

OPEN JOINT STOCK CO VIMPEL COMMUNICATIONS

Form 6-K

March 12, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Issuer

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

For the month of March 2008

Commission File Number 1-14522

Open Joint Stock Company Vimpel-Communications

(Translation of registrant's name into English)

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

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

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: March 12, 2008

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 TWELVE MONTH 2007

FINANCIAL AND OPERATING RESULTS

Moscow and New York (March 12, 2008) - Open Joint Stock Company Vimpel-Communications (VimpelCom or the Company) (NYSE: VIP), a leading provider of 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, 2007.

Financial and Operating Highlights

2007

Net operating revenues reached \$7,171.1 million, an increase of 47.3% versus 2006.

OIBDA reached \$3,596.7 million, an increase of 46.7% versus 2006.

OIBDA margin was 50.2%, including 50.9% in Russia and 52.8% in Kazakhstan.

Net income totaled \$1,462.7 million, an increase of 80.2% versus 2006.

Free cash flow before acquisitions almost tripled, reaching US\$1,264.7 million.

Russian ARPU showed strong growth through the year, reaching \$13.5 by the fourth quarter, an increase of 23.9% compared to the fourth quarter of 2006.

Active subscriber base increased by 6.2 million, reaching 51.7 million consumers.

3G licenses for Russia, Uzbekistan and Armenia were received.

Acquisition of Golden Telecom was launched in 2007 and completed in February 2008.

The Fourth Quarter of 2007

Net operating revenues reached a record high of \$2,009.9 million in the fourth quarter, a year-on-year increase of 38.5% and a quarter-on-quarter increase of 2.8%.

OIBDA reached \$918.4 million, a year-on-year increase of 33.1%, yielding an OIBDA margin of 45.7%. Importantly, rapid appreciation of VimpelCom's share price in the fourth quarter of 2007 resulted in an accrual of \$118.7 million, connected to our stock price based compensation plans. These accruals are \$78.2 million higher than in the third quarter of 2007 and \$94.5 million higher

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than in the fourth quarter of the previous year. Without this effect our OIBDA margin would have been above 50%.

Net income totaled \$368.1 million, a year-on-year increase of 86.0%.

Commenting on today's announcement, Alexander Izosimov, Chief Executive Officer of VimpelCom, said: "2007 was another excellent year for VimpelCom. Our revenues exceeded \$7 billion and grew at a remarkable rate of 47%. We maintained our OIBDA margin at an impressive level of 50%. Strong revenue growth, coupled with a healthy margin and a balanced investment policy, resulted in free cash flow of \$1.26 billion, almost tripling the 2006 level."

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Our strong financial position supports our aspiration to expand into adjacent businesses and new geographic areas .

Changes in definitions and reported data

Our 2007 subscriber data, ARPU and MOU are reported on the basis of active subscribers. For convenience, we continued to report the registered subscriber base and the related figures for comparable periods (see Attachment A for relevant definitions and refer to Attachment D for relevant data). The only exception was churn numbers, calculated traditionally on the basis of registered subscribers.

We intend to discontinue providing the number of registered subscribers and the related figures beginning with the Company's earnings press release for the first quarter 2008, because we believe that registered subscriber figures have become irrelevant for operational purposes. We will also align our reported churn policy to our active subscriber base.

All the definitions in Attachment A refer to mobile subscribers. With the acquisition of Armentel, the Company also has fixed-line subscribers which are treated separately.

Attachments A, B, C and D present respectively

definitions for certain terms used in this press release,

the condensed consolidated financial statements of VimpelCom,

tables with relevant reconciliations of non-U.S. GAAP financial measures to their most directly comparable U.S. GAAP financial measures, and

certain additional reference data relating to the registered subscriber base.

Key Consolidated Financial and Operating Results

| | Three months | | | | Year | | | |
|------------------------------------|--------------|------------|--------------------------|------------|--------------------------|------------|------------|--------------------------|
| | 4Q2007 | 4Q2006 | Change, 4Q07/ 4Q06 | 3Q2007 | Change, 4Q07/ 3Q07 | 2007 | 2006 | Change, 2007/ 2006 |
| Active subscribers | 51,739,947 | 45,547,700 | 13.6% | 50,685,787 | 2.1% | 51,739,947 | 45,547,700 | 13.6% |
| Fixed line subscribers | 629,273 | 608,500 | 3.4% | 616,175 | 2.1% | 629,273 | 608,500 | 3.4% |
| Net operating revenues (US\$, 000) | 2,009,946 | 1,451,412 | 38.5% | 1,955,938 | 2.8% | 7,171,098 | 4,867,978 | 47.3% |
| OIBDA (US\$, 000) | 918,410 | 689,825 | 33.1% | 1,015,158 | -9.5% | 3,596,743 | 2,451,783 | 46.7% |
| OIBDA margin | 45.7% | 47.5% | | 51.9% | | 50.2% | 50.4% | |
| Gross margin (US\$, 000) | 1,642,701 | 1,179,453 | 39.3% | 1,589,625 | 3.3% | 5,855,984 | 3,977,246 | 47.2% |
| Gross margin percentage | 81.7% | 81.3% | | 81.3% | | 81.7% | 81.7% | |
| SG&A (US\$, 000) | 715,892 | 478,423 | 49.6% | 556,518 | 28.6% | 2,206,322 | 1,503,615 | 46.7% |
| SG&A percentage | 35.6% | 33.0% | | 28.5% | | 30.8% | 30.9% | |
| Net income (US\$, 000) | 368,108 | 197,950 | 86.0% | 458,050 | -19.6% | 1,462,706 | 811,489 | 80.2% |
| Net income per share (US\$) | 7.25 | 3.89 | | 9.02 | | 28.78 | 15.94 | |
| Net income per ADS* (US\$) | 0.36 | 0.19 | | 0.45 | | 1.44 | 0.80 | |

*) Number of ADSs is based on the ratio of 20 ADSs per one ordinary share, which came into effect on August 21, 2007. Prior year amounts have been restated to reflect the split.

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In 2007, VimpelCom capital expenditures totaled \$1,772.8 million (before acquisitions), including \$795.8 million in the fourth quarter.

Consolidated figures represent the combined effect of the Company's operations in Russia, Kazakhstan, Ukraine, Uzbekistan, Tajikistan, Georgia and Armenia. The Company's consolidated operating and financial results reported in this press release do not include the operating and earnings results of Golden Telecom, Inc., the acquisition of which was completed in February 2008. The Company plans to include Golden Telecom's operating and earnings results with the Company's consolidated operating and earnings results beginning in the first quarter of 2008.

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| RUSSIA | Three months | | | | Year | | Change, 2007/ 2006 | |
|--|--------------|------------|--------------------------|------------|--------------------------|------------|--------------------------|--------|
| | 4Q2007 | 4Q2006 | Change, 4Q07/ 4Q06 | 3Q2007 | Change, 4Q07/ 3Q07 | 2007 | | 2006 |
| Net operating revenues ^{*)} | | | | | | | | |
| (US\$, 000) | 1,700,589 | 1,280,762 | 32.8% | 1,652,266 | 2.9% | 6,090,315 | 4,400,299 | 38.4% |
| including interconnect revenue | 252,839 | 167,808 | 50.7% | 224,402 | 12.7% | 851,323 | 411,916 | 106.7% |
| OIBDA (US\$, 000) | 773,338 | 645,144 | 19.9% | 871,163 | -11.2% | 3,100,804 | 2,303,539 | 34.6% |
| OIBDA margin | 45.4% | 50.3% | | 52.7% | | 50.9% | 52.3% | |
| Gross margin (US\$, 000) | 1,410,421 | 1,061,055 | 32.9% | 1,363,407 | 3.4% | 5,047,001 | 3,652,249 | 38.2% |
| Gross margin percentage | 82.9% | 82.8% | | 82.5% | | 82.8% | 83.0% | |
| SG&A (US\$, 000) | 632,640 | 406,642 | 55.6% | 477,277 | 32.6% | 1,903,411 | 1,330,806 | 43.0% |
| SG&A percentage | 37.2% | 31.7% | | 28.9% | | 31.2% | 30.2% | |
| Net income (US\$, 000) | 363,624 | 222,220 | 63.6% | 422,580 | -14.0% | 1,422,223 | 854,818 | 66.4% |
| ARPU, (US\$) | 13.5 | 10.9 | 23.9% | 13.4 | 0.7% | 12.6 | 9.6 | 31.3% |
| MOU, (min) | 204.1 | 157.9 | 29.3% | 208.9 | -2.3% | 192.1 | 145.9 | 31.7% |
| SAC (US\$) | 31.8 | 21.8 | 45.9% | 24.8 | 28.2% | 25.5 | 17.9 | 42.5% |
| Active subscribers | 42,221,252 | 39,782,700 | 6.1% | 41,801,545 | 1.0% | 42,221,252 | 39,782,700 | 6.1% |
| Churn | 7.1% | 9.5% | | 10.1% | | 32.9% | 35.4% | |
| Subscriber market share ^{**)} | 29.9% | 31.7% | | 30.4% | | 29.9% | 31.7% | |

*) Net operating revenues here exclude inter-company transactions (US\$983 thousand in 4Q 2007, US\$578 thousand in 4Q 2006, US\$696 thousand in 3Q 2007, US\$3,354 thousand in 2007, US\$1,509 thousand in 2006).

**) Subscriber market share data presented here and in the following country tables are published by AC&M-Consulting and are generally based on registered subscribers.

Our Russian business continues to deliver robust growth, strong margins and expanding cash flow.

In 2007, revenue in Russia grew by 38.4% year-on-year, driven predominantly by ARPU growth and supported by a continued increase in our active subscriber base.

Our annual OIBDA margin in Russia was at a strong level of above 50%. While OIBDA margin in the fourth quarter is seasonally softer than in the third quarter, the sharper than usual erosion this year was due to particularly large accruals connected to our stock price based compensation plans. Rapid appreciation of VimpelCom's share price in the fourth quarter of 2007 resulted in an accrual of \$118.7 million, which is \$78.2 million higher than in the third quarter of 2007 and \$94.5 million higher than in the fourth quarter of the previous year. These accruals for the VimpelCom group are fully reflected within the Russian numbers.

Excluding this impact, our 2007 OIBDA margin would have been slightly above the 2006 margin, both for the fourth quarter and the full year, confirming the financial health of our business.

In 2007, our annual capital expenditure (before acquisitions) in Russia was approximately \$1.1 billion, bringing its percentage to revenue to our long-term target of below 20%.

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| KAZAKHSTAN | Three months | | | | Year | | | |
|--|--------------|-----------|--------------------------|-----------|--------------------------|-----------|-----------|--------------------------|
| | 4Q2007 | 4Q2006 | Change, 4Q07/ 4Q06 | 3Q2007 | Change, 4Q07/ 3Q07 | 2007 | 2006 | Change, 2007/ 2006 |
| Net operating revenues ^{*)} (US\$, 000) | 173,902 | 112,378 | 54.7% | 166,262 | 4.6% | 607,642 | 350,043 | 73.6% |
| including interconnect revenue | 33,027 | 26,278 | 25.7% | 28,494 | 15.9% | 108,522 | 81,325 | 33.4% |
| OIBDA (US\$, 000) | 92,171 | 35,744 | 157.9% | 88,127 | 4.6% | 322,623 | 140,580 | 129.5% |
| OIBDA margin | 52.8% | 31.6% | | 52.7% | | 52.8% | 40.0% | |
| Gross margin (US\$, 000) | 128,390 | 77,269 | 66.2% | 122,084 | 5.2% | 450,624 | 240,002 | 87.8% |
| Gross margin percentage | 73.5% | 68.4% | | 73.1% | | 73.8% | 68.2% | |
| SG&A (US\$, 000) | 33,787 | 40,200 | -16.0% | 32,650 | 3.5% | 123,584 | 96,451 | 28.1% |
| SG&A percentage | 19.3% | 35.6% | | 19.5% | | 20.2% | 27.4% | |
| Net income ^{**)} (US\$, 000) | 19,793 | -4,443 | | 21,653 | -8.6% | 70,963 | 9,902 | 616.7% |
| ARPU, (US\$) | 13.0 | 13.8 | -5.8% | 13.6 | -4.4% | 13.1 | 12.6 | 4.0% |
| MOU, (min) | 98.9 | 78.0 | 26.8% | 112.7 | -12.2% | 94.6 | 70.4 | 34.4% |
| SAC (US\$) | 16.3 | 8.8 | 85.2% | 10.0 | 63.0% | 11.5 | 8.2 | 40.2% |
| Active subscribers | 4,603,300 | 3,052,900 | 50.8% | 4,343,073 | 6.0% | 4,603,300 | 3,052,900 | 50.8% |
| Churn | 5.8% | 6.1% | | 5.9% | | 23.5% | 32.8% | |
| Subscriber market share | 46.3% | 49.5% | | 47.3% | | 46.3% | 49.5% | |

^{*)} Net operating revenues exclude inter-company transactions (US\$737 thousand in 4Q 2007, US\$584 thousand in 4Q 2006, US\$860 thousand in 3Q 2007, US\$2,844 thousand in 2007, US\$1,811 thousand in 2006).

^{**)} After minority interest.

2007 was a very successful year for our business in Kazakhstan. We delivered strong year-on-year revenue growth of 73.6% with impressive OIBDA margin expansion from 40.0% to 52.8%.

The growth was driven by strong additions of 1.6 million active subscribers, representing a 50.8% year-on-year increase, accompanied by stable ARPU.

At year end, the market penetration reached 82.5%, and the level of activity in the fourth quarter confirmed that the competition is getting more intense. Consequently, while we continue to build our active subscriber base, we are starting to refocus our efforts toward increasing revenue market share a strategy which we successfully implemented in Russia.

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| UKRAINE | 4Q2007 | 4Q2006 | Three months | | Change, 4Q07/ 3Q07 | Year | | Change, 2007/ 2006 |
|--|-----------|-----------|--------------------------|-----------|--------------------------|-----------|-----------|--------------------------|
| | | | Change, 4Q07/ 4Q06 | 3Q2007 | | 2007 | 2006 | |
| Net operating revenues ^{*)} (US\$, 000) | 30,691 | 14,306 | 114.5% | 36,271 | -15.4% | 105,451 | 33,726 | 212.7% |
| including interconnect revenue | 10,921 | 4,486 | 143.4% | 10,861 | 0.6% | 34,789 | 10,630 | 227.3% |
| OIBDA (US\$, 000) | 3,643 | -10,546 | | 6,455 | -43.6% | 508 | -34,690 | |
| OIBDA margin | 10.5% | n/a | | 17.5% | | 0.5% | n/a | |
| Gross margin (US\$, 000) | 20,872 | 7,296 | 186.1% | 23,314 | -10.5% | 67,147 | 16,472 | 307.6% |
| Gross margin percentage | 60.4% | 49.3% | | 63.0% | | 60.2% | 46.8% | |
| SG&A (US\$, 000) | 17,547 | 17,624 | -0.4% | 16,465 | 6.6% | 66,519 | 50,703 | 31.2% |
| SG&A percentage | 50.8% | 119.1% | | 44.5% | | 59.6% | 143.9% | |
| Net income (US\$, 000) | -17,551 | -21,502 | | -6,443 | | -59,619 | -60,990 | |
| ARPU, (US\$) | 5.6 | 4.2 | 33.3% | 5.8 | -3.4% | 4.7 | 5.0 | -6.0% |
| MOU, (min) | 183.2 | 149.1 | 22.9% | 168.2 | 8.9% | 163.2 | 149.7 | 9.0% |
| SAC (US\$) | 8.2 | 6.6 | 24.2% | 5.5 | 49.1% | 7.8 | 10.0 | -22.0% |
| Active subscribers | 1,941,251 | 1,523,700 | 27.4% | 2,212,250 | -12.2% | 1,941,251 | 1,523,700 | 27.4% |
| Churn | 20.9% | 0.7% | | 25.5% | | 61.8% | 18.6% | |
| Subscriber market share | 4.8% | 3.8% | | 5.1% | | 4.8% | 3.8% | |

^{*)} Net operating revenues exclude inter-company transactions (US\$3,854 thousand in 4Q 2007, US\$490 thousand in 4Q 2006, US\$708 thousand in 3Q 2007, US\$6,159 thousand in 2007, US\$1,500 thousand in 2006).

We are satisfied with our progress in Ukraine in 2007. Our revenues exceeded \$100 million and our annual OIBDA moved into positive territory. Moreover, despite an aggressive competitive environment, our ARPU grew in the second half of the year.

As expected, two factors adversely affected our revenues in the fourth quarter. First, the active base was reduced by the departure of summer tourists who had purchased local SIM-cards, and second, roaming revenues declined seasonally. However, even with this revenue erosion, OIBDA stayed positive and ARPU remained essentially flat quarter-on-quarter.

While we have stabilized our overall financial performance, we will increase our focus on building our customer base, paying attention to subscriber quality.

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| UZBEKISTAN | 4Q2007 | 4Q2006 | Three months | | Change, 4Q07/ 3Q07 | Year | | Change, 2007/ 2006 |
|--|-----------|---------|--------------------------|-----------|--------------------------|-----------|---------|--------------------------|
| | | | Change, 4Q07/ 4Q06 | 3Q2007 | | 2007 | 2006 | |
| Net operating revenues ^{*)} (US\$, 000) | 36,364 | 15,795 | 130.2% | 29,913 | 21.6% | 107,449 | 55,358 | 94.1% |
| OIBDA (US\$, 000) | 17,756 | 7,815 | 127.2% | 16,923 | 4.9% | 54,732 | 32,079 | 70.6% |
| OIBDA margin | 48.6% | 49.1% | | 56.1% | | 50.6% | 57.7% | |
| Gross margin (US\$, 000) | 31,048 | 13,869 | 123.9% | 25,794 | 20.4% | 91,989 | 48,776 | 88.6% |
| Gross margin percentage | 85.0% | 87.1% | | 85.6% | | 85.1% | 87.7% | |
| SG&A (US\$, 000) | 13,053 | 5,933 | 120.0% | 8,668 | 50.6% | 36,517 | 16,451 | 122.0% |
| SG&A percentage | 35.7% | 37.3% | | 28.7% | | 33.8% | 29.6% | |
| Net income (US\$, 000) | 5,950 | 382 | 1457.6% | 6,879 | -13.5% | 19,570 | 8,241 | 137.5% |
| ARPU, (US\$) | 6.8 | 9.8 | -30.6% | 7.6 | -10.5% | 7.1 | 11.9 | -40.3% |
| MOU, (min) | 283.4 | 268.8 | 5.4% | 289.8 | -2.2% | 274.0 | 320.5 | -14.5% |
| SAC (US\$) | 4.6 | 5.8 | -20.7% | 4.4 | 4.5% | 4.3 | 7.2 | -40.3% |
| Active subscribers | 2,119,612 | 700,500 | 202.6% | 1,586,890 | 33.6% | 2,119,612 | 700,500 | 202.6% |
| Churn | 10.6% | 10.2% | | 14.2% | | 61.7% | 44.9% | |
| Subscriber market share | 37.3% | 27.2% | | 35.6% | | 37.3% | 27.2% | |

^{*)} Net operating revenues exclude inter-company transactions (US\$184 thousand in 4Q 2007, US\$122 thousand in 4Q 2006, US\$237 thousand in 3Q 2007, US\$653 thousand in 2007, US\$240 thousand in 2006).

It was an excellent year for our business in Uzbekistan. In 2007, we tripled our active subscriber base, and built our subscriber market share by more than 10 percentage points, reaching 37.3%. Revenue grew by 94.1%, and OIBDA margin remained strong at more than 50%.

In the fourth quarter, our revenue grew by 21.6% versus the third quarter, driven predominantly by a 33.6% sequential growth in the number of active subscribers. With SIM-card penetration passing 20%, we will be focusing on capturing rapid subscriber growth.

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| TAJIKISTAN | 4Q2007 | 4Q2006 | Three months | | Change, 4Q07/ 3Q07 | Year | | Change, 2007/ 2006 |
|---|---------|--------|--------------------------|---------|--------------------------|---------|--------|--------------------------|
| | | | Change, 4Q07/ 4Q06 | 3Q2007 | | 2007 | 2006 | |
| Net operating revenues [*] (US\$, 000) | 8,030 | 799 | 905.0% | 7,615 | 5.4% | 23,657 | 1,181 | 1903.1% |
| OIBDA (US\$, 000) | 1,366 | -1,112 | | 1,646 | -17.0% | 2,763 | -2,447 | |
| OIBDA margin | 16.9% | n/a | | 21.5% | | 11.6% | n/a | |
| Gross margin (US\$, 000) | 5,082 | 372 | 1266.1% | 5,153 | -1.4% | 15,022 | 520 | 2788.8% |
| Gross margin percentage | 63.0% | 45.4% | | 67.3% | | 63.2% | 43.3% | |
| SG&A (US\$, 000) | 3,547 | 1,485 | 138.9% | 3,515 | 0.9% | 12,074 | 2,968 | 306.8% |
| SG&A percentage | 43.9% | 181.1% | | 45.9% | | 50.8% | 246.9% | |
| Net income ^{**} (US\$, 000) | -2,517 | -1,114 | | -276 | | -5,564 | -2,395 | |
| ARPU, (US\$) | 9.0 | 9.0 | 0.0% | 10.8 | -16.7% | 9.7 | 6.8 | 42.6% |
| MOU, (min) | 216.3 | 187.9 | 15.1% | 230.3 | -6.1% | 220.6 | 121.1 | 82.2% |
| SAC (US\$) | 13.0 | 2.5 | 420.0% | 12.8 | 1.6% | 12.5 | 3.3 | 278.8% |
| Active subscribers | 339,393 | 72,000 | 371.4% | 268,446 | 26.4% | 339,393 | 72,000 | 371.4% |
| Churn | 1.2% | 17.9% | | 1.8% | | 4.6% | 95.1% | |
| Subscriber market share | 18.1% | 7.0% | | 16.7% | | 18.1% | 7.0% | |

^{*}) Net operating revenues exclude inter-company transactions (US\$43 in 4Q 2007, US\$22 thousand in 4Q 2006, US\$39 thousand in 3Q 2007, US\$120 thousand in 2007, US\$22 thousand in 2006).

^{**}) After minority interest.

In Tajikistan, our business continues to demonstrate excellent dynamics with consistent growth in financial performance and subscriber base. On a year-on-year basis, we increased our subscriber base by almost five times. We reached positive OIBDA in less than one year of operations. Further, our fourth quarter revenues were 10 times higher than in the same period a year ago without any ARPU erosion.

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| ARMENIA | 4Q2007 | 4Q 2006 ^{***} | Three months | | Change, 4Q07/ 3Q07 | 2007 | Year 2006 ^{***} | Change, 2007/ 2006 |
|--|---------|---------------------------|--------------------------|---------|--------------------------|---------|-----------------------------|--------------------------|
| | | | Change, 4Q07/ 4Q06 | 3Q2007 | | | | |
| Net operating revenues ^{*)} (US\$, 000), including | 59,423 | 27,373 | n/a | 63,277 | -6.1% | 235,123 | 27,373 | n/a |
| mobile revenues | 23,070 | 10,451 | n/a | 25,723 | -10.3% | 91,760 | 10,451 | n/a |
| fixed revenues | 36,353 | 16,922 | n/a | 37,554 | -3.2% | 143,363 | 16,922 | n/a |
| OIBDA (US\$, 000) | 32,476 | 13,290 | n/a | 32,888 | -1.3% | 122,743 | 13,290 | n/a |
| OIBDA margin | 54.3% | 48.6% | | 51.9% | | 52.1% | 48.6% | |
| Net income ^{**)} (US\$, 000) | 257 | 2,927 | n/a | 15,961 | | 22,734 | 2,927 | n/a |
| Mobile active subscribers | 442,484 | 416,000 | 6.4% | 446,957 | -1.0% | 442,484 | 416,000 | 6.4% |
| ARPU, (US\$) | 17.4 | 17.0 | 2.4% | 17.6 | -1.1% | 16.7 | 17.0 | -1.8% |
| MOU, (min) | 171.8 | 178.0 | -3.5% | 181.0 | -5.1% | 169.9 | 178.0 | -4.5% |
| Churn | 23.8% | 9.1% | | 4.4% | | 49.7% | 9.1% | |
| Mobile subscriber market share | 26.1% | 37.9% | | 33.6% | | 26.1% | 37.9% | |
| Fixed subscribers | 629,273 | 608,500 | 3.4% | 616,175 | 2.1% | 629,273 | 608,500 | 3.4% |
| ARPU fixed (US\$) | 19.6 | 18.5 | 5.9% | 20.4 | -3.9% | 19.5 | 18.5 | 5.4% |

^{*)} Net operating revenues exclude inter-company transactions (US\$388 thousand in 4Q 2007, US\$0 thousand in 4Q 2006, US\$85 thousand in 3Q 2007, US\$629 thousand in 2007, US\$0 thousand in 2006).

^{**)} After minority interest.

^{***)} The 2006 numbers included only 1.5 months of operations.

Acquired in November 2006, our business in Armenia demonstrated robust margins and the highest ARPU of any country in the CIS. However, our business situation in the mobile market, particularly our subscriber market share, remains challenging. We are actively expanding coverage, improving the quality of the network, and strengthening our marketing activities to address the inherited issues of the Armenian operations.

GEORGIA

The Company launched commercial operations in Georgia on March 15, 2007. Currently, we are continuing to build the network and develop our sales and distribution channels. At the end of 2007, we received frequencies in 900 MHz band, which will help us to improve the quality, speed and efficiency of our network construction. In the fourth quarter, we reached 72,655 active subscribers and had revenues of US\$0.95 million, representing 173.1% quarter-on-quarter subscriber growth and 187.9% revenue growth. However, our operations in this country are still in an early phase of development.

- more -

VimpelCom Announces Fourth Quarter And Annual 2007 Financial And Operating Results

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The Company's management will discuss its fourth quarter results during a conference call and slide presentation on March 12, 2008 at 6:30 pm Moscow time (11:30 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 will be available through March 19, 2008. The slide presentation webcast will also be available for download on VimpelCom's website <http://www.vimpelcom.com>.

The VimpelCom Group is a telecommunications operator, providing voice and data services, covered through a range of wireless, fixed and broadband technologies. The Group includes companies operating in Russia, Kazakhstan, Ukraine, Uzbekistan, Tajikistan, Georgia and Armenia, in territories with a total population of about 250 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 .

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, continued volatility in the world economy, challenges to 3G and Far East tenders 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 (including approval of funding and specific transactions), if the Company is unable to successfully integrate newly-acquired businesses, including Golden Telecom, 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. 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, 2006 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

- more -

Attachment A: Definitions

Registered subscriber is an authorized user of cellular services, using one SIM card (GSM/3G) with one or several selective numbers or one handset (DAMPS/CDMA) with one selective number. The number of subscribers includes employees using cellular services and excludes guest roamers and users of test SIM cards or handsets.

Reported 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 two months. Prepaid subscribers are disconnected in two cases: (1) an account has been blocked after the balance drops to \$0 or below for up to six months, (2) an account showed no chargeable transaction for up to ten months. The exact number of months prior to the disconnection varies by country and depends on the legislation and market specifics.

Active 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.

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

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

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 reconciliation 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 reconciliation 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 net operating revenues.

Free cash flow is calculated as operating cash flow minus accrued capital expenditures before acquisitions.

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 active subscribers during the period and dividing by the number of months in that period. 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_{REG} is ARPU calculated with regard to the registered subscriber base.

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 active subscribers during the period and dividing by the number of months in that period.

MOU_{REG} is MOU calculated with regard to the registered subscriber base.

SAC (Average Acquisition Cost Per User), a non-U.S. GAAP financial measure, is calculated as dealers' commissions (for sales and bonus for exclusivity*), 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, Tajikistan and Armenia, respectively, by the total estimated number of subscribers in Russia, Kazakhstan, Ukraine, Uzbekistan, Tajikistan and Armenia, respectively.

*) *Dealers' bonus for exclusivity which we counted prior to the fourth quarter of 2006 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 December 31, | | Years ended December 31, | |
|--|--|------------------|-----------------------------|------------------|
| | 2007 | 2006 | 2007 | 2006 |
| | <i>(Unaudited)</i> | | | |
| | <i>(In thousands of US dollars , except per share (ADS) amounts)</i> | | | |
| Operating revenues: | | | | |
| Service revenues and connection fees | \$ 2,006,440 | \$ 1,447,054 | \$ 7,161,833 | \$ 4,847,661 |
| Sales of handsets and accessories | 2,307 | 4,252 | 6,519 | 19,265 |
| Other revenues | 2,504 | 657 | 6,528 | 2,931 |
| Total operating revenues | 2,011,251 | 1,451,963 | 7,174,880 | 4,869,857 |
| Revenue based tax | (1,305) | (551) | (3,782) | (1,879) |
| Net operating revenues | 2,009,946 | 1,451,412 | 7,171,098 | 4,867,978 |
| Operating expenses: | | | | |
| Service costs (exclusive of depreciation shown separately below) | 365,653 | 267,736 | 1,309,287 | 872,388 |
| Cost of handsets and accessories sold | 1,592 | 4,223 | 5,827 | 18,344 |
| Selling general and administrative expenses | 715,892 | 478,423 | 2,206,322 | 1,503,615 |
| Depreciation | 331,725 | 265,086 | 1,171,834 | 874,618 |
| Amortization | 56,040 | 50,095 | 218,719 | 179,846 |
| Provision for doubtful accounts | 8,399 | 11,205 | 52,919 | 21,848 |
| Total operating expenses | 1,479,301 | 1,076,768 | 4,964,908 | 3,470,659 |
| Operating income | 530,645 | 374,644 | 2,206,190 | 1,397,319 |
| Other income and expenses: | | | | |
| Interest income | 11,554 | 4,436 | 33,021 | 15,471 |
| Interest expense | (50,274) | (46,602) | (194,839) | (186,404) |
| Net foreign exchange gain (loss) | 21,614 | 10,667 | 72,955 | 24,596 |
| Other income (expenses) | 31,377 | (22,567) | 3,029 | (38,844) |
| Total other income and expenses | 14,271 | (54,066) | (85,834) | (185,181) |
| Income before income taxes and minority interest | 544,916 | 320,578 | 2,120,356 | 1,212,138 |
| Income taxes expense | 159,225 | 127,831 | 593,928 | 390,663 |
| Minority interest in net earnings of subsidiaries | 17,583 | (5,203) | 63,722 | 8,104 |
| Income before cumulative effect of change in accounting principle | 368,108 | 197,950 | 1,462,706 | 813,371 |
| Cumulative effect of changes in accounting principles | | | | (1,882) |
| Net income | 368,108 | 197,950 | 1,462,706 | 811,489 |
| Net income per common share | \$ 7.25 | \$ 3.89 | \$ 28.78 | \$ 15.94 |
| Net income per ADS equivalent | \$ 0.36 | \$ 0.19 | \$ 1.44 | \$ 0.80 |
| Weighted average common shares outstanding (thousands) | 50,777 | 50,859 | 50,818 | 50,911 |

Open Joint Stock Company Vimpel Communications

Condensed Consolidated Balance Sheets

| | December 31, 2007 | December 31, 2006 |
|---|-------------------------------------|----------------------|
| | <i>(In thousands of US dollars)</i> | |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 1,003,711 | \$ 344,494 |
| Trade accounts receivable | 281,396 | 311,991 |
| Other current assets | 441,810 | 468,071 |
| Total current assets | 1,726,917 | 1,124,556 |
| Non current assets | | |
| Property and equipment, net | 5,497,819 | 4,615,675 |
| Telecommunication licenses and allocation of frequencies, net | 915,211 | 924,809 |
| Other intangible assets, net | 1,302,318 | 1,033,140 |
| Other assets | 1,126,619 | 738,366 |
| Total non current assets | 8,841,967 | 7,311,990 |
| Total assets | \$ 10,568,884 | \$ 8,436,546 |
| Liabilities and shareholders equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 700,589 | \$ 671,953 |
| Customer advances and deposits | 423,611 | 314,375 |
| Bank and other loans, current portion | 526,512 | 424,103 |
| Accrued liabilities | 348,989 | 201,545 |
| Total current liabilities | 1,999,701 | 1,611,976 |
| Deferred income taxes | 576,276 | 528,025 |
| Bank and other loans, less current portion | 2,240,097 | 2,065,329 |
| Accrued liabilities | 52,614 | 30,447 |
| Minority Interest | 288,410 | 257,859 |
| Shareholders equity | 5,411,786 | 3,942,910 |
| Total liabilities and shareholders equity | \$ 10,568,884 | \$ 8,436,546 |

Open Joint Stock Company Vimpel Communications

Condensed Consolidated Statements of Cash Flows

| | Years ended December 31, | |
|--|-------------------------------------|---------------------|
| | 2007 | 2006 |
| | <i>(In thousands of US dollars)</i> | |
| Net cash provided by operating activities | \$ 3,037,690 | \$ 1,971,268 |
| Proceeds from bank and other loans | 666,348 | 925,183 |
| Sale of treasury stock | 39,787 | 12,855 |
| Payments of fees in respect of bank loans | (14,380) | (48,175) |
| Repayment of rouble denominated bonds | | (110,783) |
| Repayment of bank and other loans | (472,545) | (447,663) |
| Payment of dividends | (331,885) | |
| Purchase of treasury stock | (81,069) | (38,535) |
| Net cash provided by financing activities | (193,744) | 292,882 |
| Short-term investments | (42,356) | |
| Purchase of property and equipment | (1,238,305) | (1,265,549) |
| Acquisition of subsidiaries, net of cash | (301,355) | (679,765) |
| Purchase of intangible assets | (73,814) | (31,408) |
| Escrow cash deposit | (200,170) | |
| Purchase of other assets | (378,552) | (310,269) |
| Net cash used in investing activities | (2,234,552) | (2,286,991) |
| Effect of exchange rate changes on cash | 49,823 | 3,689 |
| Net increase (decrease) in cash | 659,217 | (19,152) |
| Cash and cash equivalents at beginning of period | 344,494 | 363,646 |
| Cash and cash equivalents at end of period | 1,003,711 | 344,494 |
| Supplemental cash flow information | | |
| Cash paid during the period: | | |
| Income tax | \$ 601,939 | \$ 354,566 |
| Interest | 201,259 | 188,991 |
| Non cash activities: | | |
| Equipment acquired under financing and capital lease agreements | 48,514 | 23,458 |
| Accounts payable for equipment and other long lived assets | 417,478 | 249,020 |
| Offset of 2009 Tendered Notes | | 232,766 |
| Non cash discounts from suppliers of equipment | (5,441) | 14,542 |
| Acquisitions: | | |
| Fair value of assets acquired | 84,125 | 671,997 |
| Fair value of minority interest acquired | 41,636 | |
| Difference between the amount paid and the fair value of net assets acquired | 182,034 | 268,315 |
| Cash paid for the capital stock | (291,928) | (735,500) |
| Liabilities assumed | \$ 15,867 | \$ 204,812 |

Attachment C. Reconciliation tables (Unaudited)

CONSOLIDATED

Reconciliation of OIBDA

(In thousands of US dollars)

| | Three months ended | | | Year Ended | |
|-------------------------|--------------------|-----------------|------------------|------------------|------------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| OIBDA | 918,410 | 689,825 | 1,015,158 | 3,596,743 | 2,451,783 |
| Depreciation | (331,725) | (265,086) | (285,572) | (1,171,834) | (874,618) |
| Amortization | (56,040) | (50,095) | (55,583) | (218,719) | (179,846) |
| Operating income | 530,645 | 374,644 | 674,003 | 2,206,190 | 1,397,319 |

Reconciliation of OIBDA Margin

| | Three months ended | | | Year Ended | |
|--|--------------------|-----------------|------------------|-----------------|-----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| OIBDA margin | 45.7% | 47.5% | 51.9% | 50.2% | 50.4% |
| Less: Depreciation as a percentage of net operating revenue | (16.5)% | (18.3)% | (14.6)% | (16.3)% | (18.0)% |
| Less: Amortization as a percentage of net operating revenue | (2.8)% | (3.4)% | (2.8)% | (3.1)% | (3.7)% |
| Operating income as a percentage of net operating revenue | 26.4% | 25.8% | 34.5% | 30.8% | 28.7% |

RUSSIA

Reconciliation of OIBDA in Russia

(In thousands of US dollars)

| | Three months ended | | | Year Ended | |
|-------------------------|--------------------|-----------------|------------------|------------------|------------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| OIBDA | 773,338 | 645,144 | 871,163 | 3,100,804 | 2,303,539 |
| Depreciation | (269,036) | (229,544) | (249,781) | (991,886) | (796,137) |
| Amortization | (30,602) | (27,091) | (29,470) | (117,085) | (104,155) |
| Operating income | 473,700 | 388,509 | 591,912 | 1,991,833 | 1,403,247 |

Reconciliation of OIBDA Margin in Russia

| | Three months ended | | | Year Ended | |
|--|--------------------|-----------------|------------------|-----------------|-----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| OIBDA margin | 45.4% | 50.3% | 52.7% | 50.9% | 52.3% |
| Less: Depreciation as a percentage of net operating revenue | (15.8)% | (17.9)% | (15.1)% | (16.3)% | (18.0)% |
| Less: Amortization as a percentage of net operating revenue | (1.8)% | (2.1)% | (1.8)% | (1.9)% | (2.4)% |
| Operating income as a percentage of net operating revenue | 27.8% | 30.3% | 35.8% | 32.7% | 31.9% |

Reconciliation of SAC in Russia

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

| | Three months ended | | | Year Ended | |
|--|--------------------|-----------------|------------------|------------------|------------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| Selling, general and administrative expenses | 632,640 | 406,642 | 477,277 | 1,903,411 | 1,330,806 |
| Less: General and administrative expenses | 481,871 | 298,222 | 351,028 | 1,423,662 | 949,326 |
| Sales and marketing expenses, including <i>advertising & marketing expenses</i> | 150,769 | 108,420 | 126,249 | 479,749 | 381,480 |
| <i>dealers commission expense</i> | 80,899 | 59,892 | 59,478 | 241,300 | 190,791 |
| New gross subscribers, 000 | 69,870 | 48,528 | 66,771 | 238,449 | 190,689 |
| New gross subscribers, 000 | 4,748 | 4,971 | 5,100 | 18,850 | 21,303 |
| Subscriber Acquisition Cost (SAC) (US\$) | 31.8 | 21.8 | 24.8 | 25.5 | 17.9 |

Reconciliation of ARPU in Russia

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

| | Three months ended | | | Year Ended | |
|---|--------------------|------------------|------------------|------------------|------------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| Service revenue and connection fees | 1,697,465 | 1,276,276 | 1,650,358 | 6,082,473 | 4,379,534 |
| Less: Connection fees | 386 | 308 | 184 | 904 | 1,744 |
| Less: Revenue from rent of fiber-optic channels | 1,546 | 433 | 1,003 | 4,496 | 1,846 |
| Service revenue used to calculate ARPU | 1,695,533 | 1,275,535 | 1,649,171 | 6,077,073 | 4,375,944 |
| Average number of registered subscribers, 000 | 50,883 | 47,541 | 49,926 | 49,457 | 46,142 |
| ARPU_{REG} (US\$) | 11.1 | 8.9 | 11.0 | 10.2 | 7.9 |
| Average number of active subscribers, 000 | 41,881 | 39,102 | 40,933 | 40,299 | 37,996 |
| ARPU (US\$) | 13.5 | 10.9 | 13.4 | 12.6 | 9.6 |

KAZAKHSTAN

Reconciliation of OIBDA in Kazakhstan

(In thousands of US dollars)

| | Three months ended | | | Year Ended | |
|-------------------------|--------------------|-----------------|------------------|-----------------|-----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| OIBDA | 92,171 | 35,744 | 88,127 | 322,623 | 140,580 |
| Depreciation | (20,139) | (21,142) | (14,983) | (68,477) | (56,158) |
| Amortization | (9,673) | (9,134) | (9,091) | (37,337) | (36,792) |
| Operating income | 62,359 | 5,468 | 64,053 | 216,809 | 47,630 |

Reconciliation of OIBDA Margin in Kazakhstan

| | Three months ended | | | Year Ended | |
|---|--------------------|-----------------|------------------|-----------------|-----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| OIBDA margin | 52.8% | 31.6% | 52.7% | 52.8% | 40.0% |
| Less: Depreciation as a percentage of net operating revenue | (11.6)% | (18.7)% | (9.0)% | (11.2)% | (16.0)% |
| Less: Amortization as a percentage of net operating revenue | (5.5)% | (8.1)% | (5.4)% | (6.1)% | (10.5)% |

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| | | | | | |
|--|-------|------|-------|-------|-------|
| Operating income as a percentage of net operating revenue | 35.7% | 4.8% | 38.3% | 35.5% | 13.5% |
|--|-------|------|-------|-------|-------|

Reconciliation of SAC in Kazakhstan

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

| | Three months ended | | | Year Ended | |
|--|--------------------|-----------------|---------------------|-----------------|-----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| Selling, general and administrative expenses | 33,787 | 40,200 | 32,650 | 123,584 | 96,451 |
| Less: General and administrative expenses | 21,034 | 33,080 | 23,419 | 86,405 | 74,054 |
| Sales and marketing expenses, including <i>advertising & marketing expenses</i> | 12,753 | 7,120 | 9,231 | 37,179 | 22,397 |
| <i>dealers' commission expense</i> | 5,678 | 4,419 | 5,093 | 19,584 | 11,791 |
| New gross subscribers, 000 | 783 | 809 | 919 | 3,226 | 2,724 |
| Subscriber Acquisition Cost (SAC) (US\$) | 16.3 | 8.8 | 10.0 | 11.5 | 8.2 |

Reconciliation of ARPU in Kazakhstan

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

| | Three months ended | | | Year Ended | |
|---|--------------------|-----------------|------------------|-----------------|-----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| Service revenue and connection fees | 174,624 | 112,963 | 167,122 | 610,471 | 351,854 |
| 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 | 174,624 | 112,963 | 167,122 | 610,471 | 351,854 |
| Average number of registered subscribers, 000 | 5,716 | 3,498 | 5,120 | 4,880 | 2,893 |
| ARPU_{REG} (US\$) | 10.2 | 10.8 | 10.9 | 10.4 | 10.1 |
| Average number of active subscribers, 000 | 4,468 | 2,728 | 4,107 | 3,875 | 2,332 |
| ARPU (US\$) | 13.0 | 13.8 | 13.6 | 13.1 | 12.6 |

UKRAINE

Reconciliation of OIBDA in Ukraine

(In thousands of US dollars)

| | Three months ended | | | Year Ended | |
|-------------------------|--------------------|-----------------|------------------|-----------------|-----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| OIBDA | 3,643 | (10,546) | 6,455 | 508 | (34,690) |
| Depreciation | (13,036) | (4,325) | (4,417) | (24,986) | (6,478) |
| Amortization | (3,096) | (5,722) | (5,210) | (18,749) | (20,555) |
| Operating income | (12,489) | (20,593) | (3,172) | (43,227) | (61,723) |

Reconciliation of OIBDA Margin in Ukraine

| | Three months ended | | | Year Ended | |
|---|--------------------|-----------------|------------------|-----------------|-----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| OIBDA margin | 10.5% | n/a | 17.5% | 0.5% | n/a |
| Less: Depreciation as a percentage of net operating revenue | (37.7)% | n/a | (12.0)% | (22.4)% | n/a |

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| | | | | | |
|--|----------------|------------|---------------|----------------|------------|
| Less: Amortization as a percentage of net operating revenue | (9.0)% | n/a | (14.1)% | (16.8)% | n/a |
| Operating income as a percentage of net operating revenue | (36.2)% | n/a | (8.6)% | (38.7)% | n/a |

Reconciliation of SAC in Ukraine

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

| | Three months ended | | | Year Ended | |
|--|--------------------|-----------------|---------------------|-----------------|-----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| Selling, general and administrative expenses | 17,547 | 17,624 | 16,465 | 66,519 | 50,703 |
| Less: General and administrative expenses | 13,588 | 11,346 | 12,454 | 48,718 | 33,235 |
| Sales and marketing expenses, including advertising & marketing expenses | 3,959 | 6,278 | 4,011 | 17,801 | 17,468 |
| dealers commission expense | 466 | 1,134 | 1,258 | 3,673 | 2,519 |
| New gross subscribers, 000 | 480 | 948 | 729 | 2,290 | 1,752 |
| Subscriber Acquisition Cost (SAC) (US\$) | 8.2 | 6.6 | 5.5 | 7.8 | 10.0 |

Reconciliation of ARPU in Ukraine

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

| | Three months ended | | | Year Ended | |
|---|--------------------|-----------------|---------------------|-----------------|-----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| Service revenue and connection fees | 34,095 | 14,652 | 36,523 | 110,212 | 35,024 |
| Less: Connection fees | 0 | 5 | 112 | 153 | 8 |
| Less: Revenue from rent of fiber-optic channels | 0 | 0 | 0 | 0 | 0 |
| Service revenue used to calculate ARPU | 34,095 | 14,647 | 36,411 | 110,059 | 35,016 |
| Average number of registered subscribers, 000 | 2,721 | 1,425 | 2,668 | 2,501 | 714 |
| ARPU_{REG} (US\$) | 4.2 | 3.4 | 4.5 | 3.7 | 4.1 |
| Average number of active subscribers, 000 | 2,037 | 1,170 | 2,081 | 1,937 | 582 |
| ARPU (US\$) | 5.6 | 4.2 | 5.8 | 4.7 | 5.0 |
| UZBEKISTAN | | | | | |

Reconciliation of OIBDA in Uzbekistan

(In thousands of US dollars)

| | Three months ended | | | Year Ended | |
|-------------------------|--------------------|-----------------|---------------------|-----------------|-----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| OIBDA | 17,756 | 7,815 | 16,923 | 54,732 | 32,079 |
| Depreciation | (5,088) | (2,720) | (4,011) | (15,508) | (8,376) |
| Amortization | (3,480) | (3,378) | (3,438) | (13,715) | (11,843) |
| Operating income | 9,188 | 1,717 | 9,474 | 25,509 | 11,860 |

Reconciliation of OIBDA Margin in Uzbekistan

| | Three months ended | | | Year Ended | |
|---------------------|--------------------|-----------------|------------------|-----------------|-----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| OIBDA margin | 48.6% | 49.1% | 56.1% | 50.6% | 57.7% |

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| | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|
| Less: Depreciation as a percentage of net operating revenue | (14.0)% | (17.1)% | (13.3)% | (14.3)% | (15.1)% |
| Less: Amortization as a percentage of net operating revenue | (9.5)% | (21.2)% | (11.4)% | (12.7)% | (21.3)% |
| Operating income as a percentage of net operating revenue | 25.1% | 10.8% | 31.4% | 23.6% | 21.3% |

Reconciliation of SAC in Uzbekistan

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

| | Three months ended | | | Year Ended | |
|--|--------------------|--------------|---------------|---------------|---------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| Selling, general and administrative expenses | 13,053 | 5,933 | 8,668 | 36,517 | 16,451 |
| Less: General and administrative expenses | 9,501 | 4,287 | 6,003 | 26,711 | 12,369 |
| Sales and marketing expenses, including advertising & marketing expenses | 3,552 | 1,646 | 2,665 | 9,806 | 4,081 |
| dealers commission expense | 1,475 | 767 | 1,112 | 4,142 | 1,843 |
| New gross subscribers, 000 | 2,077 | 879 | 1,553 | 5,664 | 2,238 |
| Subscriber Acquisition Cost (SAC) (US\$) | 4.6 | 5.8 | 4.4 | 4.3 | 7.2 |

Reconciliation of ARPU in Uzbekistan

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

| | Three months ended | | | Year Ended | |
|---|--------------------|---------------|---------------|----------------|---------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| Service revenue and connection fees | 37,769 | 16,446 | 31,159 | 111,716 | 57,439 |
| 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 | 37,769 | 16,446 | 31,159 | 111,716 | 57,439 |
| Average number of registered subscribers, 000 | 1,904 | 625 | 1,408 | 1,360 | 461 |
| ARPU_{REG} (US\$) | 6.6 | 8.8 | 7.4 | 6.8 | 10.4 |
| Average number of active subscribers, 000 | 1,847 | 558 | 1,372 | 1,315 | 402 |
| ARPU (US\$) | 6.8 | 9.8 | 7.6 | 7.1 | 11.9 |
| TAJIKISTAN | | | | | |

Reconciliation of OIBDA in Tajikistan

(In thousands of US dollars)

| | Three months ended | | | Year Ended | |
|-------------------------|--------------------|----------------|---------------|----------------|----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| OIBDA | 1,366 | (1,112) | 1,646 | 2,763 | (2,447) |
| Depreciation | (1,472) | (204) | (948) | (3,352) | (318) |
| Amortization | (168) | (69) | (158) | (643) | (680) |
| Operating income | (274) | (1,385) | 540 | (1,232) | (3,445) |

Reconciliation of OIBDA Margin in Tajikistan

| | Three months ended | | | Year Ended | |
|---|--------------------|--------------|---------------|--------------|--------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| OIBDA margin | 16.9% | n/a | 21.5% | 11.6% | n/a |
| Less: Depreciation as a percentage of net operating revenue | (18.2)% | n/a | (12.3)% | (14.1)% | n/a |

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| | | | | | |
|--|---------------|------------|-------------|---------------|------------|
| Less: Amortization as a percentage of net operating revenue | (2.1)% | n/a | (2.1)% | (2.7)% | n/a |
| Operating income as a percentage of net operating revenue | (3.4)% | n/a | 7.1% | (5.2)% | n/a |

Reconciliation of SAC in Tajikistan

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

| | Three months ended | | | Year Ended | |
|--|--------------------|--------------|---------------|---------------|--------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| Selling, general and administrative expenses | 3,547 | 1,485 | 3,515 | 12,074 | 2,968 |
| Less: General and administrative expenses | 2,309 | 1,325 | 2,470 | 8,022 | 2,741 |
| Sales and marketing expenses, including advertising & marketing expenses | 1,238 | 160 | 1,045 | 4,052 | 227 |
| dealers' commission expense | 467 | 91 | 553 | 1,990 | 158 |
| New gross subscribers, 000 | 771 | 69 | 492 | 2,062 | 69 |
| Subscriber Acquisition Cost (SAC) (US\$) | 13.0 | 2.5 | 12.8 | 12.5 | 3.3 |

Reconciliation of ARPU in Tajikistan

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

| | Three months ended | | | Year Ended | |
|---|--------------------|--------------|---------------|---------------|--------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| Service revenue and connection fees | 8,139 | 840 | 7,675 | 23,927 | 1,218 |
| 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 | 8,139 | 840 | 7,675 | 23,927 | 1,218 |
| Average number of registered subscribers, 000 | 338 | 36 | 256 | 222 | 23 |
| ARPU_{REG} (US\$) | 8.0 | 7.8 | 10.0 | 9.0 | 4.4 |
| Average number of active subscribers, 000 | 302 | 31 | 236 | 205 | 15 |
| ARPU (US\$) | 9.0 | 9.0 | 10.8 | 9.7 | 6.8 |

ARMENIA

Reconciliation of OIBDA in Armenia

(In thousands of US dollars)

| | Three months ended | | | Year Ended | |
|-------------------------|--------------------|---------------|---------------|----------------|---------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| OIBDA | 32,476 | 13,290 | 32,888 | 122,743 | 13,290 |
| Depreciation | (21,840) | (7,148) | (10,671) | (65,182) | (7,148) |
| Amortization | (7,748) | (3,928) | (6,951) | (26,440) | (3,928) |
| Operating income | 2,888 | 2,214 | 15,266 | 31,121 | 2,214 |

Reconciliation of OIBDA Margin in Armenia

| | Three months ended | | | Year Ended | |
|---|--------------------|--------------|---------------|--------------|--------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| OIBDA margin | 54.3% | 48.6% | 51.9% | 52.1% | 48.6% |
| Less: Depreciation as a percentage of net operating revenue | (36.5)% | (26.1)% | (16.8)% | (27.7)% | (26.1)% |
| Less: Amortization as a percentage of net operating revenue | (13.0)% | (14.4)% | (11.0)% | (11.2)% | (14.4)% |

| | | | | | |
|--|-------------|-------------|--------------|--------------|-------------|
| Operating income as a percentage of net operating revenue | 4.8% | 8.1% | 24.1% | 13.2% | 8.1% |
|--|-------------|-------------|--------------|--------------|-------------|

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

| | Three months ended | | | Year Ended | |
|---|--------------------|-----------------|------------------|-----------------|-----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| Service revenue and connection fees | 23,290 | 10,451 | 25,623 | 91,970 | 10,451 |
| Less: Connection fees | 66 | 0 | 64 | 279 | 0 |
| Less: Revenue from rent of fiber-optic channels | 0 | 0 | 0 | 0 | 0 |
| Service revenue used to calculate ARPU | 23,224 | 10,451 | 25,559 | 91,691 | 10,451 |
| Average number of registered subscribers, 000 | 478 | 445 | 528 | 490 | 445 |
| ARPU_{REG} (US\$) | 16.2 | 15.7 | 16.1 | 15.6 | 15.7 |
| Average number of active subscribers, 000 | 444 | 409 | 483 | 457 | 409 |
| ARPU (US\$) | 17.4 | 17.0 | 17.6 | 16.7 | 17.0 |

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

| | Three months ended | | | Year Ended | |
|--|--------------------|-----------------|------------------|-----------------|-----------------|
| | Dec 31, 2007 | Dec 31, 2006 | Sept 30, 2007 | Dec 31, 2007 | Dec 31, 2006 |
| Service revenue and connection fees | 36,299 | 16,922 | 37,551 | 143,363 | 16,922 |
| Less: Connection fees | (271) | 0 | 88 | (128) | 0 |
| Service revenue used to calculate ARPU | 36,570 | 16,922 | 37,463 | 143,491 | 16,922 |
| Average number of subscribers, 000 | 622 | 609 | 611 | 612 | 609 |
| Average revenue per subscriber per month (US\$) | 19.6 | 18.5 | 20.4 | 19.5 | 18.5 |

Attachment D. Additional reference data

Operating and Financial Indicators

| CONSOLIDATED | 4Q2007 | 4Q2006 | Three months | | Change, 4Q07/3Q07 | 2007 | Year | |
|-------------------------------|------------|------------|----------------------|------------|----------------------|------------|------------|---------------------|
| | | | Change, 4Q07/4Q06 | 3Q2007 | | | 2006 | Change 2007/2006 |
| Registered mobile subscribers | 63,340,040 | 55,135,700 | 14.9% | 60,990,302 | 3.9% | 63,340,040 | 55,135,700 | 14.9% |
| Registered fixed subscribers | 629,273 | 608,500 | 3.4% | 616,175 | 2.1% | 629,273 | 608,500 | 3.4% |

| RUSSIA | 4Q2007 | 4Q2006 | Three months | | Change, 4Q07/3Q07 | 2007 | Year | |
|----------------------------|------------|------------|----------------------|------------|----------------------|------------|------------|---------------------|
| | | | Change, 4Q07/4Q06 | 3Q2007 | | | 2006 | Change 2007/2006 |
| Registered subscribers | 51,622,117 | 48,141,200 | 7.2% | 50,296,378 | 2.6% | 51,622,117 | 48,141,200 | 7.2% |
| ARPU _{REG} (US\$) | 11.1 | 8.9 | 24.7% | 11.0 | 0.9% | 10.2 | 7.9 | 29.1% |
| MOU _{REG} (min) | 168.0 | 129.8 | 29.4% | 171.3 | -1.9% | 156.5 | 120.1 | 30.3% |

| KAZAKHSTAN | 4Q2007 | 4Q2006 | Three months | | Change, 4Q07/3Q07 | 2007 | Year | |
|----------------------------|-----------|-----------|----------------------|-----------|----------------------|-----------|-----------|---------------------|
| | | | Change, 4Q07/4Q06 | 3Q2007 | | | 2006 | Change 2007/2006 |
| Registered subscribers | 5,905,511 | 3,826,500 | 54.3% | 5,456,505 | 8.2% | 5,905,511 | 3,826,500 | 54.3% |
| ARPU _{REG} (US\$) | 10.2 | 10.8 | -5.6% | 10.9 | -6.4% | 10.4 | 10.1 | 3.0% |
| MOU _{REG} (min) | 77.3 | 60.8 | 27.1% | 90.4 | -14.5% | 75.1 | 56.8 | 32.2% |

| UKRAINE | 4Q2007 | 4Q2006 | Three months | | Change, 4Q07/3Q07 | 2007 | Year | |
|----------------------------|-----------|-----------|----------------------|-----------|----------------------|-----------|-----------|---------------------|
| | | | Change, 4Q07/4Q06 | 3Q2007 | | | 2006 | Change 2007/2006 |
| Registered subscribers | 2,646,647 | 1,876,100 | 41.1% | 2,737,000 | -3.3% | 2,646,647 | 1,876,100 | 41.1% |
| ARPU _{REG} (US\$) | 4.2 | 3.4 | 23.5% | 4.5 | -6.7% | 3.7 | 4.1 | -9.8% |
| MOU _{REG} (min) | 137.1 | 122.4 | 12.0% | 131.2 | 4.5% | 126.3 | 121.8 | 3.7% |

| UZBEKISTAN | 4Q2007 | 4Q2006 | Three months | | Change, 4Q07/3Q07 | 2007 | Year | |
|----------------------------|-----------|---------|----------------------|-----------|----------------------|-----------|---------|---------------------|
| | | | Change, 4Q07/4Q06 | 3Q2007 | | | 2006 | Change 2007/2006 |
| Registered subscribers | 2,197,730 | 766,500 | 186.7% | 1,631,673 | 34.7% | 2,197,730 | 766,500 | 186.7% |
| ARPU _{REG} (US\$) | 6.6 | 8.8 | -25.0% | 7.4 | -10.8% | 6.8 | 10.4 | -34.6% |
| MOU _{REG} (min) | 274.9 | 240.1 | 14.5% | 282.4 | -2.7% | 264.9 | 279.5 | -5.2% |

| TAJIKISTAN | 4Q2007 | 4Q2006 | Three months | | Change, 4Q07/3Q07 | 2007 | Year | |
|----------------------------|---------|--------|----------------------|---------|----------------------|---------|--------|---------------------|
| | | | Change, 4Q07/4Q06 | 3Q2007 | | | 2006 | Change 2007/2006 |
| Registered subscribers | 386,460 | 73,400 | 426.5% | 295,049 | 31.0% | 386,460 | 73,400 | 426.5% |
| ARPU _{REG} (US\$) | 8.0 | 7.8 | 2.6% | 10.0 | -20.0% | 9.0 | 4.4 | 104.5% |
| MOU _{REG} (min) | 193.0 | 160.8 | 20.0% | 212.7 | -9.3% | 203.9 | 77.4 | 163.4% |

| ARMENIA | 4Q2007 | 4Q2006 | Three months | | Change, 4Q07/3Q07 | 2007 | Year | |
|-------------------------------|---------|---------|----------------------|---------|----------------------|---------|---------|---------------------|
| | | | Change, 4Q07/4Q06 | 3Q2007 | | | 2006 | Change 2007/2006 |
| Registered mobile subscribers | 487,170 | 452,000 | 7.8% | 538,411 | -9.5% | 487,170 | 452,000 | 7.8% |
| ARPU _{REG} (US\$) | 16.2 | 15.7 | 3.2% | 16.1 | 0.6% | 15.6 | 15.7 | -0.6% |
| MOU _{REG} (min) | 159.4 | 163.7 | -2.6% | 165.4 | -3.6% | 158.4 | 163.7 | -3.2% |

VimpelCom
Presentation of 4Q and Full Year 2007
Financial
and
Operating Results
March 12, 2008

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
in
Russia
and
the
CIS.
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 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, continued volatility in the world economy, challenges to 3G and Far East tenders 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 (including approval of funding and specific transactions), if the Company is unable to successfully integrate newly-acquired businesses, including Golden Telecom, 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, 2006 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.

3
Agenda
Q&A Session
Operational Overview
Financial Overview
Welcome Remarks
will be joined by:

Nikolay
Pryanishnikov,
Executive VP, General Director, Russia
Kent McNeley, CMO
Jean-Pierre Vandromme,
CEO of Golden Telecom
Alexander Izosimov, CEO
Elena Shmatova, CFO
Alexander Izosimov, CEO

4
2007 Financial Highlights
Net Revenues, \$ mln
Net Income, \$ mln
OIBDA, \$ mln
OIBDA Margin
+47.3%

1,330
2,113
3,211
4,868
7,171
2003
2004
2005
2006
2007
+46.7%
613
1,027
1,571
2,452
3,597
2003
2004
2005
2006
2007
50.2%
50.4%
48.9%
48.6%
46.1%
2003
2004
2005
2006
2007
+80.2%
1,463
811
615
350
229
2003
2004
2005
2006
2007

5
Quarterly Financial Dynamics
Net Revenues, \$ mln
Net Income, \$ mln
OIBDA, \$ mln
OIBDA Margin
+38.5%

1,359
1,451
1,488
1,717
1,956
2,010
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
+86.0%
368
458
359
277
198
268
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
+33.1%
918
1,015
897
766
690
718
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
52.8%
47.5%
51.5%
52.2%
51.9%
45.7%
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07

| |
|--------------------------------------|
| 6 |
| Stock Price Based Compensation Plans |
| Accruals and ADS Price |
| 15,1 |
| 21,3 |
| 40,5 |
| 24,2 |

118,7
27,8
6,8
3,2
8,60
9,16
12,12
15,79
18,97
21,07
41,60
27,04
0
20
40
60
80
100
120
140
Q106
Q206
Q306
Q406
Q107
Q207
Q307
Q407
0
5
10
15
20
25
30
35
40

Accruals, (US\$ M)
ADS price, (\$)

7
Continuing Increase in Free Cash Flow
804
3,038
1,971
1,293
-1,512

-1,773

-1,635

-1,242

-438

-342

1,265

459

2004

2005

2006

2007

Operating Cash Flow, \$ mln

CAPEX, \$ mln

Free Cash Flow, \$ mln

8

Strong Balance Sheet

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

(\$ mln)

Dec 31,'07

Dec 31,'06

Dec 31,'05

Cash and Cash Equivalents

1,004

344

364

Total Assets

10,569

8,437

6,307

Total Debt

2,767

2,489

1,998

-Short-term

527

424

421

-Long-term

2,240

2,065

1,577

Shareholders' Equity

5,412

3,943

2,741

LTM OIBDA*

3,597

2,452

1,571

-

LTM Depreciation

and

amortization

1,391

1,055

593

-

LTM Operating

Income

2,206

1,397

978

LTM Interest

195

186

147

Debt/Assets

0.26

0.30

0.32

Net Debt

1,763

2,145

1,634

10.69

18.45

13.18

0.73

0.63

0.51

0.77

1.27

1.02

5.00

11.00

17.00

23.00

29.00

Dec 31, '05

Dec 31, '06

Dec 31, '07

-0.60

-0.40

-0.20

0.00

0.20

0.40

0.60

0.80

1.00

1.20

1.40

OIBDA LTM/Interest LTM

Debt/Equity

Debt/OIBDA LTM

9

Operating Highlights: Russia

MOU, min

ARPU, US\$

Active Subscriber Base, mln

Subscriber Market Share

*

*

)

Source: AC&M Consulting, based on registered subscriber numbers

38.8
39.8
38.6
41.8
42.2
40.1
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
13.5
13.4
12.3
10.9
10.9
10.6
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
152
158
161
193
209
204
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
32%
32%
31%
31%
30%
30%
33%
33%
33%
33%
34%

34%
19%
19%
20%
20%
21%
21%
16%
15%
15%
16%
16%
16%
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
VimpelCom
MTS
MegaFon
Others

10
Financial Highlights: Russia
Net Revenues, \$ mln
OIBDA, \$ mln
CAPEX, \$ mln
CAPEX / Revenue, LTM
+32.8%

1,701
1,652
1,459
1,278
1,281
1,228
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
+19.9%
773
871
780
676
645
666
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
467
217
189
200
380
226
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
17.6%
17.4%
19.0%
22.9%
23.9%
32.5%
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07

11
Sources of Year-on-Year Growth
Net Revenue Growth, \$ mln
OIBDA Growth, \$ mln
Subscriber
Growth, 000
7,171

4,868
468
613
1,081
6,090
4,400
1,690
2006
Russia
CIS
2007
3,597
2,452
2,304
148
348
496
797
3,101
2006
Russia
CIS
2007
51,740
45,548
39,783
5,765
9,519
42,221
2,438
3,754
2006
Russia
CIS
2007
Russia
CIS

12
Operating Highlights: Kazakhstan
ARPU,
US\$
MOU,
min
Active Subscriber Base, mln

Subscriber Market Share

*

*

)

Source: AC&M Consulting, based on registered subscriber numbers

3.5

3.9

4.6

3.1

2.6

4.3

3Q 06

4Q 06

1Q 07

2Q 07

3Q 07

4Q 07

13.0

13.6

14.4

13.8

12.2

13.6

3Q 06

4Q 06

1Q 07

2Q 07

3Q 07

4Q 07

88

78

72

89

99

113

3Q 06

4Q 06

1Q 07

2Q 07

3Q 07

4Q 07

5%

5%

49%

50%

47%

47%

46%

49%

45%

46%
48%
47%
47%
46%
5%
5%
7%
6%
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
VIP
K'Cell
Others

13
Financial Highlights: Kazakhstan
Net Revenues, \$ mln
OIBDA, \$ mln
CAPEX, \$
mln
CAPEX / Revenue, LTM

96
41
46
31
49
55
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
64.2%
50.2%
41.2%
37.3%
30.5%
35.2%
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
+157.9%
92
88
80
62
36
49
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
+54.7%
174
166
149
119
112
104
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07

14
Operating Highlights: Ukraine
Active Subscriber Base, mln
ARPU
(US\$)
Subscriber Market Share
*

MOU,
min
*
)

Source: AC&M Consulting , based on registered subscriber numbers

0.8
1.5
2.0
1.8
1.9
2.2
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
6.7
4.2
3.0
4.2
5.8
5.6
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
168
168
160
138
149
183
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
5%
4%
2%
5%
5%
5%
43%
43%
44%

43%

42%

43%

41%

41%

40%

39%

36%

37%

16%

14%

12%

11%

11%

12%

1%

1%

1%

1%

1%

1%

3Q 06

4Q 06

1Q 07

2Q 07

3Q 07

4Q 07

VIP

Kyivstar

UMC (MTS)

Astelit

Others

15
Financial Highlights: Ukraine
Net Revenues, \$ mln
OIBDA, \$ mln
CAPEX, \$
mln
CAPEX / Revenue, LTM

-6.1
-10.5
-6.5
-3.1
6.5
3.6
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
55
26
46
29
56
78
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
682%
599%
461%
326%
176%
148%
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
+114.5%
11.5
14.3
15.7
22.7
36.3
30.7
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07

16
Operating Highlights: Uzbekistan
Active Subscriber Base, mln
ARPU (US\$)
MOU,
min
Subscriber Market Share

*

*

)

Source: AC&M Consulting , based on registered subscriber numbers

0.5

0.7

1.2

1.1

2.1

1.6

3Q 06

4Q 06

1Q 07

2Q 07

3Q 07

4Q 07

11.8

9.8

6.8

6.7

7.2

7.6

3Q 06

4Q 06

1Q 07

2Q 07

3Q 07

4Q 07

283

305

269

242

266

290

3Q 06

4Q 06

1Q 07

2Q 07

3Q 07

4Q 07

33%

37%

36%

25%

27%

33%

52%

48%

50%

50%

51%

54%

13%

14%

9%

11%

11%

12%

3%

3%

4%

4%

8%

12%

3Q 06

4Q 06

1Q 07

2Q 07

3Q 07

4Q 07

VIP

Uzdunrobita

Coscom

Other

17
Financial Highlights: Uzbekistan
Net Revenues, \$ mln
OIBDA, \$ mln
CAPEX,
\$ mln
CAPEX / Revenue, LTM

41
24
19
8
20
15
43
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
86%
63%
81%
82%
85%
82%
126%
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
* In 4Q 2007 \$43 million was paid for 3G license and numbering capacity
*
**
** Organic CAPEX/Revenue ratio excluding payments for numbering capacity and 3G licenses
+130.2%
15.7
15.8
18.0
23.1
29.9
36.4
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07
+127.2%
9.5
7.8
8.7
11.4

16.9
17.8
3Q 06
4Q 06
1Q 07
2Q 07
3Q 07
4Q 07

18

Operating and Financial Highlights: Armenia

* The 4Q 2006

data

represent the results of operations for

1.5 months since the date of acquisition by VimpelCom

Net Revenues, \$ mln

ARPU,

US\$

CAPEX,

\$ mln

Active Subscriber Base, mln

0.6

0.6

0.4

0.4

0.6

0.6

0.6

0.4

0.4

0.5

4Q 06*

1Q 07

2Q 07

3Q 07

4Q 07

Fixed subscribers

Mobile active subscribers

17.4

17.6

17.3

14.5

17.0

18.5

18.8

19.3

20.4

19.6

4Q 06*

1Q 07

2Q 07

3Q 07

4Q 07

Mobile ARPU active base

Fixed ARPU

44

21

20

5

9

4Q 06*

1Q 07

2Q 07

3Q 07

4Q 07

54.0

58.3
63.3
59.4
27.4
19.8
37.6
36.3
16.9
34.2
35.2
25.7
23.1
10.5
23.1
4Q 06*
1Q 07
2Q 07
3Q 07
4Q 07
Fixed revenue
Mobile revenue

19

Operating and Financial Highlights:

Georgia and Tajikistan

Georgia

Operations launched at the end of Q1 and are still in a start-up phase

Almost tripled revenues and number of active subscribers in Q4 compared to Q3

Focus on roll-out and distribution network development
Tajikistan

Revenues increased 10 times compared to Q4 2006

Number of active subscribers increased by almost 5 times versus year end 2006

Subscriber market share increased to 18% from 7% a year ago

20

Strategy Going Forward

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

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
Extract maximum value in the
Extract maximum value in the
Russian business
Russian business

Focus on subscriber growth

Leverage unified business platform
developed in Russia

Pursue acquisitions in remaining markets
Grow the business in the CIS
Grow the business in the CIS

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

Capture attractive opportunities to
Capture attractive opportunities to
expand into new business areas
expand into new business areas

21
Golden Telecom: A Perfect Fit
Customer
focus
Product
focus
Geography

Consumer
Corporate
Mobile
voice
and data
Fixed voice
and data,
broadband,
wholesale
Russia,
CIS
Russia,
CIS
Infrastructure
Transport
network
Access
Bundling opportunities anticipated
Significant cost synergies and investment
savings expected
Introduce convergent products
Overlapping geographies allow for creation of
the leading pan-CIS integrated operator
Enhance VimpelCom operations in Ukraine
Scale synergies from combining networks
Enhance Golden Telecom's wholesale
operations
Generate additional revenues from FTTB local
access network
Enable customer growth in both corporate and
residential sectors
Create cross-selling opportunities

22

Summary

Continued strong growth of business and solid financial performance

ARPU expansion trend in Russia continues, driven by increase in usage

Increased scope and profitability of operations in the CIS countries outside of Russia

Strategic evolution towards a leading integrated
telecom operator

23

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 please visit www.vimpelcom.com or contact

Investor_Relations@vimpelcom.com

APPENDICES

25

Moldova

Population: 3.9 mln.

Penetration 44%

GDP* 2,200

Moldova

Population: 3.9 mln.

Penetration 44%

GDP* 2,200

Armenia

Population: 3.2 mln.

Acquired: Nov. 2006

Penetration 59%

GDP* 5,700

Armenia

Population: 3.2 mln.

Acquired: Nov. 2006

Penetration 59%

GDP* 5,700

Russia and CIS License Footprint

2G & 3G licenses

2G & 3G licenses

No VIP license

No VIP license

Ukraine

Population: 46.5 mln.

Acquired: Nov. 2005

Penetration 120%

GDP* 6,900

Ukraine

Population: 46.5 mln.

Acquired: Nov. 2005

Penetration 120%

GDP* 6,900

Georgia

Population: 4.5 mln.

Acquired: Jul. 2006

Penetration 56%

GDP* 4,200

Georgia

Population: 4.5 mln.

Acquired: Jul. 2006

Penetration 56%

GDP* 4,200

Azerbaijan

Population: 8.5 mln.

Penetration 51%

GDP* 9,000

Azerbaijan

Population: 8.5 mln.

Penetration 51%

GDP* 9,000

Turkmenistan

Population: 6.7 mln.

Penetration 6%

GDP* 9,200

Turkmenistan

Population: 6.7 mln.

Penetration 6%

GDP* 9,200

Uzbekistan

Population: 26.7 mln.

Acquired: Jan. 2006

Penetration 22%

GDP* 2,200

Uzbekistan

Population: 26.7 mln.

Acquired: Jan. 2006

Penetration 22%

GDP* 2,200

Tajikistan

Population: 7.1 mln.

Acquired: Dec. 2005

Penetration 30%

GDP* 1,600

Tajikistan

Population: 7.1 mln.

Acquired: Dec. 2005

Penetration 30%

GDP* 1,600

Kyrgyzstan

Population: 5.2 mln.

Penetration 40%

GDP* 2,000

Kyrgyzstan

Population: 5.2 mln.

Penetration 40%

GDP* 2,000

Kazakhstan

Population: 15.4 mln.

Acquired: Sept. 2004

Penetration 83%

GDP* 11,100

Kazakhstan

Population: 15.4 mln.

Acquired: Sept. 2004

Penetration 83%

GDP* 11,100

*GDP (PPP), \$ per capita

Sources:

GDP data by CIA World Factbook

Population data by CIS Statistics Committee

Number of mobile subscribers by AC&M-Consulting

Belarus

Population: 9.7 mln.

Penetration 73%

GDP* 10,200

Belarus

Population: 9.7 mln.

Penetration 73%

GDP* 10,200

Russia

Population: 142.2 mln.

Penetration 122%

GDP* 14,600

Russia

Population: 142.2 mln.

Penetration 122%

GDP* 14,600

Russia

Russia

2G license only

2G license only

3G license only

3G license only

26
FOREX Development
Currency
5.9%
5.9%
14.1%
14.1%

-3.9%
-3.9%
-1.4%
-1.4%
0.0%
0.0%
5.5%
5.5%
7.2%
7.2%
Change from Q4 06
2.5%
2.5%
6.1%
6.1%
-1.0%
-1.0%
-0.4%
-0.4%
0.0%
0.0%
2.0%
2.0%
3.4%
3.4%
Change from Q3 07
Average quarterly FX rate to US\$
7.2%
7.2%
GEL
Change from 2006
16.3%
16.3%
AMD
-4.0%
-4.0%
UZS
-1.1%
-1.1%
TJS
0.0%
0.0%
UAH
5.3%
5.3%
KZT
6.8%
6.8%
RUB
Closing

FX rate to US\$

*) Source: Prime TASS, National Banks of the CIS countries

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

28
Reconciliation of OIBDA and OIBDA Margin
(Unaudited)
(\$'000)
Dec 31,
2007
Sept 30,

| | |
|--|--|
| 2007 | |
| June 30, | |
| 2007 | |
| March 31, | |
| 2007 | |
| Dec 31, | |
| 2006 | |
| Sept 30, | |
| 2006 | |
| OIBDA | |
| 918,410 | |
| 1,015,158 | |
| 896,758 | |
| 766,417 | |
| 689,825 | |
| 717,796 | |
| Depreciation | |
| (331,725) | |
| (285,572) | |
| (285,365) | |
| (269,172) | |
| (265,086) | |
| (243,593) | |
| Amortization | |
| (56,040) | |
| (55,583) | |
| (53,807) | |
| (53,289) | |
| (50,095) | |
| (45,648) | |
| Operating Income | |
| 530,645 | |
| 674,003 | |
| 557,586 | |
| 443,956 | |
| 374,644 | |
| 428,555 | |
| OIBDA margin | |
| 45.7% | |
| 51.9% | |
| 52.2% | |
| 51.5% | |
| 47.5% | |
| 52.8% | |
| Less: Depreciation as % of net operating revenues | |
| (16.5%) | |
| (14.6%) | |
| (16.6%) | |
| (18.1%) | |

(18.3%)

(17.9%)

Less: Amortization as % of net
operating revenues

(2.8%)

(2.8%)

(3.1%)

(3.6%)

(3.4%)

(3.4%)

Operating Income

26.4%

34.5%

32.5%

29.8%

25.8%

31.5%

Reconciliation of OIBDA margin to operating income as percentage
of

net operating revenue

Three

months

ended

Reconciliation

of

OIBDA

to

operating

income

29
Reconciliation of OIBDA and OIBDA Margin
Annual (Unaudited)
(\$'000)
Dec 31,
2007
Dec 31,

| | |
|--------------------------------|--|
| 2006 | |
| Dec 31, | |
| 2005 | |
| Dec 31, | |
| 2004 | |
| Dec 31, | |
| 2003 | |
| OIBDA | |
| 3,596,743 | |
| 2,451,783 | |
| 1,571,310 | |
| 1,026,721 | |
| 613,230 | |
| Impairment loss | |
| 0 | |
| 0 | |
| 0 | |
| (7,354) | |
| 0 | |
| Depreciation | |
| (1,171,834) | |
| (874,618) | |
| (451,152) | |
| (281,129) | |
| (162,769) | |
| Amortization | |
| (218,719) | |
| (179,846) | |
| (142,126) | |
| (64,072) | |
| (34,064) | |
| Operating Income | |
| 2,206,190 | |
| 1,397,319 | |
| 978,032 | |
| 674,166 | |
| 416,397 | |
| OIBDA margin | |
| 50.2% | |
| 50.4% | |
| 48.9% | |
| 48.6% | |
| 46.1% | |
| Less: Impairment loss | |
| 0 | |
| 0 | |
| 0 | |
| (0.3%) | |
| 0 | |
| Less: Depreciation as % of net | |

operating revenues

(16.3%)

(18.0%)

(14.0%)

(13.4%)

(12.2%)

Less: Amortization as % of net

operating revenues

(3.1%)

(3.7%)

(4.4%)

(3.0%)

(2.6%)

Operating Income

30.8%

28.7%

30.5%

31.9%

31.3%

Reconciliation

of

OIBDA

margin

to

operating

income

as

percentage

of

net

operating

revenue

Reconciliation

of

OIBDA

to

operating

income

Year

Ended

30
Reconciliation of OIBDA and ARPU
in Russia (Unaudited)
(\$'000)
Dec 31,
2007
Sept 30,

2007
June 30,
2007
March 31,
2007
Dec 31,
2006
Sept 30,
2006
OIBDA
773,338
871,163
779,828
676,476
645,144
666,354
Depreciation
(269,036)
(249,781)
(240,387)
(232,681)
(229,544)
(221,973)
Amortization
(30,602)
(29,470)
(28,478)
(28,536)
(27,091)
(26,429)
Operating Income
473,700
591,912
510,963
415,259
388,509
417,952
Service revenue and
connection fees
1,697,465
1,650,358
1,457,896
1,276,754
1,276,276
1,223,681
Less: Connection fees
386
184
164
169

308
410
Less: Revenue from rent of
fiber-optic channels
1,546
1,003
983
964
433
760
Service revenue used to
calculate ARPU
1,695,533
1,649,171
1,456,749
1,275,621
1,275,535
1,222,511
Average number of active
subscribers ('000)
41,881
40,933
39,359
39,021
39,102
38,365
ARPU (US\$)
13.5
13.4
12.3
10.9
10.9
10.6
Reconciliation of OIBDA to operating income
Reconciliation of ARPU to service revenue and connection fees
Three months ended

31
Reconciliation of OIBDA and ARPU
in Kazakhstan (Unaudited)
(\$'000)
Dec 31,
2007
Sept 30,

| | |
|--|--|
| 2007 | |
| June 30, | |
| 2007 | |
| March 31, | |
| 2007 | |
| Dec 31, | |
| 2006 | |
| Sept 30, | |
| 2006 | |
| OIBDA | |
| 92,171 | |
| 88,127 | |
| 80,317 | |
| 62,007 | |
| 35,744 | |
| 49,023 | |
| Depreciation | |
| (20,139) | |
| (14,983) | |
| (17,537) | |
| (15,817) | |
| (21,142) | |
| (17,981) | |
| Amortization | |
| (9,673) | |
| (9,091) | |
| (9,419) | |
| (9,154) | |
| (9,134) | |
| (9,550) | |
| Operating Income | |
| 62,359 | |
| 64,053 | |
| 53,361 | |
| 37,036 | |
| 5,468 | |
| 21,492 | |
| Service revenue and connection fees | |
| 174,624 | |
| 167,122 | |
| 149,326 | |
| 119,399 | |
| 112,963 | |
| 104,208 | |
| 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

174,624

167,122

149,326

119,399

112,963

104,208

Average number of active
subscribers ('000)

4,468

4,107

3,655

3,271

2,728

2,412

ARPU (US\$)

13.0

13.6

13.6

12.2

13.8

14.4

Reconciliation of ARPU to service revenue and connection fees
Three months ended

Reconciliation of OIBDA to operating income

32
Reconciliation of OIBDA and ARPU in
Ukraine (Unaudited)
(\$'000)
Dec 31,
2007
Sept 30,

2007
June 30,
2007
March 31,
2007
Dec 31,
2006
Sept 30,
2006
OIBDA
3,643
6,455
(3,073)
(6,518)
(10,546)
(6,072)
Depreciation
(13,036)
(4,417)
(4,330)
(3,203)
(4,325)
(1,218)
Amortization
(3,096)
(5,210)
(5,234)
(5,210)
(5,722)
(5,232)
Operating Income
(12,489)
(3,172)
(12,637)
(14,931)
(20,593)
(12,522)
Service revenue and
connection fees
34,095
36,523
23,436
16,158
14,652
12,320
Less: Connection fees
0
112
36
5

5
 3
 Less: Revenue from rent of fiber-
 optic channels
 0
 0
 0
 0
 0
 0
 Service revenue used to
 calculate ARPU
 34,095
 36,411
 23,400
 16,153
 14,647
 12,317
 Average number of active subscribers
 ('000)
 2,037
 2,081
 1,847
 1,781
 1,170
 611
 ARPU (US\$)
 5.6
 5.8
 4.2
 3.0
 4.2
 6.7
 Three months ended
 Reconciliation
 of
 OIBDA
 to
 operating
 income
 Reconciliation
 of
 ARPU
 to
 service
 revenue
 and
 connection
 fees

33
Reconciliation of OIBDA and ARPU in
Uzbekistan (Unaudited)
(\$'000)
Dec 31,
2007
Sept 30,

| | |
|-----------------------|--|
| 2007 | |
| June 30, | |
| 2007 | |
| March 31, | |
| 2007 | |
| Dec 31, | |
| 2006 | |
| Sept 30, | |
| 2006 | |
| OIBDA | |
| 17,756 | |
| 16,923 | |
| 11,388 | |
| 8,664 | |
| 7,815 | |
| 9,532 | |
| Depreciation | |
| (5,088) | |
| (4,011) | |
| (3,312) | |
| (3,097) | |
| (2,720) | |
| (2,380) | |
| Amortization | |
| (3,480) | |
| (3,438) | |
| (3,414) | |
| (3,383) | |
| (3,378) | |
| (3,268) | |
| Operating Income | |
| 9,188 | |
| 9,474 | |
| 4,662 | |
| 2,184 | |
| 1,717 | |
| 3,884 | |
| Service revenue and | |
| connection fees | |
| 37,769 | |
| 31,159 | |
| 24,009 | |
| 18,778 | |
| 16,446 | |
| 16,279 | |
| Less: Connection fees | |
| 0 | |
| 0 | |
| 0 | |
| 0 | |

0
0
Less: Revenue from rent of fiber-
optic channels
0
0
0
0
0
0
0
Service revenue used to
calculate ARPU
37,769
31,159
24,009
18,778
16,446
16,279
Average number of active subscribers
(‘000)
1,847
1,372
1,109
930
558
458
ARPU (US\$)
6.8
7.6
7.2
6.7
9.8
11.8
Reconciliation of ARPU to service revenue and connection fees
Three months ended
Reconciliation of OIBDA to operating income

34
Reconciliation of ARPU in Armenia
(Unaudited)
(\$'000)
Dec 31,
2007
Sept 30,

2007
 June 30,
 2007
 March 31,
 2007
 Dec 31,
 2006
 Dec 31,
 2007
 Sept 30,
 2007
 June 30,
 2007
 March 31,
 2007
 Dec 31,
 2006
 Service revenue and
 connection fees
 23,290
 25,623
 23,208
 19,912
 10,451
 36,299
 37,551
 35,214
 34,242
 16,922
 Less: Connection fees
 66
 64
 19
 129
 0
 (271)
 88
 55
 0
 0
 Less: Revenue from rent
 of fiber-optic channels
 0
 0
 0
 0
 0
 -
 -
 -

-

-

Service revenue used
to calculate ARPU

23,224

25,559

23,189

19,783

10,451

36,570

37,463

35,159

34,242

16,922

Average number of active
subscribers ('000)

444

483

446

456

409

622

611

608

607

609

ARPU (US\$)

17.4

17.6

17.3

14.5

17.0

19.6

20.4

19.3

18.8

18.5

Reconciliation of ARPU to service revenue and connection fees

Three Months Ended

MOBILE

FIXED

35

Definitions

Registered subscriber

is an authorized user of cellular services, using one SIM card (GSM/3G) with one or several selective numbers or one handset (DAMPS/CDMA) with one selective number. The number of subscribers includes employees using cellular services and excludes guest roamers and users of test SIM cards or handsets.

Active 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.

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 active subscribers during the period and dividing by the number of months in that period. Reconciliation of ARPU to service revenue and connection fees, the most directly comparable U.S. GAAP financial measure, is presented above 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.

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 active subscribers during the period and dividing by the number of months in that period.

Market share

of subscribers for each country is calculated by dividing the estimated number of the subscribers of a particular company by the total estimated number of subscribers in that country. Market share data is published by consulting agencies specializing in the telecommunications industry in Russia and the CIS and generally based on registered subscribers.

Net debt

is calculated as a total interest-bearing debt minus cash and cash equivalents

Free cash flow

is calculated as operating cash flow minus accrued capital expenditures before acquisitions

Average quarterly FX rate to US\$

for the CIS countries is calculated as the sum of average exchange rates for each month within a quarter divided by three months