



# VIMPELCOM ANNOUNCES FIRST QUARTER 2009 FINANCIAL AND OPERATING RESULTS

Moscow and New York (May 28, 2009) - Open Joint Stock Company "Vimpel-Communications" ("VimpelCom" or the "Company") (NYSE: VIP), the leading provider of telecommunications services in Russia and the Commonwealth of Independent States (CIS), today announced its financial and operating results for the quarter ended March 31, 2009.

## First Quarter 2009 Financial and Operating Highlights

- Net operating revenues reached 66.8 billion Russian rubles\*, an increase of 30.7% versus 1Q08 and a decrease of 4.1% versus 4Q08.
- OIBDA reached 32.2 billion rubles, an increase of 5.0% versus 4Q08.
- Consolidated OIBDA margin improved to 48.1% from 44.0% reported in the 4Q08.
- Operating income reached 19.3 billion rubles, an increase of 239.5% versus 4Q08.
- Net loss amounted to 8.5 billion rubles due to a 23.6 billion ruble foreign exchange loss.
- Mobile subscribers increased by 1.7 million versus 4Q08, reaching 62.7 million.

\* In order to align the reporting currency with the predominant functional currency of the Company and simplify comparative performance analysis the Company has decided to change its reporting currency to the Russian ruble. The RUR/USD exchange rate at the end of 1Q2009 was 34.01 and the average rate for the quarter ended March 31, 2009 was 33.93, the RUR/USD exchange rate at the end of 4Q2008 was 29.38 and the average rate for the quarter ended December 31, 2008 was 27.27.

## VimpelCom Announces First Quarter 2009 Financial and Operating Results

Commenting on the performance of the Company, Boris Nemsic, Chief Executive Officer of VimpelCom, said, "During the first quarter of 2009 the economies of Russia and the CIS countries went through a period of intense macroeconomic turmoil with a significant decline in overall business confidence, rapid currency devaluations, a drop in industrial production and rising unemployment. Despite the unfavorable macroeconomic conditions and usual seasonal slowdown, we managed to deliver strong quarterly results with revenues of 66.8 billion rubles and OIBDA of 32.2 billion rubles with a healthy OIBDA margin of over 48%. The relatively minor impact of the economic environment on the operational side of our business reconfirms our belief in the resilience of the telecom industry.

During the quarter we increased the number of active mobile subscribers from 61.0 million to 62.7 million. Our residential broadband business grew ahead of our initial expectations. In the fixed-line corporate segment we observed good performance with revenues increasing by 5% quarter-on-quarter.

The set of measures that we implemented at the beginning of the macroeconomic uncertainty has started to bear fruit. Integration synergies and a focus on cost-control, coupled with the usual seasonal effect, yielded a consolidated OIBDA margin of over 48%, a 5% increase in OIBDA quarter-on-quarter.

Our cash flow from operations increased by 34% over the previous quarter and amounted to 28.0 billion rubles, which equals US\$826 million at the average exchange rate of 33.93 RUR/USD. Looking forward we think that the most recent macroeconomic developments, if maintained, give us reason for cautious optimism".



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### Key Consolidated Financial and Operating Results

CONSOLIDATED OPERATIONS (RUR, millions)	1Q 2009	1Q <sup>*</sup> 2008	y-o-y <sup>**</sup>	4Q 2008	q-o-q <sup>***</sup>
Net operating revenues	66,843	51,138	30.7%	69,677	-4.1%
OIBDA	32,166	27,315	17.8%	30,648	5.0%
OIBDA margin, %	48.1%	53.4%		44.0%	
Operating income	19,266	17,019	13.2%	5,674	239.5%
Operating income margin, %	28.8%	33.3%		8.1%	
SG&A	18,206	12,820	42.0%	21,465	-15.2%
including Sales & Marketing Expenses	5,302	4,525	17.2%	7,784	-31.9%
including General & Administrative Costs	12,904	8,295	55.6%	13,681	-5.7%
SG&A percentage	27.2%	25.1%		30.8%	
Net (loss)/income	-8,514	14,587	n/a	-22,243	n/a
Net (loss)/income per common share, (RUR)	-168.20	287.28		-439.44	
Net (loss)/income per ADS equivalent, (RUR)	-8.41	14.36		-21.97	
Capital expenditures	3,925	8,696	-54.9%	23,328	-83.2%
Mobile subscribers ('000)	62,724	52,293	19.9%	61,029	2.8%
Broadband subscribers**** ('000)	1,538	542	183.8%	1,206	27.5%

\* Only one month of Golden Telecom's operations was consolidated in 1Q08.

\*\* y-o-y stands for 1Q09 vs. 1Q08 comparison.

\*\*\* q-o-q stands for 1Q09 vs. 4Q08.

\*\*\*\* See definitions in Attachment A.

Net operating revenues 1Q 2009***** (RUR, millions)	Russia	CIS	Eliminations	Total
Mobile business	45,653	9,331	-67	54,917
Fixed business	13,308	2,169	-459	15,018
Eliminations	-2,689	-213	-190	-3,092
Total net operating revenue	56,272	11,287	-716	66,843

\*\*\*\*\* Due to the increasing integration between different parts of our business, we include inter-company transactions in the reported revenues of geographic and business segments, and indicate the amount of inter-company eliminations within and between the segments.

The first quarter net operating revenues reflect the underlying stability of our business with the 10.5% quarterly growth in revenues in the fixed segment partially offsetting the 6.2% decline in our mobile revenues.



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With the onset of the economic crisis we shifted our focus to cash generation and preservation. Cost reduction efforts helped to improve our consolidated OIBDA margin and deliver 5% quarterly OIBDA growth. While in absolute terms our quarterly OIBDA increased by 17.8% versus one year ago, the decrease in OIBDA margin year-on-year can be attributed largely to two factors. The first factor is the significant reversal in the first quarter of 2008 of prior accruals related to stock-based compensation for employees and the second factor is the fact that we began consolidating the lower margin fixed business of Golden Telecom only in March 2008.

In the first quarter we took a prudent approach to investment and focused on effective cash management. As a result, we invested 3.9 billion rubles in CAPEX during the first quarter of 2009, 54.9% less than in the first quarter of 2008.

Our financial results again were negatively affected by the currency devaluations in Russia, Kazakhstan and Armenia. This resulted in a 23.6 billion ruble net foreign exchange loss primarily due to the revaluation of our long-term foreign currency debt.



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### Russia - Financial and Operating Results

RUSSIA (RUR, millions)	1Q 2009	1Q 2008	y-o-y	4Q 2008	q-o-q
Net operating revenues	56,272	43,597	29.1%	58,809	-4.3%
OIBDA	27,227	24,081	13.1%	25,849	5.3%
OIBDA margin, %	48.4%	55.2%		44.0%	
Operating income	17,719	16,260	9.0%	7,847	125.8%
Operating income margin, %	31.5%	37.3%		13.3%	
SG&A	14,936	10,514	42.1%	18,198	-17.9%
including Sales & Marketing Expenses	4,485	3,823	17.3%	6,706	-33.1%
including General & Administrative Costs	10,451	6,691	56.2%	11,492	-9.1%
SG&A percentage	26.5%	24.1%		30.9%	
Net (loss)/income	-6,722	14,954	n/a	-12,132	n/a

Our quarterly net operating revenues in Russia amounted to 56.3 billion rubles, a decline of 4.3% compared to the previous quarter. The consolidated OIBDA margin in Russia was 48.4%, improving versus the previous quarter largely due to our continuing cost optimization efforts.

In the mobile segment, we increased our subscriber base by 1.7 million. MOU was down by 10.9% compared with the previous quarter, reflecting seasonal trends and the impact of the economic environment. The drop in MOU, coupled with stable pricing, led to a decrease in ARPU of 10.0%.

MOU grew by 2.2% in comparison to the first quarter of 2008. This, coupled with a strong increase in our subscriber base over the past year, resulted in year-on-year mobile revenue growth of 12.3%.

Our fixed-line revenues grew by 11.3% quarter-on-quarter, representing 19.6% of our total revenues in Russia. We are especially pleased with the improvement in our fixed-line OIBDA margin to 30.1% from 24.6% reported in the fourth quarter.

We continue gaining subscribers in the fast growing residential broadband market in Russia providing both fixed and mobile access. In the first quarter of 2009 our total number of residential broadband subscribers in Russia including FTTB and mobile broadband increased by 0.3 million subscribers and reached 1.5 million.



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<b>RUSSIA REVENUES (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Net operating revenues	56,272	43,597	29.1%	58,809	-4.3%
Mobile revenues	45,653	40,644	12.3%	48,987	-6.8%
Fixed revenues	13,308	3,191	317.0%	11,962	11.3%
Eliminations	-2,689	-238		-2,140	

<b>RUSSIA OIBDA DEVELOPMENT * (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
OIBDA Total	27,227	24,081	13.1%	25,849	5.3%
Mobile OIBDA	23,222	23,265	-0.2%	22,902	1.4%
Fixed OIBDA	4,005	816	390.8%	2,947	35.9%
Total OIBDA margin, %	48.4%	55.2%		44.0%	
Mobile OIBDA margin, %	50.9%	57.2%		46.8%	
Fixed OIBDA margin, %	30.1%	25.6%		24.6%	

<b>RUSSIA OPERATING DEVELOPMENT</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Mobile subscribers ('000)	49,351	42,079	17.3%	47,677	3.5%
Subscriber market share, %	25.9%	25.0%		25.4%	
MOU, min	203.0	198.7	2.2%	227.8	-10.9%
ARPU mobile, (RUR)	306.6	320.7	-4.4%	340.6	-10.0%
Broadband subscribers ('000)	1,498	530	182.6%	1,182	26.7%

\*Please find information on respective operating income amounts in the supplementary file FinancialOperatingQ12009.xls which is an integral part of this press release.



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### CIS - Financial and Operating Results

CIS OPERATIONS (RUR, millions)	1Q 2009	1Q 2008	y-o-y	4Q 2008	q-o-q
Net operating revenues	11,287	7,687	46.8%	11,441	-1.3%
OIBDA	5,079	3,259	55.8%	4,889	3.9%
OIBDA margin, %	45.0%	42.4%		42.7%	
Operating income	1,691	784	115.7%	-1,055	n/a
Operating income margin, %	15.0%	10.2%		-9.2%	
SG&A	3,140	2,287	37.3%	3,186	-1.4%
including Sales & Marketing Expenses	771	703	9.7%	1,078	-28.5%
including General & Administrative Costs	2,369	1,584	49.6%	2,108	12.4%
SG&A percentage	27.8%	29.8%		27.8%	
Net (loss)/income	-374	-346	n/a	-7,593	n/a
Mobile subscribers ('000)	13,373	10,214	30.9%	13,352	0.2%
Broadband subscribers ('000)	40	12	233.3%	24	66.7%

The share of revenues from our operations in the CIS markets increased to 16.9% of our total consolidated revenues reflecting regional and functional diversity. Although in absolute terms our CIS revenues decreased 1.3% quarter-on-quarter, revenues showed a remarkable year-on-year growth of 46.8%. However, the revenue dynamics vary country-to-country when expressed in local currencies (Please see Attachment F for the applicable exchange rates).

The consolidated OIBDA from our CIS operations increased 3.9% quarter-on-quarter to 5.1 billion rubles, reflecting cost optimization throughout the Group. In the first quarter of 2009 we reported a net loss in the CIS of 0.4 billion rubles primarily due to a 1.8 billion ruble foreign exchange loss in Kazakhstan.



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### CIS Revenues Development

<b>KAZAKHSTAN (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Net operating revenues	5,223	3,951	32.2%	5,369	-2.7%
Mobile	5,145	3,932	30.8%	5,282	-2.6%
Fixed	166	27	514.8%	194	-14.4%
Elimination	-88	-8		-107	

<b>UKRAINE (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Net operating revenues	1,609	1,086	48.2%	1,922	-16.3%
Mobile	894	883	1.2%	1,296	-31.0%
Fixed	836	216	287.0%	719	16.3%
Elimination	-121	-13		-93	

<b>ARMENIA (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Net operating revenues	1,787	1,433	24.7%	1,738	2.8%
Mobile	721	555	29.9%	742	-2.8%
Fixed	1,066	878	21.4%	996	7.0%
Elimination	0	0		0	

<b>UZBEKISTAN (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Net operating revenues	1,984	958	107.1%	1,813	9.4%
Mobile	1,884	939	100.6%	1,731	8.8%
Fixed	101	19	431.6%	82	23.2%
Elimination	-1	0		0	

<b>TAJKISTAN (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Net operating revenues	487	203	139.9%	448	8.7%
Mobile	487	203	139.9%	448	8.7%

<b>GEORGIA (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Net operating revenues	205	59	247.5%	162	26.5%
Mobile	205	59	247.5%	162	26.5%

<b>CIS (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Net operating revenues	11,287	7,687	46.8%	11,441	-1.3%
Mobile	9,331	6,570	42.0%	9,655	-3.4%
Fixed	2,169	1,140	90.3%	1,991	8.9%
Elimination	-213	-23		-205	



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### CIS OIBDA Development\*

<b>KAZAKHSTAN (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
OIBDA total	2,672	1,988	34.4%	2,663	0.3%
Mobile	2,584	1,979	30.6%	2,558	1.0%
Fixed	88	9	877.8%	105	-16.2%
OIBDA Margin, %	51.2%	50.3%		49.6%	
<b>UKRAINE (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
OIBDA total	215	79	172.2%	316	-32.0%
Mobile	-2	28	n/a	155	n/a
Fixed	217	51	325.5%	161	34.8%
OIBDA margin, %	13.4%	7.3%		16.4%	
<b>ARMENIA (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
OIBDA total	924	704	31.3%	867	6.6%
Mobile	356	251	41.8%	341	4.4%
Fixed	568	453	25.4%	526	8.0%
OIBDA Margin, %	51.7%	49.1%		49.9%	
<b>UZBEKISTAN (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
OIBDA total	1,122	509	120.4%	932	20.4%
Mobile	1,082	502	115.5%	900	20.2%
Fixed	40	7	471.4%	32	25.0%
OIBDA Margin, %	56.6%	53.1%		51.4%	
<b>TAJKISTAN (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
OIBDA total	164	32	412.5%	144	13.9%
Mobile	164	32	412.5%	144	13.9%
OIBDA Margin, %	33.7%	15.8%		32.1%	
<b>GEORGIA (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
OIBDA total	-18	-53	n/a	-33	n/a
Mobile	-18	-53	n/a	-33	n/a
OIBDA Margin, %	n/a	n/a		n/a	
<b>CIS (RUR, millions)</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
OIBDA total	5,079	3,259	55.8%	4,889	3.9%
Mobile	4,166	2,739	52.1%	4,065	2.5%
Fixed	913	520	75.6%	824	10.8%
OIBDA margin, %	45.0%	42.4%		42.7%	

\*Please find information on respective operating income amounts in the supplementary file FinancialOperatingQ12009.xls which is an integral part of this press release.



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### CIS Operating Highlights

<b>KAZAKHSTAN</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Mobile subscribers ('000)	6,377	4,777	33.5%	6,270	1.7%
Subscriber market share*, %	43.8%	39.5%		43.4%	
MOU, min	81.1	99.1	-18.2%	100.5	-19.3%
ARPU mobile, (RUR)	268.5	280.3	-4.2%	294.6	-8.9%

<b>UKRAINE</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Mobile subscribers ('000)	1,894	1,971	-3.9%	2,052	-7.7%
Subscriber market share*, %	3.4%	3.5%		3.6%	
MOU, min	213.3	210.2	1.5%	230.0	-7.3%
ARPU mobile, (RUR)	151.4	147.3	2.8%	189.9	-20.3%
Broadband subscribers ('000)	40	12	233.3%	24	66.7%
ARPU broadband, (RUR)	299.8	363.8	-17.6%	369.0	-18.8%

<b>ARMENIA</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Mobile subscribers ('000)	481	520	-7.5%	544	-11.6%
Subscriber market share*, %	19.0%	26.9%		21.2%	
MOU, min	174.7	158.9	9.9%	150.0	16.5%
ARPU mobile, (RUR)	478.7	391.7	22.2%	371.6	28.8%

<b>UZBEKISTAN</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Mobile subscribers ('000)	3,653	2,422	50.8%	3,636	0.5%
Subscriber market share*, %	27.9%	33.6%		29.6%	
MOU, min	238.6	265.3	-10.1%	288.6	-17.3%
ARPU mobile, (RUR)	177.1	141.4	25.2%	178.5	-0.8%

<b>TAJIKISTAN</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Mobile subscribers ('000)	722	378	91.0%	625	15.5%
Subscriber market share*, %	19.8%	16.5%		18.3%	
MOU, min	171.7	205.8	-16.6%	243.4	-29.5%
ARPU mobile, (RUR)	239.7	194.7	23.1%	262.5	-8.7%

<b>GEORGIA</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>y-o-y</b>	<b>4Q 2008</b>	<b>q-o-q</b>
Mobile subscribers ('000)	246	146	68.5%	225	9.3%
Subscriber market share*, %	6.5%	4.7%		6.0%	
MOU, min	121.2	87.1	39.2%	129.8	-6.6%
ARPU mobile, (RUR)	285.5	178.8	59.7%	265.7	7.5%

\* Source: AC&M-Consulting. Starting from January 1, 2008 VimpelCom's market share is calculated on the basis of active subscribers.



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### Other Operations

In May 2009, we launched commercial operations in Cambodia, offering our services under our Beeline brand. During the first stage our services will be available in the 11 largest provinces reaching 37% of the country's population. By the end of 2009, we plan to provide coverage to an area with more than two thirds of the country's population.

In Vietnam, we remain on track with the rollout of our joint-venture's networks and sales channels build-out and plan to launch commercial operations in mid-summer.

OTHER (RUR, millions)	1Q 2009	1Q 2008	y-o-y	4Q 2008	q-o-q
OIBDA total	-140	-25	n/a	-90	n/a

\* \* \*

For more information on financial and operating data for specific countries, please refer to the supplementary file [FinancialOperatingQ12009.xls](#) on our website at <http://www.vimpelcom.com/news/qrep.wbp>.

The Company's management will discuss its first quarter 2009 results during a conference call and slide presentation on May 28, 2009 at 6:30 pm Moscow time (10:30 am US ET). The call and slide presentation may be accessed via webcast at the following URL address <http://www.vimpelcom.com>. The conference call replay will be available through June 10, 2009. The slide presentation webcast will also be available for download on VimpelCom's website <http://www.vimpelcom.com>.

The VimpelCom Group consists of telecommunications operators providing voice and data services through a range of mobile, fixed and broadband technologies. The Group includes companies operating in Russia, Kazakhstan, Ukraine, Uzbekistan, Tajikistan, Georgia, Armenia, as well as Vietnam and Cambodia, in territories with a total population of about 340 million. 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".



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*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 development plans in Cambodia and Vietnam and management’s expectations about macroeconomic developments and the resilience of the telecommunications industry. 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 continued volatility in the economies in the markets in which the Company operates, unforeseen developments from competition, governmental regulation of the telecommunications industries, general political uncertainties in the markets in which the Company operates and/or litigation with third parties. The actual outcome may also differ materially if the Company is unable to obtain all necessary corporate approvals relating to its business, if the Company is unable to successfully integrate newly-acquired businesses, including Golden Telecom, and other factors. There can be no assurance that such risks and uncertainties will not have a material adverse effect on the VimpelCom Group. 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, 2008 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

**Mobile subscribers** are those subscribers in the registered subscriber base who were a party to a revenue generating activity in the past three months and remain in the base at the end of the reported period. Such activities include all incoming and outgoing calls, subscriber fee accruals, debits related to service, outgoing SMS, MMS, data transmission and receipt sessions, but do not include incoming SMS and MMS sent by our Company or abandoned calls.

**Each ADS** represents 0.05 of one share of common stock. This ratio was established effective August 21, 2007.

**ARPU** (Monthly Average Revenue per User), a non-U.S. GAAP financial measure, is calculated by dividing the Company's service revenue during the relevant period, 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 period and dividing by the number of months in that period. 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.

**Broadband subscribers** are those subscribers in the registered subscriber base who were a party to a revenue generating activity in the past three months. Such activities include monthly internet access using FTTB, xDSL and WiFi technologies as well as mobile home internet service via USB modems.

**CIS Geographic Segment** for the purpose of VimpelCom reporting includes our operations in the following countries: Kazakhstan, Ukraine, Uzbekistan, Tajikistan, Armenia and Georgia.

**Fixed-line subscriber** is an authorized user of fixed-line communications services.

**General and administrative costs (G&A)** include salaries and outsourcing costs, including related social contributions required by Russian law; stock price-based compensation expenses; repair and maintenance expenses; rent, including lease payments for base station sites; utilities; other miscellaneous expenses, such as insurance, operating taxes, license fees, and accounting, audit and legal fees.

**Households passed** are households located within buildings, in which indoor installation of all the FTTB equipment necessary to install terminal residential equipment has been completed.

**Market share** of subscribers for each relevant area is calculated by dividing the estimated number of our mobile subscribers in Russia, Kazakhstan, Ukraine, Uzbekistan, Tajikistan, Georgia and Armenia, respectively, by the total estimated number of mobile subscribers in Russia, Kazakhstan, Ukraine, Uzbekistan, Tajikistan, Georgia and Armenia, respectively, and is provided by AC&M-Consulting.

**Mobile services** are wireless voice and data transmission services excluding WiFi.



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

**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, amortization and impairment loss. 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, amortization and impairment loss 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 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 reconciliation tables section.

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

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

**Sales and marketing costs (S&M)** include marketing, advertising and dealer commissions expenses.

**Take-up rate** for the FTTB network is calculated by dividing the number of FTTB subscribers by the total number of households passed.



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**Attachment B: VimpelCom financial statements**

**Open Joint Stock Company “Vimpel-Communications”  
Unaudited Condensed Consolidated Statements of Operations**

	Three months ended March 31,	
	2009	2008
	<i>(In millions of Russian rubles, except per share (ADS) amounts)</i>	
<b>Operating revenues:</b>		
Service revenues	65,808	51,074
Sales of equipment and accessories	981	41
Other revenues	131	59
<b>Total operating revenues</b>	<b>66,920</b>	<b>51,174</b>
Revenue based tax	(77)	(36)
<b>Net operating revenues</b>	<b>66,843</b>	<b>51,138</b>
<b>Operating expenses:</b>		
Service costs	14,903	10,456
Cost of equipment and accessories	981	39
Selling, general and administrative expenses	18,206	12,820
Depreciation	10,452	8,661
Amortization	2,448	1,635
Provision for doubtful accounts	587	508
<b>Total operating expenses</b>	<b>47,577</b>	<b>34,119</b>
<b>Operating income</b>	<b>19,266</b>	<b>17,019</b>
<b>Other income and expenses:</b>		
Interest income	500	357
Net foreign exchange (loss)/gain	(23,609)	4,488
Interest expense	(4,646)	(1,919)
Equity in net loss of associates	(1,198)	-
Other (expenses)/income, net	(191)	(198)
<b>Total other income and expenses</b>	<b>(29,144)</b>	<b>2,728</b>
<b>(Loss)/Income before income taxes and noncontrolling interest</b>	<b>(9,878)</b>	<b>19,747</b>
<b>Income tax (benefit)/expense</b>	<b>(985)</b>	<b>4,746</b>
<b>Net (loss)/income</b>	<b>(8,893)</b>	<b>15,001</b>
Net (loss)/income attributable to the noncontrolling interest	(379)	414
<b>Net (loss)/income attributable to VimpelCom</b>	<b>(8,514)</b>	<b>14,587</b>
<b>Basic and diluted earnings per share:</b>		
Net (loss)/income attributable to VimpelCom per common share (RUR)	(168.20)	287.28
Net (loss)/income attributable to VimpelCom per ADS equivalent (RUR)	(8.41)	14.36
<b>Weighted average common shares outstanding (thousands)</b>	<b>50,617</b>	<b>50,777</b>



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**Open Joint Stock Company "Vimpel-Communications"  
Unaudited Condensed Consolidated Balance Sheets**

	March 31, 2009	December 31, 2008
<i>(In millions of Russian rubles)</i>		
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	32,861	26,873
Trade accounts receivable, net of allowance for doubtful debt	15,153	13,974
Other current assets	25,899	29,855
Total current assets	<u>73,913</u>	<u>70,702</u>
<b>Non-current assets</b>		
Property and equipment, net	184,962	188,778
Telecommunication licenses, net	21,590	22,470
Goodwill and other intangible assets, net	126,718	128,083
Investments in associates	14,660	14,501
Other non-current assets	39,796	37,448
Total non-current assets	<u>387,726</u>	<u>391,280</u>
<b>Total assets</b>	<u><u>461,639</u></u>	<u><u>461,982</u></u>
<b>Liabilities and equity</b>		
Current liabilities:		
Accounts payable	22,001	26,409
Customer advances, net of VAT, and deposits	10,486	13,360
Short-term debt	81,234	56,093
Accrued liabilities	21,947	16,205
Total current liabilities	<u>135,668</u>	<u>112,067</u>
Deferred income taxes	17,073	18,934
Long-term debt	180,525	191,963
Other non-current liabilities	4,369	3,608
Total VimpelCom shareholder's equity	<u>118,248</u>	<u>128,741</u>
Noncontrolling interest	<u>5,756</u>	<u>6,669</u>
Total equity	<u>124,004</u>	<u>135,410</u>
<b>Total liabilities and equity</b>	<u><u>461,639</u></u>	<u><u>461,982</u></u>





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**Open Joint Stock Company “Vimpel-Communications”  
Unaudited Condensed Consolidated Statements of Cash Flows**

	<b>Three months ended March 31,</b>	
	<b>2009</b>	<b>2008</b>
	<i>(In millions of Russian rubles)</i>	
<b>Net cash provided by operating activities</b>	<b>28,014</b>	20,862
Purchases of property and equipment	(5,050)	(9,519)
Purchases of intangible assets	(297)	(429)
Acquisition of subsidiaries, net of cash acquired	-	(102,515)
Investments in associates	-	-
Loan granted	-	(8,491)
Short-term deposits	-	1,024
Exercise of escrow cash deposit	-	4,856
Purchases of software and other assets, net	(1,556)	(2,093)
<b>Net cash used in investing activities</b>	<b>(6,903)</b>	(117,167)
Proceeds from bank and other loans	-	89,956
Proceeds from sale of treasury stock	-	19
Repayments of bank and other loans	(18,851)	(2,663)
Payments of fees in respect of debt issues	(284)	(786)
<b>Net cash (used in)/provided by financing activities</b>	<b>(19,135)</b>	86,526
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>4,012</b>	(262)
<b>Net increase (decrease)/in cash and cash equivalents</b>	<b>5,988</b>	(10,041)
<b>Cash and cash equivalents at beginning of period</b>	<b>26,873</b>	24,637
<b>Cash and cash equivalents at end of period</b>	<b>32,861</b>	14,596
<b>Supplemental cash flow information</b>		
<b>Cash paid during the period:</b>		
Income tax	1,356	4,506
Interest	3,003	1,031
<b>Non-cash activities:</b>		
Equipment acquired under financing agreements	6	903
Accounts payable for equipment and other long-lived assets	10,485	6,039
<b>Acquisitions:</b>		
Fair value of assets acquired	-	62,522
Difference between the amount paid and the fair value of net assets acquired	-	66,623
Consideration for the acquisition of subsidiaries	-	(104,682)
<b>Change in fair value of liabilities assumed</b>	<b>-</b>	24,463



**VimpelCom Announces First Quarter 2009 Financial and Operating Results**

**Attachment C: Reconciliation Tables (Unaudited)**

**Reconciliation of Consolidated OIBDA**

*(In millions of Russian rubles)*

<b>OIBDA Consolidated Total</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>4Q 2008</b>
<b>OIBDA</b>	<b>32,166</b>	<b>27,315</b>	<b>30,648</b>
Depreciation	(10,452)	(8,661)	(10,325)
Amortization	(2,448)	(1,635)	(2,577)
Impairment loss	0	0	(12,072)
<b>Operating income</b>	<b>19,266</b>	<b>17,019</b>	<b>5,674</b>

**Reconciliation of OIBDA Margin**

<b>OIBDA Margin Consolidated Total</b>	<b>1Q 2009</b>	<b>1Q 2008</b>	<b>4Q 2008</b>
<b>OIBDA margin</b>	<b>48.1%</b>	<b>53.4%</b>	<b>44.0%</b>
Less: Depreciation as a percentage of net operating revenues	(15.6%)	(16.9%)	(14.9%)
Less: Amortization as a percentage of net operating revenues	(3.7%)	(3.2%)	(3.7%)
Less: Impairment loss as a percentage of net operating revenues	0.0%	0.0%	(17.3%)
<b>Operating income as a percentage of net operating revenues</b>	<b>28.8%</b>	<b>33.3%</b>	<b>8.1%</b>



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### Attachment D: Capex Development

CAPEX (RUR, millions)	1Q 2009	1Q 2008	y-o-y	4Q 2008	q-o-q
Total capex	3,925	8,696	-54.9%	23,328	-83.2%
Russia	3,070	5,022	-38.9%	17,495	-82.5%
CIS	416	3,543	-88.3%	5,547	-92.5%
Kazakhstan	191	1,034	-81.5%	2,172	-91.2%
Ukraine	96	644	-85.1%	1,578	-93.9%
Armenia	9	356	-97.5%	646	-98.6%
Uzbekistan	50	1,162	-95.7%	471	-89.4%
Tajikistan	15	176	-91.5%	488	-96.9%
Georgia	55	171	-67.8%	192	-71.4%
Other	439	131	235.1%	286	53.5%



## VimpelCom Announces First Quarter 2009 Financial and Operating Results

### Attachment E: Key Financial Results in US Dollars (Convenience Translation)

CONSOLIDATED OPERATIONS (US\$, millions)	1Q 2009	1Q 2008	y-o-y	4Q 2008	q-o-q
Net operating revenues	1,970	2,108	-6.5%	2,555	-22.9%
OIBDA	948	1,126	-15.8%	1,124	-15.7%
OIBDA margin, %	48.1%	53.4%		44.0%	
Operating income	568	702	-19.1%	208	173.1%
Operating income margin, %	28.8%	33.3%		8.1%	
SG&A	537	528	1.7%	787	-31.8%
including Sales & Marketing Expenses	156	187	-16.6%	285	-45.3%
including General & Administrative Costs	380	341	11.4%	502	-24.3%
SG&A percentage	27.3%	25.0%		30.8%	
Net (loss)/income	-251	601	n/a	-816	n/a
Net (loss)/income per common share, (US\$)	-4.96	11.84		-16.12	
Net (loss)/income per ADS equivalent, (US\$)	-0.25	0.59		-0.81	
Capital expenditures	115.7	358.0	-67.7%	855.5	-86.5%



**VimpelCom Announces First Quarter 2009 Financial and Operating Results**

**Attachment F: Average Rates of Functional Currencies to Ruble\***

Functional Currency/ 1 RUR		1Q08	2Q08	3Q08	4Q08	1Q09
<b>Kazakhstan</b>	<b>KZT</b>	4.9690	5.1038	4.9540	4.4077	4.0948
<b>Ukraine</b>	<b>UAH</b>	0.2081	0.2101	0.2003	0.2274	0.2281
<b>Tajikistan</b>	<b>USD</b>	0.0412	0.0423	0.0412	0.0367	0.0295
<b>Uzbekistan</b>	<b>USD</b>	0.0412	0.0423	0.0412	0.0367	0.0295
<b>Armenia</b>	<b>AMD</b>	12.6926	13.0012	12.4664	11.2309	9.6090
<b>Georgia</b>	<b>GEL</b>	0.0641	0.0612	0.0582	0.0568	0.0495

\* Functional currencies in Tajikistan and Uzbekistan are US dollars.

