Morgan Stanley European TMT Conference

Summary Q3 2016 results
Closing transaction Italy JV

Barcelona, 16-17 November 2016

VimpelCom

Disclaimer

This presentation contains “forward-looking statements”, as the phrase is defined in Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended. These forward-looking statements may be identified by words such as “may,” “will,” “expect,” “intend,” “anticipate,” “believe,” “estimate,” “plan,” “project,” “could,” “should,” “would,” “continue,” “seek,” “target,” “guidance,” “outlook,” “if current trends continue,” “optimistic,” “forecast” and other similar words. Forward-looking statements are not historical facts, and include statements relating to, among other things, the Company's anticipated performance and guidance for 2016, future market developments and trends, the anticipated benefits from the Italy joint venture transaction, including network improvements and synergies; realization of the synergies of the Warid transaction; operational and network development and network investment and the Company’s ability to realize its targets and 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, trends and other potential developments. 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; government investigations or other regulatory actions and/or litigation with third parties; failure of the expected benefits of the Italy joint venture and the Warid transaction to materialize as expected or at all due to, among other things, the parties’ inability to successfully implement integration strategies or otherwise realize the anticipated synergies; failure to meet expectations regarding various strategic initiatives, including, but not limited to, the performance transformation program and/or changes to the capital structure; the Company’s ability to consider a meaningful dividend policy within the timeframe indicated; and other risks and uncertainties beyond the Company’s control may materialize. Certain other 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, 2015 filed with the U.S. Securities and Exchange Commission (the “SEC”) and other public filings made by the Company with the SEC. The forward-looking statements speak only as of the date hereof, and the Company disclaims any obligation to update them or to announce publicly any revision to any of the forward-looking statements contained in this presentation, or to make corrections to reflect future events or developments.

All non GAAP measures disclosed further in this presentation, i.e. EBITDA, EBITDA margin, underlying EBITDA, underlying EBITDA margin, EBIT, EBT, net debt, operating cash flow, organic growth, capital expenditures excluding licenses, LTM capex excluding licenses/revenue, are reconciled to comparable GAAP measures in our Earnings Release published on our website on the date hereof.

Highlights

- Stable Q3 2016 results in line with expectations; operational performance particularly strong in Pakistan and Ukraine
- Mobile data revenue grew 28.0% YoY in Q3 2016
- Strong operating cash flow margin of 24.5% in Q3 2016
- FY 2016 guidance confirmed, albeit at lower end of range for service revenue, underlying EBITDA margin and capex/revenue

- Italy JV completed on 5 November 2016
- Strong performance of Wind Italy ahead of transaction closing with Q3 2016 EBITDA growing by 10.9% YoY; integration plan ready for 'day 1'
- First launch of the digital strategy at Wind Italy

- Warid acquisition completed with immediate integration and first synergies realized; strong revenue and EBITDA growth[2] of >44%

- VimpelCom free float nearly doubled to 20.1% after Telenor's sale of a portion of its equity stake

- Strengthened digital leadership and corporate governance with new appointments to the Supervisory Board

- Interim dividend of US 3.5 cents per ADS, expected to be paid by 7 December 2016[3]

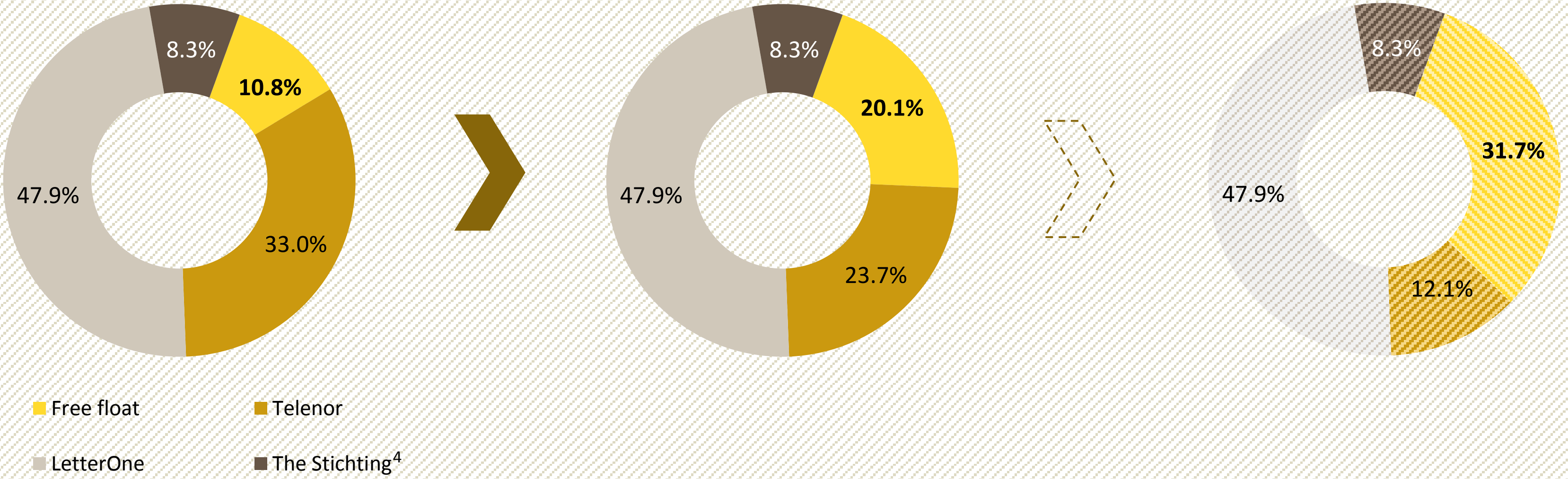
[1] EC: European Commission; MISE: Italian Ministry of Economic Development
[2] Year-on-year growth, including Warid consolidation from Q3 2016
[3] The record date for the Company's shareholders entitled to receive the dividends has been set for 18 November 2016

VimpelCom's free float nearly doubled after Telenor's share sale

Before Telenor equity offering[1]

Telenor equity offering (163.9 mln VimpelCom ADS[2])

Potential free float from exchangeable bonds conversion[3] (base case scenario 204.1 mln ADS)



[1] 21 September 2016
[2] Including green shoe of 21.4 million VimpelCom ADS closed on 27 September 2016
[3] Assuming all exchangeable bonds are converted into VimpelCom's ADS. The offer consisted of USD 1 billion 0.25% bond due 2019 that will be exchangeable under certain conditions for up to a total of 204,081,633 ADSs
[4] The Stichting is the direct beneficial owner of 145,947,562 common shares. As the holder of depositary receipts issued by the Stichting, L1T VIP Holdings S.à r.l. is entitled to the economic benefits (dividend payments, other distributions and sale proceeds) of such common shares. The Stichting is a foundation incorporated under the laws of the Netherlands

Performance Transformation accelerating and on track…

Agile operating model

- 14%[1] net reduction of headcount
- 30%[1] reduction of line managers
- 8%[1] of office space eliminated
- Global Shared Services up and running:
  - Yaroslavl (covering Russia)
  - Lviv (covering 7 Eurasia countries)
  - Islamabad (covering Pakistan, Bangladesh and HQ)

Procurement

- Globally managed contract value doubled to 40%[1]
- Fixed rates and invoicing in local currency reduces FOREX exposure

Supply chain

- 18%[1] reduction in inventory levels
- 7%[1] warehouse space reduction

…contributing opex savings in the first three quarters of 2016 of USD 280 million; LTM capex[2]/revenue at 16.7% in Q3 2016

[1] *9M 2016 compared to year end of 2015, including Italy*
[2] *Capex excluding licenses*

Financial highlights Q3 2016

Service revenue
(USD billion)

2.3

+0.6% organic[1] YoY
-3.3% reported YoY

EBITDA margin, underlying[2]
(%)

40.6

0.0 p.p. organic[1] YoY
-1.1 p.p. reported YoY

Profit for the period
(USD million)

445

Underlying net profit[3]:
3Q16: USD 326 million
3Q15: USD 191 million

Capex excl. licenses
(USD million)

382

-14.8% reported YoY
LTM capex/revenue: 16.7%

- Reported service revenue declined 3% YoY, reaching an inflection point as a result of an improving trend in FOREX
- Service revenue increased 0.6% YoY organically, with strong performance in Pakistan and Ukraine, offset by continued weakness in Algeria
- Mobile data revenue grew 28% YoY
- Underlying EBITDA organic growth 0.6% YoY
- LTM capex/revenue at 16.7%,
- Q3 2016 operating cash flow margin at 24.5% (+1.1 p.p YoY)
- FY16 guidance confirmed at lower end of range

[1] Revenue and EBITDA organic growth are non-GAAP financial measures that exclude the effect of foreign currency translation and certain items such as acquisitions (Warid), liquidations, and disposals
[2] Underlying EBITDA excludes: in Q3 2016 USD 66 million as a net effect resulting from transformation costs of USD 71 million and reversal of a provision in Kazakhstan of USD -5 million; in Q3 2015, provisions for investigations (related to SEC/DOJ/OM) and other legal costs of USD 916 million, as well as transformation costs of USD 44 million
[3] Underlying net income in Q3 2016 of USD 326 million excludes exceptional items in EBITDA of USD 66 million, the net impact of derivatives fair value in Italy of USD 185 million; in Q3 2015 excludes the provisions for investigations (related to SEC/DOJ/OM) and other legal costs of USD 916 million, transformation costs of USD 44 million and USD 236 million write off of goodwill and tax reversal on Italy tower transaction

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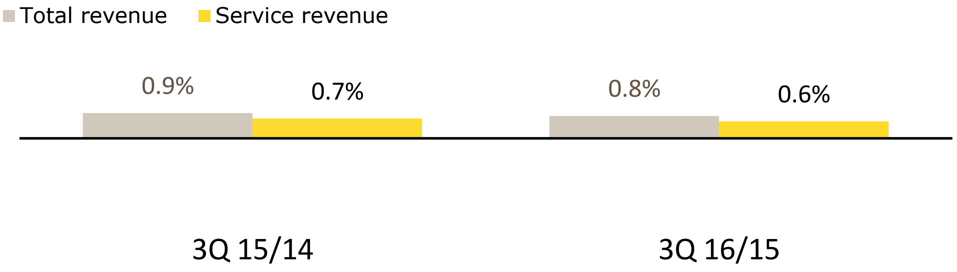
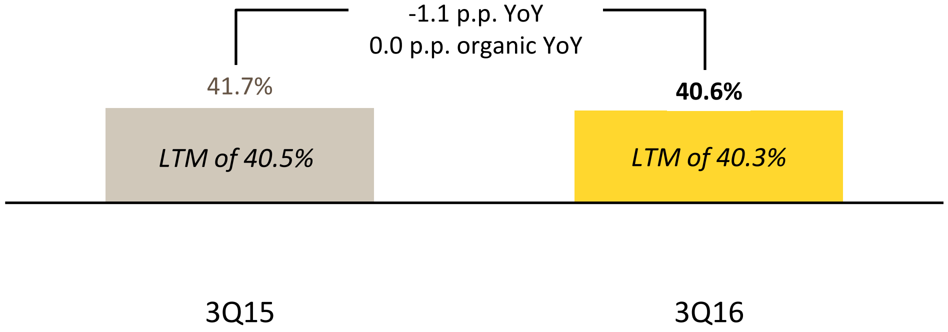
Financial highlights Q3 2016 – YoY trends

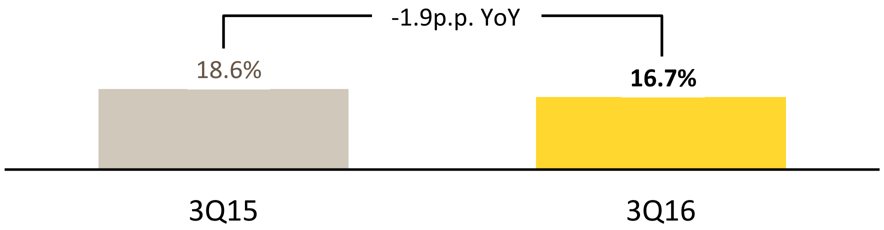
Total revenue and service revenue YoY organic[1] development



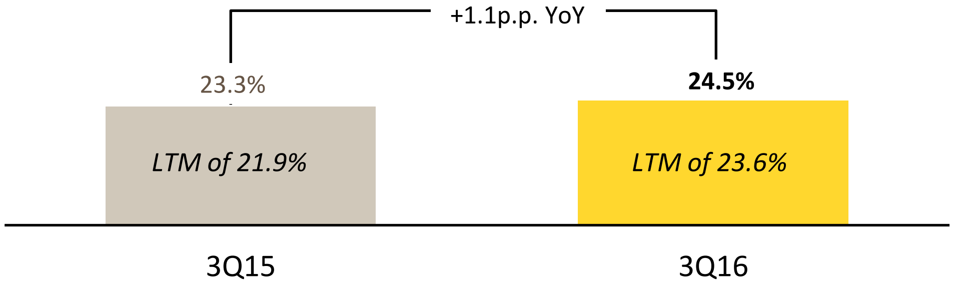
Underlying EBITDA[2] margin development



LTM capex/revenue development



OCF margin = (underlying EBITDA[2] – capex)/revenue

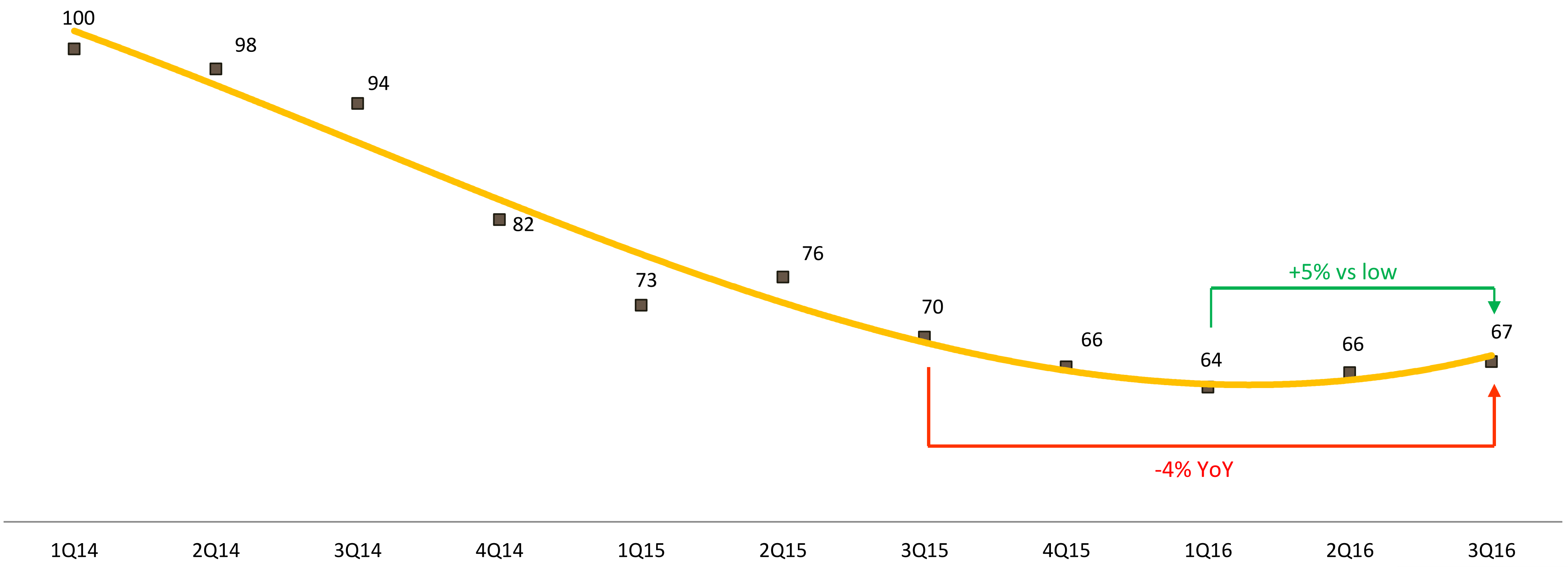


[1] *Organic revenue change is a non-GAAP financial measure that excludes the effect of foreign currency translation and certain items such as liquidations and disposals*

[2] *Underlying EBITDA excludes: in Q3 2016 USD 66 million as a net effect resulting from transformation costs of USD 71 million and reversal of a provision in Kazakhstan of USD -5 million; in Q3 2015, provisions for investigations (related to SEC/DOJ/OM) and other legal costs of USD 916 million, as well as transformation costs of USD 44 million*

FOREX movements in VimpelCom's footprint: improving trend

VIP coin[1] vs USD



[1] VimpelCom currency weightings calculated from the sum of the individual countries' relative contribution to total countries revenue (= total Group revenue - eliminations - HQ)

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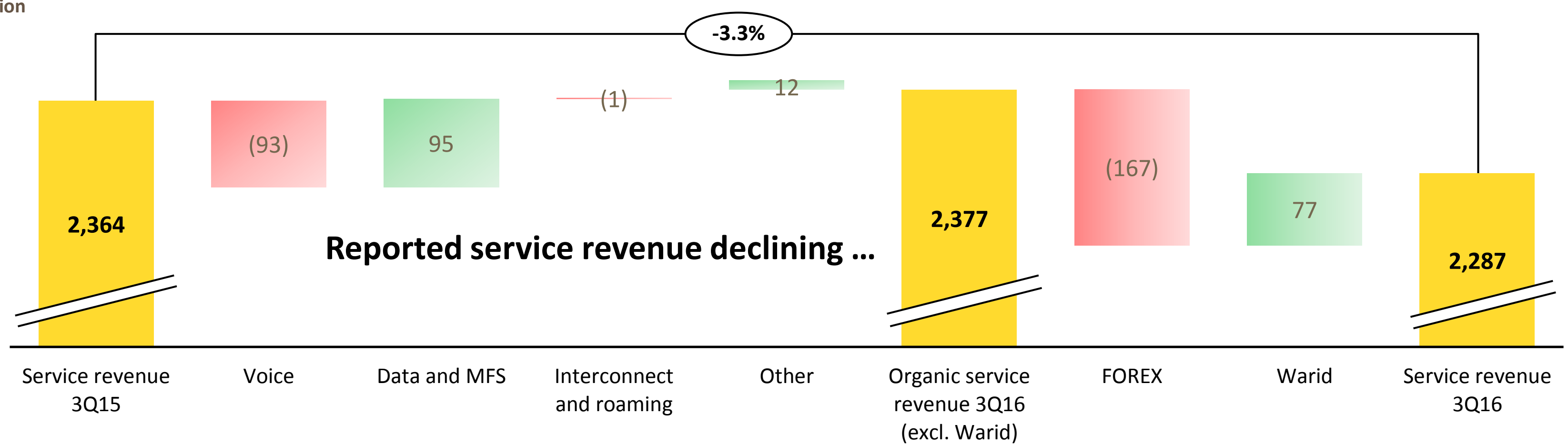
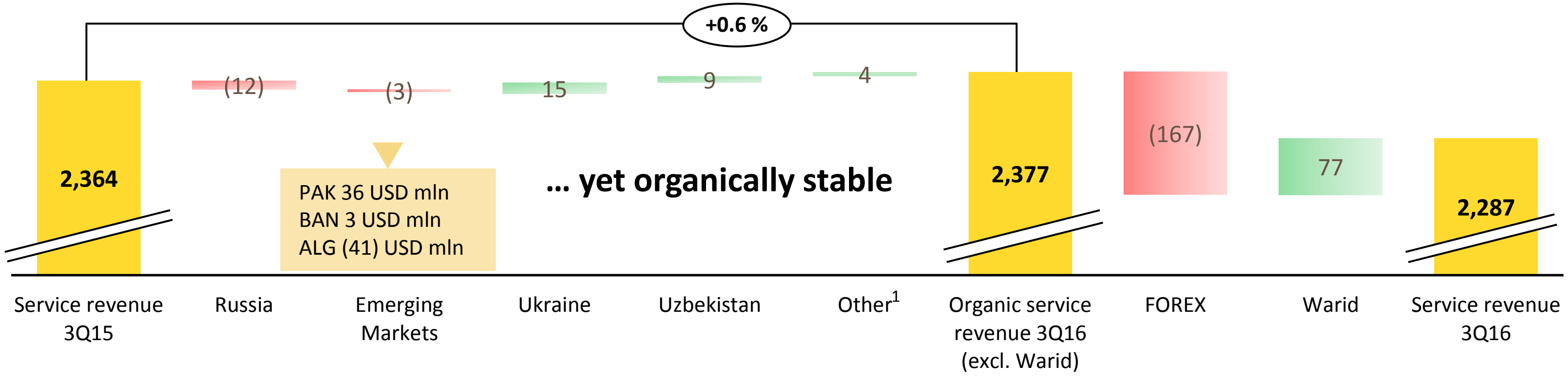
Q3 2016 service revenue evolution – organically stable

USD million





[1] *Other consists of operations in Kazakhstan, Kyrgyzstan, Georgia, Armenia, Tajikistan and intercompany eliminations*

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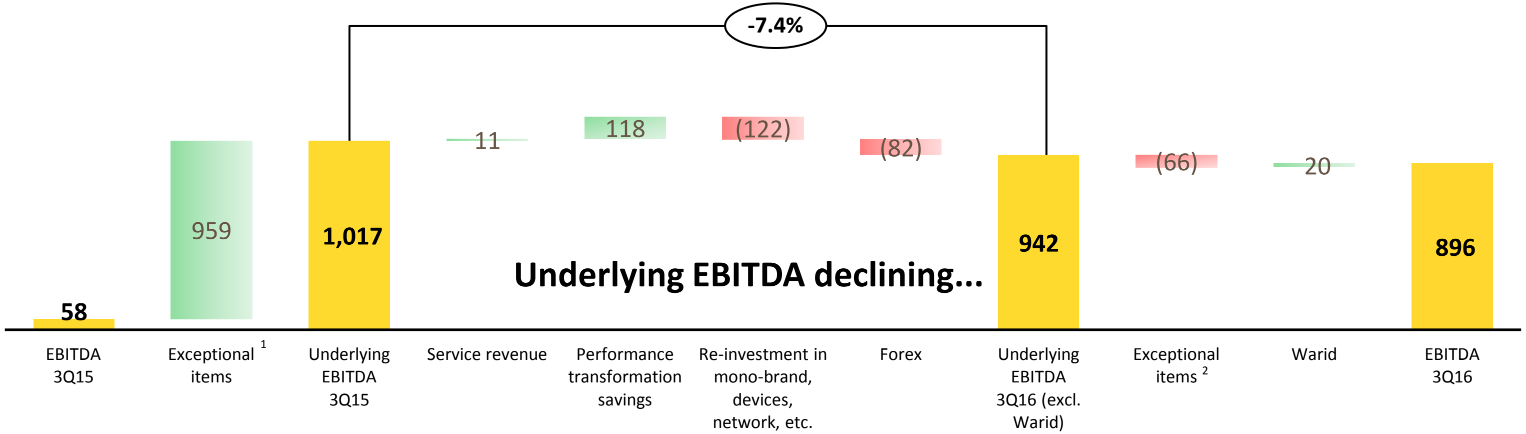
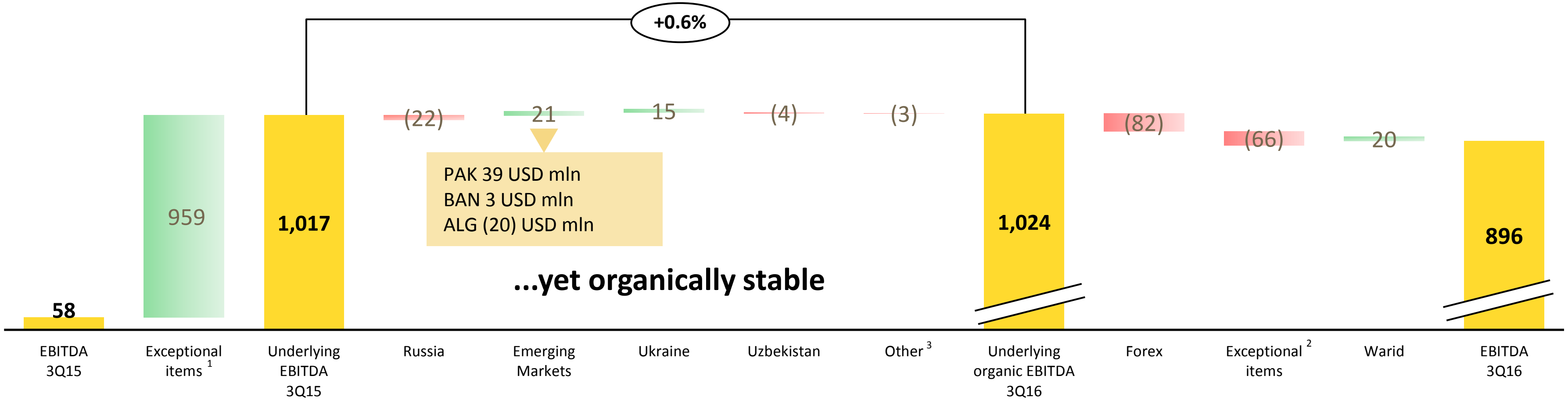
Q3 2016 EBITDA evolution – organically stable

USD million





[1] *Exceptional items in Q3 2015 consist of provisions for investigations (related to SEC/DOJ/OM) and other legal costs of USD 916 million, as well as transformation costs of USD 44 million*
[2] *Exceptional items in Q3 2016 consists of USD 66 million as a net effect of transformation costs resulting from USD 71 million and reversal of a provision in Kazakhstan of USD -5 million*
[3] *Other consists of operations in Kazakhstan, Kyrgyzstan, Georgia, Armenia, Tajikistan and HQ costs and Intercompany eliminations*

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Q3 2016 Income statement

Note: Q3 2016 numbers include Warid financials

USD million	Q3 2016	Q3 2015	YoY
Revenue	**2,372**	**2,442**	**(3%)**
EBITDA reported	**896**	**58**	**n.m.**
D&A and other	(490)	(538)	(9%)
EBIT	**406**	**(480)**	**n.m.**
Net financial expenses	(210)	(188)	12%
FOREX and Other	(10)	(166)	(94%)
Profit before tax	**186**	**(834)**	**n.m.**
Tax	(114)	(13)	n.m.
Profit from continuing operations	**72**	**(847)**	**n.m.**
Profit / (loss) from discontinued operations	421	(123)	n.m.
Non-controlling interest	(48)	(35)	n.m.
Profit for the period	**445**	**(1,005)**	**n.m.**

Q3 2015 EBITDA mainly impacted by USD 916 million charges for investigations (USD 900 million) and other legal costs (USD 16 million)

decrease due to local currencies depreciation and Q3 2015 higher depreciation in Pakistan, due to the equipment swap

increased due to USD 1.2 billion of GTH bonds issued in April 2016 and interest expenses as a result of Warid acquisition on 1 July 2016

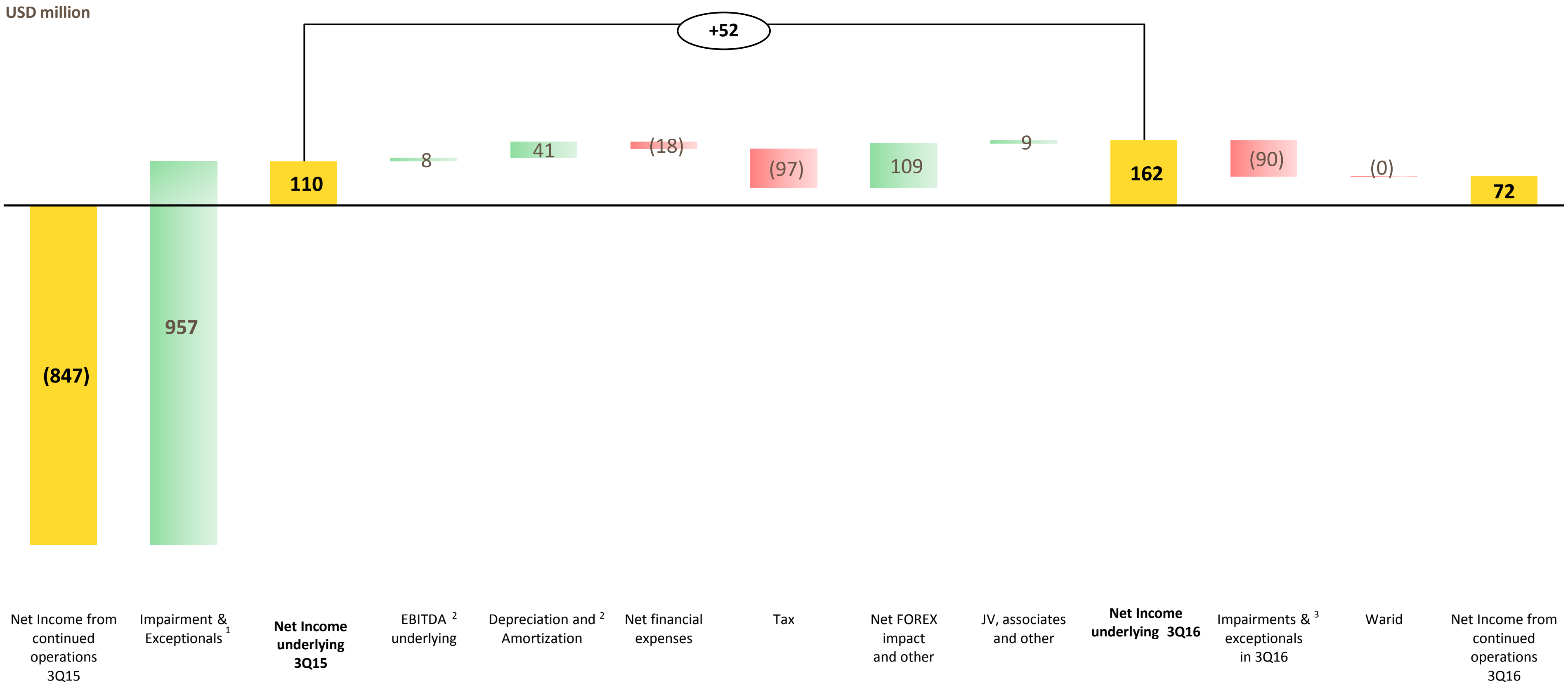
most of the functional currencies, including RUB, appreciated during Q3 2016

change in the tax regime in Uzbekistan; the YoY increase is also a result of the reversals of USD 70 million of deferred tax provisions in respect of withholding taxes in Q3 2015

Q3 2015: USD 236 million one-off charge arising from the treatment of the Italian towers transaction

Q3 2016: one-off derivatives net gain, after taxes, of USD 185 million, due to fair value adjustment

Q3 2016 net income from continued operations



[1] In 3Q 2015, exceptional items include USD 959 million above EBITDA and USD (3) million in impairment
[2] On an organic basis
[3] In 3Q 2016, exceptional items include USD 66 million above EBITDA, USD 3 million in impairments and USD 21 million in other

Q3 2016 net debt evolution

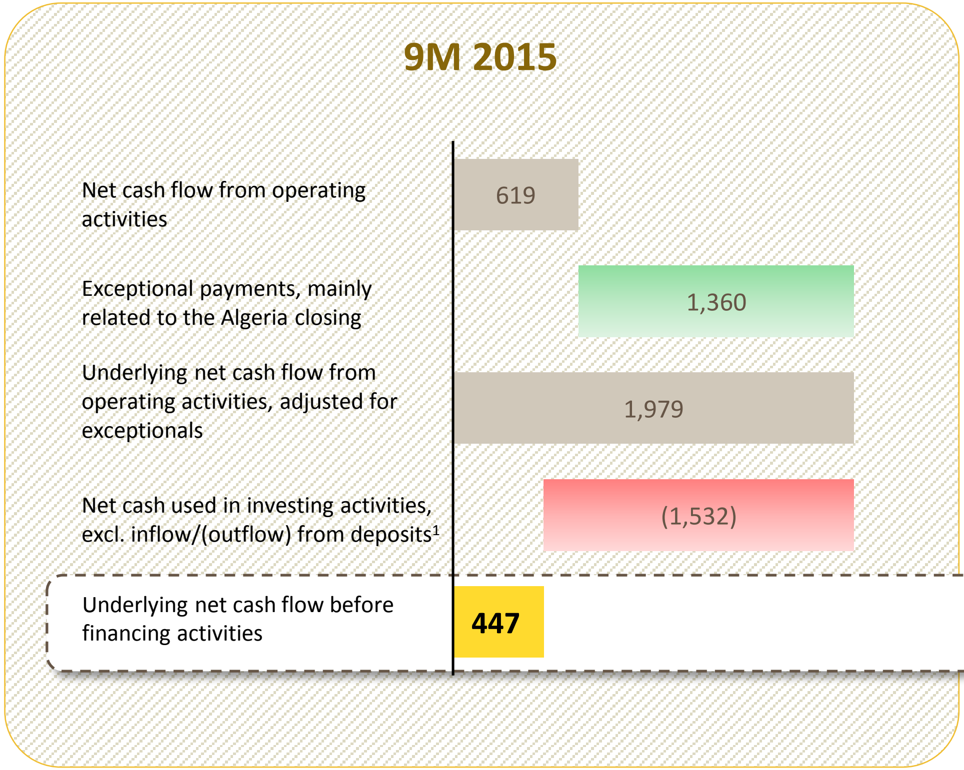
USD million

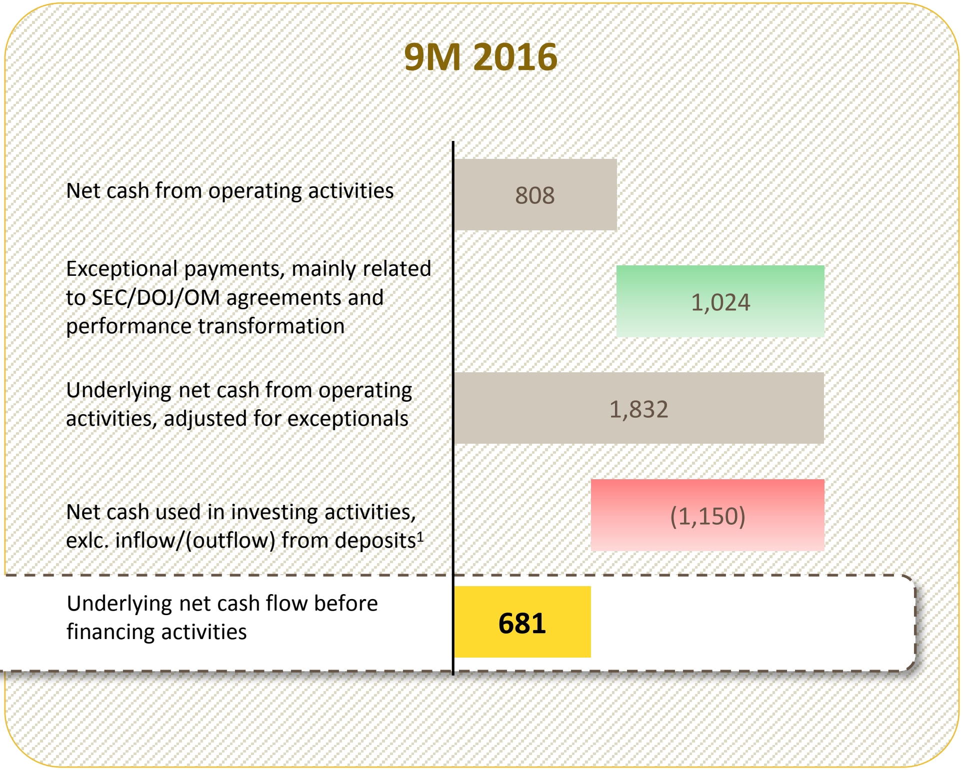
Net debt/ LTM EBITDA[1]	**1.8x**	**1.8x**	**1.9x**

[1] *Underlying LTM EBITDA, which excludes USD 310 million related to performance transformations costs and other*
[2] *In Q3 2016, Performance Transformation costs of USD 66 million*

Strong improvement in cash flow

Net cash flow from continued operations before financing activities





[1] *excludes outflow from deposits of USD 288 million for 9M 2015 and inflows from deposits of USD 59 million for 9M 2016*

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FY 2016 guidance confirmed - at lower end of range for service revenue, underlying EBITDA margin and capex/revenue

	Targets FY 2016		9M 2016
Service Revenue[1]	**Flat to low single digit growth YoY**	→	**+0.8% YoY**
EBITDA underlying margin[1]	**Flat to +1 p.p. YoY**	→	**Organic +0.1 pp YoY** (41.0%)
Capex / revenue[1]	**17-18%**	→	**LTM: 16.8%** (9M16: 12.9%)
OCF margin[1] (EBITDA-capex, excl. licenses)/revenue	**Flat to +2 p.p. YoY**	→	**+2.0 pp YoY** (28.1%)
Leverage[2]	**~2x**	→	**1.9x**

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

[2] Leverage target 2016 on assumed FOREX for 2016 (all currencies, e.g. ruble/US dollar of 70). Leverage target 2016 assumes closing of Italy JV and Pakistan transaction

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Paving the way to a meaningful dividend policy

Conditions to introduce new dividend policy

1. Completion of Italy transaction in Q4 2016
2. Group cash flow improvements
3. Macro stability (e.g. currencies[1])

[1] VimpelCom currency weightings calculated from the sum of the individual countries' relative contribution to total countries revenue (= total Group revenue - eliminations - HQ)

Closing transaction Italy JV

Wind and 3 Italia merger completion – agenda

Jean-Yves Charlier – Chief Executive Officer

1. Strong momentum in the Italian market for the launch of the joint venture ("JV")
2. Italian market structure & competition
3. Rationale and ambitions for the JV
4. Integration plan now launched
5. JV will generate significant synergies across all areas
6. Iliad impact to be mitigated by the strong JV position and proceeds from the remedy taker agreements
7. Solid corporate governance with senior Board members and empowered management team
8. Strong management team in place from the start

Andrew Davies – Chief Financial Officer

1. Transaction structure
2. Enhanced profitability and cash flow generation
3. JV expected to significantly deleverage and distribute to parents
4. JV has no imminent debt maturities
5. JV significantly improves VimpelCom's financial profile
6. P&L accounting treatment for VimpelCom
7. Final remarks

Q&A session

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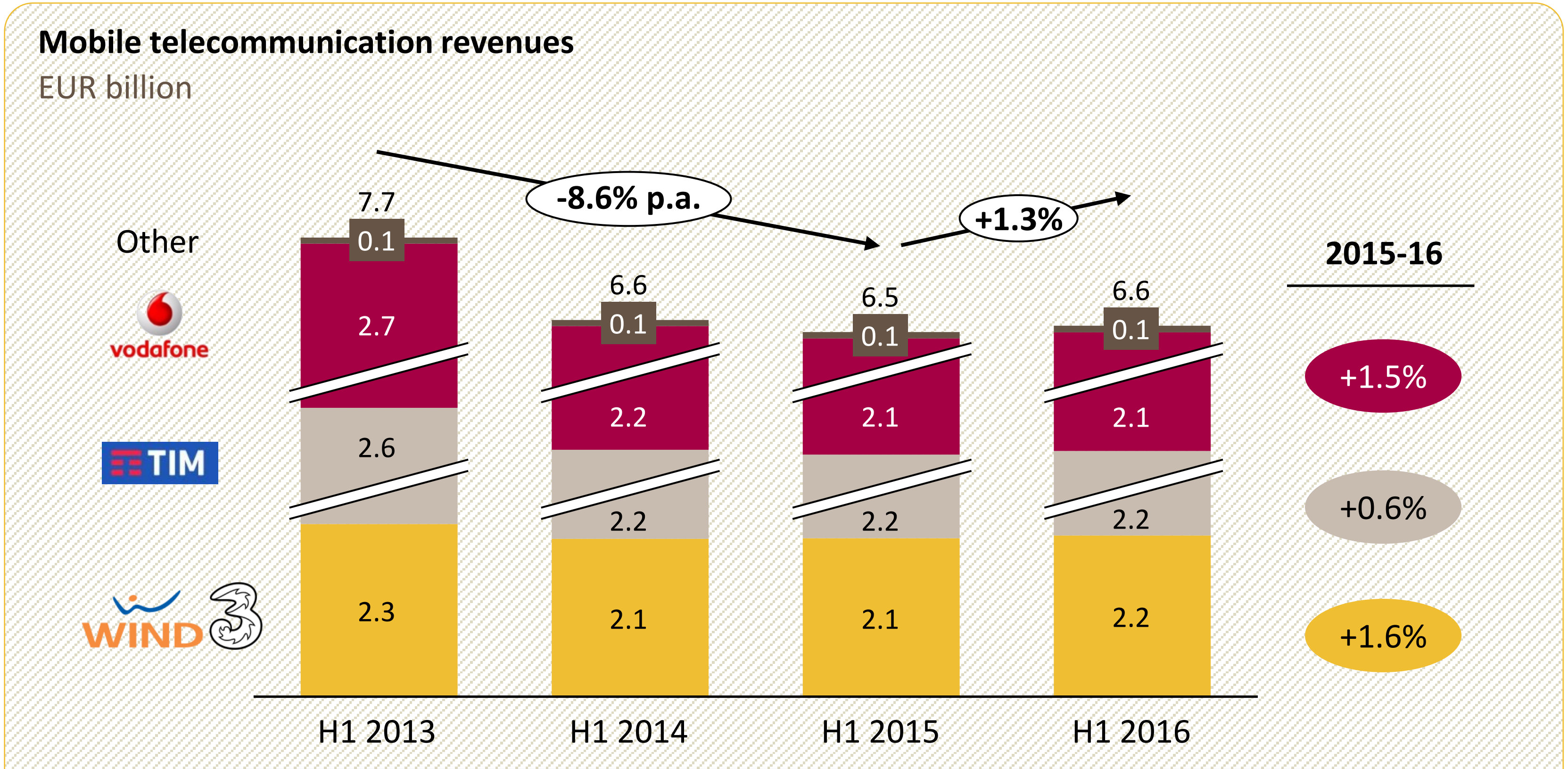
1. Strong momentum in the Italian market for the launch of the JV



The joint venture will be able to take advantage of the 2016 mobile market tailwinds

Source: Company reports

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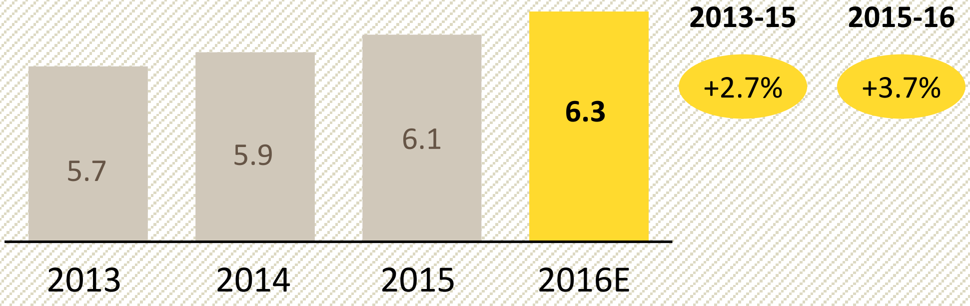
1. Strong momentum in the Italian market for the launch of the JV *(cont'd)*

Fixed telecommunication internet/data revenue
EUR billion



Accelerating growth of data revenue with further growth potential driven by the current under-penetration of high speed access[1] lines in Italian households (22% vs. 64% other WEU countries)

Favorable structural changes in the fixed Italian context

- New infrastructural operator Enel Open Fiber, targeting the creation of country-wide, independent fiber network
- Target to connect 250 medium-to-large cities in the next 3/4 years (> 60% of total population, EUR ~3.7 billion capex budget)
- Recent acquisition of Metroweb (fiber provider in Milan, Genova, Bologna, Torino)
- Strong support from Italian Government
- Commercial agreement signed with the JV

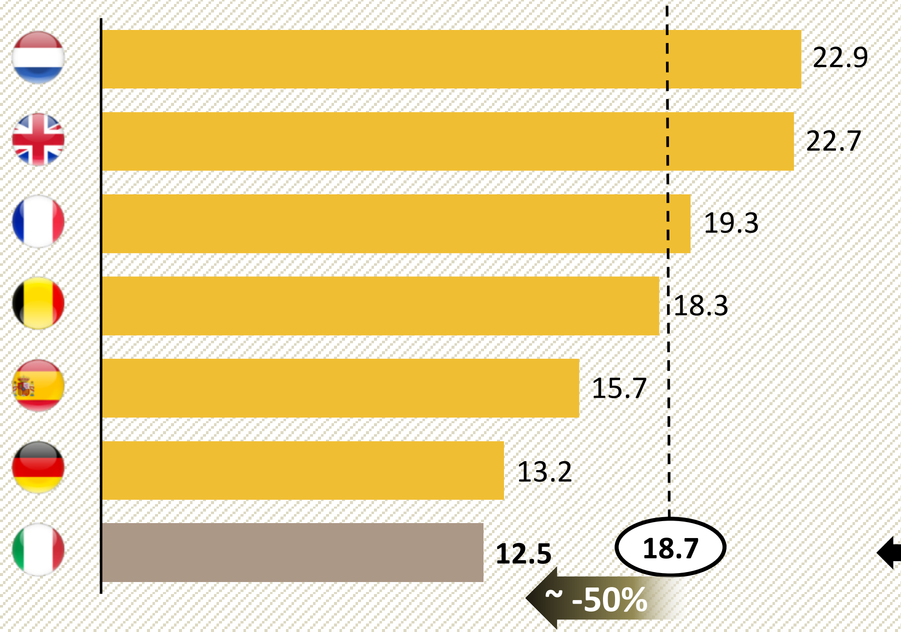
JV will be able to leverage a strengthened fixed-line value proposition, building on third party fiber infrastructure

[1] *Connections above 30Mbps*
Source: IDC, Infratel report 2015, Company reports, press release

2. Italian market structure: ARPU ~50% below average

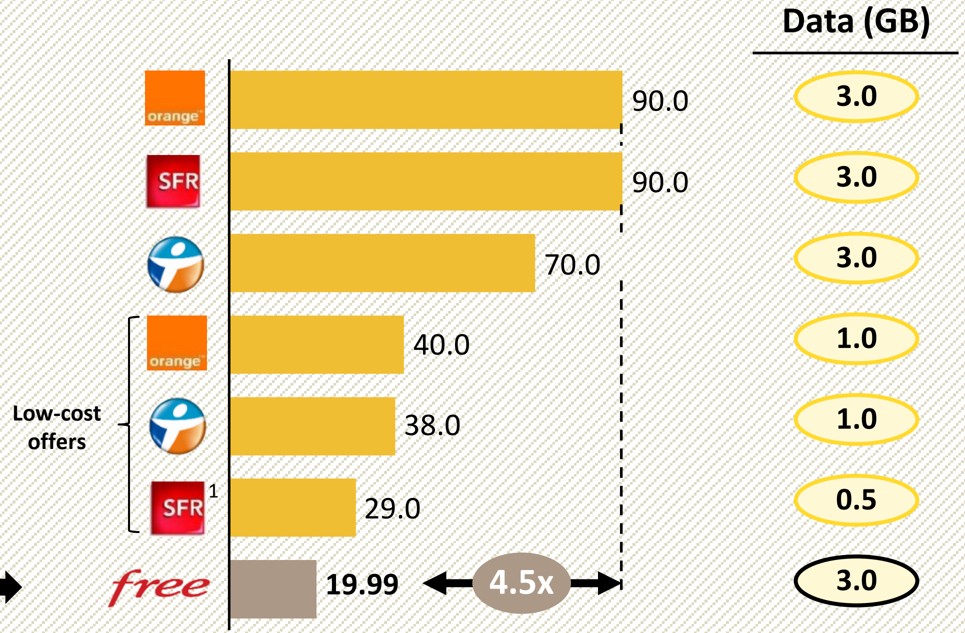
Mobile ARPU – Italy vs. Western European countries

2016 EUR/month/customer



French case – price comparison prior to Free launch

Price of unlimited plans (unlimited voice + SMS), EUR/month, at Free launch (10 January, 2012)



Italian market already very competitive, with limited headroom for price undercutting

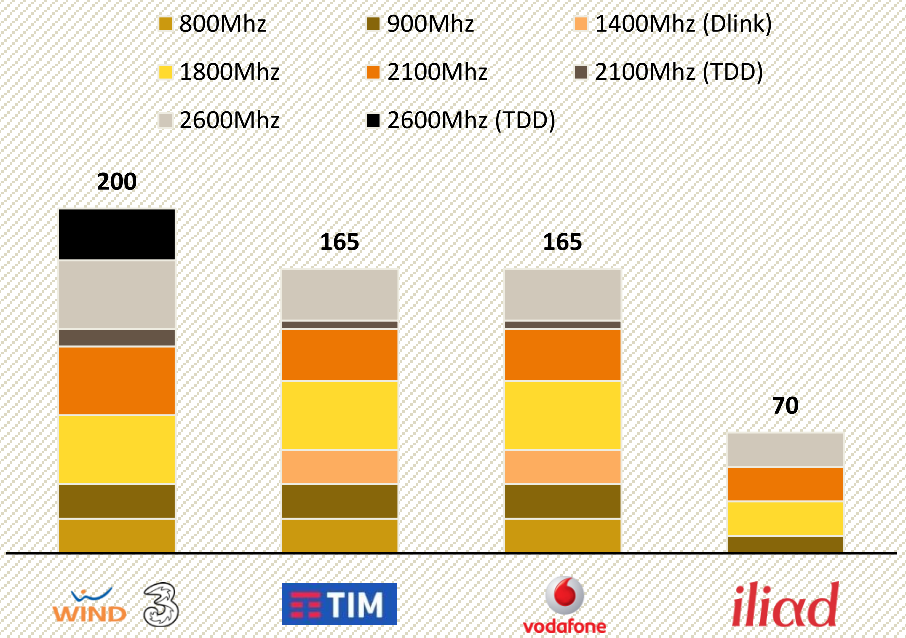
[1] *Non unlimited voice, 8h only*

Source: Merrill Lynch Bank of America Global Wireless Matrix, company information

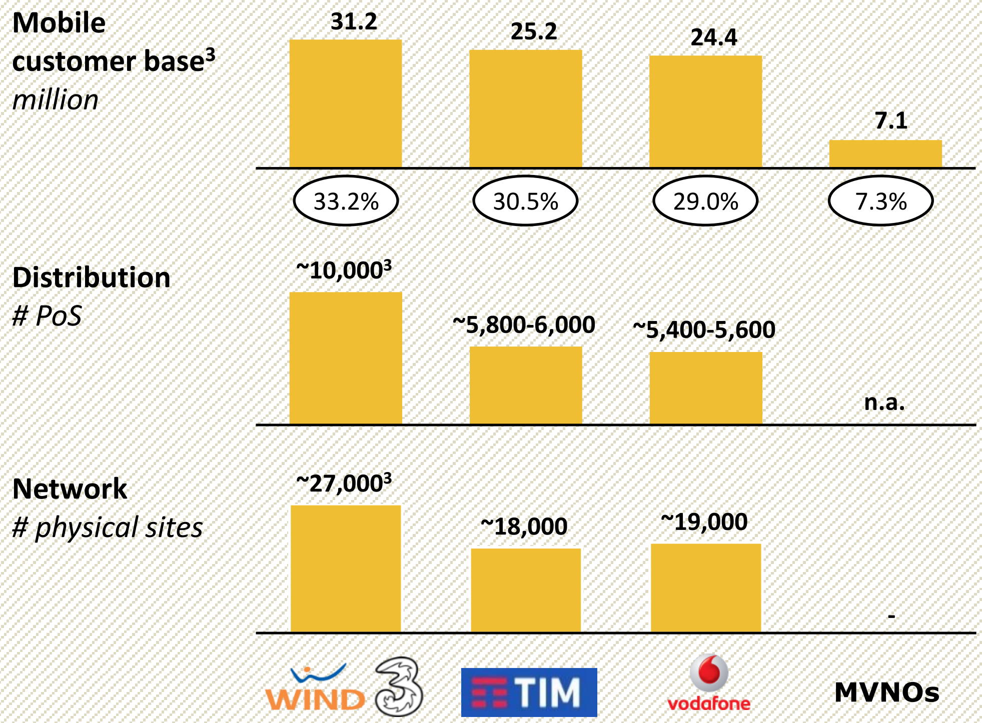
2. Italian market structure: leading position for the JV

On spectrum

Mhz



On customer base, distribution, network



[1] Wind – 3 Italia customer base at launch
[2] Including M2M SIMs
[3] Wind – 3 Italia sum of parts, not including integration/rationalization activities; market share in % including M2M SIM
Source: AGCOM June 2016, Companies websites, Market intervews

3. Rationale and ambitions for the JV

Rationale for the JV:

- Creating a leading convergent player, serving both consumers and businesses, in Europe's fourth largest economy and telecom market
- Supporting the "Digital Italy Plan" and unlocking investment in Italy's digital infrastructure, to close the gap with Western Europe
- Unlocking value for its parents through the combination of #3 (Wind) and #4 (3 Italia)
  - Net present value of future synergies of at least EUR 5 billion
  - A financially stronger asset, able to deleverage and becoming a prospective dividend payer to parents

Ambitions for the JV:

- **Market leadership in Italy:** becoming the true market leader in Italy, not only in terms of number of customers but also in terms of the quality of service
- **Digital – going all in:** wholeheartedly embracing the digital world, re-inventing the entire operating model to leapfrog the market and cement the customer relationship
- **Beyond Mobile B2C:** strengthening the JV presence in Fixed/ FMC and in B2B
- **Lean and asset light:** completing an accelerated integration, leveraging the operational discontinuity to deploy a very lean and asset-light setup

4. Integration plan now launched

Overall

- All integration planning activities kicked off
- Core strategic decisions for 2017 already taken e.g.
  - co-existence of Wind and Tre brands in short to mid-term
  - simplification of offer portfolio

Network & IT

- Integration of 2 networks already started
- RFQ[1] process ongoing to finalize vendor(s) selection for network modernization
- New IT Stack vendors' solutions being evaluated

Commercial

- Commercial team starting to operate jointly
- Harmonization of upcoming Christmas campaign
- First launch of digital strategy with beta-test version of engagement platform implemented on 3 November, 2016

SG&A

- Renegotiation of top 70 contracts (>80% of total value)
- Administrative buildings rationalization and Milan HQ selected
- Harmonization of compensations & benefits

Full integration underway, with first Board meeting held on 7 November, 2016

[1] *Request for quotation*

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5. JV will generate significant synergies across all areas

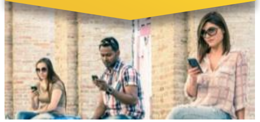
NPV[1]
(EUR billion)

Network & IT

- Full network consolidation and footprint optimization: operate a 21k site network with >20% reduction vs sum of parts
- Network modernization: efficiency through decommissioning of duplicative infrastructure
- Fiber deployment to support data traffic growth and reduce opex (60% sites targeted by 2020-21)
- Lean in-house model and external contract optimization
- 3 Italia roaming agreement to be insourced by the JV (~3% of 3 Italia traffic is currently roaming on TIM)
- Implementation of new future proof IT stack by mid-2018: shift from 2 to 1 IT stack, more than halving IT costs by 2020

3.1+

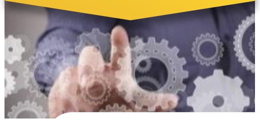
Commercial



- Offer customer experience optimization (e.g., simplification of offer portfolio from hundreds of tariffs down to a handful)
- Strong reduction of overall cost-to-serve (>30% opex reduction) through:
  - With objective to become the most relevant channel by 2019-20 both on acquisition and customer care
  - POS rationalization (mono and multi), eliminating overlaps and streamlining overall presence (in alignment with digital strategy), focusing on mono-brand channel as key priority (e.g. higher quality of acquisition and service)
  - Commissioning harmonization and optimization of overall commercial spend (i.e., advertising)

1.3+

SG&A



- Elimination of duplicative activities
- Organizational optimization
- Facilities consolidation (~30% of total floor space)
- Procurement optimization through contract re-negotiation
- Policy and process alignment

0.6+

Total: 5.0+

JV opex and capex synergies lead to total NPV of at least ~EUR 5 billion[1] – before any refinancing and tax benefits by generating EUR 700 million run-rate annual synergies[2] (90% captured by year-end 2019)

[1] *Post taxes, net of integration costs, which over a 2 year period are expected to amount at least EUR 600 million*
[2] *Opex and capex*

6. Iliad impact to be mitigated by the strong JV position and proceeds from the remedy taker agreements

JV in a strong position to overcome effect from new entrant

- Introducing digital strategy now – with a first launch of the beta-test version of a compelling engagement platform (VEON[1]) on 3 November 2016
- Existing strong broadband position – with agreement for fiber access through Enel Open Fiber being rolled out already
- Operating in a relatively low ARPU environment for many years – with only limited downside potential

Iliad-JV remedy contract – binding and irrevocable[2]

Spectrum

- Sales of 2x35MHz 3G & 4G/LTE frequencies for EUR 450 million (EUR 50 million in 2017, EUR 190 million in 2018, EUR 210 million in 2019)

Sites/network

- Sale or co-location of over 8,000 tower sites, part of which were planned to be decommissioned during JV network consolidation (thus yielding savings on site dismantling costs)

Roaming

- 2G-3G-4G/LTE national roaming agreement for 5 years, renewable and not subsidized
- An optional network (RAN) sharing agreement on last 25% of population coverage

- **Remedy taker contract is a mitigating factor and expected to yield a cumulative OpFCF[3] impact >EUR 800 million over the next 5 year, a cushion that competitors don't have**
- **Iliad entrance expected to have a financial impact on OpFCF[3] of ~EUR 20 million p.a. per percentage point lost in revenue market share[4], assuming pricing at low end of the current tariff plans**

[1] Customer engagement platform, powered by VimpelCom
[2] The only condition precedent to the agreements with Iliad was the completion of the JV
[3] Defined as EBITDA – capex (excl. licenses), including proceeds from spectrum and sites transfer
[4] Assumes Iliad to gain approximately the same mobile customer market share from each of the three major operators

7. Solid corporate governance with senior board members…

Canning Fok
Group Co-Managing Director,
CK Hutchison Holdings

Frank Sixt
Group Finance Director and
Deputy Managing Director,
CK Hutchison Holdings

Jean-Yves Charlier
Chief Executive Officer,
VimpelCom

Christian Salbaing
Deputy Chairman,
Hutchison Whampoa (Europe) Ltd

Andrew Davies
Chief Financial Officer,
VimpelCom

Neil McGee
Managing Director,
Hutchison Whampoa Europe
Investments Sarl (Luxembourg)

Kjell Morten Johnsen
Chief Executive Officer,
Major Markets, VimpelCom

Jean-François Bouchoms
VimpelCom Designee

Audit Committee

- VimpelCom representative:
  - Andrew Davies
- Hutchison representative:
  - Frank Sixt

HR and Remuneration Committee

- VimpelCom representative:
  - Kjell Morten Johnsen
- Hutchison representative:
  - Christian Salbaing

Merger Executive Committee

- VimpelCom representatives:
  - Kjell Morten Johnsen
  - Alexander Matuschka
- Hutchison representatives:
  - Frank Sixt
  - Christian Salbaing

…4 board members per parent with a Chairman rotating every 18 months holding a casting vote

= Chairman (for both Supervisory Board and Committees) rotating every 18 months (first term: 5 November, 2016 - 5 April, 2018)

7. Solid corporate governance with empowered and accountable management team

Shareholder agreed and adopted vision

- Fundamental business objectives
- 5 year business plan
- 3 year merger integration plan
- Budget 2017

Significantly empowered management team

- Maximo Ibarra appointed as Managing Director[1] of all Italian operations
- Wide grant of authorities to manage and lead the JV and execute on the vision provided by the Shareholders
- Limited Shareholder and Board reserved matters ensuring management accountability

Avoidance of deadlock

- Chairman of the Board will have a casting vote in the case of an equality of votes to avoid deadlocks
- Casting vote cannot be exercised in a manner that is contrary to the adopted Business Plan

Governance designed to ensure full empowerment for management and delegation to execute

[1] *Amministratore Delegato*

8. Strong management team in place from the start…

JV senior leadership team

Maximo Ibarra
Chief Executive Officer

Stefano Invernizzi
Chief Financial Officer

Dina Ravera
Merger Integration Officer

Massimo Angelini
PR Internal & External Communication

Mark Shalaby
Legal, Compliance & Regulatory

Luciano Sale
Human Resources

Michiel van Eldik
Consumer & Digital

Paolo Nanni
Business & Wholesale

Benoit Hanssen
Technology

…with 50 key managers already appointed for the JV across all functions, including new recruits with international experience

Wind and 3 Italia merger completion – agenda

Jean-Yves Charlier – Chief Executive Officer

1. Strong momentum in the Italian market for the launch of the joint venture ("JV")
2. Italian market structure & competition
3. Rationale and ambitions for the JV
4. Integration plan now launched
5. JV will generate significant synergies across all areas
6. Iliad impact to be mitigated by the strong JV position and proceeds from the remedy taker agreements
7. Solid corporate governance with senior Board members and empowered management team
8. Strong management team in place from the start

Andrew Davies – Chief Financial Officer

1. **Transaction structure**
2. **Enhanced profitability and cash flow generation**
3. **JV expected to significantly deleverage and distribute to parents**
4. **JV has no imminent debt maturities**
5. **JV significantly improves VimpelCom's financial profile**
6. **P&L accounting treatment for VimpelCom**
7. **Final remarks**

Q&A session

VimpelCom

1. Transaction structure

Key terms and structure

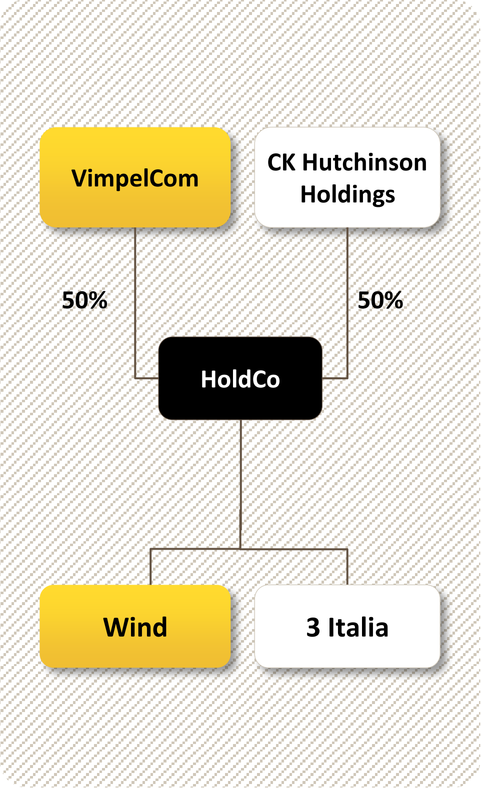
- 50/50 JV of VimpelCom and CK Hutchison Holdings
- VimpelCom contributed Wind with existing net debt (EUR 9.6 billion as of 30 September 2016)
- CK Hutchinson Holdings contributed 3 Italia debt free plus EUR 200 million cash
- No cash contributions or closing adjustments for VimpelCom
- Neither party may reduce its aggregate indirect shareholding in the JV below 50% for one year post-completion
- After three years post-completion, each shareholder can invoke a buy-sell mechanism at any time

Target leverage

- Pro forma Net debt/EBITDA ratio at completion ~4.5x
- Long-term net leverage target below 3x EBITDA

Key dates

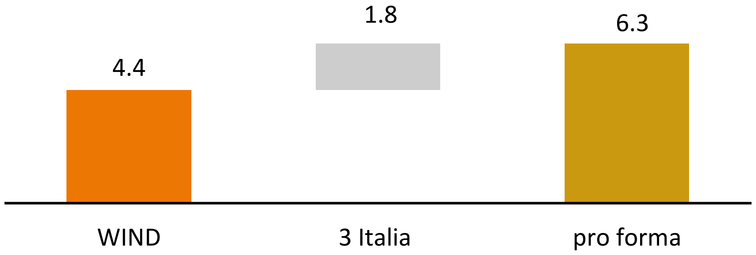
- European Commission approval: 1 September 2016
- Approval from the Ministry of Economic Development: 24 October 2016
- Completion: 5 November 2016
- Wind-3 Italia merger: expected by year-end 2016



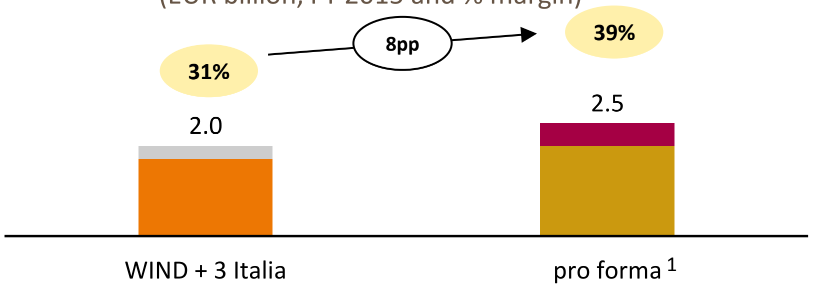
2. Enhanced profitability and cash flow generation

Revenue and EBITDA

An operator with EUR 6.3 billion revenues and…
(EUR billion, FY 2015)



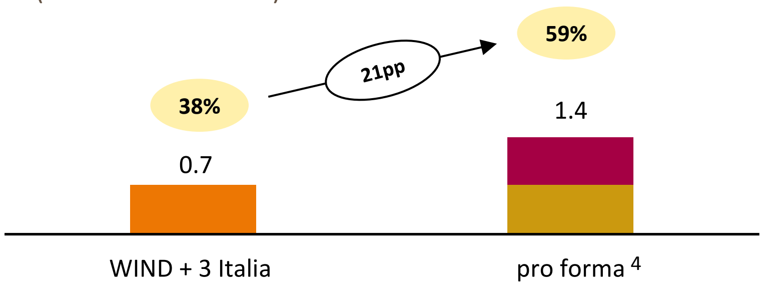
…EBITDA margin of 39%…
(EUR billion, FY 2015 and % margin)



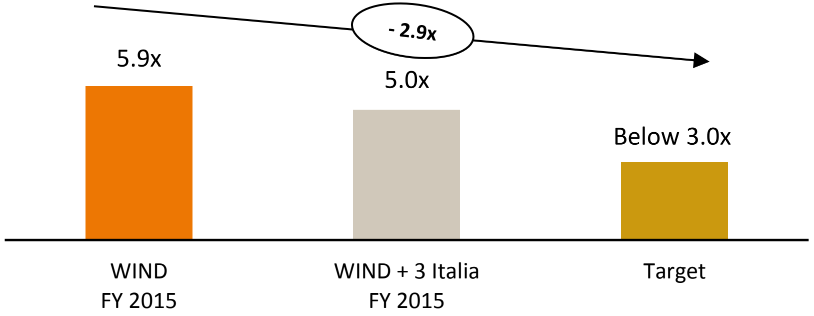
Wind 3 Italia Run-rate synergies

OpFCF[2] and leverage

…cash conversion of approximately 60%…
(% cash conversion[3])



…and significant deleveraging profile



[1] Including run-rate opex synergies only
[2] Defined as EBITDA – capex (excl. licenses)
[3] Defined as OpFCF/EBITDA
[4] Including run-rate opex and capex synergies

VimpelCom

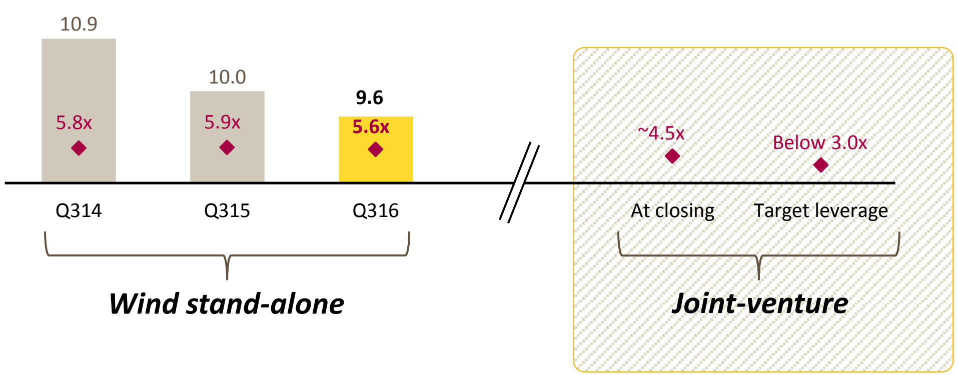
3. JV expected to significantly deleverage and distribute to parents

The financial profile of the JV is stronger than Wind's stand alone…

Net leverage evolution[1]

Net debt – Net debt/EBITDA

EUR billion



- JV's leverage ratio at closing is ~4.5x compared to an expectation of 5x at signing in 2015
- Target to deleverage below 3x over time
- The joint venture is expected to distribute to parents:
  - 40% of its consolidated FCF[2], when leverage is below 4x EBITDA
  - 60% of its consolidated FCF[2], when leverage is below 3.5x EBITDA
  - 80% of its consolidated FCF[2], when leverage is below 3x EBITDA
- Holding structure providing enough flexibility for cash upstreaming

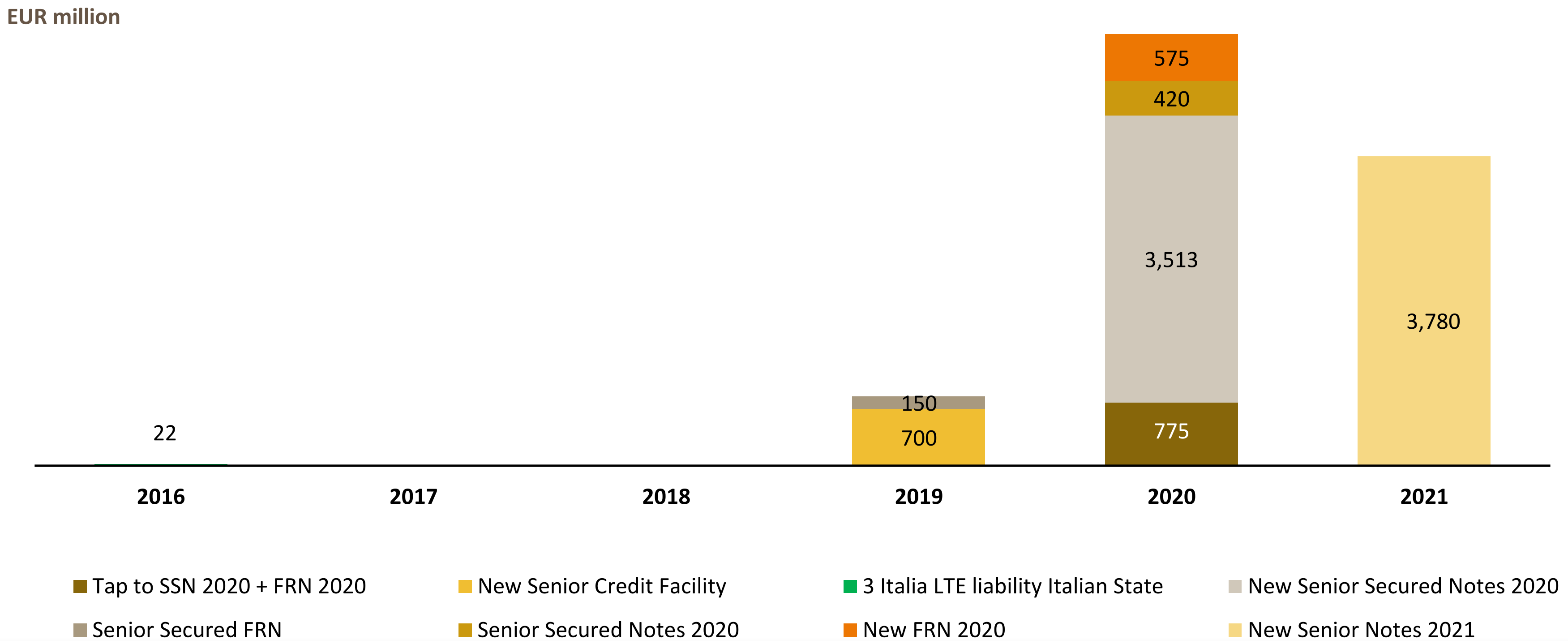
…significant synergies and cash flow growth expected to drive further deleverage and distributions to parents

[1] *Q3 2015 LTM EBITDA utilised for net debt/EBITDA has been normalized for approximately EUR 50 million (see footnote 1); Q3 2016 LTM EBITDA excluding EUR 19 million of restructuring costs accrued in Q4 2015*

[2] *Free cash flow: net cash from operating activities – net cash used in investing activities*

4. JV has no imminent debt maturities

Average interest rate is 5.5%, with no imminent maturities…



…rapid deleveraging and strengthened credit profile will potentially enhance funding conditions

Note: Excluding shareholder loans, factoring. Notional amounts. $ tranche has been converted at CCS €/$ Exchange Rate

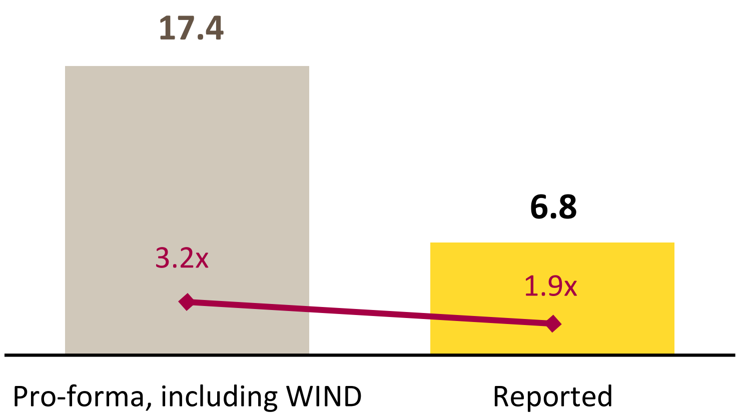
5. JV significantly improves VimpelCom's financial profile

As at 30 September 2016, USD billion

Net debt significantly reduced by USD 10.6 billion and the Net debt/EBITDA[1] ratio below 2x…

Net leverage evolution

Net debt – Net debt/EBITDA[1]



…VimpelCom's leverage is now at a level where the VimpelCom Board can consider the adoption of a meaningful dividend policy by no later than early 2017

[1] *Net debt/EBITDA underlying*

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6. P&L accounting treatment for VimpelCom

Previous accounting of Italy (from signing to completion) FY2015

USD million	FY15
Revenue	**9,625**
Service Revenue	9,332
EBITDA underlying	**3,908**
EBITDA reported	**2,857**
D&A, impairments and other	(2,350)
- o/w impairments	*(245)*
EBIT	**506**
Net financial expenses	(777)
FOREX and Other	(343)
Profit/(loss) before tax	**(613)**
Tax	(238)
Loss for the period	**(851)**
Profit / (loss) from discontinued operations	263
Non-controlling interest	(103)
Net result	**(691)**

Current accounting (after completion) FY2016E[1]

USD million
Revenue
Service Revenue
EBITDA underlying
EBITDA reported
D&A, impairments and other
- o/w impairments
EBIT
Net financial expenses
FOREX and Other
Share of net income of associates
Profit/(loss) before tax
Tax
Loss for the period
Profit / (loss) from discontinued operations
Non-controlling interest
Net result

Share of net income of associates: ***50% of net result of Italy JV*** *(from closing, 5 November to 31 December 2016)*

Profit / (loss) from discontinued operations: ***Wind Group net result*** *(from 1 January 2016 to closing, 5 November)* ***+ net capital gain*** *on disposal of WIND Group*

Long term accounting FY2017E - onward

USD million
Revenue
Service Revenue
EBITDA underlying
EBITDA reported
D&A, impairments and other
- o/w impairments
EBIT
Net financial expenses
FOREX and Other
Share of net income of associates
Profit/(loss) before tax
Tax
Loss for the period
Non-controlling interest
Net result

Significant capital gain to be expected in VimpelCom Q4 2016 results

[1] *Assuming the closing of transaction by 31 December 2016*

VimpelCom

7. Final remarks

JV launched with Italian marketplace back to growth and substantial opex and capex synergies to further drive profitability and cash flow generation

Leading converged player in the Italian market, pioneering in digital engagement with users

Increasing capacity for JV to deleverage and flexibility to distribute to parents

Solid governance designed to avoid deadlock and with significantly empowered management team

Iliad market entrance impact for the JV mitigated by proceeds from remedy package

VimpelCom

Further information

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