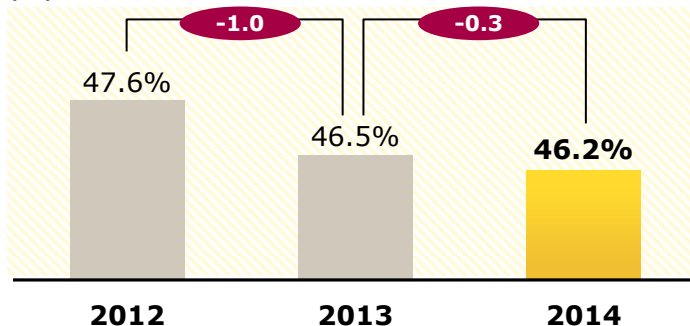
EBITDA w/o one-off

(KZT billion)



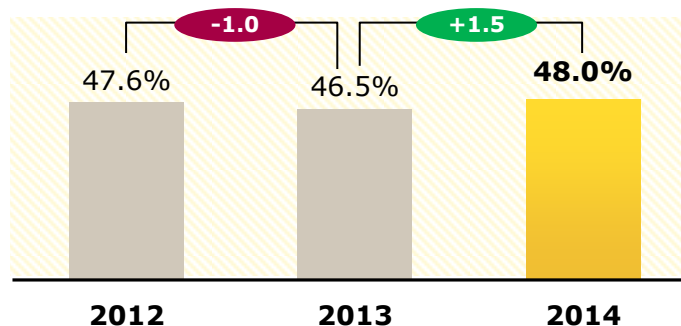
EBITDA margin

(%)



EBITDA margin w/o one-off

(%)

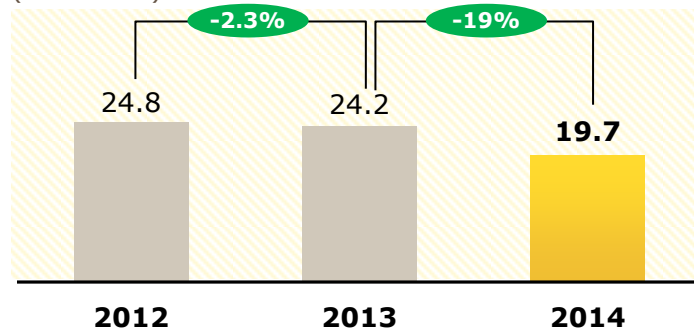


- Strong 2014 EBITDA margin despite devaluation KZT
- Cost efficiencies realized by Operational Excellence program
- 2014 EBITDA corrected for 4Q14 one-off

Robust operating cash flows

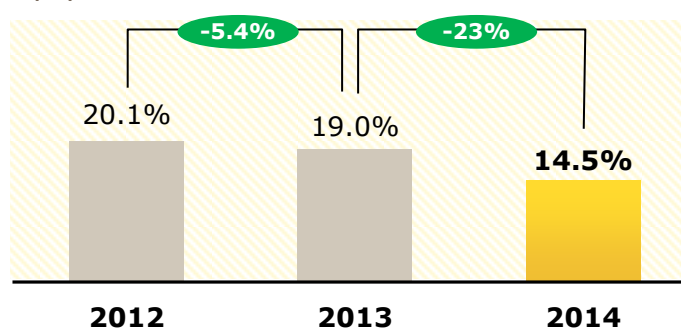
CAPEX

(KZT Billion)



CAPEX / Revenue

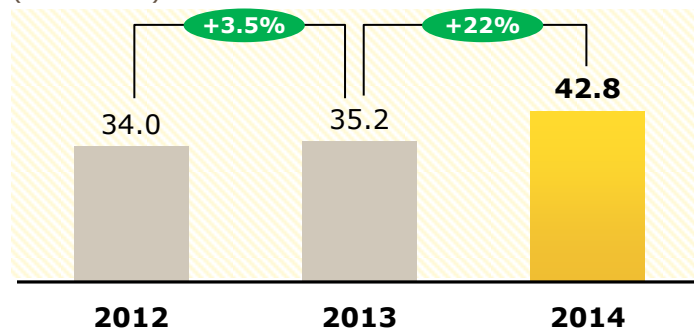
(%)



- Declining trend in CAPEX due to increasing capital efficiencies
- Increasing OCF and OCF margins

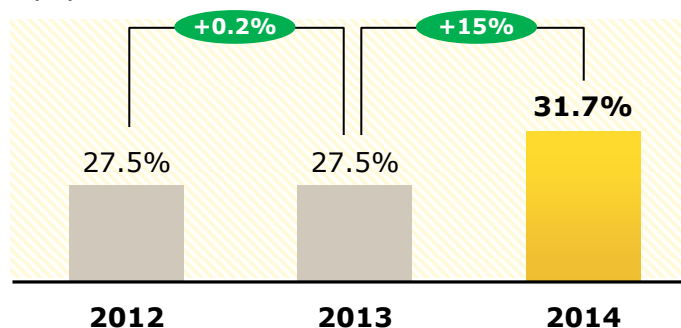
Operating cash flow¹

(KZT Billion)



OCF margin

(%)

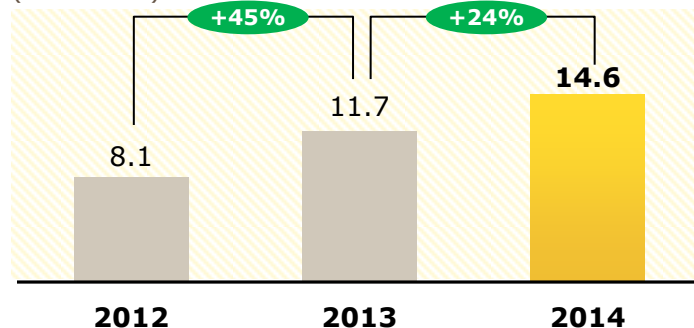


¹ Operating cash flow (OCF) = EBITDA less CAPEX

Fixed-line service revenue is supported by FTTB growth, driven by significant increase in FTTB customers

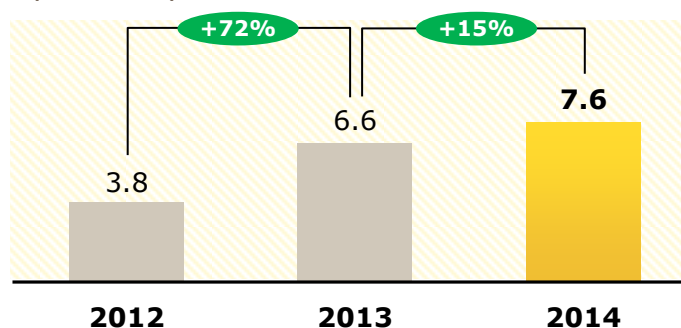
Fixed-line service revenue

(KZT billion)



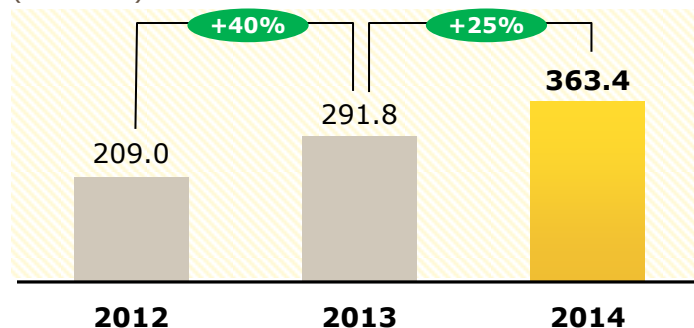
FTTB revenue

(KZT billion)



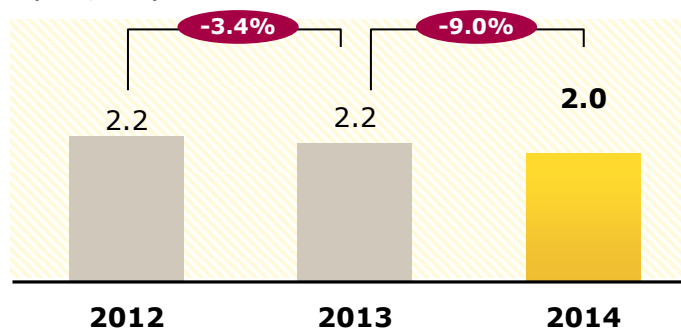
FTTB customers

(thousand)



FTTB ARPU

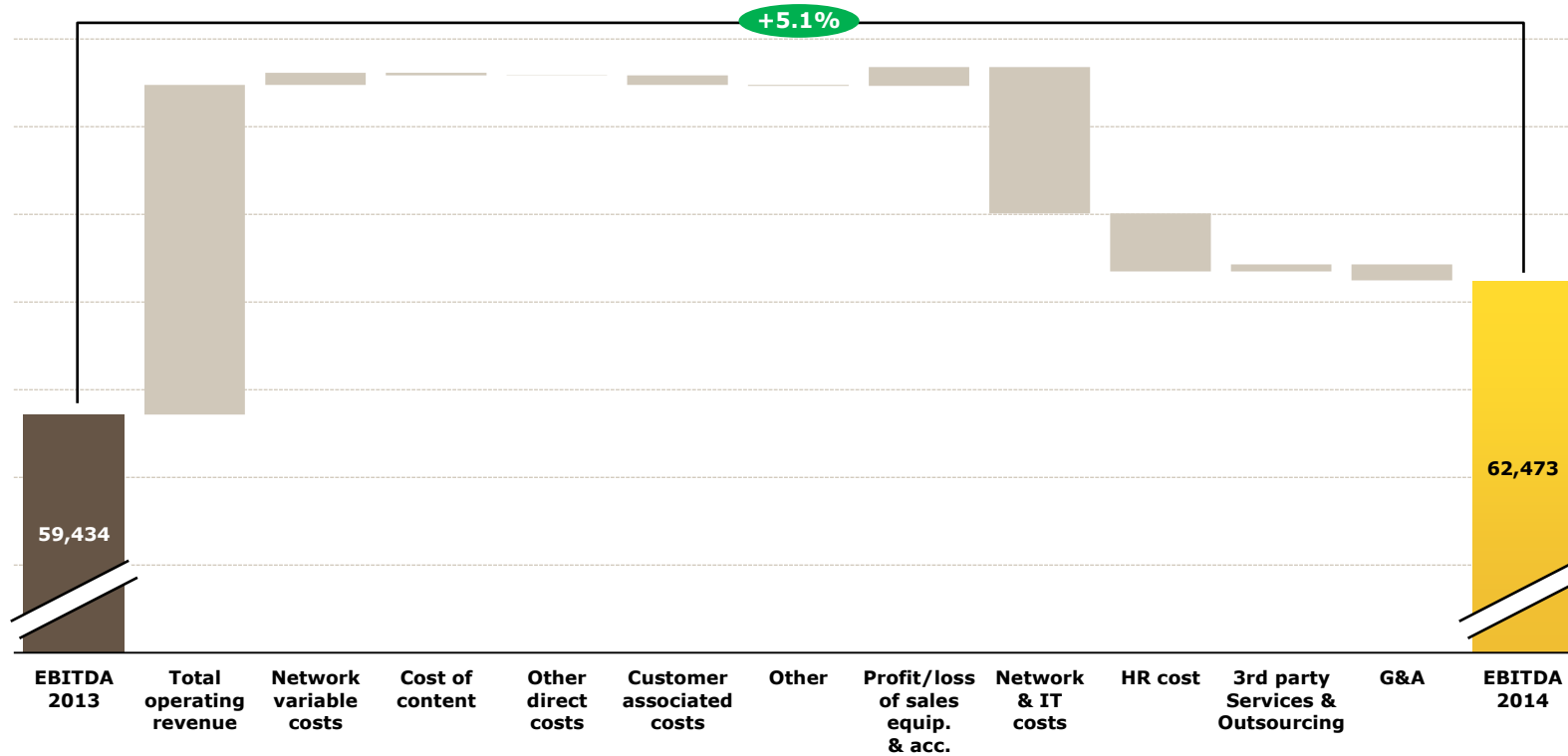
(KZT, 000)



Strong EBITDA growth

EBITDA 2014 vs 2013

(KZT in millions)



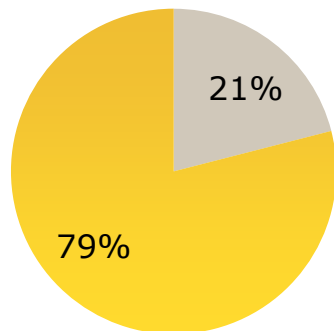
Procurement savings 2014 vs 2013

Initiative	EBITDA effect	CAPEX effect
IT		
Network		
Commercial		
Media & marketing		
Real estate		
Professional services		
Logistic services		
Travel & fleet		

More cash held in USD at highly rated banks

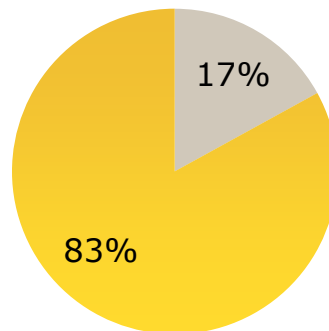
Cash position 2012

(%)



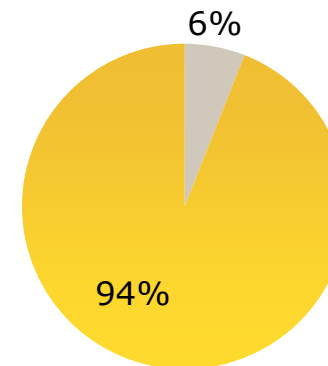
Cash position 2013

(%)



Cash position 2014

(%)



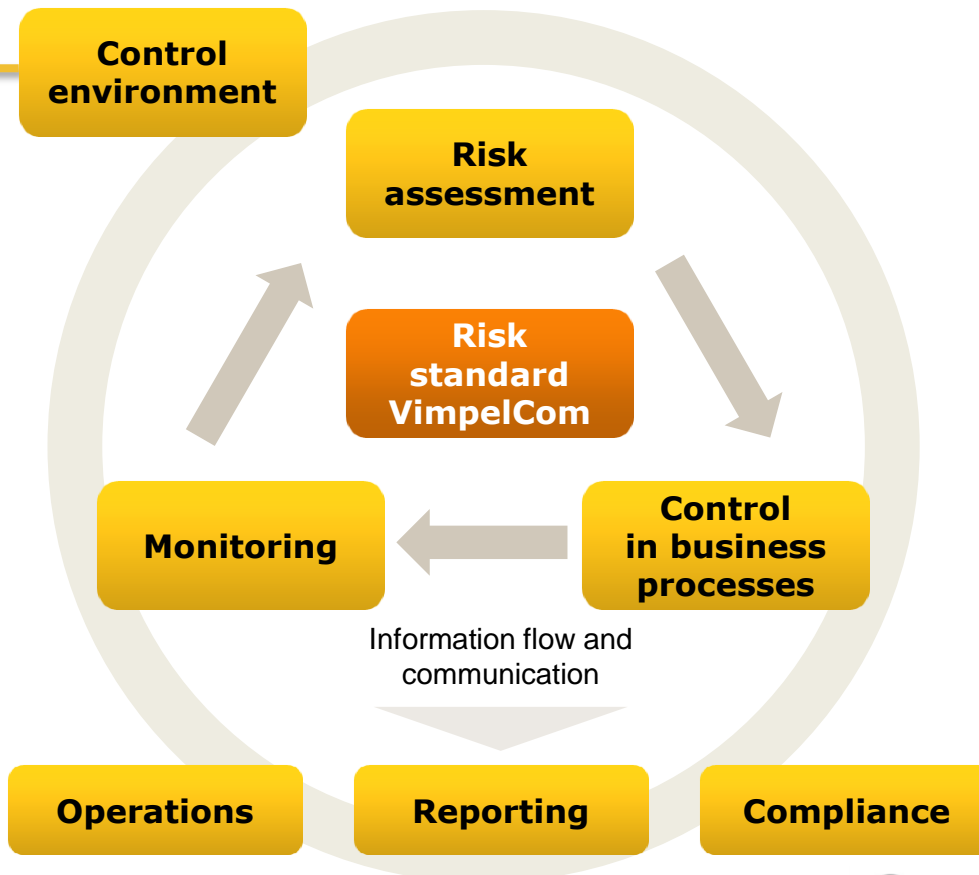
Year	Cash at high credit rating banks
2012	35%
2013	61%
2014	80%

Improvements in most working capital ratios

Description	2014	Effect
Days sales outstanding	-55%	Supports B2B sales
Days in inventory	29%	Positive
Days purchase outstanding	13%	Positive
Days advance payment outstanding	45%	Positive
Days customer advances outstanding	14%	Positive

- Working capital improvement driven by:
 - ▶ Supply chain management in warehouse
 - ▶ Credit policy implementation
 - ▶ Bundle penetration effect

We strive to excel in SOX, building an efficient and effective control environment



Thank you

Questions please!

Kazakhstan Analyst & Investor Site Visit

Oleg Snimschikov

Acting Chief Operating Officer

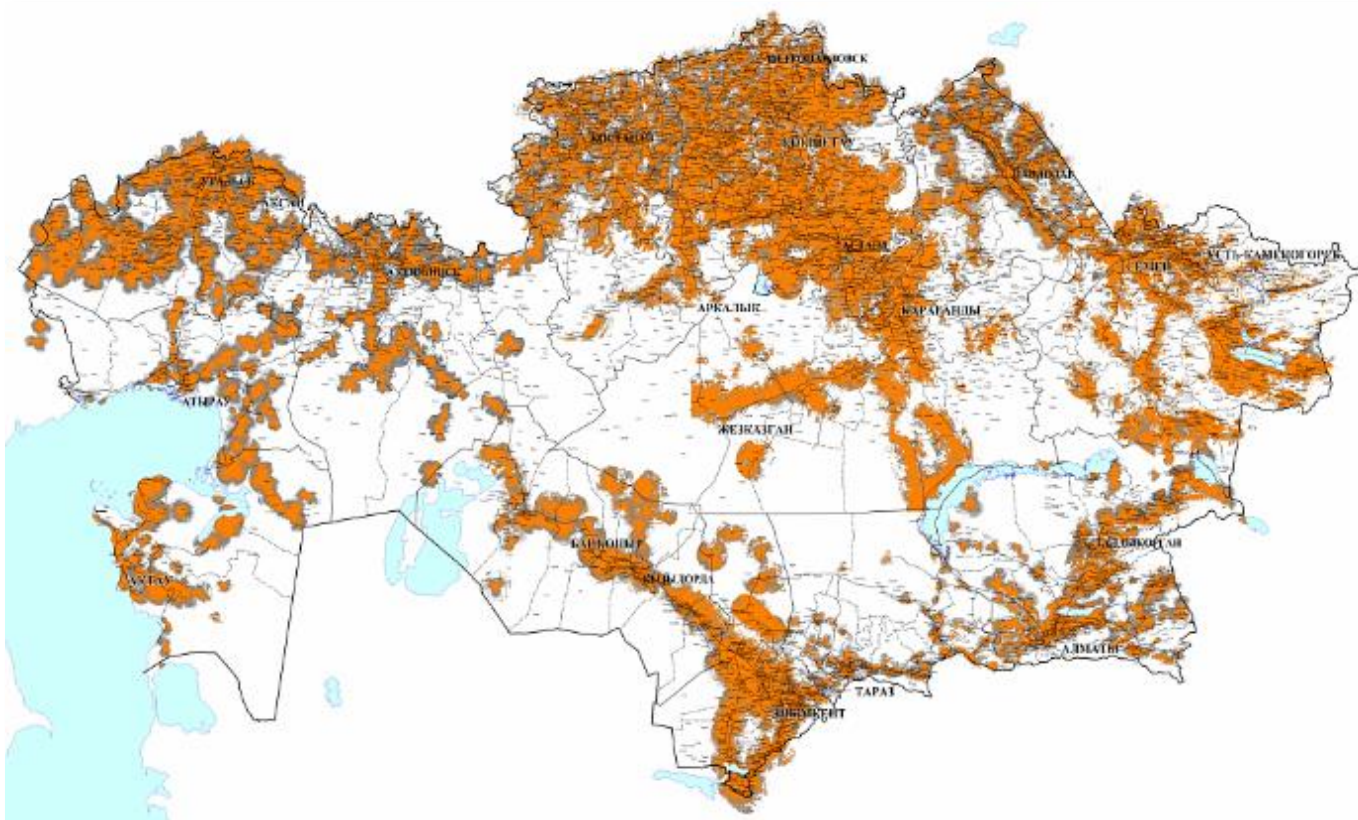


VimpelCom

A&I Site Visit

Kazakhstan

Widest 2G and 3G coverage



- 2G coverage:
 - ▶ 45% territory
 - ▶ 91% population
- 3G coverage:
 - ▶ 3% territory
 - ▶ 63% population
- > 8,500 2G/3G base stations

Beeline the only mobile operator with own fiber optic lines

Uralsk – Ozinki -103 km
to data group
to V-net

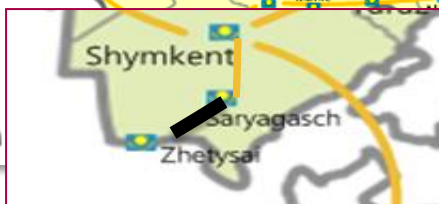
Uralsk – B.Chernigovka -144 km
to VimpelCom



	Point of connection	Capacity, Gbit/s
1	Kyrgyzstan	32.5
2	Russia (Petropavlovsk)	242.5
3	Russia (Semey)	40
4	Uzbekistan	10
5	Russia (Uralsk)	250
6	China (Horgos)	120



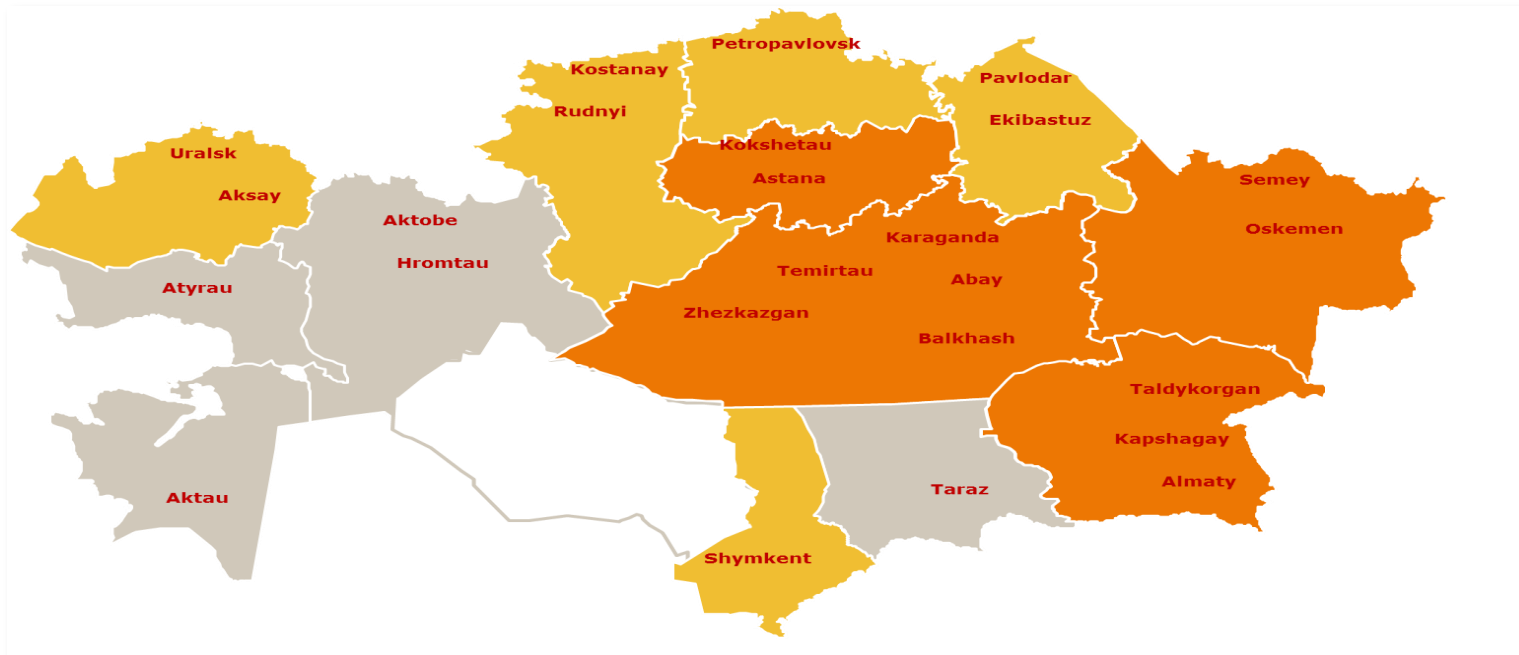
Nura - Chundzha -132 km



Saryagash - Zhetysay -166 km

More than 12,350 km of own FOCL

Extensive own FTTB network



Number of > 5 level buildings connected / % penetration



<1,000 of buildings



<2,000 of buildings



>2,001 of buildings

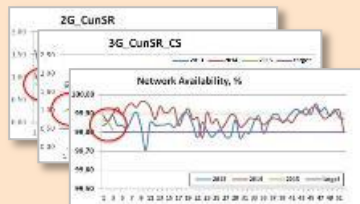


No construction

- FTTB Beeline is presented in 25 cities of Kazakhstan. Average penetration is 30%
- Mobile and fixed lines of business use the same fiber optic resources in these cities

Network quality constantly measured and evaluated

(1) Analysis of network statistics (CuSR)



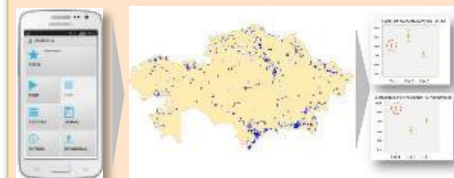
(2) Signaling links monitoring (Astelia)



(3) Drive test measurement

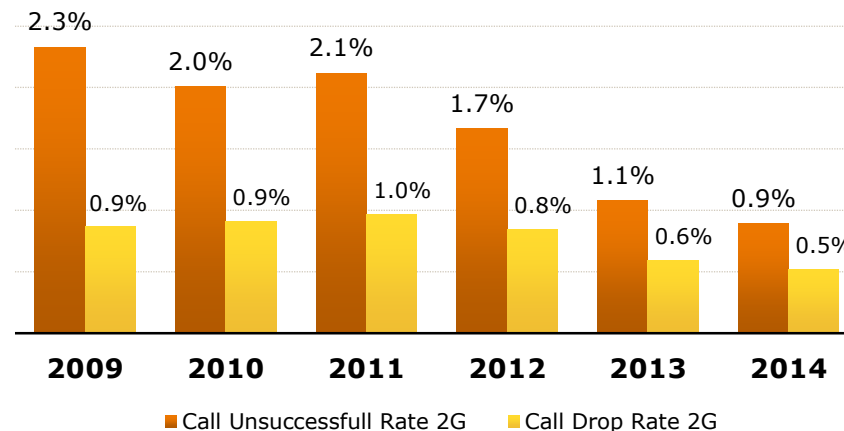
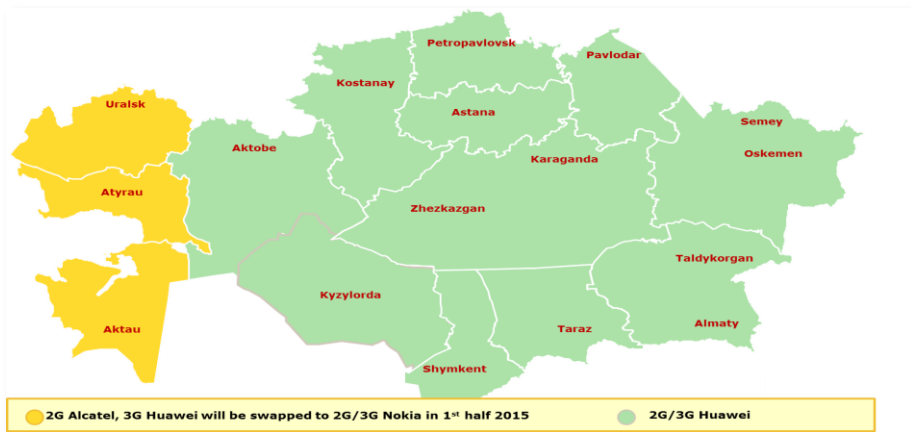


(4) Comparative end-to-end measurement (MQA)

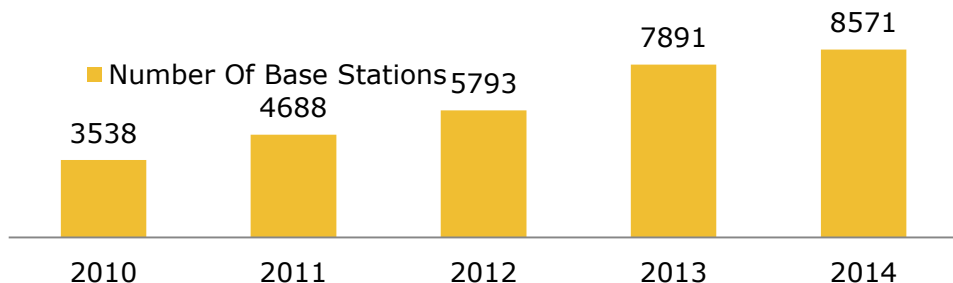


- Continuous quality monitoring process
- Improving quality of preventive maintenance works
- Network faults reaction time reducing due to optimization of business process

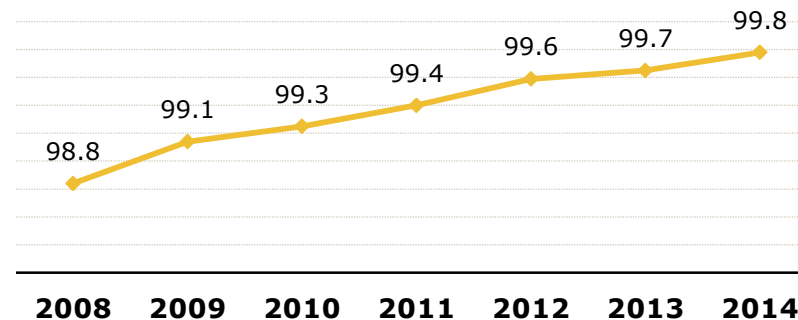
Best voice quality and improving over the years



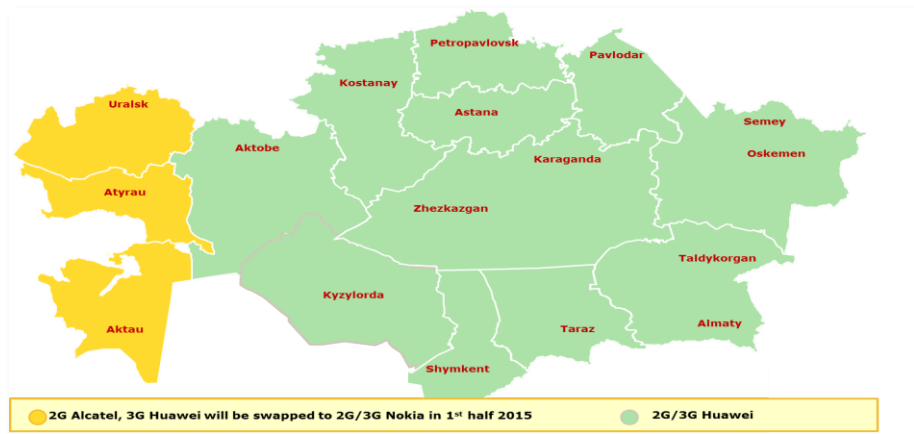
Number Of Base stations



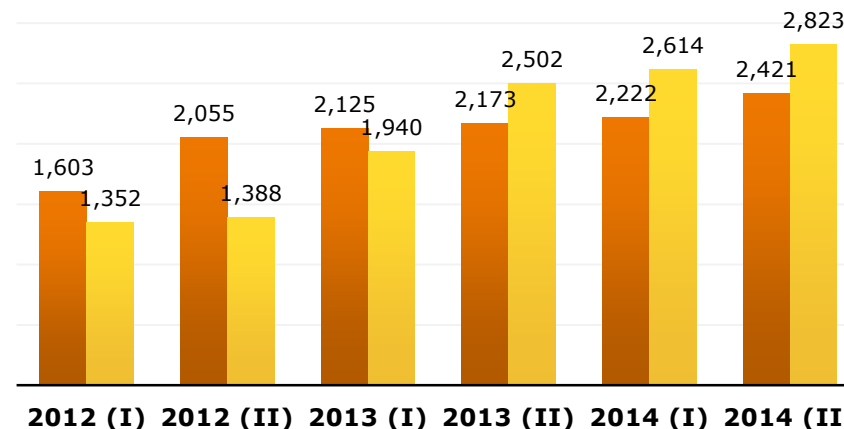
Network availability



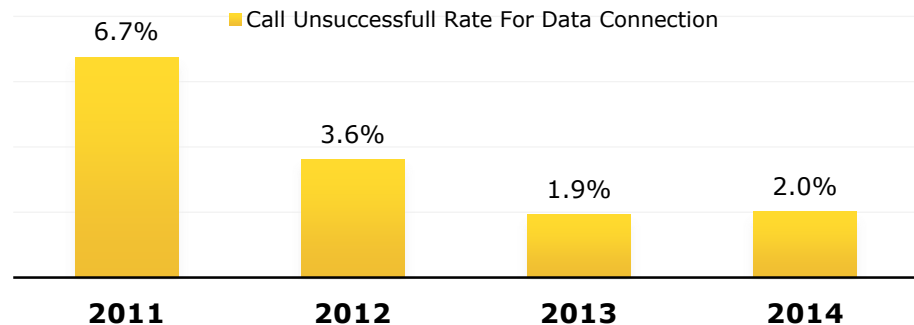
Mobile data quality improving while network expands



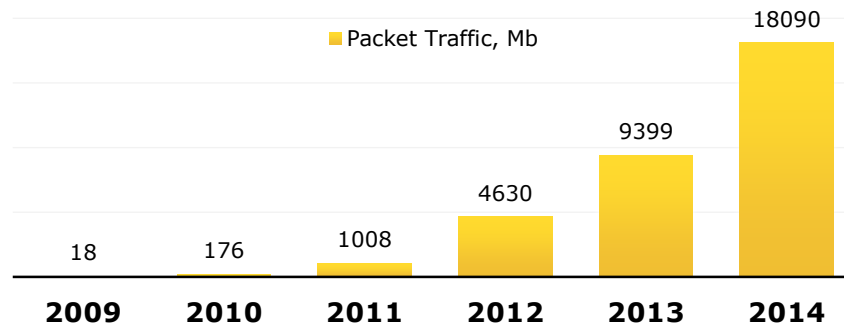
■ Average Download Throughput per Subscriber, Mb/s ■ Quantity of NodeB



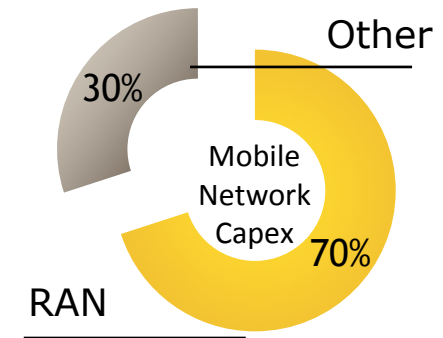
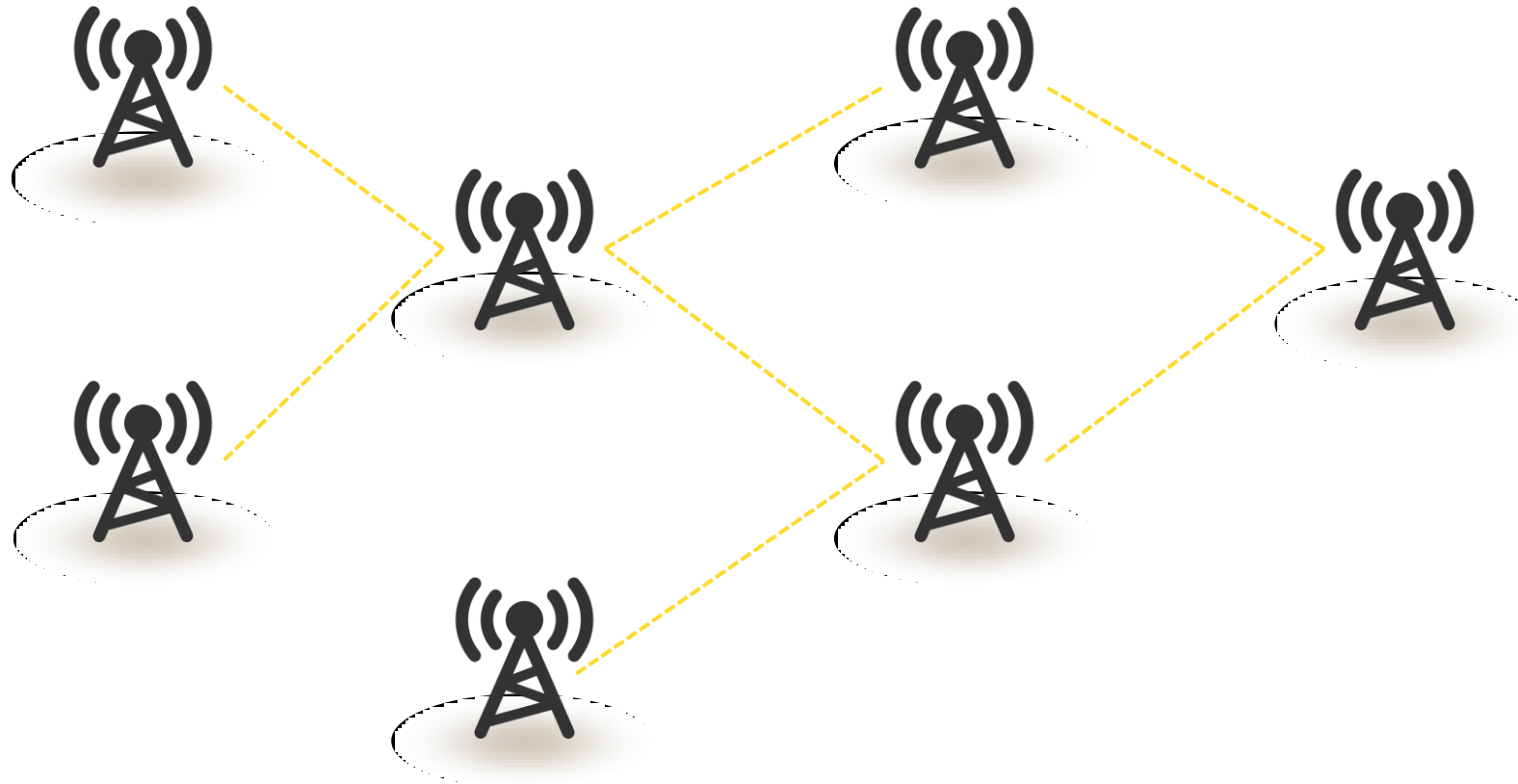
Call unsuccessful rate for data connection



Packet traffic, Mb



Improving returns on investment by innovative network optimization



Main network challenges

- Multiple technologies and layers (GSM, UMTS, small cells)
- Big numbers of cells
- Fast changes on radio environment
- Growing quality and capacity demand
- Labour intensive work with limited human resources
- No 24x7 availability

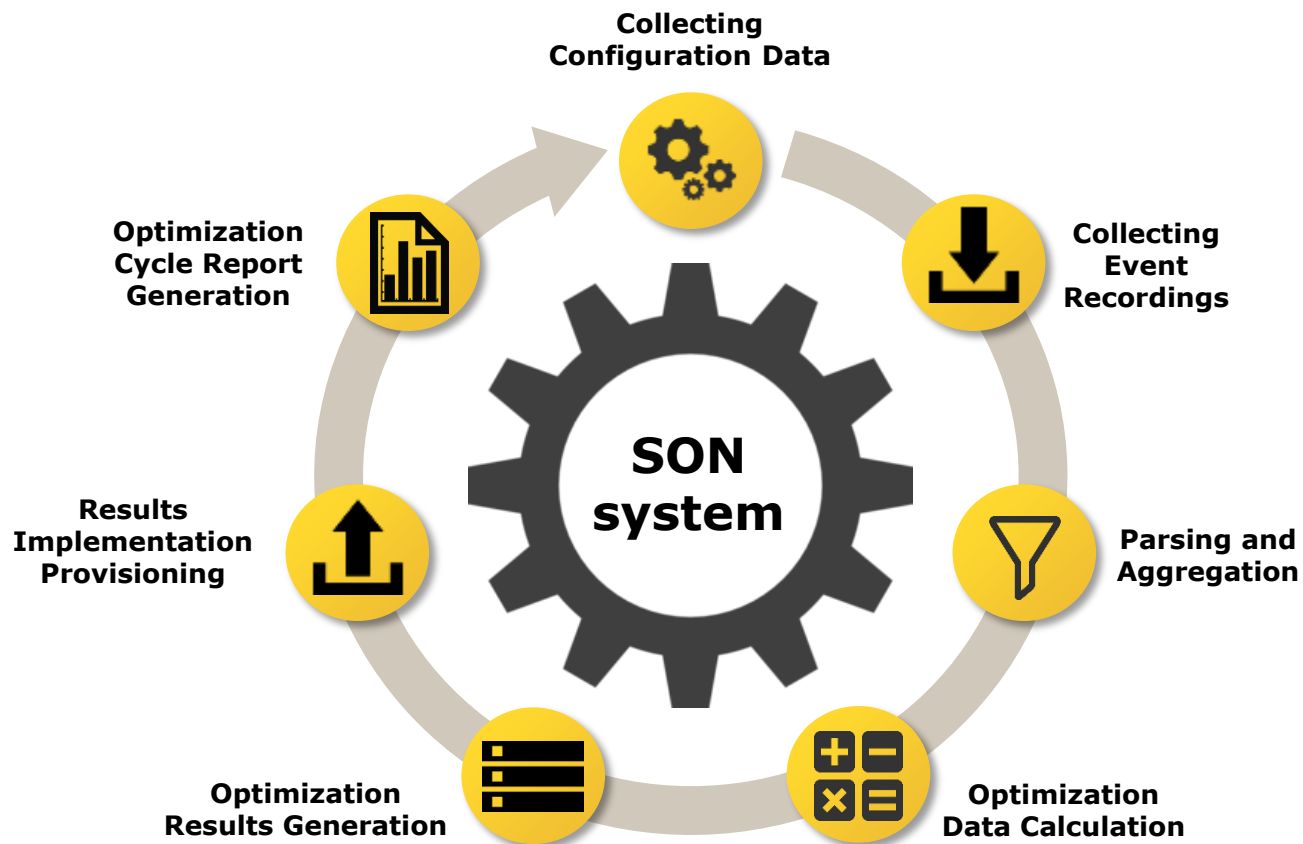


Innovative network optimization: Self Optimizing Network (SON)

- Fully automatic RAN optimization tool
 - Closed loop controlling mechanisms
 - 24x7 data collection and analysis
 - Automatic decision making
 - Instant decision execution
-
- Reduced manual network optimization tasks (up to 60%)
 - Fast response to radio environment changes
 - Enhanced performance of Radio Access Network
 - Noticeable customer experience improvement



SON mechanism



Sensing

Detecting

Optimizing

Provisioning

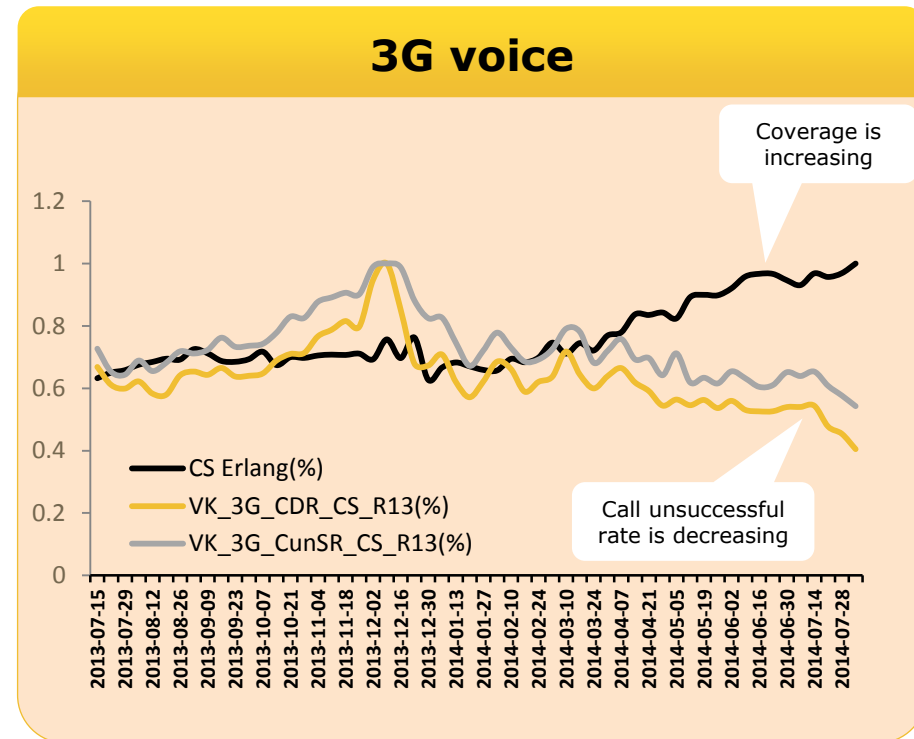
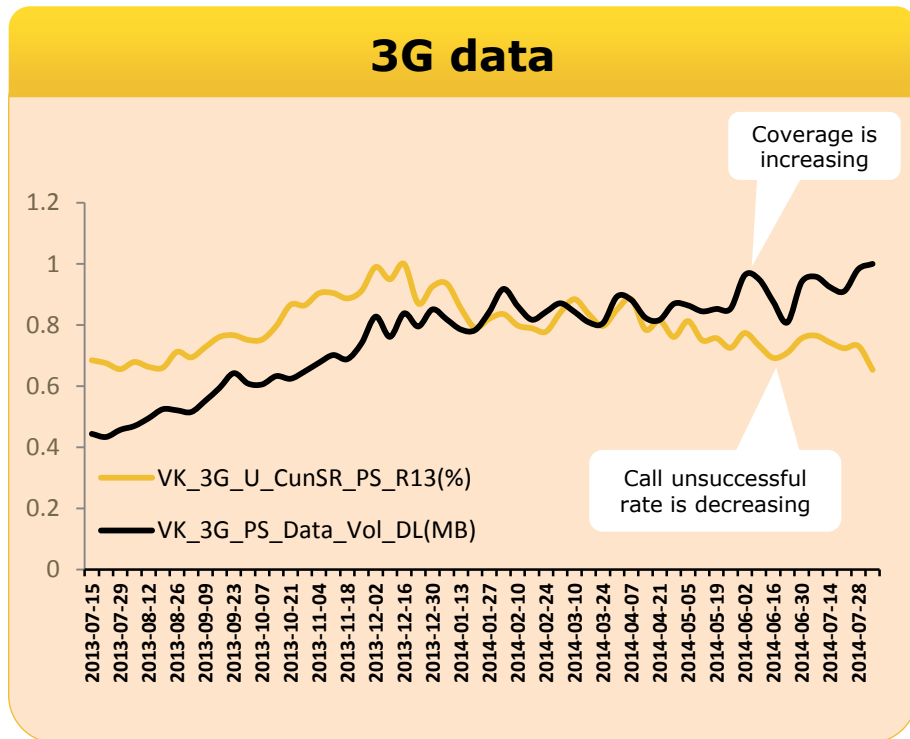
~50,000
changes/week

Routine optimization



SON improvements

Before and after



SON implementation to increase the coverage of the network and improve the quality at the same time, without installation of additional equipment

SON

Multiple efficiencies

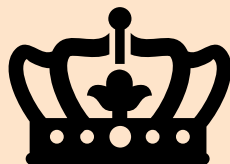
OPEX efficiency

- Less sites
- Less manual work
- Less drive tests



Improve Customer Experience

- Less call drops
- Better perceived download speed



CAPEX efficiency

- Better coverage and throughput for the same CAPEX
- Postponed investment



Conclusion

- Efficient network coverage
- Competitive advantage with own fiber optic and FTTB network
- Widest voice network with high quality
- Highest quality and expanding mobile data network
- Innovative initiatives to improve efficiency and improve Customer Experience



Thank you

Questions please!