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VIMPELCOM REPORTS 4Q14 AND FY14 RESULTS

KEY RESULTS AND DEVELOPMENTS

- **Delivered on 2014 targets**
- **Total revenue 4Q14 declined organically[1] 3% YoY; reported revenue declined 21% due to adverse currency movements**
- **EBITDA[2] 4Q14 declined organically 8% YoY; reported EBITDA increased 58% YoY mainly due to the one-off charge in 4Q13 related to the fine from Bank of Algeria; EBITDA margin of 36.4%**
- **Net loss FY14 of USD 0.7 billion impacted by USD 1.0 billion of non-cash impairments**
- **Mobile customer base grew 4.7 million YoY[3] in 4Q14 to 221.6 million**
- **Operating cash flow 4Q14 improved USD 1.1 billion YoY; FY14 operating cash flow of USD 4.1 billion**
- **2015 targets:**
  - **Service revenue of flat to low single digit organic[1] YoY decline;**
  - **EBITDA margin flat to minus one percentage point organically[1] YoY;**
  - **EPS[4] of USD 0.35-0.40;**
  - **Capex/revenue of 20%;**
  - **Net debt to EBITDA for the Group of ~3.2x, excluding Italy ~1.7x**

Amsterdam (February 25, 2015) - "VimpelCom Ltd." ("VimpelCom", "Company" or "Group") (NASDAQ: VIP), a leading global provider of telecommunications services with operations in 14 countries and worldwide headquarters in Amsterdam, today announces financial and operating results for the quarter and year ended December 31, 2014.

JO LUNDER, CHIEF EXECUTIVE OFFICER, COMMENTS:

"The majority of our operating businesses have demonstrated good progress over the year, with substantial investments in high speed data networks leading to a better customer experience. We expect the operating environment to remain difficult in 2015, however I am confident that we have the right strategy to deliver on our targets."

CONSOLIDATED FINANCIAL AND OPERATING HIGHLIGHTS

USD mln	4Q14	4Q13	Reported YoY	Organic[1] YoY	FY14	FY13	Reported YoY	Organic[1] YoY
Total revenue	**4,391**	**5,552**	**(21%)**	**(3%)**	**19,627**	**22,546**	**(13%)**	**(4%)**
Service revenue	4,207	5,290	(20%)	(2%)	18,725	21,529	(13%)	(4%)
EBITDA[2]	**1,600**	**1,013**	**58%**	**(8%)**	**7,970**	**8,260**	**(4%)**	**(6%)**
EBITDA margin[2]	**36.4%**	**18.2%**	**18.2 pp**		**40.6%**	**36.6%**	**4.0 pp**	
EBIT	**(421)**	**(3,218)**	**n.m.**		**2,586**	**346**	**n.m.**	
Net loss attributable to VimpelCom shareholders	(935)	(3,861)	(76%)		(691)	(2,625)	(74%)	
EPS, basic (USD)	(0.53)	(2.21)	(76%)		(0.40)	(1.53)	(74%)	
Capital expenditures excluding licenses[5]	1,201	1,682	(29%)		3,907	3,998	(2%)	
Operating cash flow (EBITDA less CAPEX)	399	(669)	n.m.		4,063	4,262	(5%)	
Net debt / LTM EBITDA[6]	2.5	2.4	5%		2.5	2.4	5%	
Total mobile customers (millions)[3]	221.6	216.9	2%		221.6	216.9	2%	

1) Revenue and EBITDA organic growth are non-GAAP financial measures that exclude the effect of foreign currency translation, certain items such as liquidations and disposals and settlements as a result of closing of transaction in Algeria
2) EBITDA and EBITDA margin are non-GAAP financial measures. For reconciliations see Attachment C
3) Following the sale of the interest in Wind Canada, CAR and Burundi the numbers exclude respective customers in 4Q13 and FY13
4) EPS at constant currency and stable fair value of derivatives, excluding exceptional charges such as impairment charges, restructuring charges, litigation and settlements, impact of M&A transactions, other one-off charges and constant number of shares
5) FY13 excludes EUR 136 million of non-cash increase in intangible assets related to the contract with Terna for the right of way of WIND's backbone
6) Normalized LTM EBITDA excluding one-off charges related to the closing of transaction in Algeria

For all definitions please see Attachment F

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ORGANIC GROWTH REVENUE AND EBITDA

4Q14 vs 4Q13

	Revenue			EBITDA		
Business Units	**Organic**	**FX and others**	**Reported**	**Organic**	**FX and others**	**Reported**
Russia	3%	(30%)	(27%)	0%	(34%)	(34%)
Italy	(9%)	(8%)	(17%)	(16%)	(7%)	(23%)
Africa & Asia	(5%)	(4%)	(9%)	(19%)	(2%)	(21%)
Ukraine	(2%)	(43%)	(45%)	(12%)	(39%)	(51%)
CIS	4%	(9%)	(5%)	52%	(12%)	40%
Total	**(3%)**	**(18%)**	**(21%)**	**(8%)**	**66%**	**58%**

FY14 vs FY13

	Revenue			EBITDA		
Business Units	**Organic**	**FX and others**	**Reported**	**Organic**	**FX and others**	**Reported**
Russia	(4%)	(14%)	(18%)	(6%)	(16%)	(22%)
Italy	(7%)	0%	(7%)	(7%)	0%	(7%)
Africa & Asia	(4%)	0%	(4%)	(11%)	(1%)	(12%)
Ukraine	(5%)	(29%)	(34%)	(11%)	(26%)	(38%)
CIS	4%	(8%)	(4%)	15%	(9%)	6%
Total	**(4%)**	**(9%)**	**(13%)**	**(6%)**	**2%**	**(4%)**

MOBILE CUSTOMERS[1]

million	4Q14	4Q13	YoY
Russia	57.2	56.5	1%
Italy	21.6	22.3	(3%)
Algeria	18.4	17.6	5%
Pakistan	38.5	37.6	2%
Bangladesh	30.8	28.8	7%
Ukraine	26.2	25.8	2%
Kazakhstan	9.8	9.2	7%
Uzbekistan	10.6	10.5	1%
Other	8.5	8.6	(1%)
Total	**221.6**	**216.9**	**2%**

[1] *Following the sale of the interest in Wind Canada, CAR and Burundi the numbers exclude respective customers in 4Q13*

PRESENTATION OF FINANCIAL RESULTS

VimpelCom results presented in this earnings release are based on IFRS and have not been audited. Please note that audited financials will be filed in the Company's annual report on Form 20-F, and may require adjustments due to subsequent events or for other reasons.
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 an exact arithmetic aggregation of the figures that precede or follow them.

JO LUNDER, CHIEF EXECUTIVE OFFICER, COMMENTS:

"VimpelCom has delivered on its operational targets for 2014 and on its strategic objectives, despite a challenging environment across many of the markets in which we operate. Total revenue declined 4% organically year on year and EBITDA was 6% lower on the same basis, in line with our targets. Net debt to EBITDA was also in line with expectations. We have made substantial investments in the rollout of high speed data networks in an efficient way, spending 20% of our full year 2014 revenue. The reported results reflect the impact of substantial weakness in local currencies against the US dollar, however we have maintained an industry leading EBITDA margin of over 40%. Our customer base grew by 4.7 million to 221.6 million.

The majority of our operating businesses have demonstrated good progress over the year, with successful investments in high speed data networks leading to a much improved customer experience. We use the Net Promoter Score ("NPS") system to measure our customer experience performance in each of our operating businesses, and I am pleased to report that we are the leaders in 5 of our markets, co-leader in 2 and we are seeing an improvement in 2 more of our businesses.

In Russia, the fourth quarter of 2014 saw a positive trend for the first time since the third quarter of 2013, with organic revenue growth of 3% year on year, as we delivered on our strategic plan. Mobile data revenue grew by 20%. EBITDA decreased 5% and the EBITDA margin fell to 36.6%, reflecting the negative effects of ruble weakness on direct costs and structural operating expenditure. Excluding foreign exchange effects, EBITDA would have been stable. We have continued to invest in our high speed data networks and the resulting improvement in customer experience was reflected in a 10 percentage points improvement in annualized churn and an increase in our mobile customer base to 57.2 million.

We have announced an agreement with MTS under which the companies will jointly plan, develop and operate 4G/LTE networks in Russia, bringing a further improvement in quality and availability of new services to our customers in a capital and cost efficient way.

Italy delivered a solid performance, in a continuing weak market. Fourth quarter organic mobile service revenue decreased 7% year on year, however this was a sequential improvement of 2 percentage points over the 3rd quarter. WIND's customer base declined 3%, mainly due to lower gross additions in the market and a decrease in the number of secondary SIM cards previously used for on-net calls, however overall customer market share in Italy has again increased. EBITDA declined reflecting the fall in revenue, and data revenue grew by 16%. WIND remains the leader in customer satisfaction in the market. We have continued to invest in rolling out our 4G/LTE network and we now have 37% population coverage.

Our performance in the Africa & Asia Business Unit was impacted by weaker results in Algeria and Pakistan offsetting the strong performance in Bangladesh. In Algeria, Djezzy has maintained its strong market leadership position and leads in NPS. Fourth quarter organic service revenue declined 7% year on year, due to the earlier 3G launches by our competitors and aggressive price competition in the market. Underlying organic EBITDA decreased by 22% as a consequence of the large increase in frequency and network costs due to the roll out of 3G. Djezzy has now launched 3G services in 21 provinces including Algiers and other main cities and has received regulatory approval to launch new tariffs for both prepaid and postpaid customers. The recently announced transaction with the Fonds National d'Investissement ("FNI") provides a more certain future for the business and enables us to start a full transformation program in Djezzy. In Pakistan, the 2G network modernization program has been completed. Service revenue grew 5% quarter on quarter, an improving trend. Customer growth slowed as a result of the Government's requirement for biometric verification of all SIM cards, however Mobilink has maintained its customer market leadership position ending the year with 38.5 million customers. The company performed the fastest 3G roll-out in Pakistan and was the first to reach 2 million 3G customers. In Bangladesh, Banglalink had another strong quarter, gaining customer and service revenue market share. Organic service revenue growth was up 18% year on year and EBITDA growth was 38%. Data revenue increased 85% reflecting the first year of 3G services in the country. Banglalink's leading NPS position in the market, was reflected in improving churn rates.

The transformation program that we announced for Kyivstar, in Ukraine, is making good progress despite the difficult operating environment. Kyivstar has maintained its market leadership and is the top rated operator in Ukraine for NPS, driven particularly by having the highest quality and most stable network, together with well perceived pricing initiatives. Service revenue declined organically by 2% year on year, with stable mobile service revenue. EBITDA was down 12% and the EBITDA margin decreased by 4.9 percentage points to 42.3%, mainly due to external factors such as a one-off charge relating to VAT expenses, the doubling of frequency fees, increase in electricity, maintenance and IT costs due to adverse currency movements. We are pleased to announce that we won a tender for a nationwide 3G license in Ukraine, where we see strong demand for mobile data services.

The cost of the license will be UAH 2.7 billion. The tender results are subject to final approval by the National Commission for the State Regulation of Communications and Informatization of Ukraine.

In our CIS Business Unit, Kazakhstan delivered solid results with mobile service revenue growing by 2% and fixed-line revenue by 17% year on year. Mobile data revenue growth was 42%. Customer market share grew 3% in the 4th quarter, reflecting NPS leadership in the market. In the CIS Business Unit, underlying organic EBITDA growth was 3% with an EBITDA margin of 48.8%.

We have seen strong performances in many of our markets and we are benefitting from our network investment program and our focus on customer experience.

In April 2014, we announced that an agreement had been reached for Global Telecom Holding ("GTH") to sell a 51% interest in Orascom Telecom Algérie SpA to the FNI. This transaction has now closed and the total net proceeds amounting to USD 3.8 billion, including dividends from OTA, have been used by GTH to pay down existing shareholder loans provided by VimpelCom. In July 2014, we also announced the completion of the second phase of the refinancing of our business in Italy. Taken together we anticipate that these actions will provide an annual enhancement to our net income of USD 0.5 billion.

Including our actions in Italy, we executed some USD 21 billion in financing activities in 2014, leading to a lower cost of debt and an improved maturity profile. Excluding our strong, standalone business in Italy, our net borrowings amounted to USD 6.7 billion, representing a net debt to EBITDA ratio of 1.2 times for the remainder of our businesses.

During the year, we have continued to execute on our portfolio review, disposing of our businesses in Canada, Central African Republic and Burundi.

We have also been focused on risk management and compliance across the group and are pleased with the progress we have made in these areas. In 2014, we re-assessed our approach and we have undertaken considerable change, establishing a more coordinated and expansive risk management and compliance framework. We have also added resources and ramped up training and awareness programs. We will continue to focus on this area of our business and view it as a critical part of our future development.

Our focus in 2015 will continue to be on improving the customer experience and further increases in our NPS. At the same time, we will keep a relentless focus on our costs, and we will seek further consolidation opportunities such as our network sharing agreement in Russia so that we can deliver better services in all of the markets where we operate. We expect the operating environment to remain difficult in 2015, however I am confident that we have the right strategy to deliver on our targets.

In 2015, we expect an improving organic trend in service revenue and we are targeting a flat to low single digit organic decline year on year. The EBITDA margin is expected also to be flat or slightly lower, and our target is for Earnings per Share to be between USD 0.35 and USD 0.40. We plan to continue our investments in high speed data networks to capture mobile data growth, which will result in a capital program of 20% of our revenue. Leverage for the total group is expected to increase to around 3.2 times net debt to EBITDA due to unfavorable currency movements. Excluding our stand alone business in Italy we expect the leverage to be approximately 1.7 times."

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STRATEGIC UPDATE AND MAIN EVENTS

- **Successful closing of Algeria transaction**
- **4G/LTE network sharing initiative with MTS launched in Russia**
- **3G license awarded in Ukraine**
- **4G/LTE launched in Georgia**
- **Additional credit facility of USD 1 billion put in place**
- **Update on Uzbekistan investigation**

SUCCESSFUL CLOSING OF ALGERIA TRANSACTION

On January 30, 2015, the Company announced the closing of the sale by GTH of a 51% interest in Omnium Telecom Algeria SpA ("OTA") to the Algerian National Investment Fund, Fonds National d'Investissement (the "FNI"), for USD 2.6 billion. GTH will continue to exercise operational control over OTA and, as a result, both GTH and VimpelCom will continue to fully consolidate OTA. At closing, GTH terminated its international arbitration against the Algerian State initiated on April 12, 2012 and the parties settled the arbitration and all related claims. Total net proceeds, including OTA dividends in respect of the financial years 2008-2013 paid to GTH, amounting to approximately USD 3.8 billion net of all taxes and after settlement of all outstanding disputes between the parties, as well as the payment of associated fines, have been used by GTH to pay down existing shareholder loans provided by VimpelCom to GTH. VimpelCom intends to use these proceeds to pay down debt.

4G/LTE NETWORK SHARING IN RUSSIA

In the fourth quarter, VimpelCom Russia and MTS announced an agreement under which they will jointly plan, develop and operate 4G/LTE networks in Russia. Under the terms of the agreement, between 2014 and 2016 MTS will build and operate 4G/LTE base stations in 19 regions and VimpelCom will build and operate 4G/LTE base stations in 17 regions of Russia. Within the first seven years of the project, VimpelCom Russia and MTS plan to share base stations, platforms, infrastructure and resources of the transportation network with each operator maintaining its own core network. Additionally, the agreement does not limit strategic development and investment opportunities for either party, allowing both to pursue the construction of base stations to provide additional coverage for their respective customers.

4G/LTE LAUNCH IN GEORGIA

On February 1, 2015, Beeline Georgia launched its commercial 4G/LTE mobile services in 30 cities, covering more than 40% of the population, and providing user-speed mobile data services of up to 70 Mbit/s on the 800 MHz band. This launch marks a substantial technological leap from prior 2G directly to 4G/LTE. The commercial launch occurred just three days after Beeline received its license. 4G/LTE services are expected to significantly improve customer experience and give new impetus to the Beeline Georgia business through the development of mobile data services.

3G LICENSE AWARDED IN UKRAINE

Recently Kyivstar was awarded a nationwide 3G license in Ukraine for UAH 2.7 billion (~USD 100 million). The tender results are subject to final approval by the National Commission for the State Regulation of Communications and Informatization of Ukraine. The Company has been preparing its mobile network for 3G and as the clear market leader it expects to benefit from the launch of 3G services in the second half of 2015.

USD 1 BILLION CREDIT FACILITY

On November 19, 2014, VimpelCom signed a new credit facility with the China Development Bank and the Bank of China in the amount of USD 1 billion. The facility, which has a tenor of eight years, is unsecured and guaranteed by VimpelCom Amsterdam B.V. The newly signed credit facility is in addition to the USD 0.5 billion credit facility signed with the China Development Bank in December 2012. In FY14, the Company financed a total of USD 21 billion in debt, reducing the cost of debt and substantially extending its debt maturity schedule.

UZBEKISTAN INVESTIGATION

As previously reported, the SEC, the DOJ and the Dutch public prosecutor's office are conducting investigations relating to the Company's operations in Uzbekistan. The Company has cooperated, and continues to cooperate, with the authorities in these investigations. The Company is also exploring the prospect of resolving the Company's potential liabilities arising from the facts established in the investigations. We are unable to predict the duration, scope or results of the ongoing investigations or how the results of these investigations and/or any resolutions may impact the Company's business, results of operations or financial condition. The

Company expects to continue incurring costs related to the investigations, primarily professional fees and expenses, which may be significant. No provision relating to the investigations has been recorded in the Company's unaudited financial results for the quarter and financial year ended December 31, 2014.

FOREIGN CURRENCY MANAGEMENT

The Company operates in many markets that have experienced a material depreciation of their local currency against the US dollar, especially in Russia and Ukraine. This has impacted the reported results substantially as the Russian ruble and the Ukrainian hryvnia depreciated against the US dollar by 42% and 49% respectively in 2014. The translation sensitivities to foreign exchange rates have been provided by the Company in previous quarterly earnings presentations. The Company has a hedging policy in place in which it hedges all its US dollar cash flow exposures six months forward, if feasible given regulations and market circumstances.

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VIMPELCOM GROUP – FINANCIAL AND OPERATING RESULTS 4Q14

- **Revenue of USD 4.4 billion declined organically 3% YoY**
- **EBITDA of USD 1.6 billion decreased organically 8% YoY due to the pressure on revenue and cost increases**
- **EBITDA margin of 36.4%**
- **Customer base grew 4.7 million YoY**
- **Operating cash flow improved USD 1.1 billion YoY**
- **Net debt / EBITDA stable QoQ at 2.5x, excluding Italy 1.2x**

OPERATING FINANCIALS PER BUSINESS UNIT

USD mln	4Q14	4Q13	Reported YoY	Organic YoY	FY14	FY13	Reported YoY	Organic YoY
Total revenue	**4,391**	**5,552**	**(21%)**	**(3%)**	**19,627**	**22,546**	**(13%)**	**(4%)**
of which:								
Russia	1,580	2,173	(27%)	3%	7,459	9,109	(18%)	(4%)
Italy	1,401	1,685	(17%)	(9%)	6,155	6,618	(7%)	(7%)
Africa & Asia	788	863	(9%)	(5%)	3,360	3,506	(4%)	(4%)
Ukraine	216	394	(45%)	(2%)	1,062	1,610	(34%)	(5%)
CIS	477	502	(5%)	4%	1,873	1,947	(4%)	4%
other	(71)	(65)			(282)	(244)		
EBITDA	**1,600**	**1,013**	**58%**	**(8%)**	**7,970**	**8,260**	**(4%)**	**(6%)**
of which:								
Russia	580	876	(34%)	0%	2,980	3,815	(22%)	(6%)
Italy	529	687	(23%)	(16%)	2,408	2,592	(7%)	(7%)
Africa & Asia	326	411	(21%)	(19%)	1,486	1,679	(12%)	(11%)
Ukraine	92	186	(51%)	(12%)	484	781	(38%)	(11%)
CIS	210	152	40%	52%	912	858	6%	15%
other[1]	(137)	(1,299)			(300)	(1,465)		
EBITDA margin	**36.4%**	**18.2%**	**18.2 pp**		**40.6%**	**36.6%**	**4.0 pp**	

[1] *Including Algeria adjustments*

FINANCIAL AND OPERATING PERFORMANCE OVERVIEW 4Q14

As expected, total **revenue** in 4Q14 declined organically by 3% YoY, mainly due to performance and macro economic developments in Ukraine and Pakistan, the rolling effect from the 2013 price competition in Italy and the delayed 3G launch in Algeria, partly offset by the revenue growth in Russia, Bangladesh and CIS.

Total mobile **customers** increased 4.7 million YoY to 221.6 million by the end of 2014, with the largest absolute contribution coming from a substantial increase in customers in the Africa & Asia Business Unit.

EBITDA decreased organically 8% YoY to USD 1.6 billion reflecting the decline in revenue, higher network costs in Russia, increasing frequency costs in Ukraine and Algeria, additional network costs due to 3G expansions in Algeria, Pakistan and Bangladesh. However, reported EBITDA increased 58% YoY mainly due to the provision in 4Q13 of USD 1.3 billion for the Bank of Algeria fine, while in 4Q14 a provision of USD 50 million related to the settlement with Cevital was recorded.

The **Russian** Business Unit achieved organic revenue growth of 3% YoY, the first YoY increase since 3Q13 as the investments in high speed data networks and improved customer experience drove an increase in Net Promoter Score (NPS) and an improvement in churn. The customer base increased 0.7 million YoY. However, EBITDA decreased 5% YoYto RUB 27.0 billion , mainly due to the negative effect of the depreciation of the ruble against the US dollar which impacted costs, while network related costs also increased as a result of the accelerated high speed data network roll out. Excluding the negative effect of the weakened ruble, EBITDA would have been stable YoY. The Company expects the challenging macro-economic environment will continue to pressure revenue and EBITDA margin in Russia in 2015.

In **Italy**, WIND delivered another quarter of solid performance in what remains a weak and challenging market. The effects of the intense price competition of 2013, the decline in pay-per-use SMS, and the lower customer base all impacted 4Q14 results. During the quarter, as already seen in the first nine months of the year, there was a reduction in gross additions in the market, as well as in the overall number of customers. However, WIND was again able to grow its customer market share. Mobile service revenue decreased 7% YoY in 4Q14 to EUR 746 million, representing a further two percentage point sequential QoQ improvement. The YoY decline was the result of the aforementioned 2013 price pressure, SMS revenue contraction and the impact of the launch in 2014 of new MVNOs specifically focusing on the ethnic segment. WIND's mobile data revenue grew 16% YoY to EUR 152 million, driven by a 16% YoY growth in mobile broadband customers to more than 10 million. The decline in EBITDA was mainly due to the pressure on revenue, partially offset by cost efficiency measures, which included an innovative insourcing and productivity improvement plan launched in September. Reported EBITDA margin was 37.3%, with an underlying[1] margin of 39.9%.

The performance of the **Africa & Asia** Business Unit was impacted by a slowdown in Algeria and Pakistan. As a result, revenue decreased 5% YoY organically to USD 788 million and EBITDA decreased 19% YoY organically to USD 326 million.

In **Algeria**, as expected, revenue declined 6% to DZD 34 billion due to the launch of 3G by competitors in December 2013, well ahead of Djezzy's 3G launch in July 2014. Despite this, Djezzy maintained its leadership position. The closing of the transaction in Algeria enables the Company to start a full transformation program for the operations with increased investments in 2G and 3G and improved commercial offerings. However, the performance will not immediately improve, as competition remains intense following the introduction of 3G. In **Pakistan,** Mobilink completed its network modernization program in 4Q14 and secured its leading customer market share. In 4Q14, revenue was almost stable YoY at PKR 26 billion, an improving trend from previous quarters. In **Bangladesh**, banglalink again reported strong results following the successful turnaround with double-digit revenue and EBITDA YoY growth.

In **Ukraine,** good progress on the transformation announced in January 2014 has been made, despite the difficult operating environment, resulting in a leading position in NPS and improving operational trends. The ongoing situation in Ukraine and the resulting challenging environment led to more conservative spending behaviour by customers and a negative impact on Kyivstar's financial results. Total revenue decreased 2% YoY to UAH 3.1 billion due to a decline in fixed-line revenue. Mobile service revenue increased slightly YoY to UAH 2.9 billion. EBITDA decreased 12% YoY to UAH 1.3 billion and EBITDA margin declined 4.9 percentage points YoY to 42.3%. These results were mainly due to external factors such as a one-off charge related to non-recoverable VAT expenses, doubled frequency fees starting from April 2014, increase in electricity tariffs and growth in maintenance and IT costs, which was mainly due to the effect of FOREX. Kyivstar continues to implement cost efficiency measures as part of the Operational Excellence program to support EBITDA margins. Kyivstar expects further improvement in customer experience after the recent award of a 3G license. Kyivstar has been preparing its mobile network to capture this market opportunity and expects to launch 3G services in the second half of 2015.

The **CIS** Business Unit delivered another quarter of good results driven by strong performance in Uzbekistan and solid results in Kazakhstan. The Company improved its market positions in most of the countries in the CIS despite a highly competitive environment. Total revenue increased 4% organically YoY and the customer base grew by 4% YoY. Mobile service revenue grew organically 4% YoY to USD 434 million driven by strong mobile data revenue organic growth of 24% YoY. In Kazakhstan, Beeline continued its successful turnaround and improved its market position against its main competitor despite the highly competitive market. EBITDA margin for the CIS Business Unit stood at 44.0%. Underlying EBITDA margin, excluding one-off charges, would have been 48.8%.

1) *net of the impact of the non-recurring items accounted for in 3Q14 but commercially related to 4Q14*

INCOME STATEMENT ELEMENTS & CAPITAL EXPENDITURES 4Q14

USD mln	4Q14	4Q13	YoY	Organic YoY
Total revenue	**4,391**	**5,552**	**(21%)**	**(3%)**
Mobile service revenue	3,565	4,455	(20%)	(2%)
EBITDA	**1,600**	**1,013**	**58%**	**(8%)**
EBITDA margin	**36.4%**	**18.2%**	**18.2 pp**	
EBIT	**(421)**	**(3,218)**	**n.m.**	
Financial income and expenses	(410)	(511)	(20%)	
Net foreign exchange (loss)/gain and others	(185)	(265)	(30%)	
Profit before tax	**(1,016)**	**(3,994)**	**75%**	
Income tax expense	(41)	(1,257)	(97%)	
Profit for the period	**(1,057)**	**(5,251)**	**80%**	
Net income attributable to VimpelCom shareholders	**(935)**	**(3,861)**	**76%**	

USD mln	4Q14	4Q13	YoY
Capital expenditures[1]	1,211	1,721	(30%)
Capital expenditures[1] excluding licenses	1,201	1,683	(29%)
Capex[1] excl licenses/Revenue	27%	30%	

EBIT in 4Q14 was negative for USD 421 million, impacted by non-cash impairments amounting to USD 1.1 billion, including impairments of goodwill related to assets in Ukraine, Pakistan and Laos. The impairment on the assets in Ukraine was related to macroeconomic developments, an increase in inflation and foreign exchange rates forecasts. The impairment on the assets in Pakistan was related to macroeconomic developments, a need for more accelerated investments in 3G and weakened operational performance. The YoY comparison was positively impacted by the impairment in 4Q13 of USD 2.9 billion related to assets in Ukraine and Canada as well as the declining amortization applied to intangible assets associated with customer relationships as part of the Wind Telecom acquisition and adverse currency movements in 4Q14 and the accelerated depreciation in Pakistan in 4Q13.

Loss before tax in 4Q14 decreased 75% YoY to USD 1.0 billion. The YoY improvement was primarily the result of the lower impairments in 4Q14, lower financial expenses as result of the refinancing of Italy and positive fair value of derivatives, partly offset by higher foreign exchange losses, mainly due to depreciation of RUB against the USD.

Income tax expenses in 4Q14 decreased due to a decrease in withholding taxes on intercompany dividends from Russia and a decrease of taxable profit in Russia. The negative tax rate was impacted by non-deductible impairment losses. In addition, the effective tax rate in 4Q13 was negatively affected by the aforementioned non-deductible fine by the Bank of Algeria and the deferred tax liability on dividends from Algeria accounted for in the Financial Statements of 4Q13.

Net loss in 4Q14 decreased, mainly due to the significantly lower loss before tax, lower income tax charges, partly compensated by lower losses allocated to non-controlling interest.

CAPEX in 4Q14 decreased YoY to USD 1.2 billion due to depreciation of the RUB, EUR and UAH against the USD, more balanced spending throughout 2014, and the completion of 2G coverage and network modernization projects in Bangladesh in 3Q14. The Company plans to maintain its strategy to invest in high-speed data networks to capture mobile data growth, including the continued rollout of 4G/LTE networks in Russia and Italy and 3G networks in Algeria, Bangladesh, Pakistan and Ukraine.

STATEMENT OF FINANCIAL POSITION & CASH FLOW 4Q14

USD mln	4Q14	3Q14	QoQ
Total assets	40,997	45,833	(11%)
Shareholders' equity	4,893	7,868	(38%)
Gross debt	26,443	27,714	(5%)
Net debt	19,992	21,736	(8%)
Gross debt / LTM EBITDA[1]	3.3	3.2	
Net debt / LTM EBITDA[1]	2.5	2.5	

USD mln	4Q14	4Q13	YoY	FY14	FY13	YoY
Net cash from operating activities	1,398	2,010	(30%)	5,279	6,351	(17%)
Net cash used in investing activities	(906)	(1,503)	(40%)	(3,977)	(4,213)	(6%)
Net cash from/(used in) financing activities	261	(1,030)	n.m.	1,329	(2,575)	n.m.

[1)] *Normalized LTM EBITDA excluding one-off charges related to the Algeria resolution*

Total assets decreased 11% QoQ in 4Q14 to USD 41 billion primarily as a result of the depreciation of RUB, EUR, UAH and DZD against the USD and impairments. **Gross debt** decreased 5% QoQ due to RUB and EUR depreciation against USD (for a detailed debt composition by the end of 2014, please see Appendix B "Debt Overview"). The Company's **cash position** increased by 8% QoQ, mainly driven by positive operating cash flow and net proceeds from borrowings. Consequently, **net debt** decreased 8% QoQ to USD 20.0 billion and LTM EBITDA decreased by 7% QoQ, leading to the stable QoQ net debt to EBITDA ratio of 2.5x at the end of the fourth quarter.

Net cash from operating activities declined 30% mainly due to the decline in underlying EBITDA, one-off interest payments in Italy partly offset by lower income tax paid.

Net cash used in investing activities decreased mainly due to the lower YoY CAPEX in 4Q.

Net cash from financing activities improved YoY due to less borrowing repayments and fewer dividends in 4Q14 compared to 4Q13.

In order to reduce future cash interest payments, as well as future amounts due at maturity or upon redemption, we may from time to time seek to purchase our outstanding debt through cash purchases and/or exchanges for new debt securities in open market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

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VIMPELCOM GROUP – FINANCIAL AND OPERATING RESULTS FY14

- **Revenue of USD 19.6 billion declined organically 4% YoY, in-line with 2014 target**
- **EBITDA of USD 8.0 billion declined organically 6% YoY, in-line with 2014 target**
- **Solid EBITDA margin of 40.6%**
- **CAPEX to revenue of 20%**
- **Operating cash flow of USD 4.1 billion**

Total **revenue** declined 4% YoY organically, while reported revenue declined 13% due to the adverse impact of currency movements in 2014. Reported **service revenue** declined by 13% primarily as a result of the aforementioned currency movements as well as the impact of operational performance and macro-economic developments in Russia, Ukraine and Pakistan, the rolling effect from the 2013 price competition in Italy and the delayed 3G launch in Algeria. Organically service revenue declined 4% YoY.

In Russia, total revenue declined 3% YoY to RUB 282 billion, negatively impacted by the Company measures to eliminate unrequested services from content providers to Beeline customers, as well as lower sales from equipment. In Italy, total revenue was down 7% YoY to EUR 4.6 billion. The decrease was due to the persistent effect of cannibalization coming from the 2013 price competition, the reduction in the mobile customer base and the SMS substitution with OTT services. The Africa & Asia Business Unit realized a 4% YoY organic decline in revenue to USD 3.4 billion. In Algeria, total revenue declined 5% YoY to DZD 136 billion, due to the Company’s forced delayed commercial launch of 3G. In Pakistan, total revenue declined 6% to PKR 102 billion as a result of competitive pressure and a challenging regulatory environment with countrywide implementation of the biometric verification system leading to a YoY slowdown in customer base growth. Banglalink reported strong revenue growth of 11% YoY to BDT 44 billion in Bangladesh, which was driven by higher voice, interconnect and VAS revenue primarily due to strong YoY growth in the customer base, as well as strong mobile data revenue growth after the launch of 3G in 4Q13. The Ukraine business unit reported a 5% YoY decline in total revenue to UAH 12 billion, mainly due to lower mobile voice revenue, due to customers switching to cheaper bundled tariff plans, and to the difficult environment in Ukraine, leading to more conservative spending behavior by customers. The CIS Business Unit continued to deliver solid performance with revenue increasing organically by 4% YoY to USD 1.9 billion, supported by strong results in Kazakhstan and Uzbekistan.

EBITDA decreased organically 6% YoY in line with FY14 target, and reported EBITDA declined 4%. The reduction in EBITDA was mainly due to the decline in revenue, increase in frequency fees, higher network costs as well as the impact on costs of adverse currency movements.

EBITDA in the Russia Business Unit decreased by 8% YoY to RUB 112 billion, mainly due the negative effect of the depreciation of the ruble against the US dollar, which impacted costs, the decline in service revenue, the increased demand-driven network investments and the expansion of owned monobrand stores. In Italy, EBITDA decreased 7% YoY to EUR 1.8 billion mainly as a result of the revenue decline. The EBITDA of the Africa & Asia Business Unit declined organically by 11% YoY to USD 1.5 billion. In the Ukraine Business Unit, EBITDA decreased by 11% YoY to UAH 5.5 billion, mainly driven by the revenue decline and cost pressures due to the doubled frequency fees and increased utility costs. EBITDA organic growth in the CIS Business Unit was 15%, reaching USD 0.9 billion due to strong results in Kazakhstan and Uzbekistan.

INCOME STATEMENT ELEMENTS & CAPITAL EXPENDITURES FY14

USD mln	FY14	FY13	YoY	Organic YoY
Total revenue	**19,627**	**22,546**	**(13%)**	**(4%)**
Mobile service revenue	15,810	18,152	(13%)	(4%)
EBITDA	**7,970**	**8,260**	**(4%)**	**(6%)**
EBITDA margin	**40.6%**	**36.6%**	**4.0 pp**	
EBIT	**2,586**	**346**	**n.m.**	
Financial income and expenses	(1,972)	(2,059)	(4%)	
Net foreign exchange (loss)/gain and others	(795)	(311)	n.m.	
Profit before tax	**(181)**	**(2,024)**	**91%**	
Income tax expense	(722)	(2,064)	(65%)	
Profit for the period	**(903)**	**(4,088)**	**78%**	
Net income attributable to VimpelCom shareholders	**(691)**	**(2,625)**	**74%**	

USD mln	FY14	FY13	YoY
Capital expenditures	4,255	4,309	(1%)
Capital expenditures excluding licenses	3,907	4,001	(2%)
Capex excl licenses/Revenue	20%	18%	

EBIT was impacted by impairment charges of USD 1.0 billion in FY14, compared to impairment charges of USD 2.9 billion in FY13, despite adverse local currencies against the USD in FY14.

Loss before tax for FY14 amounted to USD 181 million negatively impacted by foreign exchange losses due to local currency deprecations against the USD in almost all countries and one-off charges related to the refinancing of Italy.

Income tax expenses in FY14 were lower due to a decrease in withholding taxes on intercompany dividends from Russia and due to a decrease in non-deductible impairment losses. In addition, the effective tax rate in FY13 was negatively affected by the aforementioned non-deductible fine from the Bank of Algeria and the deferred tax liability on dividends from Algeria accounted for in the Financial Statements of FY13.

Net loss for FY14 of USD 691 million as result of unfavorable foreign exchange movements, one-off costs related to the refinancing of Italy and impairments, more than offsetting the lower income tax expenses.

CAPEX, excluding licenses, in 2014 decreased slightly to USD 3.9 billion. However, CAPEX to revenue increased from 18% to 20%, following the Company's strategy of investing in high speed data networks to capture mobile data growth, including the rollout of 3G and 4G/LTE networks in Russia, 3G networks in Algeria, Bangladesh and Pakistan, and continued investments in 4G/LTE in Italy.

BUSINESS UNITS PERFORMANCE IN 4Q14

- Russia
- Italy
- Africa & Asia
- Ukraine
- CIS

RUSSIA – 4Q14

- **Continued focus on Customer Excellence led to increasing NPS and improving churn**
- **Service revenue grew 3% YoY, the first increase in service revenue since 3Q13**
- **Stable mobile service revenue YoY; solid mobile data revenue growth of 20% YoY**
- **Mobile customers increased 0.7 million YoY, reaching 57.2 million**
- **EBITDA decreased 5% YoY mainly driven by increased service costs due to FOREX, leading to an EBITDA margin of 36.6%**

The Russian Business Unit continued to execute on its plan in 4Q14, focusing on driving Customer Excellence and implementing a cultural shift to a customer-centric organization. As expected, the year-on-year trend for the Company improved in 4Q14 compared to the first nine months of 2014 despite the slowdown in the macro-economic environment. The Company expects the challenging environment will continue to put pressure on revenue and EBITDA margin in 2015.

Total revenue grew organically 3% YoY, adjusted for the positive impact of currency movements. Total revenue increased 5% YoY to RUB 73.9 billion. Mobile service revenue increased 0.2% YoY to RUB 56.4 billion, the first increase since the Company took measures to eliminate unrequested services from content providers to Beeline customers. Beeline's mobile customers increased YoY by 0.7 million as churn improved 10 percentage points YoY to an annualized rate of 63%. Mobile voice revenue was down YoY due to declining prices and the migration of customers to the Company's new and more attractive bundled price plans. As a result, ARPU declined 1% YoY to RUB 325. The mobile voice revenue decline was partially offset by a 20% YoY increase in mobile data revenue to RUB 10.5 billion, which was driven by mobile data traffic growth that more than doubled YoY. Mobile financial services (MFS) revenue increased by 8% YoY to RUB 738 million.

Fixed-line service revenue increased 15% YoY to RUB 14.2 billion mainly due to FOREX impact on USD denominated contracts. The fixed-line broadband customer base was stable YoY at 2.3 million, while fixed-line broadband ARPU increased 6% YoY to RUB 477. The Company´s strategy in the fixed-line business continues to be centered on increasing profitability in regions where it currently has significant market share.

EBITDA decreased 5% YoY to RUB 27.0 billion and EBITDA margin decreased 3.7 percentage points YoY to 36.6%. The decrease was primarily due to the negative effect of the depreciation of the ruble against the US dollar on roaming, interconnect costs and structural OPEX. Network related costs also increased as a result of the recent accelerated high speed data network roll out. Excluding the negative effect of the weakened ruble, EBITDA would have been stable YoY and EBITDA margin would have decreased 1.2 percentage points.

Beeline achieved continued improvements in customer perception during the quarter with a further narrowing of the gap to its competitors in NPS, improved churn, and growth in the customer base YoY. VimpelCom's investments in its high speed data network resulted in a leading NPS in mobile Internet in 4Q14 in Russia.

To increase the use of MFS among Beeline customers and offer a broader range of services designed to attract new customers, Beeline started rolling out the Beeline Card in 2014 and upgraded it with a credit overdraft option in 4Q14. The Beeline card, co-branded with MasterCard, combines the use of mobile balances for product and service payments with a loyalty bonus, which can be used for calling or data purchases. At the same time, Beeline continued to offer data devices to stimulate mobile data growth. In addition to the earlier launched Beeline branded 3G and Alcatel co-branded 4G/LTE smartphone, the Company introduced the Beeline Tab, which was the top-selling tablet in Russia in November 2014, according to GFK Agency.

Beeline also continued to invest in high-speed data networks and is on track with its plans for the accelerated roll out of 4G/LTE. The Company launched 4G/LTE in 46 regions by the end of December, an acceleration supported by the partnership with MTS for joint development and operation of 4G/LTE networks. The Company also increased the number of 3G base stations by 18% YoY in 4Q14 to 31k. FY14 total CAPEX to revenues was 22% in Russia, in line with 2014 target, despite the significant depreciation of the ruble against the US dollar.

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RUSSIA KEY INDICATORS

RUB mln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**73,947**	**70,660**	**5%**	**281,898**	**289,910**	**(3%)**
Mobile service revenue	56,360	56,253	0%	221,438	229,020	(3%)
Fixed-line service revenue	14,217	12,402	15%	52,064	49,413	5%
EBITDA	**27,042**	**28,479**	**(5%)**	**111,935**	**121,422**	**(8%)**
EBITDA margin	**36.6%**	**40.3%**	(3.7 pp)	**39.7%**	**41.9%**	(2.2 pp)
Capex	20,970	27,871	(25%)	61,310	58,792	4%
Capex/Revenue	28%	39%		22%	20%	
Mobile						
Total operating revenue	59,637	58,087	3%	229,266	239,852	(4%)
- of which mobile data	10,523	8,792	20%	38,065	31,688	20%
Customers (mln)	57.2	56.5	1%			
- of which broadband (mln)	3.7	3.1	16%			
ARPU (RUB)	325	327	(1%)			
MOU (min)	316	293	8%			
Fixed-line						
Total operating revenue	14,309	12,574	14%	52,632	50,058	5%
Broadband revenue	3,230	3,152	2%	12,771	12,632	1%
Broadband customers (mln)	2.3	2.3	0%			
Broadband ARPU (RUB)	477	451	6%			

ITALY – 4Q14

- **Solid performance with improving trend in a challenging market**
- **Further improvement in mobile service revenue YoY trend versus 3Q14**
- **Solid data revenue growth: mobile broadband up 16% YoY and fixed broadband up 4% YoY**
- **Total revenue of EUR 1.1 billion, down 9% YoY; underlying[1] decline of 5% YoY**
- **EBITDA at EUR 418 million down 6.5% YoY on an underlying basis, improving sequentially**

In 4Q14 WIND delivered a solid performance in what remains a weak and challenging market. The effects of the intense price competition of 2013, the decline in pay-per-use SMS and the lower customer base all impacted 4Q14 results. During the quarter, as already seen during the first nine months of the year, the market witnessed a reduction in gross additions and in the overall number of customers. The Company expects that the market will continue to stabilize.

Total revenue in 4Q14 decreased 9% YoY to EUR 1.1 billion. Underlying total revenue, net of the impact of the non-recurring revenue accounted in 3Q14, declined 5% YoY. Service revenue was down 7% confirming the improvement in trend versus the previous quarter driven by better performance in the mobile segment. The service revenue decrease was due to the persisting effect of cannibalization coming from the 2013 price pressure, the reduction in mobile customer base and the SMS substitution with OTT services.

Mobile service revenue decreased 7% YoY in 4Q14 to EUR 746 million, displaying a further 2 percentage points sequential QoQ improvement, affected by the aforementioned 2013 price pressure, SMS revenue contraction and the impact of the launch in 2014 of new MVNOs specifically targeting the ethnic segment. WIND's mobile data revenue grew 16% YoY to EUR 152 million, driven by a 16% YoY growth in mobile broadband customers to more than 10 million.

In 4Q14, WIND's mobile customer base declined YoY to 21.6 million mainly due to lower gross additions in the market and a decrease in the number of secondary SIM cards previously used for specific on-net calls. Despite the reduction of its customer base WIND was able to further increase its customer market share.

In 4Q14, mobile ARPU declined 4% YoY to EUR 11.4 with data ARPU reaching 40% of total mobile ARPU, partially offsetting the decline in voice ARPU.

In the fourth quarter WIND confirmed its leadership in terms of customer satisfaction and NPS leading to a churn improvement both YoY (1.9 p.p.) and QoQ (0.4 p.p.).

In fixed-line, service revenue decreased 9% YoY to EUR 292 million mostly due to the decline in the less profitable indirect customer base and continued decline in voice volumes resulting from fixed to mobile substitution. Fixed broadband revenue increased 4% YoY to EUR 140 million with both broadband LLU customers and dual play customers growing by 2% YoY.

WIND's reported EBITDA in 4Q14 decreased 16% YoY to EUR 418 million. On an underlying basis, net of the impact of the non-recurring items accounted for in 3Q14 but commercially related to 4Q14, the EBITDA trend continued to improve sequentially to minus 6.5% YoY (3Q14 -7.3%; 2Q14 -8.4%). The decline in EBITDA was mainly due to the pressure on revenue, partially offset by cost efficiency measures, which included an innovative insourcing and productivity increase plan launched in September. Reported EBITDA margin was 37.3%, with an underlying margin of 39.9%.

In 2014, WIND invested EUR 757 million in expanding its 4G/LTE coverage, as well as in increasing the capacity and coverage of the existing HSPA+ network. In line with the strategy of being a smart and fast follower, WIND 4G/LTE coverage reached 37% of the population at the end of 2014.

[1]) *net of the impact of the non-recurring items accounted for in 3Q14 but commercially related to 4Q14*

ITALY KEY INDICATORS

EUR mln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**1,123**	**1,237**	**(9%)**	**4,633**	**4,983**	**(7%)**
Mobile service revenue	746	800	(7%)	2,975	3,282	(9%)
Fixed-line service revenue	292	320	(9%)	1,192	1,295	(8%)
EBITDA	**418**	**500**	**(16%)**	**1,804**	**1,944**	**(7%)**
EBITDA margin	**37.3%**	**40.4%**	**(3.1 pp)**	**39.0%**	**39.1%**	**(0.1 pp)**
Capex[1]	261	291	(10%)	757	789	(4%)
Capex[1]/Revenue	23%	23%		16%	16%	
Mobile						
Total revenue	820	907	(10%)	3,328	3,648	(9%)
Customers (mln)	21.6	22.3	(3%)			
- of which broadband (mln) [2]	10.2	8.8	16%			
ARPU (€)	11.4	11.9	(4%)			
MOU (min)	274	256	7%			
Fixed						
Total revenue	302	330	(8%)	1,305	1,335	(2%)
Total voice customers (mln)	2.8	3.0	(5%)			
ARPU (€)	29	30	(5%)			
Broadband customers (mln)	2.2	2.2	(0%)			
Broadband ARPU (€)	22	21	5%			
Dual-play customers (mln)	1.9	1.9	2%			

1) *CAPEX in FY13 excludes EUR 136 million of non-cash increase in intangible assets related to the contract with Terna for the right of way of WIND's backbone; excluding FOC assets*
2) *Mobile broadband include customers that have performed at least one mobile Internet event in the previous month*

AFRICA & ASIA – 4Q14

- **Successful closing of the transaction in Algeria strengthens Djezzy's position and prospects for growth**
- **Double-digit revenue growth in Bangladesh and improving trend in Pakistan more than offset by the competitive pressure in Algeria resulting in a revenue decrease of 5% YoY to USD 788 million**
- **EBITDA decreased organically 19% YoY to USD 326 million; EBITDA margin was 41.4%**
- **Customer base grew 4% YoY to reach 90 million**

In 4Q14, as expected, VimpelCom improved its strong number two market position in Bangladesh and secured its leading market position in Pakistan. In January 2015, VimpelCom announced the successful closing of the transaction in Algeria, the sale of a 51% interest to the Fonds National d'Investissement (the "FNI"). The partnership with the FNI strengthens Djezzy's position and prospects with greater opportunities to build and strengthen its operation in Algeria. The closing enables the Company to start a full transformation program in Djezzy.

The double-digit revenue growth in Bangladesh and improving trend in Pakistan was more than offset by the market challenges and competitive pricing in Algeria, resulting in a revenue decrease in the Africa & Asia Business Unit of 5% YoY to USD 788 million. Reported revenue declined 9% YoY due to the additional impact of currency devaluation in Algeria. Mobile data revenue growth was strong in all markets, increasing organically 22% YoY. The customer base in the Africa & Asia business unit increased 4% YoY to 90 million driven by strong growth in all countries, particularly in Bangladesh.

EBITDA decreased organically 19% YoY as EBITDA was negatively impacted by higher network costs and higher frequency fees in Algeria. On a reported basis, EBITDA decreased 21% to USD 326 million, resulting in an EBITDA margin of 41.4%.

CAPEX in 2014 almost doubled compared to the previous year to USD 1.2 billion, due to the 3G network roll out in Algeria, Bangladesh and Pakistan as well as the investments in the network modernization in Pakistan. The Company continues to invest in high-speed data networks in all three markets to capture mobile data growth.

The following analysis of the performance in the operating units is in local currencies except when stated otherwise.

ALGERIA ("DJEZZY")

In 4Q14, Djezzy's revenue decreased 6% YoY, mainly due to the Company's delayed commercial launch of 3G. Following the launch in July 2014, Djezzy grew its mobile customer base by 5% YoY to 18.4 million in 4Q14, the second consecutive quarter of growth. In total Djezzy had 1.2 million 3G customers at the end of 2014.

The market remained challenging in 4Q14 with continued aggressive price competition, resulting in a service revenue decline of 7% YoY. Mobile ARPU decreased 12% YoY due to the churn of high-value customers as a result of the delayed 3G services. Djezzy launched a new prepaid offer "Go", which achieved encouraging uptake. Djezzy also launched an unlimited postpaid offer "Infinity" at the end of December, which was supported by OTT partnerships with WhatsApp, Opera Mini and the 3G "Be-Djezzy" applications. Mobile data revenue increased by 36% QoQ.

EBITDA, excluding 4Q13 and 4Q14 adjustments of the Algeria transaction, decreased 22% YoY, adversely impacted by higher network costs, due to the 3G roll-out, higher frequency costs and HR costs.

The investments in the high-speed 3G network increased CAPEX to USD 415 million in FY14 and CAPEX to revenue has also grown from 5% to 25%. Currently, Djezzy's 3G services are available in 21 provinces, including the largest four provinces in terms of population.

Philip Tohme, CEO of OTA, will be departing Djezzy at the end of February. Vincenzo Nesci, Executive Chairman of OTA, will assume his responsibilities.

PAKISTAN ("MOBILINK")

In 4Q14, Mobilink completed its 2G network modernization, improving the capacity of its network and secured its leading customer market share.

Mobilink's revenue decreased 1% YoY mainly due to lower VAS revenue, resulting from management's decision to shift to a fully transparent charging regime, and lower voice revenue, due to price competition. Mobilink's service revenue increased 5% QoQ and decreased 2% YoY, showing an improved YoY trend. Mobile data revenue increased by 58% YoY due to attractive data bundles, promotions with free trial periods, iPhone6 launch and 3G network expansion. MFS revenue increased four times due to successful retail promotions along with increased active agent base and footprint. MFS now represents 2% of total service revenue. In addition, Mobilink made a strategic decision to exit from the International Clearing House (ICH), which resulted in higher international incoming revenue in 4Q14. Consequently, the increase in data, MFS and international incoming revenue offset the decline in voice and VAS revenue.

ARPU decreased 7% YoY due to price dilution in an aggressive market as competitors actively matched offers. The customer base increased 2% YoY. Mobilink maintains a policy of price simplicity and transparency, consequently closing the gap in NPS for four quarters in a row.

EBITDA increased slightly YoY to PKR 10 billion, mainly due to a one-off adjustment related to intercompany charges between Mobilink and GTH in 4Q13.

CAPEX in FY14 almost doubled to USD 352 million, mainly due to the 2G network modernization and 3G roll out.

The government put in place additional security measures after the terrorist attack on a school in Peshawar, in particular biometric verifications for all mobile subscriptions, which requires verification of all existing customers. Consequently, customer growth is expected to slow down in 2015.

BANGLADESH (“BANGLALINK”)

Banglalink continued to improve its market position in 2014, demonstrating strong performance with double-digit YoY growth.

In 4Q14, Banglalink’s revenue increased 14% YoY driven by a growth in ARPU of 10% YoY and 7% YoY growth in customer base to 30.8 million. Banglalink maintained its leading NPS in the market. The superior customer experience is a result of attractive 3G offers and affordable smartphone promotions. Since the 3G launch a year ago, data revenue has increased 85% YoY in 4Q14. This is the result of the widest 3G network in the country and attractive data bundles, which enabled data traffic monetization.

EBITDA increased 38% YoY driven by revenue growth and savings on customer acquisition costs due to the optimization of the distribution.

CAPEX increased YoY in FY14 to USD 178 million, as 2G coverage and modernization projects along with the 3G network rollout were completed in 2014.

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AFRICA & ASIA KEY INDICATORS

USD mln	4Q14	4Q13	YoY	Organic YoY	FY14	FY13	YoY	Organic YoY
Total revenue	**788**	**863**	**(9%)**	**(5%)**	**3,360**	**3,506**	**(4%)**	**(4%)**
Mobile service revenue	781	830	(6%)	(4%)	3,297	3,435	(4%)	(4%)
EBITDA	**326**	**411**	**(21%)**	**(19%)**	**1,486**	**1,679**	**(12%)**	**(11%)**
EBITDA margin	**41.4%**	**47.6%**	**(6.2 pp)**		**44.2%**	**47.9%**	**(3.7 pp)**	
Capex	258	330	(22%)		1,253	610	105%	
Capex[1]/Revenue	33%	34%	(3%)		28%	13%	115%	
Mobile customers (mln)	90.0	86.9	4%					

AFRICA & ASIA BUSINESS UNIT: COUNTRY DETAIL

ALGERIA

DZD bln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**34**	**36**	**(6%)**	**136**	**143**	**(5%)**
Mobile service revenue	33	36	(7%)	135	143	(5%)
EBITDA	**17**	**22**	**(22%)**	**73**	**85**	**(14%)**
EBITDA margin	**49.8%**	**60.1%**	**(10.3 pp)**	**53.5%**	**59.1%**	**(5.6 pp)**
CAPEX (USD mln)[1]	109	51	114%	415	84	n.m.
CAPEX/Revenue	28%	11%		25%	5%	

PAKISTAN

PKR bln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**26**	**26**	**(1%)**	**102**	**108**	**(6%)**
Mobile service revenue	24	25	(2%)	98	104	(6%)
EBITDA	**10**	**9**	**6%**	**39**	**45**	**(13%)**
EBITDA margin	**41.5%**	**38.5%**	**3.0 pp**	**40.0%**	**42.8%**	**(2.8 pp)**
CAPEX (USD mln)[1]	89	90	(1%)	352	190	85%
CAPEX/Revenue	36%	37%		35%	18%	

BANGLADESH

BDT bln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**11**	**10**	**14%**	**44**	**39**	**11%**
Mobile service revenue	11	9	18%	43	39	11%
EBITDA	**5**	**3**	**38%**	**17**	**15**	**17%**
EBITDA margin	**40.8%**	**33.7%**	**7.1 pp**	**38.9%**	**37.1%**	**1.8 pp**
CAPEX (USD mln)[1]	59	94	(37%)	178	133	34%
CAPEX/Revenue	40%	73%		32%	26%	

1) CAPEX excl. licenses

UKRAINE – 4Q14

- **Good progress on transformation program in Ukraine, which led to continued improvements in NPS, churn and market position**
- **Mobile customer base increased 2% YoY to 26.2 million**
- **Mobile service revenue stable at UAH 2.9 billion**
- **EBITDA declined 12% YoY to UAH 1.3 billion; EBITDA margin of 42.3%**

The ongoing situation in Ukraine and the resulting challenging environment led to more conservative spending behavior by customers and a negative impact on Kyivstar's financial results. Despite the situation, the Company made good progress on its transformation program and continued to deliver on its plans of improving customer satisfaction and strengthening its market position. Kyivstar increased its customer base YoY driven by the best quality and most stable network, favorable pricing initiatives, and the leading NPS in the market. Annualized churn continued its positive trend during the fourth quarter, improving by 7 percentage points YoY to 27%, despite the negative effect on churn from the disconnection of Crimea customers due to the network shutdown.

Kyivstar has been awarded a 3G license and won 2x 15 MHz in the 2,100 MHz bandwidth. The license fee amounts to UAH 2.7 billion (~USD 100 million) and the license term is 15 years. The tender results are subject to final approval by the National Commission for the State Regulation of Communications and Informatization of Ukraine. The Company expects further improvement in customer experience. Smartphone penetration in the customer base was already at 23% at the end of 4Q14, providing strong fundamentals for attractive mobile data revenue growth going forward. Kyivstar has been preparing its mobile network to capture this market opportunity and expects to launch 3G services in the second half of 2015.

Total revenue decreased 2% YoY to UAH 3.1 billion due to a decline in fixed-line revenue. Mobile service revenue was stable YoY at UAH 2.9 billion positively impacted by increased interconnect revenue, as well as 7% YoY mobile data revenue growth to UAH 256 million, which was offset by declines mobile voice, guest roaming and VAS revenue due to more conservative customer spending behavior and fewer tourist visits to Ukraine, as well as the negatively impact from the situation in Crimea.

Kyivstar´s mobile customer base increased 2% YoY to 26.2 million driven by YoY churn improvement and successful customer acquisition as a result of the Company's high quality and stable mobile network. Mobile ARPU declined 1% YoY to UAH 36 mainly due to more conservative spending behavior by customers.

Fixed-line service revenue decreased 20% YoY to UAH 225 million due to a decrease in transit traffic termination, which was partly offset by the growth in fixed residential broadband (FTTB) revenue, which continued to outgrow the market, increasing 4% YoY to UAH 111 million. This increase was driven by 7% growth YoY in the fixed broadband customer base to 813 thousand, which was partially offet by a decline in fixed broadband ARPU of 5% YoY to UAH 46.

EBITDA decreased 12% YoY to UAH 1.3 billion and EBITDA margin declined 4.9 percentage points YoY to 42.3%. This decline was mainly attributable to external factors such as a one-off charge related to non-recoverable VAT expenses, frequency fees having doubled in April 2014, an increase in electricity tariffs, and growth in maintenance and IT, mainly due to the effect of FOREX. Excluding the one-off VAT charge, EBITDA would have decreased by 5% YoY and EBITDA margin would have been 45.6%. The Company continues to implement cost efficiency measures as part of the Operational Excellence program to support EBITDA margins.

Kyivstar continued modernizing its network to prepare for 3G and future mobile data growth in 2014. FY14 CAPEX was stable YoY at UAH 1.7 billion and was only 14% of revenue. Operating cash flow in FY14 was 32%.

The Company expects that the environment will remain challenging.

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UKRAINE KEY INDICATORS

UAH mln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**3,095**	**3,149**	**(2%)**	**12,231**	**12,871**	**(5%)**
Mobile service revenue	2,863	2,856	0%	11,190	11,579	(3%)
Fixed-line service revenue	225	282	(20%)	1,017	1,102	(8%)
EBITDA	**1,311**	**1,487**	**(12%)**	**5,526**	**6,239**	**(11%)**
EBITDA margin	**42.3%**	**47.2%**	**(4.9 pp)**	**45.2%**	**48.5%**	**(3.3 pp)**
Capex	554	447	24%	1,657	1,690	(2%)
Capex/Revenue	18%	14%		14%	13%	
Mobile						
Total operating revenue	2,870	2,866	0%	11,212	11,768	(5%)
Customers (mln)	26.2	25.8	2%			
ARPU (UAH)	36.1	36.5	(1%)			
MOU (min)	524	504	4%			
Fixed-line						
Total operating revenue	225	283	(20%)	1,020	1,103	(8%)
Broadband revenue	110.8	107.0	4%	443.4	407.6	9%
Broadband customers (mln)	0.8	0.8	7%			
Broadband ARPU (UAH)	45.5	48.1	(5%)			

CIS – 4Q14

- **Solid results, total revenue increased organically by 4% YoY**
- **Mobile customers increased 4% YoY to 26.5 million; customer growth in all CIS markets**
- **Strong mobile data revenue growth of 24% YoY**
- **EBITDA reached USD 210 million with organic increase of 3% YoY adjusted for one-offs; EBITDA margin of 44.0%**
- **Continued robust results in Kazakhstan**

VimpelCom improved its market position in five countries in the CIS in 4Q14 despite the highly competitive environment. Mobile data revenue growth was strong in all CIS markets. EBITDA margins and cash flows were also robust as a result of efficiencies achieved through the Company´s Operational Excellence and Capital Efficiency programs.

Total revenue increased organically 4% YoY, while total reported revenue declined 5% YoY to USD 477 million, mainly due to currency devaluation in Kazakhstan and Kyrgyzstan. Mobile service revenue increased organically 4% YoY to USD 434 million driven by strong mobile data revenue organic growth of 24% YoY. The CIS Business Unit grew its mobile customer base 4% YoY to 26.5 million with increases across all operations, supported by a significant improvement in churn in almost all countries.

Reported EBITDA increased 40% YoY and EBITDA margin stood at 44.0%. Adjusted for one-off charges in 4Q13 related to a write-off of CAPEX to OPEX in Uzbekistan of USD 93 million, a negative one-off charge in Armenia in 4Q14 related to VAT provisioning of USD 6 million, and a negative one-off charge in Kazakhstan of USD 13 million related to adjustment of technical maintenance of software from CAPEX to OPEX in 4Q14, underlying EBITDA increased organically 3% YoY and EBITDA margin would have been 48.8%.

FY14 CAPEX to revenue for the CIS Business Unit was 14%. The following analysis of the performance in the operating units is in local currencies except when stated otherwise.

KAZAKHSTAN

In Kazakhstan, Beeline continued to improve its market position against its main competitors despite the highly competitive market. Customers continued to be attracted to Beeline's value proposition as a result of the ongoing transition to bundled tariff plans, as well as its new data products. As a result of this attractive value proposition and the Company's good quality network, Beeline remains the solid leader in NPS in Kazakhstan. At the end of 4Q14, bundle penetration in the customer base was at 50%. Total revenue in Kazakhstan increased 4% YoY in 4Q14 to KZT 35 billion driven by 2% YoY growth in mobile service revenue and a 17% YoY increase in fixed-line service revenue. The mobile customer base increased 7% YoY to 9.8 million and mobile ARPU decreased 6% YoY to KZT 1,041 due to a decrease in interconnect revenue.

Mobile service revenue growth was mainly driven by mobile data revenue growth of 42% YoY as a result of both an increase in data users and data ARPU. Annualized churn stood at 55%, up 4 percentage points YoY as a result of increased gross additions in 2Q14 and 3Q14. The strong growth in fixed-line service revenue was due to the increasing FTTB revenue, mainly driven by 18% YoY customer growth and growth in B2B and B2O revenue.

EBITDA decreased 13% YoY to KZT 14.0 billion and EBITDA margin decreased 7.5 percentage points to 40.2% due to the aforementioned one-off charge. Underlying EBITDA excluding the one-off adjustments increased 2% YoY and EBITDA margin would have been 47.1%, down 0.6 percentage points YoY.

CAPEX was KZT 10.1 billion and CAPEX to revenue in FY14 was 15% in Kazakhstan.

UZBEKISTAN

Beeline reported strong results in Uzbekistan, as operations were not yet significantly impacted by the market entry of a third mobile operator in December 2014. Mobile service revenue increased 8% YoY to USD 184 million driven by a 6% YoY improvement in ARPU to USD 6 and a 1% YoY increase in the customer base to 10.6 million. The ARPU increase was mainly driven by a strong 31% YoY increase in mobile data revenue to USD 36 million. EBITDA in 4Q14 stood at USD 115 million, leading to an EBITDA margin of 61.6%. Normalizing for the one-off charge in 4Q13 related to a reclassification of CAPEX to OPEX, EBITDA would have increased 1.6% YoY.

FY14 CAPEX declined 44% YoY due to capital efficiencies. The entrance of the third mobile operator in the market is expected to impact results in 2015. In addition, a fourth operator is expected to enter the market in 2015, further increasing competition. Beeline aims to maintain its leading market position in Uzbekistan by focusing on customer retention and high value customers.

KYRGYZSTAN

Mobile service revenue in Kyrgyzstan increased 18% YoY to KGS 2.5 billion mainly due to increasing interconnect revenue, but also as a result of growth in mobile data revenue of 36% YoY and growth in VAS revenue. This was offset in part by declining voice revenue as a result of declining prices and the migration of customers to the Company's more attractive price plans. The mobile customer base increased 3% YoY to 2.7 million due to Beeline´s on-net and data offerings. ARPU increased 13% YoY to KGS 310 as a result of increased interconnect. Churn declined 5 percentage points YoY as a result of the leading position in NPS, supported by the high quality network and attractive pricing.

EBITDA increased 44% and EBITDA margin increased by 9.2 percentage points to 52.0% due to the growth in interconnect revenue. Also, the Company is continuing its effective OPEX and commercial cost control.

ARMENIA

Mobile service revenue in Armenia decreased 6% YoY to AMD 6.2 billion in 4Q14 due to a decline in voice revenue. Mobile data revenue growth was 15% YoY to AMD 634 million. NPS dynamics in Armenia improved and the gap to the leader in the market narrowed during the quarter. As a result, annualized churn improved to 44% in 4Q14 from 50% in 4Q13 and mobile customers increased by 12% YoY. Fixed-line service revenue decreased 13% due to a decline in voice revenue and the reduction in the customer base, partly offset by growth in transit traffic termination revenue.

EBITDA declined 54% YoY and EBITDA margin declined by 17.3 percentage points to 17.9%, mainly due to a negative one-off charge of USD 6 million, related to a VAT provisioning. Excluding this one-off VAT charge, EBITDA would have declined by 7% YoY.

TAJIKISTAN

In Tajikistan, mobile service revenue decreased 8% YoY to USD 33 million in 4Q14 as a result of lower incoming international traffic due to less migrants abroad, partially offset by an increased local customer base of 2% YoY to 1.3 million. ARPU decreased 10% YoY to USD 8.6.

EBITDA decreased 27% YoY, while EBITDA margin decreased 9.7 percentage points to 38.5% as a result of the pressure on revenue and the increase of interconnect costs.

GEORGIA

The Company's mobile service revenue increased by 4% YoY to GEL 35 million as a result of increased guest roaming and interconnect revenue, in part offset by declining voice and other VAS revenue. The Company grew its mobile customer base 15% YoY to 1.3 million due to its attractive customer value proposition. ARPU declined 18% YoY to GEL 8.

EBITDA decreased 23% YoY to GEL 8 million and EBITDA margin decreased 7.2 percentage points YoY to 21.4%.

In February, Beeline launched the first 4G/LTE network in Georgia, which was awarded by the Georgian National Communications Commission on January 29, 2015 and is valid for 15 years. Beeline Georgia's 4G/LTE network is available in 30 cities on the 800 MHz band, covering more than 40% of the country's population. The 4G/LTE launch represents a technological leap from the current 2G voice-only networks focused on voice services directly to 4G/LTE and the expanded network services will significantly improve the customer experience.

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CIS KEY INDICATORS

USD mln	4Q14	4Q13	YoY	Organic YoY	FY14	FY13	YoY	Organic YoY
Total revenue	**477**	**501**	**(5%)**	**4%**	**1,873**	**1,946**	**(4%)**	**4%**
Mobile service revenue	434	455	(5%)	4%	1,700	1,773	(4%)	4%
Fixed-line service revenue	41	42	(3%)	10%	165	162	2%	11%
EBITDA	**210**	**150**	**40%**	**52%**	**912**	**856**	**6%**	**15%**
EBITDA margin	**44.0%**	**30.0%**	**14.0 pp**		**48.7%**	**44.0%**	**4.7 pp**	
Capex	121	62	81%		268	370	(30%)	
Capex/Revenue	25%	12%			14%	19%		
Mobile								
Customers (mln)	26.5	25.4	4%					
- of which broadband (mln)	14	13	4%					
Fixed								
Broadband customers (mln)	0.4	0.4	7%					
Broadband revenue	14.1	15.4	(8%)		56.1	59.4	(5%)	

For details per country unit please see Attachment B

CIS BUSINESS UNIT: COUNTRY DETAIL

KAZAKHSTAN

KZT mln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**34,965**	**33,730**	**4%**	**135,266**	**127,748**	**6%**
Mobile service revenue	31,148	30,482	2%	120,513	115,835	4%
Fixed-line service revenue	3,769	3,214	17%	14,565	11,781	24%
EBITDA	**14,061**	**16,101**	**(13%)**	**62,492**	**59,427**	**5%**
EBITDA margin	**40.2%**	**47.7%**	**(7.5 pp)**	**46.2%**	**46.5%**	**(0.3 pp)**
Capex (USD mln)	57	58	(1%)	109	159	(32%)
Capex / Revenue	30%	26%		14%	19%	

UZBEKISTAN

USD mln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**186**	**173**	**7%**	**718**	**673**	**7%**
Mobile service revenue	184	171	8%	710	664	7%
Fixed-line service revenue	2	2	(10%)	7	8	(10%)
EBITDA	**115**	**21**	**n.m.**	**461**	**347**	**33%**
EBITDA margin	**61.6%**	**11.9%**	**49.7 pp**	**64.2%**	**51.5%**	**12.7 pp**
Capex (USD mln)	28	(17)	n.m.	79	142	(44%)
Capex / Revenue	15%	(10%)		11%	21%	

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CONFERENCE CALL INFORMATION

On February 25, 2015, the Company will host an analyst & investor presentation in London on its fourth quarter and full year 2014 results at 2:00 pm CET (1:00 pm GMT), which can be followed via Internet or conference call.
The call and slide presentation may be accessed at **http://www.vimpelcom.com**.

2:00 pm CET investor and analyst conference call
US call-in number: +1 (877) 616-4476
Confirmation Code: 80666172

International call-in number: + 1 (402) 875-4763
Confirmation Code: 80666172

The conference call replay and the slide presentations webcast will be available until March 15, 2015. 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: 80666172

International Replay Number: +1 (404) 537-3406
Confirmation Code: 80666172

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DISCLAIMER

This press release 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, the Company's anticipated performance, future market developments and trends, its intended use of proceeds from the Algeria transaction, anticipated interest cost savings, operational and network development and anticipated benefits from network investment, expectations regarding its 4G/LTE agreement with MTS, anticipated benefits from 3G services in Ukraine and 4G/LTE services in Georgia, expectations regarding ongoing investigations of the SEC, the DOJ and the Dutch public prosecutor’s office, and the Company’s 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. 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, 2013 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 forward looking statements speak only as of the date hereof, and the obligation to update them 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, headquartered in Amsterdam, 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, Laos, Algeria, Bangladesh, Pakistan and Zimbabwe. VimpelCom’s operations around the globe cover territory with a total population of approximately 739 million people. VimpelCom provides services under the "Beeline", "Kyivstar", “WIND”, "Infostrada" “Mobilink”, “banglalink”, “Telecel”, and “Djezzy” brands. As of December 31, 2014 VimpelCom had 222 million mobile customers on a combined basis. VimpelCom is traded on the NASDAQ Global Stock Market under the symbol (VIP). For more information visit: **http://www.vimpelcom.com.**

CONTENT OF THE ATTACHMENTS

For more information on financial and operating data for specific countries, please refer to the supplementary file **Factbook4Q2014.xls** on VimpelCom’s website at **http://vimpelcom.com/ir/financials/results.wbp**

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ATTACHMENT A: FINANCIAL SCHEDULES

VIMPELCOM LTD UNAUDITED CONSOLIDATED STATEMENTS OF INCOME

USD mln	4Q14	4Q13	FY14	FY13
Total operating revenue	4,391	5,552	19,627	22,546
of which other revenue	32	120	383	292
Operating expenses				
Service costs, equipment and accessories	1,144	1,416	4,932	5,913
Selling, general and administrative expenses	1,647	3,123	6,725	8,373
Depreciation	623	810	2,839	3,050
Amortization	324	458	1,479	1,791
Impairment loss	1,051	2,906	992	2,973
Loss on disposals of non-current assets	23	57	74	100
Total operating expenses	**4,812**	**8,770**	**17,041**	**22,200**
Operating profit	**(421)**	**(3,218)**	**2,586**	**346**
Finance costs	415	532	2,026	2,150
Finance income	(5)	(21)	(54)	(91)
Other non-operating losses/(gains)	(139)	194	152	172
Shares of loss of associates and joint ventures accounted for using the equity method	(4)	47	38	159
Net foreign exchange (gain)/ loss	328	24	605	(20)
Profit before tax	**(1,016)**	**(3,994)**	**(181)**	**(2,024)**
Income tax expense	41	1,257	722	2,064
Profit for the period	**(1,057)**	**(5,251)**	**(903)**	**(4,088)**
Non-controlling interest	(122)	(1,390)	(212)	(1,463)
Net income attributable to VimpelCom shareholders	(935)	(3,861)	(691)	(2,625)

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ATTACHMENT A: FINANCIAL SCHEDULES

VIMPELCOM LTD UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

USD mln	31 December 2014	31 December 2013
Assets		
Non-current assets		
Property and equipment	11,849	15,493
Intangible assets	7,717	9,837
Goodwill	10,285	14,709
Investments in associates and joint ventures	265	449
Deferred tax asset	575	295
Income Tax advances, non-current	91	53
Financial assets	602	262
Other non-financial assets	26	16
Total non-current assets	**31,410**	**41,114**
Current assets		
Inventories	117	192
Trade and other receivables	1,841	2,407
Other non-financial assets	797	789
Current income tax asset	219	335
Other financial assets	266	441
Cash and cash equivalents	6,342	4,454
Total current assets	**9,582**	**8,618**
Assets classified as held for sale	5	144
Total assets	**40,997**	**49,876**
Equity and liabilities		
Equity		
Equity attributable to equity owners of the parent	4,893	9,733
Non-controlling interests	(952)	(655)
Total equity	**3,941**	**9,078**
Non-current liabilities		
Debt	23,654	25,557
Other financial liabilities	282	1,245
Provisions	527	418
Other non-financial liabilities	401	432
Deferred tax liability	1,637	1,639
Total non-current liabilities	**26,501**	**29,291**
Current liabilities		
Trade and other payables	3,998	4,862
Debt	2,789	1,897
Other financial liabilities	399	529
Other non-financial liabilities	1,929	2,106
Current income tax payable	72	166
Provisions	1,368	1,877
Total current liabilities	**10,555**	**11,437**
Liabilities associated with assets held for sale		70
Total equity and liabilities	**40,997**	**49,876**

ATTACHMENT A: FINANCIAL SCHEDULES

VIMPELCOM LTD UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

USD mln	4Q14	4Q13	FY14	FY13
Operating activities				
Profit after tax	(1,057)	(5,251)	(903)	(4,088)
Income Tax Expenses	41	1,257	722	2,064
Profit before tax	**(1,016)**	**(3,994)**	**(181)**	**(2,024)**
Non-cash adjustment to reconcile profit before tax to net operating cash flows:				
Depreciation	623	810	2,839	3,050
Amortization	324	458	1,479	1,791
Impairment loss	1,051	2,906	992	2,973
Loss From Disposal Of Non Current Assets	23	57	74	100
Finance income	(5)	(21)	(54)	(91)
Finance cost	415	532	2,026	2,150
Other Non Operating Losses / (Gains)	(139)	194	152	172
Net Foreign Exchange Loss / (Gain)	328	24	605	(20)
Share Of Loss Of Associates And Joint Ventures	(4)	47	38	159
Movements in provisions and pensions	60	1,380	169	1,463
Changes in working capital	243	409	(20)	(60)
Net interest paid	(442)	(397)	(2,157)	(2,084)
Net interest received	10	9	47	37
Income tax paid	(73)	(404)	(730)	(1,265)
Net cash from operating activities	**1,398**	**2,010**	**5,279**	**6,351**
Proceeds from sale of property and equipment	8	4	19	40
Proceeds from sale of intangible assets	0	-	2	-
Purchase of property, plant and equipment	(869)	(1,342)	(3,560)	(3,955)
Purchase of Licenses	(24)	-	(423)	-
Purchase of Other intangible assets	(141)	-	(506)	-
Outflow for loan granted	(0)	(118)	(23)	(118)
Inflow from loan granted	0	-	110	-
Inflows/(outflows) from financial assets	37	-	42	-
Inflows/(outflows) from deposits	16	(97)	290	(316)
Receipts from / Payment for associates and JCE	(0)	3	(0)	2
Proceeds from sales of share in subsidiaries, net of cash	68	(4)	69	83
Receipt of dividends	(1)	51	3	51
Net cash used in investing activities	**(906)**	**(1,503)**	**(3,977)**	**(4,213)**
Gross proceeds from borrowings	1,197	1,421	17,464	5,587
Fees paid for the borrowings	(7)	-	(727)	-
Repayment of borrowings	(853)	(1,677)	(15,322)	(5,487)
Purchase of own shares	-	-	-	(12)
Dividends paid to equity holders	(60)	(774)	(71)	(4,055)
Dividends paid to non-controlling interests	(18)	-	(19)	-
Proceeds from sale of treasury stock	2	-	4	-
Share capital issued and paid	-	-	-	1,392
Net cash from financing activities	**261**	**(1,030)**	**1,329**	**(2,575)**
Net increase in cash and cash equivalents	**753**	**(523)**	**2,631**	**(437)**
Net foreign exchange difference	(292)	87	(743)	(58)
Cash and cash equivalent at beginning of period	5,852	4,890	4,454	4,949
Cash and cash equivalent reclassified as Held for Sale	29	-	-	-
Cash and cash equivalent at end of period	6,342	4,454	6,342	4,454

ATTACHMENT B: DEBT OVERVIEW

as at 31 December 2014	Type of debt	Interest rate	Outstanding debt (mln)	Maturity date	Guarantor
VimpelCom Holdings B.V.	Notes	6.25%[1]	USD 500	March 1, 2017	OJSC VimpelCom
VimpelCom Holdings B.V.	Notes	7.50%[2]	USD 1,500	March 1, 2022	OJSC VimpelCom
VimpelCom Holdings B.V.	Notes	9.00%	USD 213.3 (RUB 12,000)	February 13, 2018	OJSC VimpelCom
VimpelCom Holdings B.V.	Notes	5.20%	USD 600	February 13, 2019	OJSC VimpelCom
VimpelCom Holdings B.V.	Notes	5.95%	USD 1,000	February 13, 2023	OJSC VimpelCom
VimpelCom Amsterdam B. V.	Loan from China Development Bank Corp.	6 month LIBOR plus 3.30%	USD 498.3	December 21, 2020	OJSC VimpelCom
VimpelCom Amsterdam B.V.	Loan from HSBC Bank plc	1.72%	USD 254.1	July 31, 2022	EKN, OJSC VimpelCom
VimpelCom Amsterdam B.V.	Revolving Credit Facility	6 month LIBOR plus 2.95%	USD 500	April 7, 2017	None
VimpelCom Amsterdam B.V.	Loan from OAO "Alfa-Bank"	6 month LIBOR plus 3.25%	USD 500	April 17, 2017	None
VimpelCom Amsterdam B.V.	Loan from OAO "Alfa-Bank"	6 month LIBOR plus 3.25%	USD 500	May 3, 2017	None
OJSC VimpelCom	Loan from UBS (Luxembourg) S.A. (funded by the issuance of loan participation notes by UBS (Luxembourg) S.A.)	8.25%	USD 600	May 23, 2016	None
OJSC VimpelCom	Loan from VIP Finance Ireland (funded by the issuance of loan participation notes by VIP Finance Ireland)	9.13%	USD 1,000	April 30, 2018	None
OJSC VimpelCom	Loan from VIP Finance Ireland (funded by the issuance of loan participation notes by VIP Finance Ireland)	6.49%	USD 500	February 2, 2016	None
OJSC VimpelCom	Loan from VIP Finance Ireland Limited (funded by the issuance of loan participation notes by VIP Finance Ireland)	7.75%	USD 1,000	February 2, 2021	None
OJSC VimpelCom	RUB denominated bonds	8.85%	USD 444.4 (RUB 25,000)	March 8, 2022[3]	None
OJSC VimpelCom	RUB denominated bonds	8.85%	USD 177.8 (RUB 10,000)	March 14, 2022[4]	None

ATTACHMENT B: DEBT OVERVIEW (CONTINUED)

as at 31 December 2014	Type of debt	Interest rate	Outstanding debt (mln)	Maturity date	Guarantor
OJSC VimpelCom	Loan from VC-Invest (funded by the RUB denominated bonds by VC-Invest)	8.30%	USD 355.5 (RUB 20,000)	October 13, 2015	OJSC VimpelCom
OJSC VimpelCom	Loan from Sberbank	9.00%	USD 1,093.2 (RUB 61,500)	April 11, 2018	None
OJSC VimpelCom	Loan from Sberbank	8.75%	USD 45.5 (RUB 2,559.9)	December 16, 2015	None
OJSC VimpelCom	Loan from Sberbank	10,75%	USD 444.4 (RUB 25,000)	May 29, 2017	None
OJSC VimpelCom	Loans from HSBC Bank PLC	3 month MosPRIME plus 1.05%	USD 44 (RUB 2,474.7)	November 30, 2017	EKN
OJSC VimpelCom	Loans from Unicredit Bank AG	AB SEK Rate plus 0.75%	USD 30.6	June 15, 2016	EKN
OJSC VimpelCom	Loan from HSBC Bank PLC and Nordea Bank AB (publ)	3 month MosPRIME plus 1.00%	USD 72.9 (RUB 4,100.8)	April 30, 2019	EKN
WIND Telecomunicazioni S.p.A.	Senior facilities				All tranches:
	Deutsche Bank A.G., Credit Suisse A.G., Banca IMI S.p.A, BNP Paribas, the Royal Bank of Scotland, Citigroup, Crédit Agricole Corporate and Investment Bank, Goldman Sachs International, J.P. Morgan plc, Morgan Stanley Bank International Limited, Natixis, S.A. and UniCredit S.p.A. With Banca Nazionale del Lavora S.p.A., Gruppo BNP Paribas, Crédit Agricole Corporate and Investment Bank, Milan Branch, and The Royal Bank of Scotland plc, Milan Branch, as Original Lenders	EURIBOR + 4.25% [5] EURIBOR + 4.50% EURIBOR + 4.75%	USD 210.7 (EUR 174.2) USD 1,347.6 (EUR 1,113.9) USD 597.2 (EUR 493.6)	November 26, 2018 November 26, 2019 November 26, 2019	WIND Telecomunicazioni S.p.A.
WIND Telecomunicazioni S.p.A.	Debt vs Italian Government (4G/LTE)	Rendistato+1.0%	USD 196 (EUR 162)	October 3, 2016	
WIND Telecomunicazioni S.p.A.	Annuity loans several lender unwound swaps	3.39%-5.53%	USD 44.9 (EUR 37.1)	September 26, 2016	None
WIND Telecomunicazioni S.p.A.	Revolving Credit Facility	EURIBOR + 4.25%	USD 121 (EUR 100)	November 26, 2018	Wind Telecomunicazioni S.p.A.
WIND Telecomunicazioni S.p.A.	Terna Debt	10.05%	USD 159.2 (EUR 131.6)	December 31, 2035	None
WIND Acquisition Finance S.A.	Senior Secured Notes	3 month EURIBOR plus 5.25%	USD 181.5 (EUR 150)	April 30, 2019	Wind Telecomunicazioni S.p.A.
WIND Acquisition Finance S.A.	Senior Secured Notes	6.50%	USD 550	April 30, 2020	Wind Telecomunicazioni S.p.A.

ATTACHMENT B: DEBT OVERVIEW (CONTINUED)

as at 31 December 2014	Type of debt	Interest rate	Outstanding debt (mln)	Maturity date	Guarantor
WIND Acquisition Finance S.A.	Senior Notes	7.00%	USD 2,117.1 (EUR 1,750)	April 23, 2021	Wind Telecomunicazioni S.p.A.
WIND Acquisition Finance S.A.	Senior Notes	7.38%	USD 2,800	April 23, 2021	Wind Telecomunicazioni S.p.A.
WIND Acquisition Finance S.A.	Senior Secured Notes	4.00%	USD 2,540.5 (EUR 2,100)	July 15, 2020	Wind Telecomunicazioni S.p.A.
WIND Acquisition Finance S.A.	Senior Secured Notes	4.75%	USD 1,900	July 15, 2020	Wind Telecomunicazioni S.p.A.
WIND Acquisition Finance S.A.	Senior Secured Notes	3 month EURIBOR plus 4.00%	USD 695,6 (EUR 575)	July 15, 2020	Wind Telecomunicazioni S.p.A.
Pakistan Mobile Communications Limited (“PMCL”)	Syndicated loan via MCB Bank Limited	6 month KIBOR plus 1.25%	USD 59.7 (PKR6,000)	November 28, 2017	None
PMCL	Syndicated loan via MCB Bank Limited	6 month KIBOR plus 1.25%	USD 69.6 (PKR7,000)	May 16, 2019	None
PMCL	Loan from Habib Bank Limited	6 month KIBOR plus 1.15%	USD 44.8 (PKR4,500)	May 16, 2019	None
PMCL	Loan from United Bank Limited	6 month KIBOR plus 1.10%	USD 39.8 (PKR4,000)	May 16, 2021	None
Banglalink Digital Communications Ltd. (“Banglalink”)	Senior Notes	8.63%	USD 300	May 6, 2019	None
Banglalink	Facility Eastern Bank Limited	9.00%-10.00%	USD 32.1 (BDT2,500)	May 31, 2016	None
Banglalink	Facility Standard Chartered Bank	8.25%-8.50%	USD 44.9 (BDT3,500)	April 29, 2016	None
OTA	Loan from Hermes	3 months LIBOR + 0.9%	USD 46.6	January 30, 2015	VimpelCom Amsterdam B.V.
Other loans, equipment financing and capital lease obligations	–	–	USD 469	–	–

(1) Effective from June 29, 2011, this fixed interest rate was subject to interest rate swap arrangements to effectively swap the fixed interest rate for a floating interest rate based on three-month U.S. dollar LIBOR. The weighted average spread over LIBOR for the notes was 4.187%. In August 2012, we unwound our interest rate swaps related to these notes, resulting in a reduction of the effective interest rate on the notes due March 2017 of approximately 1.5%. As a result of the unwind, the company received a cash amount of approximately US$35 million including accrued interest
(2) Effective from June 29, 2011, this fixed interest rate was subject to interest rate swap arrangements to effectively swap the fixed interest rate for a floating interest rate based on three-month U.S. dollar LIBOR. The weighted average spread over LIBOR for the notes was 4.375%. In August 2012, we unwound our interest rate swaps related to a principal amount of US$1,300 million of these notes, and in November 2012 we unwound the interest rate swaps related to the remaining US$200 million principal amount, resulting in a reduction of the effective interest rate on these notes of approximately 2.0%. As a result of the unwinds, the company received a cash amount of approximately US$218 million including accrued interest.
(3) These bonds are subject to an investor put option at March 17, 2015.
(4) These bonds are subject to an investor put option at March 23, 2015.
(5) Interest on the all tranches of the senior facility is based on EURIBOR for loans in Euros and LIBOR for loans in any other currency. Also interest rate margins may be reduced based on specified improvement in leverage ratios.

ATTACHMENT C: COUNTRY UNITS KEY INDICATORS

AFRICA & ASIA BUSINESS UNIT: COUNTRY DETAIL

ALGERIA

DZD bln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**34**	**36**	**(6%)**	**136**	**143**	**(5%)**
Mobile service revenue	33	36	(7%)	135	143	(5%)
EBITDA	**17**	**22**	**(22%)**	**73**	**85**	**(14%)**
EBITDA margin	**49.8%**	**60.1%**	**(10.3 pp)**	**53.5%**	**59.1%**	**(5.6 pp)**
Capex[1] (USD mln)	109	51	114%	415	84	n.m.
Capex / Revenue	28%	11%		25%	5%	
Mobile						
Customers (mln)	18.4	17.6	5%			
ARPU (DZD)	610	689	(12%)			
MOU (min)	182	211	(13%)			

PAKISTAN

PKR bln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**26**	**26**	**(1%)**	**102**	**108**	**(6%)**
Mobile service revenue	24	25	(2%)	98	104	(6%)
EBITDA	**10**	**9**	**6%**	**39**	**45**	**(13%)**
EBITDA margin	**41.5%**	**38.5%**	**3.0 pp**	**40.0%**	**42.8%**	**(2.8 pp)**
Capex[1] (USD mln)	89	90	(1%)	352	190	85%
Capex / Revenue	36%	37%		35%	18%	
Mobile						
Customers (mln)	38.5	37.6	2%			
ARPU (PKR)	204	219	(7%)			
MOU (min)	273	222	23%			

BANGLADESH

BDT bln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**11**	**10**	**14%**	**44**	**39**	**11%**
Mobile service revenue	11	9	18%	43	39	11%
EBITDA	**5**	**3**	**38%**	**17**	**15**	**17%**
EBITDA margin	**40.8%**	**33.7%**	**7.1 pp**	**38.9%**	**37.1%**	**1.8 pp**
Capex[1] (USD mln)	59	94	(37%)	178	133	34%
Capex / Revenue	40%	73%		32%	26%	
Mobile						
Customers (mln)	30.8	28.8	7%			
ARPU (BDT)	122	110	10%			
MOU (min)	186	183	2%			

SEA (CONSOLIDATED)

USD mln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**5**	**7**	**(18%)**	**29**	**33**	**(14%)**
EBITDA	**2**	**2**	35%	**10**	**6**	74%
EBITDA margin	**42.7%**	**25.8%**	**16.9 pp**	**33.6%**	**16.7%**	**16.9 pp**
Mobile						
Customers (mln)	0.2	0.3	(25%)			

[1)] *CAPEX excluding licenses*

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CIS BUSINESS UNIT: COUNTRY DETAIL

KAZAKHSTAN

KZT mln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**34,965**	**33,730**	**4%**	**135,266**	**127,748**	**6%**
Mobile service revenue	31,148	30,482	2%	120,513	115,835	4%
Fixed-line service revenue	3,769	3,214	17%	14,565	11,781	24%
EBITDA	**14,061**	**16,101**	**(13%)**	**62,492**	**59,427**	**5%**
EBITDA margin	**40.2%**	**47.7%**	**(7.5 pp)**	**46.2%**	**46.5%**	**(0.3 pp)**
Capex (USD mln)	55	58	(4%)	109	159	(32%)
Capex / Revenue	29%	26%		14%	19%	
Mobile						
Customers (mln)	9.8	9.2	7%			
ARPU (KZT)	1,041	1,109	(6%)			
MOU (min)	298	301	(1%)			

UZBEKISTAN

USD mln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**186**	**173**	**7%**	**718**	**673**	**7%**
Mobile service revenue	184	171	8%	710	664	7%
Fixed-line service revenue	2	2	(10%)	7	8	(10%)
EBITDA	**115**	**21**	**457%**	**461**	**347**	**33%**
EBITDA margin	**61.6%**	**11.9%**	**49.7 pp**	**64.2%**	**51.5%**	**12.7 pp**
Capex (USD mln)	28	-17	262%	79	142	(44%)
Capex / Revenue	15%	-10%		11%	21%	
Mobile						
Customers (mln)	10.6	10.5	1%			
ARPU (USD)	6	5	6%			
MOU (min)	528	493	7%			

ARMENIA

AMD mln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**13,859**	**15,378**	**(10%)**	**57,479**	**59,278**	**(3%)**
Mobile service revenue	6,155	6,573	(6%)	24,642	25,587	(4%)
Fixed-line service revenue	7,407	8,510	(13%)	31,622	32,760	(3%)
EBITDA	**2,478**	**5,421**	**(54%)**	**18,671**	**23,340**	**(20%)**
EBITDA margin	**17.9%**	**35.2%**	**(17.3 pp)**	**32.5%**	**39.4%**	**(6.9 pp)**
Capex (USD mln)	6	4	39%	15	12	27%
Capex / Revenue	19%	11%		11%	8%	
Mobile						
Customers (mln)	0.8	0.7	12%			
ARPU (AMD)	2,588	3,093	(16%)			
MOU (min)	371	388	(4%)			

TAJIKISTAN

USD mln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**33**	**37**	**(9%)**	**142**	**148**	**(4%)**
Mobile service revenue	33	36	(8%)	142	145	(2%)
EBITDA	**13**	**18**	**(27%)**	**62**	**74**	**(16%)**
EBITDA margin	**38.5%**	**48.2%**	**(9.7 pp)**	**43.5%**	**49.7%**	**(6.2 pp)**
Capex	11	5	122%	18	16	8%
Capex / Revenue	34%	14%		12%	11%	
Mobile						
Customers (mln)	1.3	1.3	2%			
ARPU (USD)	9	10	(10%)			
MOU (min)	287	307	(6%)			

GEORGIA

GEL mln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**39**	**38**	**2%**	**140**	**147**	**(5%)**
Mobile service revenue	35	33	4%	128	132	(3%)
Fixed-line service revenue	3	2	56%	8	8	(4%)
EBITDA	**8**	**11**	**(23%)**	**35**	**45**	**(21%)**
EBITDA margin	**21.4%**	**28.6%**	**(7.2 pp)**	**25.1%**	**30.4%**	**(5.3 pp)**
Capex (USD mln)	10	4	182%	20	18	15%
Capex / Revenue	48%	16%		26%	20%	
Mobile						
Customers (mln)	1.3	1.1	15%			
ARPU (GEL)	8	10	(18%)			
MOU (min)	230	226	2%			

KYRGYZSTAN

KGZ mln	4Q14	4Q13	YoY	FY14	FY13	YoY
Total revenue	**2,563**	**2,165**	**18%**	**9,547**	**9,316**	**2%**
Mobile service revenue	2,549	2,151	19%	9,504	9,254	3%
EBITDA	**1,333**	**927**	**44%**	**4,877**	**4,702**	**4%**
EBITDA margin	**52.0%**	**42.8%**	**9.2 pp**	**51.1%**	**50.5%**	**0.6 pp**
Capex (USD mln)	10	8	22%	26	23	13%
Capex / Revenue	22%	18%		15%	12%	
Mobile						
Customers (mln)	2.7	2.7	3%			
ARPU (KGZ)	310	274	13%			
MOU (min)	285	311	(8%)			

VimpelCom

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ATTACHMENT D: RECONCILIATION TABLES

RECONCILIATION OF CONSOLIDATED EBITDA OF VIMPELCOM

USD mln	4Q14	4Q13	FY14	FY13
Unaudited				
EBITDA	**1,600**	**1,013**	**7,970**	**8,260**
Depreciation	(623)	(810)	(2,839)	(3,050)
Amortization	(324)	(458)	(1,479)	(1,791)
Impairment loss	(1,051)	(2,906)	(992)	(2,973)
Loss on disposals of non-current assets	(23)	(57)	(74)	(100)
EBIT	**(421)**	**(3,218)**	**2,586**	**346**
Financial Income and Expenses	(410)	(511)	(1,972)	(2,059)
- including finance income	5	21	54	91
- including finance costs	(415)	(532)	(2,026)	(2,150)
Net foreign exchange gain / (loss) and others	(185)	(265)	(795)	(311)
- including Other non-operating gains / (losses)	139	(194)	(152)	(172)
- including Shares of loss of associates and joint ventures accounted for using the equity method	4	(47)	(38)	(159)
- including Net foreign exchange gain / (losses)	(328)	(24)	(605)	20
EBT	**(1,016)**	**(3,994)**	**(181)**	**(2,024)**
Income tax expense	(41)	(1,257)	(722)	(2,064)
Profit for the year	**(1,057)**	**(5,251)**	**(903)**	**(4,088)**
Profit/(loss) for the year attributable to non-controlling interest	(122)	(1,390)	(212)	(1,463)
Profit for the year attributable to the owners of the parent	**(935)**	**(3,861)**	**(691)**	**(2,625)**

ATTACHMENT D: RECONCILIATION TABLES

RECONCILIATION OF VIMPELCOM CONSOLIDATED NET DEBT

USD mln	4Q13	3Q14	4Q14
Net debt	22,604	21,736	19,992
Cash and cash equivalents	4,454	5,852	6,342
Long-term and short-term deposits	396	126	109
Gross debt	27,454	27,714	26,443
Interest accrued related to financial liabilities	605	402	410
Fair Value adjustment	-	8	29
Unamortised fair value adjustment under acquisition method of accounting	665	-	-
Other unamortised adjustments to financial liabilities (fees, discounts etc.)	29	(104)	(106)
Derivatives not designated as hedges	204	249	259
Derivatives designated as hedges	271	106	89
Total other financial liabilities	29,229	28,375	27,124

RECONCILIATION OF CONSOLIDATED LTM EBITDA ADJUSTED

USD mln	FY14	FY13
Unaudited		
EBITDA	**7,970**	**8,260**
Add back provisions related to the 51% sale in Algeria	50	1,266
LTM EBITDA adjusted	**8,020**	**9,526**

OPERATING CASH FLOW (EBITDA - CAPEX EXCL. LICENSES) RECONCILIATION

USD mln	4Q14	4Q13	FY14	FY13
Unaudited				
Operating cash flow (EBITDA - CAPEX)	**399**	**(669)**	**4,063**	**4,262**
CAPEX excl. licenses	1,201	1,682	3,907	3,998
EBITDA	**1,600**	**1,013**	**7,970**	**8,260**
Changes in working capital and other	303	1,789	149	1,403
Net interest paid	(432)	(388)	(2,110)	(2,047)
Income tax paid	(73)	(404)	(730)	(1,265)
Net cash from operating activities	**1,398**	**2,010**	**5,279**	**6,351**

RATES OF FUNCTIONAL CURRENCIES TO USD[1]

	Average rates			Closing rates		
	4Q14	**4Q13**	**YoY**	**FY14**	**FY13**	**YoY**
Russian Ruble	47.42	32.53	(31.4%)	56.26	32.73	(41.8%)
Euro	0.80	0.73	(8.3%)	0.83	0.73	(12.0%)
Algerian Dinar	85.11	80.18	(5.8%)	87.92	78.38	(10.9%)
Pakistan Rupee	101.89	106.93	4.9%	100.52	105.33	4.8%
Bangladeshi Taka	77.52	77.67	0.2%	77.93	77.67	(0.3%)
Ukrainian Hryvnia	14.43	7.99	(44.6%)	15.77	7.99	(49.3%)
Kazakh Tenge	181.39	153.80	(15.2%)	182.35	153.61	(15.8%)
Uzbekistan Som	2,393.50	2,181.0	(8.9%)	2,422.40	2,202.2	-9.10%
Armenian Dram	430.64	405.56	(5.8%)	474.97	405.64	(14.6%)
Kyrgyz Som	56.99	48.89	(14.2%)	58.89	49.25	(16.4%)
Georgian Lari	1.81	1.69	(6.6%)	1.86	1.74	(6.5%)

1) Functional currency in Tajikistan is USD

ATTACHMENT E: WIND TELECOMUNICAZIONI GROUP CONDENSED STATEMENTS OF INCOME

EUR mln	FY14	FY13	YoY
Total Revenue	**4,633**	**4,983**	**(7%)**
EBITDA	**1,804**	**1,944**	**(7%)**
D&A	(1,231)	(1,276)	(4%)
EBIT	**573**	**667**	**(14%)**
Financial Income and expenses	(1,386)	(999)	39%
EBT	**(812)**	**(332)**	**144%**
Income Tax	103	(149)	(169%)
Net loss	**(709)**	**(481)**	**47%**

ATTACHMENT F: DEFINITIONS

ARPU (Average Revenue per User) is calculated by dividing service revenue for the relevant period, including revenue from voice-, roaming-, interconnect-, and value added services (including mobile data, SMS, MMS), but excluding revenue from visitors roaming, connection fees, sales of handsets and accessories and other non-service revenue, by the average number of customers during the period and dividing by the number of months in that period. For Business Unit Italy visitors roaming revenue is included into service revenue for ARPU calculation.

Broadband customers 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 2.5G/3G/4G/HSPA+ technologies. Italian Business Unit measure fixed broadband customers based on the number of active contracts signed, mobile broadband include customers that have performed at least one mobile Internet event in the previous month. Russian Business Unit includes IPTV activities. For CIS subsidiaries mobile broadband customers are those who have performed at least one mobile Internet event in the three-month period prior to the measurement date.

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-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 IFRS financial measure, is presented above.

EBITDA is a non-GAAP financial measure. EBITDA is defined as earnings before interest, tax, depreciation and amortization. VimpelCom calculates EBITDA as operating income before depreciation, amortization, loss from disposal of non-current assets 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, amortization, loss from disposal of non-current assets and impairment loss. EBITDA should not be considered in isolation or as a substitute for analyses of the results as reported under IFRS. 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 revenue or the need to replace capital equipment over time. Reconciliation of EBITDA to net income attributable to VimpelCom Ltd., the most directly comparable IFRS financial measure, is presented above.

EBITDA margin is calculated as EBITDA divided by total revenue, 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.

MFS (Mobile financial services): mobile commerce or m-commerce, encapsulates a variety of innovative services that use a mobile phone as the primary payment user interface. With this technology mobile customers can conduct money transfers to pay for goods at an online store, make utility payments, pay fines and state fees, loan repayments, domestic and international remittances, pay mobile insurance and purchase tickets for air and rail travel, all via their mobile phone.

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

Mobile customers 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 customers also includes SIM-cards for use of mobile Internet service via USB modems and customers 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 customers of Zimbabwe, which is accounted for as investment at cost, into Business Unit Africa & Asia and customers of all our Canada equity investee into Business Unit Europe and North America, both of which are included into total customers of VimpelCom.

MOU (Monthly Average Minutes of Use per User) is generally 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 customers during the period and dividing by the number of months in that period. Africa & Asia Business Unit measures MOU based on billed minutes

Net debt is a non-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 hedges. 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 IFRS financial measures, is presented above 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.

OPEX, operational expenses, represents service costs and selling, general and administrative expenses.

Organic growth in revenue and EBITDA are non-GAAP financial measures that reflect changes in Revenue and EBITDA excluding foreign currency movements and other factors, such as businesses under liquidation, disposals, mergers and acquisitions.

Underlying growth Revenue and EBITDA also excludes MTR reductions and one-offs. 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, Italy, Africa & Asia, Ukraine and CIS 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 revenue is eliminated in consolidation.

Service costs represent costs directly associated with revenue generating activity such as traffic related expenses, cost of content and sim-cards as well as cost of handsets, telephone equipment and accessories sold.

Selling, general and administrative expenses represent expenses associated with customer acquisition and retention activities, network and IT maintenance, regular frequency payment, professional and consulting support, rent of premises, utilities, personnel and outsourcing as well as other general and administrative expenses. These expenses do not include personnel costs that have been capitalized as part of long-lived assets.