

OPEN JOINT STOCK CO VIMPEL COMMUNICATIONS  
Form 6-K  
April 12, 2007

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 6-K**

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**Report of Foreign Issuer**

**Pursuant to Rule 13a-16 or 15d-16 of  
the Securities Exchange Act of 1934**

**For the month of April 2007**

**Commission File Number 1-14522**

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**Open Joint Stock Company**

**Vimpel-Communications**

(Translation of registrant's name into English)

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**10 Ulitsa 8-Marta, Building 14, Moscow, Russian Federation 127083**

(Address of principal executive offices)

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Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F. Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): .

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): .

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934. Yes  No

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If  Yes  is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-\_\_\_\_\_ .

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

OPEN JOINT STOCK COMPANY  
VIMPEL-COMMUNICATIONS  
(Registrant)

Date: April 12, 2007

By: /s/ Alexander V. Izosimov  
Name: Alexander V. Izosimov  
Title: Chief Executive Officer and General Director

**FOR IMMEDIATE RELEASE**

**VIMPELCOM ANNOUNCES FOURTH QUARTER AND AUDITED ANNUAL 2006**

**FINANCIAL AND OPERATING RESULTS**

**Moscow and New York (April 12, 2007) - Open Joint Stock Company Vimpel-Communications ( VimpelCom or the Company ) (NYSE: VIP)**, a leading provider of wireless telecommunications services in Russia and the Commonwealth of Independent States (CIS) today announced its financial and operating results for the quarter and year ended December 31, 2006.

Attachments A, B and C present definitions for certain terms used in this press release, the condensed consolidated financial statements of VimpelCom and tables with relevant reconciliations of non-U.S. GAAP financial measures to their most directly comparable U.S. GAAP financial measures. Selected financial and operating results are also reported for each of the countries where VimpelCom was operating as of December 31, 2006.

**Financial and Operating Highlights**

**2006**

Net operating revenues reached \$4,868.0 million, an increase of 51.6% as compared with 2005.

OIBDA reached \$2,451.8 million, OIBDA margin was 50.4%, an all-time record for the Company.

Net income totaled \$811.5 million, an increase of 31.9% as compared with 2005.

Capital expenditures (excluding acquisitions) totaled \$1,512.1 million.

Operating cash flow was \$1,971.3 million, leading to the first ever positive free cash flow of \$459.2 million.

Entry into the markets of Uzbekistan, Georgia and Armenia increased the population in the territories covered by the Company's license portfolio to 240 million.

Subscriber base grew to approximately 55.1 million as of December 31, 2006, including 7.0 million in the CIS countries outside of Russia.

**VimpelCom Announces Fourth Quarter And Annual 2006 Financial And Operating Results**

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**The fourth quarter of 2006**

Net operating revenues reached \$1,451.4 million in the fourth quarter, a year-on-year increase of 59.4% and a quarter-on-quarter increase of 6.8%.

OIBDA reached \$689.8 million, a year-on-year increase of 64.4%.

OIBDA margin was 50.3% in Russia and 47.5% for the Company.

ARPU grew to \$8.9 as compared with \$7.1 and \$8.7 recorded for fourth quarter of 2005 and the third quarter of 2006, respectively. It was the first time ever that VimpelCom reported ARPU growth in the fourth quarter.

Net income totaled \$198.0 million, a year-on-year increase of 30.4%.

Operating cash flow was \$540.4 million, a year-on-year increase of 46.3%.

Market share leadership (49.5%) achieved in Kazakhstan after two full years of operations.

Commenting on today's announcement, Alexander Izosimov, Chief Executive Officer of VimpelCom, said, "2006 was another great year for VimpelCom. The Company continued to show strong revenue growth in excess of 50%, leading to almost \$5 billion in turnover. We achieved a record OIBDA margin of 50.4%. Also, for the first time in its history, VimpelCom recorded positive free cash flow (before acquisitions) in the amount of \$459.2 million."

During 2006, we successfully dealt with challenges in Russia related to a more demanding competitive landscape and the introduction of a calling party pays regime. We turned around the declining ARPU trend and secured ARPU growth during the last three quarters. It allowed us to maintain high growth rates in revenue and OIBDA in 2006 in spite of a greatly reduced influx of new subscribers. We expect our business in Russia to continue to expand primarily due to the increased usage of our services as living standards improve with the rapid growth of the Russian economy.

In 2006, we added approximately 10 million new subscribers to reach the figure of 55 million. For the first time our new additions were almost equally split between Russia and the countries of the CIS, with the largest additions from Kazakhstan (1.8 million) where we became the market leader and from Ukraine (1.6 million). In the future, we expect our subscriber growth will come primarily from the countries outside of Russia.

**Key Consolidated Operating Indicators**

|                                  |            |            | Three months             |            |                          | Year       |            | Change,<br>Y-on-Y |
|----------------------------------|------------|------------|--------------------------|------------|--------------------------|------------|------------|-------------------|
|                                  | 4Q2006     | 4Q2005     | Change,<br>4Q06/<br>4Q05 | 3Q2006     | Change,<br>4Q06/<br>3Q06 | 2006       | 2005       |                   |
| Subscribers, end of period (EOP) | 55,135,700 | 45,430,300 | 21.4%                    | 52,381,500 | 5.3%                     | 55,135,700 | 45,430,300 | 21.4%             |
| % of prepaid                     | 96.5%      | 96.9%      |                          | 96.8%      |                          | 96.5%      | 96.9%      |                   |
| Churn, quarterly                 | 9.0%       | 8.3%       |                          | 9.8%       |                          | 35.1%      | 30.4%      |                   |

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|             |       |       |       |       |      |       |       |       |
|-------------|-------|-------|-------|-------|------|-------|-------|-------|
| ARPU (US\$) | 8.9   | 7.1   | 25.4% | 8.7   | 2.3% | 8.0   | 7.5   | 6.7%  |
| MOU, (min)  | 126.5 | 106.5 | 18.8% | 121.7 | 3.9% | 117.9 | 101.4 | 16.3% |
| SAC, (US\$) | 17.4  | 14.1  | 23.4% | 16.7  | 4.2% | 16.1  | 13.2  | 22.0% |

High level of churn is typical for predominantly prepaid markets like Russia and the CIS. It becomes more pronounced with the reduction of gross sales in Russia.

In addressing the churn issue, the Company is focused on protecting its revenue base by employing a segmented approach with the emphasis on higher ARPU consumer segments.

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## Key Consolidated Financial Indicators

|                                   |           |         | Three months             |           | Change,                  |           | Year      |                   | Change, |
|-----------------------------------|-----------|---------|--------------------------|-----------|--------------------------|-----------|-----------|-------------------|---------|
|                                   | 4Q2006    | 4Q2005  | Change,<br>4Q06/<br>4Q05 | 3Q2006    | Change,<br>4Q06/<br>3Q06 | 2006      | 2005      | Change,<br>Y-on-Y |         |
| Net operating revenues (US\$,000) | 1,451,412 | 910,421 | 59.4%                    | 1,358,853 | 6.8%                     | 4,867,978 | 3,211,118 | 51.6%             |         |
| OIBDA (US\$, 000)                 | 689,825   | 419,692 | 64.4%                    | 717,796   | -3.9%                    | 2,451,783 | 1,571,310 | 56.0%             |         |
| OIBDA margin                      | 47.5%     | 46.1%   |                          | 52.8%     |                          | 50.4%     | 48.9%     |                   |         |
| Gross margin (US\$, 000)          | 1,179,453 | 757,443 | 55.7%                    | 1,109,219 | 6.3%                     | 3,977,246 | 2,668,700 | 49.0%             |         |
| Gross margin percentage           | 81.3%     | 83.2%   |                          | 81.6%     |                          | 81.7%     | 83.1%     |                   |         |
| SG&A (US\$, 000)                  | 478,423   | 335,666 | 42.5%                    | 387,236   | 23.5%                    | 1,503,615 | 1,085,807 | 38.5%             |         |
| SG&A percentage                   | 33.0%     | 36.9%   |                          | 28.5%     |                          | 30.9%     | 33.8%     |                   |         |
| Net income (US\$, 000)            | 197,950   | 151,748 | 30.4%                    | 268,370   | -26.2%                   | 811,489   | 615,131   | 31.9%             |         |
| Net income per share (US\$)       | 3.89      | 2.97    |                          | 5.28      |                          | 15.94     | 12.05     |                   |         |
| Net income per ADS (US\$)         | 0.97      | 0.74    |                          | 1.32      |                          | 3.98      | 3.01      |                   |         |

In 2006, VimpelCom's capital expenditures totaled \$1,512.1 million (excluding acquisitions) which is \$123.2 million less than capital expenditures for 2005. In the fourth quarter of 2006 VimpelCom invested approximately \$534.0 million for the purchase of long-lived assets and \$449.0 million for the acquisition of ArmenTel in Armenia.

Consolidated figures represent the combined effect of the Company's operations in Russia, Kazakhstan, Ukraine, Uzbekistan, Tajikistan, Georgia and Armenia.

## RUSSIA

|   |         |        | Three months             |         | Change,                  |         | Year    |                   | Change, |
|---|---------|--------|--------------------------|---------|--------------------------|---------|---------|-------------------|---------|
|   | 4Q2006  | 4Q2005 | Change,<br>4Q06/<br>4Q05 | 3Q2006  | Change,<br>4Q06/<br>3Q06 | 2006    | 2005    | Change,<br>Y-on-Y |         |
| Net operating revenues <sup>*)</sup> (million US\$) | 1,280.8 | 859.2  | 49.1%                    | 1,228.1 | 4.3%                     | 4,400.3 | 3,032.9 | 45.1%             |         |
| including interconnect revenue                      | 167.8   | 19.1   | 778.5%                   | 133.5   | 25.7%                    | 411.9   | 39.9    | 932.3%            |         |
| OIBDA (million US\$)                                | 645.1   | 404.1  | 59.6%                    | 666.4   | -3.2%                    | 2,303.5 | 1,508.0 | 52.8%             |         |
| OIBDA margin  | 50.3%   | 47.0%  |                          | 54.2%   |                          | 52.3%   | 49.7%   |                   |         |
| Gross margin (million US\$)                         | 1061.1  | 724.7  | 46.4%                    | 1016.3  | 4.4%                     | 3652.2  | 2550.4  | 43.2%             |         |
| Gross margin percentage                             | 82.8%   | 84.3%  |                          | 82.7%   |                          | 83.0%   | 84.1%   |                   |         |
| SG&A (million US\$)                                 | 406.6   | 318.5  | 27.7%                    | 346.2   | 17.4%                    | 1330.8  | 1032.0  | 29.0%             |         |
| SG&A percentage                                     | 31.7%   | 37.1%  |                          | 28.2%   |                          | 30.2%   | 34.0%   |                   |         |
| Net income (million US\$)                           | 222.2   | 153.2  | 45.0%                    | 280.0   | -20.6%                   | 854.8   | 619.8   | 37.9%             |         |

<sup>\*)</sup> Excluding inter-company transactions.

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|  |            |            |       |            |       |            |            |       |
|--|------------|------------|-------|------------|-------|------------|------------|-------|
| ARPU (US\$)                                      | 8.9        | 7.0        | 27.1% | 8.6        | 3.5%  | 7.9        | 7.4        | 6.8%  |
| ARPU <sub>ACT</sub> (active subscribers), (US\$) | 10.9       | 8.4        | 29.8% | 10.6       | 2.8%  | 9.6        | 8.5        | 12.9% |
| MOU (min.)                                       | 129.8      | 109.5      | 18.5% | 123.2      | 5.4%  | 120.1      | 103.6      | 15.9% |
| MOU <sub>ACT</sub> (active subscribers) (min)    | 157.9      | 131.4      | 20.2% | 151.9      | 3.9%  | 145.9      | 120.4      | 21.2% |
| SAC (US\$)                                       | 21.8       | 14.3       | 52.4% | 18.3       | 19.1% | 17.9       | 13.3       | 34.6% |
| Subscribers, EOP                                 | 48,141,200 | 43,096,700 | 11.7% | 47,651,000 | 1.0%  | 48,141,300 | 43,096,700 | 11.7% |
| Active subscribers, EOP                          | 39,782,700 | 35,936,400 | 10.7% | 38,790,400 | 2.6%  | 39,782,700 | 35,936,400 | 10.7% |
| Subscriber market share, EOP                     | 31.7%      | 34.3%      |       | 32.4%      |       | 31.7%      | 34.3%      |       |

In Russia, financial and operating results for the fourth quarter of 2006 confirmed the trends that emerged earlier in the year, namely, stabilizing prices and growth in MOU and ARPU. In fact, growth in MOU in the usually weak fourth quarter resulted in ARPU growth. This allowed the Company to increase its revenue in Russia on a quarter-to-quarter basis even with a substantially reduced subscriber growth rate.

Selling, general and administrative expenses (SG&A) as a percentage of net operating revenues decreased to 31.7% in the fourth quarter of 2006 from 37.1% recorded for the same quarter a year ago. An increase of SG&A in the fourth quarter of 2006 as compared with the third quarter of 2006 was connected to a number of seasonal and one-off factors, such as more intensive marketing activities during the New Year campaign and a 30% stock price appreciation during the fourth quarter of 2006 which led to additional accruals reflected in the fourth quarter in connection with the employee stock option plan.

Notwithstanding these factors, our OIBDA margin of 50.3% reported for the fourth quarter of 2006 was our best ever reported in Russia for the fourth quarter. For the full year 2006 we also reported the highest ever OIBDA margin of 52.3%.

Net income for the fourth quarter of 2006 grew by 45.0% as compared with the same quarter a year ago. The growth rate was less than that of OIBDA as we took a reserve based on the interim results of our litigation with the tax inspectorate. The litigation is connected with the tax audit for 2003-2004. While the litigation is continuing, we reserved \$15.8 million for value added taxes as other losses and \$26.7 million in income tax.

In 2006, VimpelCom's capital expenditures in Russia totaled \$1,049.5 million (excluding acquisitions) which is \$449.3 million less than the same figure in 2005.

**KAZAKHSTAN**

|  | Three months |        |                          |        | Year                     |       | Change,<br>Y-on-Y |        |
|--|--------------|--------|--------------------------|--------|--------------------------|-------|-------------------|--------|
|  | 4Q2006       | 4Q2005 | Change,<br>4Q06/<br>4Q05 | 3Q2006 | Change,<br>4Q06/<br>3Q06 | 2006  |                   | 2005   |
| Net operating revenues* (million US\$)           | 112.4        | 49.2   | 128.5%                   | 103.5  | 8.6%                     | 350.0 | 176.1             | 98.8%  |
| including interconnect revenue                   | 26.3         | 11.8   | 122.9%                   | 24.0   | 9.6%                     | 81.3  | 42.7              | 90.4%  |
| OIBDA (million US\$)                             | 35.7         | 17.0   | 110.0%                   | 49.0   | -27.1%                   | 140.6 | 64.7              | 117.3% |
| OIBDA margin                                     | 31.6%        | 34.2%  |                          | 47.0%  |                          | 40.0% | 36.5%             |        |
| Gross margin (million US\$)                      | 77.3         | 31.7   | 143.8%                   | 71.9   | 7.5%                     | 240.0 | 117.2             | 104.8% |
| Gross margin percentage                          | 68.4%        | 63.8%  |                          | 69.0%  |                          | 68.2% | 66.2%             |        |
| SG&A (million US\$)                              | 40.2         | 14.8   | 171.6%                   | 22.5   | 78.7%                    | 96.5  | 51.3              | 88.1%  |
| SG&A percentage                                  | 35.6%        | 29.7%  |                          | 21.6%  |                          | 27.4% | 29.0%             |        |
| Net income (million US\$)                        | -4.4         | 2.5    |                          | -0.6   |                          | 9.9   | -0.6              |        |
| ARPU (US\$)                                      | 10.8         | 9.1    | 18.7%                    | 11.3   | -4.4%                    | 10.1  | 10.5              | -3.8%  |
| ARPU <sub>ACT</sub> (active subscribers), (US\$) | 13.8         | 10.3   | 34.0%                    | 14.4   | -4.2%                    | 12.6  | 11.3              | 11.5%  |
| MOU (min.)                                       | 60.8         | 43.4   | 40.1%                    | 68.6   | -11.4%                   | 56.8  | 51.3              | 10.7%  |
| MOU <sub>ACT</sub> (active subscribers) (min)    | 78.0         | 49.2   | 58.5%                    | 87.5   | -10.9%                   | 70.4  | 55.3              | 27.3%  |

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|                              |           |           |        |           |       |           |           |        |
|------------------------------|-----------|-----------|--------|-----------|-------|-----------|-----------|--------|
| SAC (US\$)                   | 8.8       | 11.4      | -22.8% | 8.5       | 3.5%  | 8.2       | 12.1      | -32.2% |
| Subscribers, EOP             | 3,826,500 | 2,050,300 | 86.6%  | 3,230,400 | 18.5% | 3,826,500 | 2,050,300 | 86.6%  |
| Active subscribers, EOP      | 3,052,900 | 1,813,900 | 68.3%  | 2,596,300 | 17.6% | 3,052,900 | 1,813,900 | 68.3%  |
| Subscriber market share, EOP | 49.5%     | 37.2%     |        | 46.9%     |       | 49.5%     | 37.2%     |        |

\*) Excluding inter-company transactions.

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2006 was an exceptionally good year for the Company's operations in Kazakhstan where we actively pursued our strategy of rapid expansion. According to an independent source, we took the lead in subscriber numbers with an estimated market share of 49.5%.

We essentially doubled our net operating revenues and more than doubled OIBDA in 2006. The 2006 OIBDA margin of 40.0% was also higher than in the previous year. Profitability in the fourth quarter of 2006 was adversely affected by seasonal effects (particularly by the decline in MOU) and increased sales, general and administrative expenses mostly related to the year-end marketing and advertising activities and further network and IT systems development.

**UKRAINE**

|  | Three months<br>Change, |         |        |         | Year             |           |         |                   |
|--|-------------------------|---------|--------|---------|------------------|-----------|---------|-------------------|
|  | 4Q2006                  | 4Q2005  | 4Q05   | 3Q2006  | Change,<br>4Q06/ | 2006      | 2005    | Change,<br>Y-on-Y |
| Net operating revenues <sup>*)</sup> (US\$, million) | 14.3                    | 2.0     | 615.0% | 11.5    | 24.3%            | 33.7      | 2.0     | 1585.0%           |
| including interconnect revenue                       | 4.5                     | 0.6     | 650.0% | 3.6     | 25.0%            | 10.6      | 0.6     | 1666.7%           |
| OIBDA (million US\$)                                 | -10.5                   | -1.4    |        | -6.1    |                  | -34.7     | -1.4    |                   |
| Gross margin (million US\$)                          | 7.3                     | 1.1     | 563.6% | 7.3     | 0.0%             | 16.5      | 1.1     | 1400.0%           |
| Gross margin percentage                              | 49.3%                   | 55.0%   |        | 58.9%   |                  | 46.9%     | 55.0%   |                   |
| SG&A (million US\$)                                  | 17.6                    | 2.4     | 633.3% | 13.5    | 30.4%            | 50.7      | 2.4     | 2012.5%           |
| SG&A percentage                                      | 118.9%                  | 120.0%  |        | 108.9%  |                  | 144.0%    | 120.0%  |                   |
| Net income (million US\$)                            | -21.5                   | -4.0    |        | -13.0   |                  | -61.0     | -4.0    |                   |
| ARPU (US\$)  | 3.4                     | 4.1     | -17.1% | 5.5     | -38.2%           | 4.1       | 4.1     | 0.0%              |
| ARPU <sub>ACT</sub> (active subscribers), (US\$)     | 4.2                     | 4.3     | -2.3%  | 6.7     | -37.3%           | 5.0       | 4.3     | 16.3%             |
| MOU (min.)   | 122.4                   | 34.6    | 253.8% | 139.0   | -11.9%           | 121.8     | 34.6    | 252.0%            |
| MOU <sub>ACT</sub> (active subscribers) (min)        | 149.1                   | 36.2    | 311.9% | 168.4   | -11.5%           | 149.7     | 36.2    | 313.5%            |
| SAC (US\$)   | 6.6                     | 9.2     | -28.3% | 12.3    | -46.3%           | 10.0      | 9.2     | 8.7%              |
| Subscribers, EOP                                     | 1,876,100               | 256,800 | 630.6% | 938,700 | 99.9%            | 1,876,100 | 256,800 | 630.6%            |
| Active subscribers, EOP                              | 1,523,700               | 249,200 | 511.4% | 766,100 | 98.9%            | 1,523,700 | 249,200 | 511.4%            |
| Subscriber market share, EOP                         | 3.8%                    | 0.9%    |        | 2.4%    |                  | 3.8%      | 0.9%    |                   |

<sup>\*)</sup> Excluding inter-company transactions.

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In Ukraine, 2006 was the first year that we conducted our own operations, which started in mid-April with the launch of our Beeline brand. Although our business in Ukraine is still relatively small it has become a significant source of new subscribers. During the fourth quarter of 2006 we almost doubled our subscriber base and increased our net operating revenues by 24.3% compared with the third quarter of 2006. At the same time, seasonal effects and a disproportionate price-based response from the incumbents to new entrants resulted in a substantial deterioration of market conditions in Ukraine. Consequently, the Company recorded a decrease in MOU and ARPU and deterioration in its OIBDA and net income. The Company intends to meet the new challenges by focusing on building our subscriber base and growing market share.

We continue to litigate Telenor's three claims challenging the URS acquisition. VimpelCom has prevailed in each court case to date. However, to date in two of the cases Telenor has requested that the Supreme Arbitration Court of Russia consider their appeals and a panel of three judges decided to transfer one of the cases to the Russian Supreme Arbitration Court. The panel cited its disagreement with certain conclusions reached by the lower courts. The panel's view is not binding upon the Supreme Arbitration Court.

**NEW OPERATIONS**

|  | Three months |         | Change,<br>4Q06/3Q06 | Year<br>2006 |
|--|--------------|---------|----------------------|--------------|
|  | 4Q2006       | 3Q2006  |                      |              |
| <b>Uzbekistan</b>                                |              |         |                      |              |
| Net operating revenues*) (million US\$)          | 15.8         | 15.7    | 0.6%                 | 55.4         |
| OIBDA (million US\$)                             | 7.8          | 9.5     | -17.9%               | 32.1         |
| OIBDA margin                                     | 49.1%        | 60.5%   |                      | 57.7%        |
| Gross margin (million US\$)                      | 13.9         | 14.0    | -0.7%                | 48.8         |
| Gross margin percentage                          | 87.1%        | 89.0%   |                      | 87.7%        |
| SG&A (million US\$)                              | 5.9          | 4.5     | 31.1%                | 16.5         |
| SG&A percentage                                  | 37.3%        | 28.3%   |                      | 29.6%        |
| Net income (million US\$)                        | 0.4          | 3.2     | -87.5%               | 8.2          |
| ARPU (US\$)                                      | 8.8          | 11.1    | -20.7%               | 10.4         |
| ARPU <sub>ACT</sub> (active subscribers), (US\$) | 9.8          | 11.8    | -16.9%               | 11.9         |
| MOU (min.)                                       | 240.1        | 285.0   | -15.8%               | 279.5        |
| MOU <sub>ACT</sub> (active subscribers) (min)    | 268.8        | 304.8   | -11.8%               | 320.5        |
| SAC (US\$)                                       | 5.8          | 8.6     | -33.0%               | 7.2          |
| Subscribers, EOP                                 | 766,500      | 546,900 | 40.2%                | 766,500      |
| Active subscribers, EOP                          | 700,500      | 484,200 | 44.7%                | 700,500      |
| Subscriber market share, EOP                     | 28.2%        | 26.2%   |                      | 28.2%        |

\*) Excluding inter-company transactions.

Business development in Uzbekistan is still at the initial phase with a penetration rate of approximately 10%. The fourth quarter of 2006 was the first full quarter of our operations after the launch of the Beeline brand in September 2006. Our focus in Uzbekistan is on subscriber growth where the Company achieved good results in the fourth quarter increasing our subscriber base by more than 40%. We continue working on upgrading our networks and services, strengthening the organization, transferring our knowledge and experience, as well as adapting our marketing strategy to the market specifics in Uzbekistan.

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|  | Three months |         |                      | Year<br>2006 |
|--|--------------|---------|----------------------|--------------|
|  | 4Q2006       | 3Q2006  | Change,<br>4Q06/3Q06 |              |
| <b>Tajikistan</b>                                |              |         |                      |              |
| Net operating revenues*) (million US\$)          | 0.80         | 0.08    | 900.0%               | 1.18         |
| including interconnect revenue                   | 0.07         | 0.00    |                      | 0.07         |
| OIBDA (million US\$)                             | -1.11        | -0.98   |                      | -2.45        |
| Gross margin (million US\$)                      | 0.37         | -0.03   |                      | 0.52         |
| Gross margin percentage                          | 45.1%        | -37.5%  |                      | 43.3%        |
| SG&A (million US\$)                              | 1.48         | 0.95    | 55.8%                | 2.97         |
| SG&A percentage                                  | 180.5%       | 1187.5% |                      | 247.5%       |
| Net income (million US\$)                        | -1.11        | -0.78   |                      | -2.40        |
| ARPU (US\$)                                      | 7.8          | 1.9     | 310.5%               | 4.4          |
| ARPU <sub>ACT</sub> (active subscribers), (US\$) | 9.0          | 3.1     | 190.3%               | 6.8          |
| MOU (min.)                                       | 160.8        | 40.6    | 296.1%               | 77.4         |
| MOU <sub>ACT</sub> (active subscribers) (min)    | 187.9        | 69.8    | 169.2%               | 121.1        |
| SAC (US\$)                                       | 2.5          | 18.2    | -86.3%               | 3.3          |
| Subscribers, EOP                                 | 73,400       | 14,500  | 406.2%               | 73,400       |
| Active subscribers, EOP                          | 72,000       | 6,900   | 943.5%               | 72,000       |
| Subscriber market share, EOP                     | 8.9%         | 4.0%    |                      | 8.9%         |

\*) Excluding inter-company transactions.

As in Uzbekistan, business development in Tajikistan is also at the initial phase with a penetration rate of approximately 12%. The fourth quarter of 2006 was the first full quarter of our operations after the launch of the Beeline brand in September 2006. The Company experienced explosive growth in the fourth quarter increasing its subscriber base by triple-digit numbers and more than doubling its market share. MOU and ARPU also grew by triple-digit numbers. We continue working on developing further our initial success and strengthening our position in Tajikistan.

|                                       | 4Q 2006 |
|---------------------------------------|---------|
| <b>Armenia</b>                        |         |
| Net operating revenues (million US\$) | 27.37   |
| including mobile revenues             | 10.45   |
| including fixed revenues              | 16.92   |
| OIBDA (million US\$)                  | 13.29   |
| OIBDA margin                          | 48.6%   |
| Net income (million US\$)             | 2.93    |
| Mobile subscribers                    | 452,000 |
| ARPU mobile (US\$)                    | 15.7    |
| Fixed subscribers                     | 608,500 |
| ARPU fixed (US\$)                     | 18.5    |
| Mobile subscriber market share, EOP   | 38.2%   |
| Total assets (million US\$)           | 622.6   |

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**VimpelCom Announces Fourth Quarter And Annual 2006 Financial And Operating Results**

**Page 8 of 9**

VimpelCom completed its acquisition of 90% of Armentel on November 16, 2006 and began to consolidate Armentel's results in its financial reporting from that date. At the time of the acquisition, Armentel included a fixed-line business and the second largest mobile operator in Armenia. Going forward, we will work to enhance Armentel's position in the mobile market and we will continue to operate the fixed-line network, exploring fixed-to-mobile convergence opportunities.

The Company's management will discuss its fourth quarter and annual 2006 results during a conference call and slide presentation on April 12, 2007 at 6:30 pm Moscow time (10:30 am ET in New York). The call and slide presentation may be accessed via webcast at the following URL address <http://www.vimpelcom.com>. The conference call replay and the slide presentation webcast will be available through April 19, 2007 and May 11, 2007, respectively. The slide presentation will also be available for download on VimpelCom's website <http://www.vimpelcom.com>.

The VimpelCom Group includes cellular companies operating in Russia, Kazakhstan, Ukraine, Uzbekistan and Tajikistan, and recently acquired companies in Georgia and Armenia. The VimpelCom Group's cellular license portfolio covers a territory with a population of about 240 million. This includes 77 regions of Russia (136.5 million people, representing 94% of the Russia's population), and the entire territories of Kazakhstan, Ukraine, Uzbekistan, Tajikistan, Georgia, and Armenia. VimpelCom was the first Russian company to list its shares on the New York Stock Exchange ( NYSE ). VimpelCom's ADSs are listed on the NYSE under the symbol VIP .

*Although the fourth quarter and annual 2006 U.S. GAAP financial statements were approved by the requisite majority of our board, the three directors on our board who were nominated by our shareholder Telenor East Invest AS and who are officers of Telenor or its affiliates voted against approval.*

*This press release contains forward-looking statements , as the phrase is defined in Section 27A of the Securities Act and Section 21E of the Exchange Act. These statements relate to the Company's strategic and development plans, including network development plans, and developments in the telecommunications markets in which the Company operates. These and other forward-looking statements are based on management's best assessment of the Company's strategic and financial position and of future market conditions and trends. These discussions involve risks and uncertainties. The actual outcome may differ materially from these statements as a result of unforeseen developments from competition, governmental regulation of the telecommunications industries in Russia and the CIS, general political uncertainties in Russia and the CIS and general economic developments in Russia and the CIS, the Company's ability to continue to grow its overall revenues and its subscriber base, continued volatility in the world economy and other factors. As a result of such risks and uncertainties, there can be no assurance that the effects of competition or current or future changes in the political, economic and social environment or current or future regulation of the Russian and CIS telecommunications industries will not have a material adverse effect on the VimpelCom Group. There can be no assurance that the Company will prevail in its litigation with Telenor challenging the URS acquisition or that an adverse decision by the Supreme Arbitration Court or any other court in the Company's litigation with Telenor regarding the URS acquisition will not adversely impact the outcome to VimpelCom in the other pending lawsuits brought by Telenor against the Company challenging the URS acquisition. In addition, there can be no assurances that additional claims will not be made by Telenor or other third parties regarding the Company's acquisition of URS or other matters. In the event a decision unfavorable to the Company becomes binding in any pending or future court cases, including a decision for monetary damages and/or to unwind the URS acquisition, it could have an adverse effect on the Company, its business, its expansion strategy and its financial results. Certain factors that could cause actual results to differ materially from those discussed in any forward-looking statements include the risks described in the Company's Annual Report on Form 20-F for the year ended December 31, 2005 and other public filings made by the Company with the United States Securities and Exchange Commission, which risk factors are incorporated herein by reference. VimpelCom disclaims any obligation to update developments of these risk factors or to announce publicly any revision to any of the forward-looking statements contained in this release, or to make corrections to reflect future events or developments.*

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**-Definitions and tables are attached**

**Attachment A: Definitions**

**Subscriber** is an authorized user of cellular services, using one SIM card (GSM) with one or several selective numbers or one handset (DAMPS) with one selective number. The number of subscribers includes employees using cellular services and excludes guest roamers and users of test SIM cards (GSM) or handsets (DAMPS).

**Churn rate** is defined as the total number of registered subscribers disconnected from our network within a given period of time expressed as a percentage of the midpoint of subscribers in our network at the beginning and end of that period. Contract subscribers are disconnected if they have not paid their bills for 2 months and prepaid subscribers are disconnected 6 months after their services have been blocked. We typically block a prepaid subscriber's service in two cases: (1) their balance drops to \$0 or below, and (2) an account shows no chargeable activity within 6 months. The Company retains the right to change its disconnect policy to reflect changes in business or regulatory environment.

**Active subscribers** are those who in the past three months made a transaction which brought revenue to the Company.

**Prepaid subscribers** are those subscribers who pay for their services in advance.

**OIBDA** is a non-U.S. GAAP financial measure. OIBDA, previously referred to as EBITDA by the Company, is defined as operating income before depreciation and amortization. The Company believes that OIBDA provides useful information to investors because it is an indicator of the strength and performance of our business operations, including our ability to finance capital expenditures, acquisitions and other investments and our ability to incur and service debt. While depreciation and amortization are considered operating costs under U.S. GAAP, these expenses primarily represent the non-cash current period allocation of costs associated with long-lived assets acquired or constructed in prior periods. Our OIBDA calculations are commonly used as bases for some investors, analysts and credit rating agencies to evaluate and compare the periodic and future operating performance and value of companies within the wireless telecommunications industry. OIBDA should not be considered in isolation as an alternative to net income, operating income or any other measure of performance under U.S. GAAP. OIBDA does not include our need to replace our capital equipment over time. Reconciliation of OIBDA to operating income, the most directly comparable U.S. GAAP financial measure, is presented below in the tables section.

**OIBDA margin** is OIBDA expressed as a percentage of total net operating revenues. Reconciliation of OIBDA margin to operating income as a percentage of total net operating revenues, the most directly comparable U.S. GAAP financial measure, is presented below in the tables section.

**Gross margin** is defined as total operating revenues less service costs and cost of handsets and accessories sold.

**Gross margin percentage** is gross margin expressed as a percentage of total operating revenues.

**Each ADS** represents 0.25 of one share of common stock. This ratio was established effective November 22, 2004. Previously each ADS represented 0.75 of one share of common stock.

**ARPU** (Monthly Average Revenue per User), a non-U.S. GAAP financial measure, is calculated for each month in the relevant period by dividing the Company's service revenue during that month, including roaming revenue and interconnect revenue, but excluding revenue from connection fees, sales of handsets and accessories and other non-service revenue, by the average number of the Company's subscribers during the month. Reconciliation of ARPU to service revenues and connection fees, the most directly comparable U.S. GAAP financial measure, is presented below in the tables section. The Company believes that ARPU provides useful information to investors because it is an indicator of the performance of the Company's business operations and assists management in budgeting. The Company also believes that ARPU provides management with useful information concerning usage and acceptance of the Company's services. ARPU should not be viewed in isolation or an alternative to other figures reported under U.S. GAAP.

**ARPU<sub>ACT</sub>** is ARPU calculated with regard to active subscribers.

**MOU** (Monthly Average Minutes of Use per User) is calculated for each month of the relevant period by dividing the total number of minutes of usage for incoming and outgoing calls during that month (excluding guest roamers) by the average number of subscribers during the month.

**MOU<sub>ACT</sub>** is MOU calculated with regard to active subscribers.

**SAC** (Average Acquisition Cost Per User), a non-U.S. GAAP financial measure, is calculated as dealers' commissions (for sales and bonus for exclusivity<sup>\*</sup>), advertising expenses and handset subsidies for the relevant period divided by the number of new subscribers added during the relevant period. Reconciliation of SAC to selling, general and administrative expenses, the most directly comparable U.S. GAAP financial measure, is presented below in the tables section. The Company believes that SAC in growing markets provides useful information to investors because it is an indicator of the performance of the Company's business operations and assists management in budgeting. The Company also believes that SAC assists management in quantifying the incremental costs to acquire a new subscriber. SAC should not be viewed in isolation or as an alternative to other figures reported under U.S. GAAP.

**Market share of subscribers for each relevant area is calculated by dividing the estimated number of our subscribers in Russia, Kazakhstan, Ukraine, Uzbekistan and Tajikistan, respectively, by the total estimated number of subscribers in Russia, Kazakhstan, Ukraine, Uzbekistan and Tajikistan, respectively. Subscriber statistics for these countries are taken from reports published by consulting agencies specializing in the telecommunications industry in Russia and the CIS, reports of other mobile operators, or are estimated by the Company.**

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<sup>\*</sup>) *Dealers' bonus for exclusivity which we previously counted as a part of general and administrative expenses is now included in the dealers' commission expense. Historical numbers including SAC were recalculated accordingly.*

## Attachment B: VimpelCom financial statements

## Open Joint Stock Company Vimpel-Communications

## Condensed Consolidated Statements of Operations

|  | Three months ended  |                     | Years ended         |                     |
|--|---|---------------------|---------------------|---------------------|
|  | December 31,  |                     | December 31,        |                     |
|  | 2006  | 2005                | 2006                | 2005                |
|  | <i>Unaudited</i>  |                     |                     |                     |
|  | <i>(In thousands of US dollars, except per share (ADS) amounts)</i> |                     |                     |                     |
| <b>Operating revenues:</b>   |   |                     |                     |                     |
| Service revenues and connection fees   | US\$ 1,447,054  | US\$ 900,916        | US\$ 4,847,661      | US\$ 3,175,221      |
| Sales of handsets and accessories  | 4,252   | 7,507               | 19,265              | 30,478              |
| Other revenues   | 657   | 1,998               | 2,931               | 5,419               |
| <b>Total operating revenues</b>  | <b>1,451,963</b>  | <b>910,421</b>      | <b>4,869,857</b>    | <b>3,211,118</b>    |
| Revenue based taxes  | (551)   |                     | (1,879)             |                     |
| <b>Net operating revenues</b>  | <b>1,451,412</b>  | <b>910,421</b>      | <b>4,867,978</b>    | <b>3,211,118</b>    |
| <b>Operating expenses:</b>   |   |                     |                     |                     |
| Service costs  | 267,736   | 145,764             | 872,388             | 514,124             |
| Cost of handsets and accessories   | 4,223   | 7,214               | 18,344              | 28,294              |
| Selling, general and administrative expenses   | 478,423   | 335,666             | 1,503,615           | 1,085,807           |
| Depreciation and amortization  | 315,181   | 182,465             | 1,054,464           | 593,278             |
| Provision for doubtful accounts  | 11,205  | 2,085               | 21,848              | 11,583              |
| <b>Total operating expenses</b>  | <b>1,076,768</b>  | <b>673,194</b>      | <b>3,470,659</b>    | <b>2,233,086</b>    |
| <b>Operating income</b>  | <b>374,644</b>  | <b>237,227</b>      | <b>1,397,319</b>    | <b>978,032</b>      |
| <b>Other income and expenses:</b>  |   |                     |                     |                     |
| Interest income  | 4,436   | 4,152               | 15,471              | 8,658               |
| Other income   | 5,250   | 6,248               | 9,768               | 18,647              |
| Interest expense   | (46,602)  | (40,035)            | (186,404)           | (147,448)           |
| Other expense  | (27,817)  | (6,125)             | (48,612)            | (24,500)            |
| Net foreign exchange gain  | 10,667  | 7,211               | 24,596              | 7,041               |
| <b>Total other income and expenses</b>   | <b>(54,066)</b>   | <b>(28,549)</b>     | <b>(185,181)</b>    | <b>(137,602)</b>    |
| <b>Income before income taxes, minority interest and cumulative effect of change in accounting principle</b> | <b>320,578</b>  | <b>208,678</b>      | <b>1,212,138</b>    | <b>840,430</b>      |
| Provision for income taxes   | 127,831   | 54,324              | 390,663             | 221,901             |
| Minority interest in net earnings (losses) of subsidiaries   | (5,203)   | 2,606               | 8,104               | 3,398               |
| <b>Income before cumulative effect of change in accounting principle</b>                                     | <b>US\$ 197,950</b>   | <b>US\$ 151,748</b> | <b>US\$ 813,371</b> | <b>US\$ 615,131</b> |
| Cumulative effect of changes in accounting principles  |   |                     | (1,882)             |                     |
| <b>Net income</b>  | <b>US\$ 197,950</b>   | <b>US\$ 151,748</b> | <b>US\$ 811,489</b> | <b>US\$ 615,131</b> |
| <b>Net income per common share</b>   | <b>US\$ 3.89</b>  | <b>US\$ 2.97</b>    | <b>US\$ 15.94</b>   | <b>US\$ 12.05</b>   |
| <b>Net income per ADS equivalent</b>   | <b>US\$ 0.97</b>  | <b>US\$ 0.74</b>    | <b>US\$ 3.98</b>    | <b>US\$ 3.01</b>    |
| <b>Weighted average common shares outstanding (thousands)</b>  | <b>50,859</b>   | <b>51,023</b>       | <b>50,911</b>       | <b>51,066</b>       |

## Open Joint Stock Company Vimpel-Communications

## Condensed Consolidated Balance Sheets

|   | December 31,<br>2006<br><i>(In thousands of US dollars)</i> | December 31,<br>2005 |
|---|---|----------------------|
| <b>Assets</b>   |   |                      |
| Current assets:   |   |                      |
| Cash and cash equivalents                                     | US\$ 344,494  | US\$ 363,646         |
| Accounts receivable   | 311,991   | 144,197              |
| Other current assets  | 468,071   | 453,582              |
| Total current assets  | 1,124,556   | 961,425              |
| Non-current assets  |   |                      |
| Property and equipment, net                                   | 4,615,675   | 3,211,112            |
| Telecommunication licenses and allocation of frequencies, net | 924,809   | 826,948              |
| Goodwill  | 775,223   | 477,495              |
| Other intangible assets, net                                  | 257,917   | 196,356              |
| Other assets  | 738,366   | 633,700              |
| Total non-current assets                                      | 7,311,990   | 5,345,611            |
| <b>Total assets</b>   | US\$ 8,436,546  | US\$ 6,307,036       |
| <b>Liabilities and shareholders equity</b>                    |   |                      |
| Current liabilities:  |   |                      |
| Accounts payable  | US\$ 671,532  | US\$ 544,961         |
| Due to related parties  | 421   | 709                  |
| Customer advances and deposits                                | 314,375   | 309,647              |
| Bank loans, current portion                                   | 358,211   | 278,537              |
| Rouble denominated bonds                                      |   | 104,230              |
| Accrued liabilities   | 267,437   | 181,268              |
| Total current liabilities                                     | 1,611,976   | 1,419,352            |
| Deferred income taxes   | 528,025   | 371,008              |
| Bank loans, less current portion                              | 1,980,726   | 1,540,043            |
| Accrued liabilities, less current portion                     | 115,050   | 47,458               |
| Minority interest   | 257,859   | 188,626              |
| Shareholders equity   | 3,942,910   | 2,740,549            |
| <b>Total liabilities and shareholders equity</b>              | US\$ 8,436,546  | US\$ 6,307,036       |



## Open Joint Stock Company Vimpel-Communications

## Condensed Consolidated Statements of Cash Flow

|  | Years ended                         |                |
|--|-------------------------------------|----------------|
|  | December 31,                        |                |
|  | 2006                                | 2005           |
|  | <i>(In thousands of US dollars)</i> |                |
| <b>Net cash provided by operating activities</b>                             | US\$ 1,971,268                      | US\$ 1,292,918 |
| Purchase of property and equipment   | (1,265,549)                         | (1,178,470)    |
| Purchase of intangible assets  | (31,408)                            | (16,453)       |
| Proceeds from sale of property and equipment                                 |                                     | 52,578         |
| Acquisition of subsidiaries, net of cash                                     | (679,765)                           | (308,065)      |
| Sale of shares in subsidiaries   |                                     | 179,968        |
| Purchase of other assets   | (310,269)                           | (320,423)      |
| <b>Net cash used in investing activities</b>                                 | (2,286,991)                         | (1,590,865)    |
| Proceeds from bank and other loans   | 925,183                             | 864,418        |
| Proceeds from sale of treasury stock   | 12,855                              | 5,291          |
| Repayments of bank and other loans   | (374,789)                           | (374,682)      |
| Repayment of rouble denominated bonds  | (110,783)                           |                |
| Payments of fees in respect of debt issue                                    | (48,175)                            | (19,669)       |
| Repayment of equipment financing obligations                                 | (72,874)                            | (92,077)       |
| Purchase of treasury stocks  | (38,535)                            | (18,374)       |
| <b>Net cash provided by financing activities</b>                             | 292,882                             | 364,907        |
| Effect of exchange rate changes on cash and cash equivalents                 | 3,689                               | (9,171)        |
| <b>Net increase (decrease) in cash and cash equivalents</b>                  | (19,152)                            | 57,789         |
| <b>Cash and cash equivalents at beginning of year</b>                        | 363,646                             | 305,857        |
| <b>Cash and cash equivalents at end of year</b>                              | US\$ 344,494                        | US\$ 363,646   |
| <b>Supplemental cash flow information</b>                                    |                                     |                |
| <b>Cash paid during the period:</b>  |                                     |                |
| Income tax   | US\$ 354,566                        | US\$ 198,610   |
| Interest   | 188,991                             | 140,809        |
| <b>Non-cash activities:</b>  |                                     |                |
| Equipment acquired under financing agreements                                | 23,458                              | 12,628         |
| Accounts payable for equipment and license                                   | 249,020                             | 367,380        |
| Accrued debt and equity offering costs                                       |                                     | 5,195          |
| Offset of 2009 Tendered Notes  | 232,766                             |                |
| Deferred part of Ericsson non-cash discount in Ukraine                       | 14,542                              |                |
| <b>Acquisitions:</b>   |                                     |                |
| Fair value of assets acquired  | 671,997                             | 273,147        |
| Difference between the amount paid and the fair value of net assets acquired | 268,315                             | 112,281        |
| Cash paid for the acquisition of subsidiaries                                | (735,500)                           | (310,006)      |
| <b>Liabilities assumed</b>   | US\$ 204,812                        | US\$ 75,442    |

## Attachment C. Reconciliation tables

(Unaudited)

## Reconciliation of OIBDA

*(In thousands of US dollars)*

|                         | Three months ended |                 |                  | Year Ended       |                  |
|-------------------------|--------------------|-----------------|------------------|------------------|------------------|
|                         | Dec 31,<br>2006    | Dec 31,<br>2005 | Sept 30,<br>2006 | Dec 31,<br>2006  | Dec 31,<br>2005  |
| <b>OIBDA</b>            | <b>689,825</b>     | <b>419,692</b>  | <b>717,796</b>   | <b>2,451,783</b> | <b>1,571,310</b> |
| Depreciation            | (265,086)          | (143,425)       | (243,593)        | (874,618)        | (451,152)        |
| Amortization            | (50,095)           | (39,040)        | (45,648)         | (179,846)        | (142,126)        |
| <b>Operating income</b> | <b>374,644</b>     | <b>237,227</b>  | <b>428,555</b>   | <b>1,397,319</b> | <b>978,032</b>   |

## Reconciliation of OIBDA Margin

|  | Three months ended |                 |                  | Year Ended      |                 |
|--|--------------------|-----------------|------------------|-----------------|-----------------|
|  | Dec 31,<br>2006    | Dec 31,<br>2005 | Sept 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>OIBDA margin</b>  | <b>47.5%</b>       | <b>46.1%</b>    | <b>52.8%</b>     | <b>50.4%</b>    | <b>48.9%</b>    |
| Less: Depreciation as a percentage of net operating revenue      | (18.3)%            | (15.7)%         | (17.9)%          | (18.0)%         | (14.0)%         |
| Less: Amortization as a percentage of net operating revenue      | (3.4)%             | (4.3)%          | (3.4)%           | (3.7)%          | (4.4)%          |
| <b>Operating income as a percentage of net operating revenue</b> | <b>25.8%</b>       | <b>26.1%</b>    | <b>31.5%</b>     | <b>28.7%</b>    | <b>30.5%</b>    |

## Reconciliation of SAC

*(In thousands of US dollars, except for SAC and subscriber amounts)*

|   | Three months ended |                 |                  | Year Ended       |                  |
|---|--------------------|-----------------|------------------|------------------|------------------|
|   | Dec 31,<br>2006    | Dec 31,<br>2005 | Sept 30,<br>2006 | Dec 31,<br>2006  | Dec 31,<br>2005  |
| <b>Selling, general and administrative expenses</b> | <b>478,423</b>     | <b>335,666</b>  | <b>387,236</b>   | <b>1,503,615</b> | <b>1,085,807</b> |
| Less: General and administrative expenses           | 354,498            | 213,558         | 276,489          | 1,077,660        | 698,707          |
| Sales and marketing expenses, <i>including</i>      | 123,925            | 122,108         | 110,747          | 425,955          | 387,100          |
| <i>advertising &amp; marketing expenses</i>         | 70,614             | 48,042          | 54,239           | 219,833          | 135,248          |
| <i>dealers' commission expense</i>                  | 53,311             | 74,066          | 56,508           | 206,122          | 251,852          |
| New gross subscribers, 000                          | 7,125              | 8,659           | 6,614            | 26,465           | 29,246           |
| <b>Subscriber Acquisition Cost (SAC) (US\$)</b>     | <b>17.4</b>        | <b>14.1</b>     | <b>16.7</b>      | <b>16.1</b>      | <b>13.2</b>      |

## Reconciliation of ARPU

*(In thousands of US dollars, except for ARPU and subscriber amounts)*

|  | Three months ended |                 |                  | Year Ended       |                  |
|--|--------------------|-----------------|------------------|------------------|------------------|
|  | Dec 31,<br>2006    | Dec 31,<br>2005 | Sep 30,<br>2006  | Dec 31,<br>2006  | Dec 31,<br>2005  |
| <b>Service revenue and connection fees</b>             | <b>1,430,132</b>   | <b>900,916</b>  | <b>1,354,305</b> | <b>4,830,739</b> | <b>3,175,221</b> |
| Less: Connection fees                                  | 313                | 259             | 413              | 1,752            | 876              |
| Less: Revenue from rent of fiber-optic channels        | 433                | 309             | 760              | 1,846            | 1,370            |
| Service revenue used to calculate ARPU                 | 1,429,386          | 900,348         | 1,353,132        | 4,827,141        | 3,172,975        |
| Average number of subscribers, 000                     | 53,492             | 42,426          | 51,626           | 50,326           | 35,393           |
| <b>Average revenue per subscriber per month (US\$)</b> | <b>8.9</b>         | <b>7.1</b>      | <b>8.7</b>       | <b>8.0</b>       | <b>7.5</b>       |

## RUSSIA

## Reconciliation of OIBDA in Russia

*(In thousands of US dollars)*

|                         | Three months ended |                 |                 | Year Ended       |                  |
|-------------------------|--------------------|-----------------|-----------------|------------------|------------------|
|                         | Dec 31,<br>2006    | Dec 31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006  | Dec 31,<br>2005  |
| <b>OIBDA</b>            | <b>645,144</b>     | <b>404,113</b>  | <b>666,354</b>  | <b>2,303,539</b> | <b>1,508,045</b> |
| Depreciation            | (229,544)          | (135,740)       | (221,973)       | (796,137)        | (430,511)        |
| Amortization            | (27,091)           | (27,998)        | (26,429)        | (104,155)        | (104,861)        |
| <b>Operating income</b> | <b>388,509</b>     | <b>240,375</b>  | <b>417,952</b>  | <b>1,403,247</b> | <b>972,673</b>   |

## Reconciliation of OIBDA Margin in Russia

|  | Three months ended |                 |                 | Year Ended      |                 |
|--|--------------------|-----------------|-----------------|-----------------|-----------------|
|  | Dec 31,<br>2006    | Dec 31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>OIBDA margin</b>  | <b>50.3%</b>       | <b>47.0%</b>    | <b>54.2%</b>    | <b>52.3%</b>    | <b>49.7%</b>    |
| Less: Depreciation as a percentage of net operating revenue      | (17.9)%            | (15.7)%         | (18.0)%         | (18.0)%         | (14.1)%         |
| Less: Amortization as a percentage of net operating revenue      | (2.1)%             | (3.3)%          | (2.2)%          | (2.4)%          | (3.5)%          |
| <b>Operating income as a percentage of net operating revenue</b> | <b>30.3%</b>       | <b>28.0%</b>    | <b>34.0%</b>    | <b>31.9%</b>    | <b>32.1%</b>    |

## Reconciliation of SAC in Russia

*(In thousands of US dollars, except for SAC and subscriber amounts)*

|   | Three months ended |                 |                 | Year Ended       |                  |
|---|--------------------|-----------------|-----------------|------------------|------------------|
|   | Dec 31,<br>2006    | Dec 31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006  | Dec 31,<br>2005  |
| <b>Selling, general and administrative expenses</b>                                 | <b>406,642</b>     | <b>318,457</b>  | <b>346,157</b>  | <b>1,330,806</b> | <b>1,032,040</b> |
| Less: General and administrative expenses   | 298,222            | 203,038         | 247,190         | 949,326          | 664,799          |
| Sales and marketing expenses, <i>including advertising &amp; marketing expenses</i> | 108,420            | 115,419         | 98,967          | 381,480          | 367,241          |
| <i>dealers' commission expense</i>  | 59,892             | 45,291          | 46,487          | 190,791          | 127,292          |
| New gross subscribers, '000   | 48,528             | 70,128          | 52,480          | 190,689          | 239,949          |
|   | 4,971              | 8,064           | 5,404           | 21,303           | 27,591           |
| <b>Subscriber Acquisition Cost (SAC) (US\$)</b>                                     | <b>21.8</b>        | <b>14.3</b>     | <b>18.3</b>     | <b>17.9</b>      | <b>13.3</b>      |

## Reconciliation of ARPU in Russia

*(In thousands of US dollars, except for ARPU and subscriber amounts)*

|   | Three months ended |                 |                  | Year Ended       |                  |
|---|--------------------|-----------------|------------------|------------------|------------------|
|   | Dec 31,<br>2006    | Dec 31,<br>2005 | Sep 30,<br>2006  | Dec 31,<br>2006  | Dec 31,<br>2005  |
| <b>Service revenue and connection fees</b>                    | <b>1,276,276</b>   | <b>849,775</b>  | <b>1,223,681</b> | <b>4,379,534</b> | <b>2,997,388</b> |
| Less: Connection fees   | 308                | 259             | 410              | 1,744            | 876              |
| Less: Revenue from rent of fiber-optic channels               | 433                | 309             | 760              | 1,846            | 1,370            |
| Service revenue used to calculate ARPU                        | 1,275,535          | 849,207         | 1,222,511        | 4,375,944        | 2,995,142        |
| Average number of subscribers, '000                           | 47,541             | 40,484          | 47,306           | 46,142           | 33,958           |
| <b>Average revenue per subscriber per month (US\$)</b>        | <b>8.9</b>         | <b>7.0</b>      | <b>8.6</b>       | <b>7.9</b>       | <b>7.4</b>       |
| Average number of active subscribers, '000                    | 39,102             | 33,754          | 38,365           | 37,996           | 29,207           |
| <b>Average revenue per active subscriber per month (US\$)</b> | <b>10.9</b>        | <b>8.4</b>      | <b>10.6</b>      | <b>9.6</b>       | <b>8.5</b>       |

## KAZAKHSTAN

## Reconciliation of OIBDA in Kazakhstan

*(In thousands of US dollars)*

|              | Three months ended |                 |                 | Year Ended      |                 |
|--------------|--------------------|-----------------|-----------------|-----------------|-----------------|
|              | Dec 31,<br>2006    | Dec 31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>OIBDA</b> | <b>35,744</b>      | <b>16,979</b>   | <b>49,023</b>   | <b>140,580</b>  | <b>64,665</b>   |
| Depreciation | (21,142)           | (7,655)         | (17,981)        | (56,158)        | (20,611)        |

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|                         |              |              |               |               |              |
|-------------------------|--------------|--------------|---------------|---------------|--------------|
| Amortization            | (9,134)      | (8,245)      | (9,550)       | (36,792)      | (34,468)     |
| <b>Operating income</b> | <b>5,468</b> | <b>1,079</b> | <b>21,492</b> | <b>47,630</b> | <b>9,586</b> |

### Reconciliation of OIBDA Margin in Kazakhstan

(In thousands of US dollars)

|  | Three months ended |                 |                 | Year Ended      |                 |
|--|--------------------|-----------------|-----------------|-----------------|-----------------|
|  | Dec 31,<br>2006    | Dec 31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>OIBDA margin</b>  | <b>31.6%</b>       | <b>34.2%</b>    | <b>47.0%</b>    | <b>40.0%</b>    | <b>36.5%</b>    |
| Less: Depreciation as a percentage of net operating revenue      | (18.7)%            | (15.4)%         | (17.2)%         | (16.0)%         | (11.6)%         |
| Less: Amortization as a percentage of net operating revenue      | (8.1)%             | (16.6)%         | (9.2)%          | (10.5)%         | (19.5)%         |
| <b>Operating income as a percentage of net operating revenue</b> | <b>4.8%</b>        | <b>2.2%</b>     | <b>20.6%</b>    | <b>13.5%</b>    | <b>5.4%</b>     |

### Reconciliation of SAC in Kazakhstan

(In thousands of US dollars, except for SAC and subscriber amounts)

|   | Three months ended |                 |                 | Year Ended      |                 |
|---|--------------------|-----------------|-----------------|-----------------|-----------------|
|   | Dec 31,<br>2006    | Dec 31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>Selling, general and administrative expenses</b> | <b>40,200</b>      | <b>14,764</b>   | <b>22,508</b>   | <b>96,451</b>   | <b>51,322</b>   |
| Less: General and administrative expenses           | 33,080             | 8,435           | 16,521          | 74,054          | 31,822          |
| Sales and marketing expenses, <i>including</i>      | 7,120              | 6,329           | 5,987           | 22,397          | 19,500          |
| <i>advertising &amp; marketing expenses</i>         | 4,419              | 2,420           | 3,329           | 11,791          | 7,626           |
| <i>dealers' commission expense</i>                  | 2,701              | 3,909           | 2,658           | 10,606          | 11,874          |
| New gross subscribers, '000                         | 809                | 556             | 704             | 2,724           | 1,616           |
| <b>Subscriber Acquisition Cost (SAC) (US\$)</b>     | <b>8.8</b>         | <b>11.4</b>     | <b>8.5</b>      | <b>8.2</b>      | <b>12.1</b>     |

### Reconciliation of ARPU in Kazakhstan

(In thousands of US dollars, except for ARPU and subscriber amounts)

|   | Three months ended |                 |                 | Year Ended      |                 |
|---|--------------------|-----------------|-----------------|-----------------|-----------------|
|   | Dec 31,<br>2006    | Dec 31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>Service revenue and connection fees</b>                    | <b>112,963</b>     | <b>49,668</b>   | <b>104,208</b>  | <b>351,854</b>  | <b>176,924</b>  |
| Less: Connection fees   | 0                  | 0               | 0               | 0               | 0               |
| Less: Revenue from rent of fiber-optic channels               | 0                  | 0               | 0               | 0               | 0               |
| Service revenue used to calculate ARPU                        | 112,963            | 49,668          | 104,208         | 351,854         | 176,924         |
| Average number of subscribers, '000                           | 3,498              | 1,818           | 3,077           | 2,893           | 1,404           |
| <b>Average revenue per subscriber per month (US\$)</b>        | <b>10.8</b>        | <b>9.1</b>      | <b>11.3</b>     | <b>10.1</b>     | <b>10.5</b>     |
| Average number of active subscribers, '000                    | 2,728              | 1,604           | 2,412           | 2,332           | 1,303           |
| <b>Average revenue per active subscriber per month (US\$)</b> | <b>13.8</b>        | <b>10.3</b>     | <b>14.4</b>     | <b>12.6</b>     | <b>11.3</b>     |

## UKRAINE

## Reconciliation of OIBDA in Ukraine

*(In thousands of US dollars)*

|                         | Three months ended |                    |                 | Year Ended      |                    |
|-------------------------|--------------------|--------------------|-----------------|-----------------|--------------------|
|                         | Dec 31,<br>2006    | Dec<br>31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006 | Dec<br>31,<br>2005 |
| <b>OIBDA</b>            | <b>(10,546)</b>    | <b>(1,400)</b>     | <b>(6,072)</b>  | <b>(34,690)</b> | <b>(1,400)</b>     |
| Depreciation            | (4,325)            | (30)               | (1,218)         | (6,478)         | (30)               |
| Amortization            | (5,722)            | (2,797)            | (5,232)         | (20,555)        | (2,797)            |
| <b>Operating income</b> | <b>(20,593)</b>    | <b>(4,227)</b>     | <b>(12,522)</b> | <b>(61,723)</b> | <b>(4,227)</b>     |

## Reconciliation of SAC in Ukraine

*(In thousands of US dollars, except for SAC and subscriber amounts)*

|   | Three months ended |                    |                 | Year Ended      |                    |
|---|--------------------|--------------------|-----------------|-----------------|--------------------|
|   | Dec 31,<br>2006    | Dec<br>31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006 | Dec<br>31,<br>2005 |
| <b>Selling, general and administrative expenses</b> | <b>17,624</b>      | <b>2,445</b>       | <b>13,466</b>   | <b>50,703</b>   | <b>2,445</b>       |
| Less: General and administrative expenses           | 11,346             | 2,086              | 8,841           | 33,235          | 2,086              |
| Sales and marketing expenses, <i>including</i>      | 6,278              | 359                | 4,625           | 17,468          | 359                |
| <i>advertising &amp; marketing expenses</i>         | 5,144              | 330                | 3,861           | 14,949          | 330                |
| <i>dealers commission expense</i>                   | 1,134              | 29                 | 764             | 2,519           | 29                 |
| New gross subscribers, 000                          | 948                | 39                 | 375             | 1,752           | 39                 |
| <b>Subscriber Acquisition Cost (SAC) (US\$)</b>     | <b>6.6</b>         | <b>9.2</b>         | <b>12.3</b>     | <b>10.0</b>     | <b>9.2</b>         |

## Reconciliation of ARPU in Ukraine

*(In thousands of US dollars, except for ARPU and subscriber amounts)*

|  | Three months ended |                    |                 | Year Ended      |                    |
|--|--------------------|--------------------|-----------------|-----------------|--------------------|
|  | Dec 31,<br>2006    | Dec<br>31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006 | Dec<br>31,<br>2005 |
| <b>Service revenue and connection fees</b>             | <b>14,652</b>      | <b>1,952</b>       | <b>12,320</b>   | <b>35,024</b>   | <b>1,952</b>       |
| Less: Connection fees                                  | 5                  | 0                  | 3               | 8               | 0                  |
| Less: Revenue from rent of fiber-optic channels        | 0                  | 0                  | 0               | 0               | 0                  |
| Service revenue used to calculate ARPU                 | 14,647             | 1,952              | 12,317          | 35,016          | 1,952              |
| Average number of subscribers, 000                     | 1,425              | 239                | 741             | 714             | 239                |
| <b>Average revenue per subscriber per month (US\$)</b> | <b>3.4</b>         | <b>4.1</b>         | <b>5.5</b>      | <b>4.1</b>      | <b>4.1</b>         |

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|   |            |            |            |            |            |
|---|------------|------------|------------|------------|------------|
| Average number of active subscribers, 000                     | 1,170      | 228        | 611        | 582        | 228        |
| <b>Average revenue per active subscriber per month (US\$)</b> | <b>4.2</b> | <b>4.3</b> | <b>6.7</b> | <b>5.0</b> | <b>4.3</b> |



## UZBEKISTAN

## Reconciliation of OIBDA in Uzbekistan

*(In thousands of US dollars)*

|                         | Three months ended |                 |                 | Year Ended      |                 |
|-------------------------|--------------------|-----------------|-----------------|-----------------|-----------------|
|                         | Dec 31,<br>2006    | Dec 31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>OIBDA</b>            | <b>7,815</b>       | <b>na</b>       | <b>9,532</b>    | <b>32,079</b>   | <b>na</b>       |
| Depreciation            | (2,720)            | na              | (2,380)         | (8,376)         | na              |
| Amortization            | (3,378)            | na              | (3,268)         | (11,843)        | na              |
| <b>Operating income</b> | <b>1,717</b>       | <b>na</b>       | <b>3,884</b>    | <b>11,860</b>   | <b>na</b>       |

## Reconciliation of OIBDA Margin in Uzbekistan

|  | Three months ended |                 |                 | Year Ended      |                 |
|--|--------------------|-----------------|-----------------|-----------------|-----------------|
|  | Dec 31,<br>2006    | Dec 31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>OIBDA margin</b>  | <b>49.1%</b>       | <b>na</b>       | <b>60.5%</b>    | <b>57.7%</b>    | <b>na</b>       |
| Less: Depreciation as a percentage of net operating revenue      | (17.1)%            | na              | (15.1)%         | (15.1)%         | na              |
| Less: Amortization as a percentage of net operating revenue      | (21.2)%            | na              | (20.7)%         | (21.3)%         | na              |
| <b>Operating income as a percentage of net operating revenue</b> | <b>10.8%</b>       | <b>na</b>       | <b>24.7%</b>    | <b>21.3%</b>    | <b>na</b>       |

## Reconciliation of SAC in Uzbekistan

*(In thousands of US dollars, except for SAC and subscriber amounts)*

|   | Three months ended |                 |                 | Year Ended      |                 |
|---|--------------------|-----------------|-----------------|-----------------|-----------------|
|   | Dec 31,<br>2006    | Dec 31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>Selling, general and administrative expenses</b> | <b>5,933</b>       | <b>na</b>       | <b>4,462</b>    | <b>16,451</b>   | <b>na</b>       |
| Less: General and administrative expenses           | 4,287              | na              | 3,355           | 12,369          | na              |
| Sales and marketing expenses, <i>including</i>      | 1,646              | na              | 1,107           | 4,081           | na              |
| <i>advertising &amp; marketing expenses</i>         | 767                | na              | 500             | 1,843           | na              |
| <i>dealers' commission expense</i>                  | 879                | na              | 607             | 2,238           | na              |
| New gross subscribers, 000                          | 284                | na              | 128             | 569             | na              |
| <b>Subscriber Acquisition Cost (SAC) (US\$)</b>     | <b>5.8</b>         | <b>na</b>       | <b>8.6</b>      | <b>7.2</b>      | <b>na</b>       |

## Reconciliation of ARPU in Uzbekistan

*(In thousands of US dollars, except for ARPU and subscriber amounts)*

|   | Three months ended |                 |                 | Year Ended      |                 |
|---|--------------------|-----------------|-----------------|-----------------|-----------------|
|   | Dec 31,<br>2006    | Dec 31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>Service revenue and connection fees</b>                    | <b>16,446</b>      | <b>na</b>       | <b>16,279</b>   | <b>57,439</b>   | <b>na</b>       |
| Less: Connection fees   | 0                  | na              | 0               | 0               | na              |
| Less: Revenue from rent of fiber-optic channels               | 0                  | na              | 0               | 0               | na              |
| Service revenue used to calculate ARPU                        | 16,446             | na              | 16,279          | 57,439          | na              |
| Average number of subscribers, 000                            | 625                | na              | 490             | 461             | na              |
| <b>Average revenue per subscriber per month (US\$)</b>        | <b>8.8</b>         | <b>na</b>       | <b>11.1</b>     | <b>10.4</b>     | <b>na</b>       |
| Average number of active subscribers, 000                     | 558                | na              | 458             | 402             | na              |
| <b>Average revenue per active subscriber per month (US\$)</b> | <b>9.8</b>         | <b>na</b>       | <b>11.8</b>     | <b>11.9</b>     | <b>na</b>       |

## TAJIKISTAN

## Reconciliation of OIBDA in Tajikistan

*(In thousands of US dollars)*

|                         | Three months ended |                 |                  | Year Ended      |                 |
|-------------------------|--------------------|-----------------|------------------|-----------------|-----------------|
|                         | Dec 31,<br>2006    | Dec 31,<br>2005 | Sept 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>OIBDA</b>            | <b>(1,112)</b>     | <b>na</b>       | <b>(980)</b>     | <b>(2,447)</b>  | <b>na</b>       |
| Depreciation            | (204)              | na              | (41)             | (318)           | na              |
| Amortization            | (69)               | na              | (50)             | (680)           | na              |
| <b>Operating income</b> | <b>(1,385)</b>     | <b>na</b>       | <b>(1,071)</b>   | <b>(3,445)</b>  | <b>na</b>       |

## Reconciliation of SAC in Tajikistan

*(In thousands of US dollars, except for SAC and subscriber amounts)*

|   | Three months ended |                 |                 | Year Ended      |                 |
|---|--------------------|-----------------|-----------------|-----------------|-----------------|
|   | Dec 31,<br>2006    | Dec 31,<br>2005 | Sep 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>Selling, general and administrative expenses</b> | <b>1,485</b>       | <b>na</b>       | <b>947</b>      | <b>2,968</b>    | <b>na</b>       |
| Less: General and administrative expenses           | 1,325              | na              | 885             | 2,741           | na              |
| Sales and marketing expenses, <i>including</i>      | 160                | na              | 62              | 227             | na              |
| <i>advertising &amp; marketing expenses</i>         | 91                 | na              | 62              | 158             | na              |
| <i>dealers' commission expense</i>                  | 69                 | na              | 0               | 69              | na              |
| New gross subscribers, 000                          | 65                 | na              | 3.4             | 69              | na              |

|   |            |           |             |            |           |
|---|------------|-----------|-------------|------------|-----------|
| <b>Subscriber Acquisition Cost (SAC) (US\$)</b> | <b>2.5</b> | <b>na</b> | <b>18.2</b> | <b>3.3</b> | <b>na</b> |
|---|------------|-----------|-------------|------------|-----------|

## Reconciliation of ARPU in Tajikistan

*(In thousands of US dollars, except for ARPU and subscriber amounts)*

|   | Three months ended |                 |                  | Year Ended      |                 |
|---|--------------------|-----------------|------------------|-----------------|-----------------|
|   | Dec 31,<br>2006    | Dec 31,<br>2005 | Sept 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>Service revenue and connection fees</b>                    | <b>840</b>         | <b>na</b>       | <b>74</b>        | <b>1,218</b>    | <b>na</b>       |
| Less: Connection fees   | 0                  | na              | 0                | 0               | na              |
| Less: Revenue from rent of fiber-optic channels               | 0                  | na              | 0                | 0               | na              |
| Service revenue used to calculate ARPU                        | 840                | na              | 74               | 1,218           | na              |
| Average number of subscribers, 000                            | 36                 | na              | 13               | 23              | na              |
| <b>Average revenue per subscriber per month (US\$)</b>        | <b>7.8</b>         | <b>na</b>       | <b>1.9</b>       | <b>4.4</b>      | <b>na</b>       |
| Average number of active subscribers, 000                     | 31                 | na              | 8                | 15              | na              |
| <b>Average revenue per active subscriber per month (US\$)</b> | <b>9.0</b>         | <b>na</b>       | <b>3.1</b>       | <b>6.8</b>      | <b>na</b>       |

## ARMENIA

## Reconciliation of OIBDA in Armenia

*(In thousands of US dollars)*

|                         | Three months ended |                 |                  | Year Ended      |                 |
|-------------------------|--------------------|-----------------|------------------|-----------------|-----------------|
|                         | Dec 31,<br>2006    | Dec 31,<br>2005 | Sept 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>OIBDA</b>            | <b>13,290</b>      | <b>na</b>       | <b>na</b>        | <b>13,290</b>   | <b>na</b>       |
| Depreciation            | (7,148)            | na              | na               | (7,148)         | na              |
| Amortization            | (3,928)            | na              | na               | (3,928)         | na              |
| <b>Operating income</b> | <b>2,214</b>       | <b>na</b>       | <b>na</b>        | <b>2,214</b>    | <b>na</b>       |

## Reconciliation of OIBDA Margin in Armenia

|  | Three months ended |                 |                  | Year Ended      |                 |
|--|--------------------|-----------------|------------------|-----------------|-----------------|
|  | Dec 31,<br>2006    | Dec 31,<br>2005 | Sept 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>OIBDA margin</b>  | <b>48.6%</b>       | <b>na</b>       | <b>na</b>        | <b>48.6%</b>    | <b>na</b>       |
| Less: Depreciation as a percentage of net operating revenue      | (26.1)%            | na              | na               | (26.1)%         | na              |
| Less: Amortization as a percentage of net operating revenue      | (14.4)%            | na              | na               | (14.4)%         | na              |
| <b>Operating income as a percentage of net operating revenue</b> | <b>8.1%</b>        | <b>na</b>       | <b>na</b>        | <b>8.1%</b>     | <b>na</b>       |

**Reconciliation of mobile ARPU in Armenia***(In thousands of US dollars, except for ARPU and subscriber amounts)*

|   | Three months ended |                 |                  | Year Ended      |                 |
|---|--------------------|-----------------|------------------|-----------------|-----------------|
|   | Dec 31,<br>2006    | Dec 31,<br>2005 | Sept 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>Service revenue and connection fees</b>                    | <b>10,451</b>      | <b>na</b>       | <b>na</b>        | <b>10,451</b>   | <b>na</b>       |
| Less: Connection fees   | 0                  | na              | na               | 0               | na              |
| Less: Revenue from rent of fiber-optic channels               | 0                  | na              | na               | 0               | na              |
| Service revenue used to calculate ARPU                        | 10,451             | na              | na               | 10,451          | na              |
| Average number of subscribers, 000                            | 445                | na              | na               | 445             | na              |
| <b>Average revenue per subscriber per month (US\$)</b>        | <b>15.7</b>        | <b>na</b>       | <b>na</b>        | <b>15.7</b>     | <b>na</b>       |
| Average number of active subscribers, 000                     | 447                | na              | na               | 447             | na              |
| <b>Average revenue per active subscriber per month (US\$)</b> | <b>15.6</b>        | <b>na</b>       | <b>na</b>        | <b>15.7</b>     | <b>na</b>       |

**Reconciliation of fixed ARPU in Armenia***(In thousands of US dollars, except for ARPU and subscriber amounts)*

|  | Three months ended |                 |                  | Year Ended      |                 |
|--|--------------------|-----------------|------------------|-----------------|-----------------|
|  | Dec 31,<br>2006    | Dec 31,<br>2005 | Sept 30,<br>2006 | Dec 31,<br>2006 | Dec 31,<br>2005 |
| <b>Service revenue and connection fees</b>             | <b>16,922</b>      | <b>na</b>       | <b>na</b>        | <b>16,922</b>   | <b>na</b>       |
| Less: Connection fees                                  | 0                  | na              | na               | 0               | na              |
| Service revenue used to calculate ARPU                 | 16,922             | na              | na               | 16,922          | na              |
| Average number of subscribers, 000                     | 609                | na              | na               | 609             | na              |
| <b>Average revenue per subscriber per month (US\$)</b> | <b>18.5</b>        | <b>na</b>       | <b>na</b>        | <b>18.5</b>     | <b>na</b>       |











VimpelCom  
Presentation of 4Q and Annual  
2006  
Financial  
and  
Operating Results  
April 12, 2007



2

Disclaimer

This presentation contains "forward-looking statements", as the phrase is defined in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements relate, in part, to the Company's strategy and development plans, such as growth in terms of subscribers, ARPU and revenues as well as acquisitions and expansion into new business areas. The forward-looking statements are based on management's best assessment of the Company's strategic and financial position, and future market conditions and trends. These discussions involve risks and uncertainties. The actual outcome may differ materially from these statements as a result of risks and uncertainties relating to developments from competition, governmental regulations of the wireless telecommunications industry, general political uncertainties in Russia and the CIS, general economic developments in Russia and the CIS, and/or litigation with third parties or our shareholders (including Telenor). The actual outcome may also differ materially if the Company is unable to obtain all necessary corporate approvals relating to its business (including approval of funding, specific transactions

and  
payment  
of  
dividends),  
and

other factors. There can be no assurance that these risks and uncertainties will not have a material adverse effect on the Company, that the Company will be able to grow or that it will be successful in executing its strategy and development plans. Certain factors that could cause actual results to differ materially from those discussed in any forward-looking statements include the risks described in the Company's Annual Report on Form 20-F for the year ended December 31, 2005 and other public filings made by the Company with the United States Securities and Exchange Commission, which risk factors are incorporated herein by reference. The Company disclaims any obligation to update developments of these risk factors or to announce publicly any revision to any of the forward-looking statements contained in this release, or to make corrections to reflect future events or developments.











Welcome Remarks  
Alexander Izosimov, Chief Executive Officer



4

Quarterly Financial Dynamics

Net Revenues, \$ mln

Net Income, \$ mln

OIBDA, \$ mln

OIBDA Margin, \$ mln

+59.4%

890.3

910.4

936.2

1,121.5

1,358.9

1,451.4

3Q 05

4Q 05

1Q 06

2Q 06

3Q 06

4Q 06

+30.5%

198.0

268.4

194.9

150.2

151.7

194.9

3Q 05

4Q 05

1Q 06

2Q 06

3Q 06

4Q 06

+64.4%

689.8

717.8

561.6

482.6  
419.7  
450.0  
3Q 05  
4Q 05  
1Q 06  
2Q 06  
3Q 06  
4Q 06  
50.5%  
46.1%  
51.6%  
50.1%  
52.8%  
47.5%  
3Q 05  
4Q 05  
1Q 06  
2Q 06  
3Q 06  
4Q 06



5  
2006 Financial Highlights  
Net Revenues, \$ mln  
Net Income, \$ mln  
OIBDA, \$ mln  
OIBDA Margin, \$ mln  
+51.6%  
1,329.7  
2,113.0  
3,211.1  
4,868.0  
2003  
2004  
2005  
2006  
+31.9%  
228.8  
350.4  
615.1  
811.5  
2003  
2004  
2005  
2006  
+56.0%  
613.2  
1026.7  
1571.3  
2451.8  
2003  
2004  
2005  
2006  
50.4%  
48.9%  
48.6%

46.1%  
2003  
2004  
2005  
2006





6

Net Operating Cash Flow vs  
CAPEX

\* Net operating cash flow as % of Capex

70.3%\*

79.1%\*

130.4%\*

64.7%\*

1,292.9

803.9

511.9

1,971.3

1,635.3

1,242.0

728.0

1,512.1

2003

2004

2005

2006

Net Operating Cash Flow, \$ mln

Capex, \$ mln



7

Strong Balance Sheet

Source: VimpelCom

\*LTM OIBDA constitutes the sum of the lines: LTM Operating income and LTM Depreciation and amortization

LTM stands for last twelve months to reporting date

\* \* Includes Impairment of long-lived assets

\* \* \* In cases when OIBDA is part of financial ratios it is deemed to be calculated in accordance with the reconciliation tables herein

Assets and Liabilities, \$ mln

(\$ mln)

12/31/06

12/31/05

12/31/04

Cash and Cash Equivalents

344

364

306

Total Assets

8,437

6,307

4,780

Total Debt

2,489

1,998

1,581

-Short-term

424

421

190

-Long-term

2,065

1,577

1,391

Shareholders' Equity  
 3,943  
 2,741  
 2,157  
 LTM OIBDA\*  
 2,452  
 1,571  
 1,027  
 - LTM Depreciation and  
 amortization\*\*  
 1,055  
 593  
 353  
 - LTM Operating Income  
 1,397  
 978  
 674  
 LTM Interest  
 186  
 147  
 86  
 Debt/Equity  
 0.6  
 0.7  
 0.7  
 Debt/OIBDA\*\*\*  
 1.0  
 1.3  
 1.5  
 OIBDA/Interest  
 13.2  
 10.7  
 12  
 Debt/Assets  
 0.3  
 0.3  
 0.3  
 2,489  
 1,581  
 1,998  
 4,780  
 6,307  
 8,437  
 2004  
 2005  
 2006  
 Total Debt  
 Total Assets





9

Sources of Growth

4,868

3,211

290

1,367

2005

Russia

CIS

2006

2,452

1,571

85

796

2005

Russia

CIS

2006

Net Revenue Growth, 2005 to 2006, \$ mln

OIBDA Growth, 2005 to 2006, \$ mln

Subscribers

Growth, 2005 to 2006, 000

45,430

55,136

5,045

4,661

2005

Russia

CIS

2006





10

Operating Highlights: Russia

MOU (min)

ARPU(US\$)

Subscriber Base, mln

Subscriber Market Share

34%

34%

34%

34%

33%

19%

19%

18%

18%

19%

12%

12%

13%

14%

34%

34%

35%

35%

35%

32%

32%

19%

15%

14%

3Q05

4Q05

1Q06

2Q06

3Q06

4Q06

MTS

VimpelCom

MegaFon

Others

9.0

8.4

7.8

9.0

7.7

7.0

6.6

7.4

10.9

10.6

8.9

8.6

3Q05

4Q05

1Q06

2Q06

3Q06

4Q06

ARPU active base

ARPU

129.9

131.4

132.0

140.7

151.9

157.9

111.6

109.5

110.6

115.9

123.2

129.8

3Q05

4Q05

1Q06

2Q06

3Q06

4Q06

MOU active base

MOU

46.9

47.7

48.1

43.1

44.8

38.4

32.2  
35.9  
37.4  
6.2  
7.2  
7.4  
8.7  
8.3  
38.2  
39.8  
38.8  
8.9  
3Q05  
4Q05  
1Q06  
2Q06  
3Q06  
4Q06  
Active  
Inactive



11

Financial Highlights: Russia 4Q 2006

Net Revenues, \$ mln

OIBDA, \$ mln

230.8

622.6

146.4

297.4

225.7

380.0

3Q 05

4Q 05

1Q 06

2Q 06

3Q 06

4Q 06

CAPEX, \$ mln

23.9%

32.5%

36.1%

41.6%

49.4%

47.5%

3Q 05

4Q 05

1Q 06

2Q 06

3Q 06

4Q 06

CAPEX / Revenue, LTM

+59.6%

645.1

666.4

529.7

462.3

404.1

431.4  
3Q 05  
4Q 05  
1Q 06  
2Q 06  
3Q 06  
4Q 06  
+49.1%  
842.2  
859.2  
871.0  
1,020.5  
1,228.1  
1,280.8  
3Q 05  
4Q 05  
1Q 06  
2Q 06  
3Q 06  
4Q 06





12  
3.8  
3.2  
2.9  
2.5  
2.1  
1.7  
2.1  
2.2  
3.1  
0.7  
1.8  
1.6  
2.6  
0.6  
0.4  
0.7  
0.24  
0.04  
3Q05  
4Q05  
1Q06  
2Q06  
3Q06  
4Q06  
Active  
Inactive  
Operating Highlights: Kazakhstan  
ARPU  
(US\$)  
MOU (min)  
Subscriber Base, mln  
Subscriber Market Share  
62%  
60%  
55%

52%  
36%  
37%  
41%  
44%  
2%  
3%  
4%  
4%  
5%  
46%  
49%  
49%  
47%  
4%  
3Q05  
4Q05  
1Q06  
2Q06  
3Q06  
4Q06  
K'Cell  
VIP  
Others  
10.8  
10.3  
8.8  
12.6  
13.8  
10.5  
9.1  
7.8  
10.0  
11.3  
10.8  
14.4  
3Q05  
4Q05  
1Q06  
2Q06  
3Q06  
4Q06  
ARPU active base  
ARPU  
55.1  
49.2  
44.8  
66.3  
78.0  
53.5

43.4

40.0

52.4

60.8

87.5

68.6

3Q05

4Q05

1Q06

2Q06

3Q06

4Q06

MOU active base

MOU



13

Financial Highlights: Kazakhstan

+110.0%

18.5

17.0

21.9

33.9

49.0

35.7

3Q 05

4Q 05

1Q 06

2Q 06

3Q 06

4Q 06

Net Revenues, \$ mln

OIBDA, \$ mln

CAPEX, \$ mln

CAPEX / Revenue, LTM

+128.5%

112.4

103.5

80.1

54.0

49.2

48.1

3Q 05

4Q 05

1Q 06

2Q 06

3Q 06

4Q 06

48.8

54.6

36.5

35.7

57.2  
30.9  
3Q 05  
4Q 05  
1Q 06  
2Q 06  
3Q 06  
4Q 06  
67.0%  
77.5%  
80.9%  
69.3%  
64.2%  
50.2%  
3Q 05  
4Q 05  
1Q 06  
2Q 06  
3Q 06  
4Q 06



14

Operating and Financial Highlights:

Ukraine

Subscriber Base, mln

ARPU

(US\$)

MOU (min)

Net Revenue, \$ mln

4.3

3.4

5.9

6.7

4.2

4.1

2.6

4.7

5.5

3.4

4Q05

1Q06

2Q06

3Q06

4Q06

ARPU active base

ARPU

36.2

60.8

172.4

168.4

149.1

34.6

47.3

137.2

139.0

122.4

4Q05



1Q06  
2Q06  
3Q06  
4Q06  
MOU active base  
MOU  
+615.0%  
2.0  
2.1  
5.8  
11.5  
14.3  
4Q05  
1Q06  
2Q06  
3Q06  
4Q06  
1.88  
0.26  
0.14  
0.47  
0.77  
0.14  
0.10  
0.17  
0.26  
0.28  
1.52  
0.36  
0.57  
0.94  
4Q05  
1Q06  
2Q06  
3Q06  
4Q06  
Active  
Inactive



15  
0.77  
0.37  
0.43  
0.48  
0.70  
0.05  
0.02  
0.07  
0.07  
0.42  
0.45  
0.55  
1Q06  
2Q06  
3Q06  
4Q06  
Active  
Inactive  
Operating and Financial Highlights:  
Uzbekistan  
16.6  
12.7  
11.8  
9.8  
11.2  
11.3  
11.1  
8.8  
1Q06  
2Q06  
3Q06  
4Q06  
ARPU active base  
ARPU  
453.5

349.3

304.8

268.8

307.3

311.5

285.0

240.1

1Q06

2Q06

3Q06

4Q06

MOU active base

MOU

Subscriber Base, mln

Net Revenue, \$ mln

ARPU

(US\$)

MOU (min)

8.9

15.0

15.7

15.8

1Q06

2Q06

3Q06

4Q06



16  
0.07  
0.03  
0.01  
0.01  
0.01  
0.02  
0.07  
0.03  
0.03  
0.01  
0.01  
4Q05  
1Q06  
2Q06  
3Q06  
4Q06  
Active  
Inactive  
Operating and Financial Highlights:  
Tajikistan  
Subscriber Base, mln  
Net Revenue, \$ mln  
ARPU  
(US\$)  
MOU (min)  
5.1  
4.0  
3.1  
9.0  
2.3  
2.2  
1.9  
7.8  
1Q06  
2Q06

3Q06  
4Q06  
ARPU active base  
ARPU  
0.18  
0.12  
0.08  
0.80  
1Q06  
2Q06  
3Q06  
4Q06  
39.2  
47.6  
26.1  
40.6  
69.8  
187.9  
17.0  
160.8  
1Q06  
2Q06  
3Q06  
4Q06  
MOU active base  
MOU





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Operating and Financial Highlights:

Armenia

Note: Data for 4Q represent data for 1.5 months since the date of VimpelCom's acquisition

4Q 2006

Net operating revenues (million US\$)

27.37

including mobile revenues

10.45

including fixed revenues

16.92

OIBDA (million US\$)

13.29

OIBDA margin

48.6%

Net income (million US\$)

2.93

Mobile subscribers

452,000

ARPU mobile (US\$)

15.7

Mobile subscriber market share, EOP

38.2%

Fixed subscribers

608,500

ARPU fixed (US\$)

18.5

Total assets (million US\$)

622.6



18

Strategy Going Forward

Grow ARPUs  
and customer loyalty  
through pricing excellence and new  
VAS

Strengthen corporate segment

Develop strong, situation-specific  
value propositions in local markets

Explore consolidation opportunities

Focus on subscriber growth

Leverage unified business platform  
developed in Russia

Pursue acquisitions in remaining markets

Opportunistically explore deals outside  
of the CIS

Develop business in backbone wholesale  
and residential broadband

Build new digital service businesses,  
including media, mobile TV, payment  
services, etc.

Explore new technologies and business  
platforms  
Drive operations and investment efficiency

Re-balance focus from speed to efficiency and enhance cost transparency as markets mature

Avoid head-count growth in mature operations

Drive procurement excellence

Optimize capex

decisions at a granular level and continuously improve marketing spend efficiency

Build and sustain strong management capabilities

Offer an open and transparent, meritocracy-based environment

Use a global approach to hiring

Develop best-in-class individual development and coaching mechanisms

Ensure competitive, performance-based compensation packages

Extract maximum value in the

Russian business

Grow the business in the CIS

Capture attractive opportunities to  
expand into new business areas



19

## Summary

Continued strong financial performance.

ARPU turnaround in Russia and expansion into the CIS position the Company well for future growth.

Strong cash generation allows the Company to pay dividends.

Broadened strategy outlines our path going forward.



20

Questions and Answers

If you would like to ask a question, please press the star key followed by the digit one on your touch-tone telephone.

Due  
to  
time  
constraints,  
we  
ask  
that  
you  
limit  
yourselves  
to  
one  
question  
and one follow-up question.

If you are using a speakerphone, please make sure your mute button is turned off to allow your signal to reach the equipment.

-----

Thank you for your interest in VimpelCom

For  
more  
information  
visit  
[www.vimpelcom.com](http://www.vimpelcom.com)  
or contact  
[Investor\\_Relations@vimpelcom.com](mailto:Investor_Relations@vimpelcom.com)











Reconciliation Tables of non-U.S. GAAP Measures to  
Their  
Most  
Directly  
Comparable  
U.S. GAAP Financial  
Measures



22

Reconciliation of OIBDA and OIBDA Margin

(Unaudited)

(\$'000)

Dec 31,

2006

Sept 30,

2006

June 30,

2006

March 31,

2006

Dec 31,

2005

Sept 30,

2005

Dec 31,

2006

Dec 31,

2005

Dec 31,

2004

Dec 31,

2003

OIBDA

689,825

717,796

561,555

482,607

419,692

449,957

2,451,783

1,571,310

1,026,721

613,230

Impairment loss

0  
 0  
 0  
 0  
 0  
 0  
 0  
 0  
 (7,354)  
 0  
 Depreciation  
 (265,086)  
 (243,593)  
 (194,845)  
 (171,094)  
 (143,425)  
 (118,000)  
 (874,618)  
 (451,152)  
 (281,129)  
 (162,769)  
 Amortization  
 (50,095)  
 (45,648)  
 (43,148)  
 (40,955)  
 (39,040)  
 (34,518)  
 (179,846)  
 (142,126)  
 (64,072)  
 (34,064)  
 Operating Income  
 374,644  
 428,555  
 323,562  
 270,558  
 237,227  
 297,439  
 1,397,319  
 978,032  
 674,166  
 416,397  
 OIBDA margin  
 47.5%  
 52.8%  
 50.1%  
 51.6%  
 46.1%  
 50.5%



50.4%

48.9%

48.6%

46.1%

Less: Impairment loss

0

0

0

0

0

0

0

0

(0.3%)

0

Less: Depreciation as % of  
net operating revenues

(18.3%)

(17.9%)

(17.4%)

(18.3%)

(15.7%)

(13.3%)

(18.0%)

(14.0%)

(13.4%)

(12.2%)

Less: Amortization as %  
of net operating revenues

(3.4%)

(3.4%)

(3.9%)

(4.4%)

(4.3%)

(3.9%)

(3.7%)

(4.4%)

(3.0%)

(2.6%)

Operating Income

25.8%

31.5%

28.8%

28.9%

26.1%

33.3%

28.7%

30.5%

31.9%

31.3%

Reconciliation of OIBDA margin to operating income as percentage of  
net operating revenue

Three months ended

Year Ended

Reconciliation of OIBDA to operating income



23

Reconciliation of OIBDA and OIBDA Margin  
in Russia (Unaudited)

(\$'000)

Dec 31,  
2006

Sept 30,  
2006

June 30,  
2006

March 31,  
2006

Dec 31,  
2005

Sept 30,  
2005

OIBDA  
645,144

666,354

529,704

462,337

404,113

431,423

Depreciation

(229,544)

(221,973)

(182,684)

(161,936)

(135,740)

(112,964)

Amortization

(27,091)

(26,429)

(25,657)

(24,977)

(27,998)

(26,045)

Operating Income

388,509

417,952

321,363

275,424

240,375

292,414

OIBDA margin

50.3%

54.2%

51.9%

53.1%

47.0%

51.2%

Less: Depreciation as % of net  
operating revenues

(17.9%)

(18.0%)

(17.9%)

(18.6%)

(15.7%)

(13.4%)

Less: Amortization as % of net  
operating revenues

(2.1%)

(2.2%)

(2.5%)

(2.9%)

(3.3%)

(3.1%)

Operating Income

30.3%

34.0%

31.5%

31.6%

28.0%

34.7%

Reconciliation of OIBDA margin to operating income as percentage  
of

net operating revenue

Reconciliation of OIBDA to operating income

Three months ended



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Reconciliation of OIBDA and OIBDA Margin  
in Kazakhstan (Unaudited)

(\$'000)

Dec 31,  
2006

Sept 30,  
2006

June 30,  
2006

March 31,  
2006

Dec 31,  
2005

Sept 30,  
2005

OIBDA

35,744

49,023

33,908

21,907

16,979

18,534

Depreciation

(21,142)

(17,981)

(9,363)

(7,672)

(7,655)

(5,036)

Amortization

(9,134)

(9,550)

(9,324)

(8,785)

(8,245)

(8,473)  
Operating Income  
5,468  
21,492  
15,221  
5,450  
1,079  
5,025  
OIBDA margin  
31.6%  
47.0%  
42.2%  
40.3%  
34.2%  
38.6%  
Less: Depreciation as % of net  
operating revenues  
(18.7%)  
(17.2%)  
(11.7%)  
(14.1%)  
(15.4%)  
(10.5%)  
Less: Amortization as % of net  
operating revenues  
(8.1%)  
(9.2%)  
(11.5%)  
(16.2%)  
(16.6%)  
(17.6%)  
Operating Income  
4.8%  
20.6%  
19.0%  
10.0%  
2.2%  
10.5%  
Reconciliation of OIBDA to operating income  
Reconciliation of OIBDA margin to operating income as percentage  
of  
net operating revenue  
Three months ended





25

Reconciliation of OIBDA in Armenia

(Unaudited)

Note: data for 4Q represent data for 1.5 months since the moment of acquisition

(\$'000)

Dec 31,

2006

Sept 30,

2006

June 30,

2006

March 31,

2006

Dec 31,

2005

Sept 30,

2005

OIBDA

13,290

na

na

na

na

na

Depreciation

(7,148)

na

na

na

na

na

Amortization

(3,928)

na

na

na

na  
na  
Operating Income  
2,214  
na  
na  
na  
na  
na  
na  
OIBDA margin  
48.6%  
na  
na  
na  
na  
na  
Less: Depreciation as % of net  
operating revenues  
(26.1%)  
na  
na  
na  
na  
na  
Less: Amortization as % of net  
operating revenues  
(14.4%)  
na  
na  
na  
na  
na  
Operating Income  
8.1%  
na  
na  
na  
na  
na  
Reconciliation of OIBDA to operating income  
Reconciliation of OIBDA margin to operating income as percentage  
of  
net operating revenue  
Three Months Ended



26  
Reconciliation of ARPU in Russia  
(Unaudited)  
(\$'000)  
Dec 31,  
2006  
Sept 30,  
2006  
June 30,  
2006  
March 31,  
2006  
Dec 31,  
2005  
Sept 30,  
2005  
Service revenue and connection  
fees  
1,276,276  
1,223,681  
1,014,810  
864,767  
849,775  
833,888  
Less: Connection fees  
308  
410  
622  
404  
259  
325  
Less: Revenue from rent of fiber-optic  
channels  
433  
760  
325

328  
309  
520  
Service revenue used to calculate  
ARPU  
1,275,535  
1,222,511  
1,013,863  
864,035  
849,207  
833,043  
Average number of subscribers ('000)  
47,541  
47,306  
45,803  
43,919  
40,484  
36,182  
ARPU(US\$)  
8.9  
8.6  
7.4  
6.6  
7.0  
7.7  
Average number of active subscribers ('000)  
39,102  
38,365  
37,733  
36,784  
33,754  
30,962  
ARPU per active subscriber (US\$)  
10.9  
10.6  
9.0  
7.8  
8.4  
9.0  
Reconciliation of ARPU to service revenue and connection fees  
Three months ended



27

Reconciliation of ARPU in Kazakhstan

(Unaudited)

(\$'000)

Dec 31,

2006

Sept 30,

2006

June 30,

2006

March 31,

2006

Dec 31,

2005

Sept 30,

2005

Service revenue and connection

fees

112,963

104,208

80,301

54,382

49,668

48,282

Less: Connection fees

0

0

0

0

0

0

Less: Revenue from rent of fiber-optic

channels

0

0

0



0

0

0

Service revenue used to calculate

ARPU

112,963

104,208

80,301

54,382

49,668

48,282

Average number of subscribers ('000)

3,498

3,077

2,681

2,316

1,818

1,527

ARPU(US\$)

10.8

11.3

10.0

7.8

9.1

10.5

Average number of active subscribers ('000)

2,728

2,412

2,120

2,070

1,604

1,484

ARPU per active subscriber (US\$)

13.8

14.4

12.6

8.8

10.3

10.8

Reconciliation of ARPU to service revenue and connection fees

Three

months

ended



28

Reconciliation of ARPU in Ukraine (Unaudited)

(\$'000)

Dec 31,

2006

Sept 30,

2006

June 30,

2006

March 31,

2006

Dec 31,

2005

Sept 30,

2005

Service revenue and connection

fees

14,652

12,320

5,948

2,103

1,952

na

Less: Connection fees

5

3

0

0

0

na

Less: Revenue from rent of fiber-optic

channels

0

0

0

0

0

na

Service revenue used to calculate

ARPU

14,647

12,317

5,948

2,103

1,952

na

Average number of subscribers ('000)

1,425

741

424

268

239

na

ARPU (US\$)

3.4

5.5

4.7

2.6

4.1

na

Average number of active subscribers ('000)

1,170

611

338

208

228

na

ARPU per active subscriber (US\$)

4.2

6.7

5.9

3.4

4.3

na

Reconciliation of ARPU to service revenue and connection fees

Three months ended



29

Reconciliation of ARPU in Uzbekistan

(Unaudited)

(\$'000)

Dec 31,  
2006

Sept 30,  
2006

June 30,  
2006

March 31,  
2006

Dec 31,  
2005

Sept 30,  
2005

Service revenue and connection

fees

16,446

16,279

15,507

9,208

na

na

Less: Connection fees

0

0

0

0

na

na

Less: Revenue from rent of fiber-optic

channels

0

0

0

0

na

na

Service revenue used to calculate

ARPU

16,446

16,279

15,507

9,208

na

na

Average number of subscribers ('000)

625

490

456

273

na

na

ARPU (US\$)

8.8

11.1

11.3

11.2

na

na

Average number of active subscribers ('000)

558

458

406

185

na

na

ARPU per active subscriber (US\$)

9.8

11.8

12.7

16.6

na

na

Reconciliation of ARPU to service revenue and connection fees

Three months ended





30  
Reconciliation of ARPU in Tajikistan  
(Unaudited)  
(\$'000)  
Dec 31,  
2006  
Sept 30,  
2006  
June 30,  
2006  
March 31,  
2006  
Dec 31,  
2005  
Sept 30,  
2005  
Service revenue and connection  
fees  
840  
74  
119  
185  
na  
na  
Less: Connection fees  
0  
0  
0  
0  
na  
na  
Less: Revenue from rent of fiber-optic  
channels  
0  
0  
0

0

na

na

Service revenue used to calculate

ARPU

840

74

119

185

na

na

Average number of subscribers ('000)

36

13

18

27

na

na

ARPU (US\$)

7.8

1.9

2.2

2.3

na

na

Average number of active subscribers ('000)

31

8

10

12

na

na

ARPU per active subscriber (US\$)

9.0

3.1

4.0

5.1

na

na

Reconciliation of ARPU to service revenue and connection fees

Three months ended



31

Reconciliation of ARPU in Armenia (Unaudited)

Note: data for 4Q represent data for 1.5 months since the moment of acquisition

(\$'000)

Mobile ARPU

Fixed ARPU

Service revenue and connection

fees

10,451

16,922

Less: Connection fees

0

0

Less: Revenue from rent of fiber-optic

channels

0

-

Service revenue used to calculate

ARPU

10,451

16,922

Average number of subscribers ('000)

445

609

ARPU (US\$)

15.7

18.5

Three months ended December 31, 2006

Reconciliation of ARPU to service revenue and connection fees