

OPEN JOINT STOCK CO VIMPEL COMMUNICATIONS

Form 6-K

May 26, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 under

the Securities Exchange Act of 1934

For the month of May 2010

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 the registrant by furnishing the information contained in this Form 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: May 26, 2010

By: /s/ Alexander Y. Torbakhov
Name: Alexander Y. Torbakhov
Title: General Director

Amsterdam and New York (May 26, 2010) - VimpelCom Ltd (VimpelCom or the Company) (NYSE: VIP), a leading international provider of telecommunications services, today announces its pro forma operating and financial results for the quarter ended March 31, 2010.

This earnings release contains pro forma information* for VimpelCom and the financial and operating results of each of Open Joint Stock Company Vimpel-Communications (OJSC VimpelCom) and Closed Joint Stock Company Kyivstar G.S.M. (Kyivstar) on a stand-alone basis. The presentation of OJSC VimpelCom's financial and operating results follows the format of its 2009 year-end earnings release, with its consolidated financial results and the financial results of its CIS operations being presented in US dollars and the financial results of its Russian operations being presented in Russian Rubles. Kyivstar's financial and operating results are presented in its functional currency, the Ukrainian Hryvnia.

In accordance with recently adopted accounting rules, from January 1, 2010 OJSC VimpelCom began to consolidate the results of LLC Sky Mobile's operations in Kyrgyzstan.

* See page 9 for details

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

Combined Financial and Operating Results on a Pro Forma Basis

(US\$, millions) - 1Q 10	OJSC VimpelCom	Kyivstar	HQ and eliminations	Pro Forma Condensed Combined
Net operating revenues	2,231	322	(18)	2,535
Adjusted OIBDA	1,052	164	(11)	1,205
Adjusted OIBDA margin, %	47.2%	50.9%		47.5%
Operating income	633	40	(11)	662
Operating income margin, %	28.4%	12.4%		26.1%
SG&A	632	98	11	741
including Sales & Marketing Expenses	191	17		208
including General & Administrative Costs	441	81	11	533
SG&A percentage	28.3%	30.4%		29.2%
Net income (loss) attributable to VimpelCom Ltd.	392	28	(8)	412
Net income (loss) attributable to VimpelCom Ltd. per ADS, basic, (US\$)				0.32
Capital expenditures	179.3	55.8		235.1
Mobile subscriptions (000)	66,821	21,934		88,755
Broadband subscriptions (000)	2,513			2,513

Quarterly highlights:

Pro forma net operating revenues and OIBDA* of \$2.5 billion and \$1.2 billion, respectively

1Q10 VimpelCom Ltd. transaction related costs and the new headquarters overhead charges amounted to \$11 million

The first quarter pro forma OIBDA margin was 47.5%

Pro forma net income attributable to VimpelCom Ltd amounted to \$412 million.

Combined operating cash flow amounted to \$960 million

Commenting on the first quarter results of VimpelCom, Alexander Izosimov, Chief Executive Officer of VimpelCom, said, "With this release we open a new chapter in our history. The combination of the two market leaders – OJSC VimpelCom and Kyivstar – has created a new strong emerging markets player. The increased scale of our business, combined with our high level of profitability, positions VimpelCom as the leading telecom operator in the region."

Our quarterly results give us confidence that the development of our business is on track. We remain focused on sustainable revenue growth and continued to deliver returns to our shareholders.

Looking ahead, we will focus on completing the integration and organizational structure of our new company in order to deal with the changing industry landscape. We believe that the outlook for VimpelCom is bright and are confident that we will successfully leverage our new advantages.

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

* Hereafter refers to adjusted OIBDA (See definition of adjusted OIBDA in Attachment A)

OJSC VimpelCom: Key Consolidated Financial and Operating Results*

CONSOLIDATED OPERATIONS (US\$, millions)	1Q 10	1Q 09	1Q 10/ 1Q 09	4Q 09	1Q 10/ 4Q 09
Net operating revenues	2,231	1,973	13.1%	2,309	-3.4%
Adjusted OIBDA	1,052	949	10.9%	1,088	-3.3%
Adjusted OIBDA margin, %	47.2%	48.1%		47.1%	
Operating income	633	567	11.6%	608	4.1%
Operating income margin, %	28.4%	28.7%		26.3%	
SG&A	632	538	17.5%	680	-7.1%
including Sales & Marketing Expenses	191	156	22.4%	218	-12.4%
including General & Administrative Costs	441	382	15.4%	462	-4.5%
SG&A percentage	28.3%	27.3%		29.4%	
Net income (loss) attributable to OJSC VimpelCom	392	-297	n/a	283	38.5%
Capital expenditures	179.3	113.0	58.7%	422.7	-57.6%
Mobile subscriptions ('000)	66,821	62,724	6.5%	64,596	3.4%
Broadband subscriptions ('000)	2,513	1,560	61.1%	2,257	11.3%

* See definitions in Attachment A. References to year-on-year are to comparisons of 1Q10 vs. 1Q09, while references to quarter-on-quarter are to 1Q10 vs. 4Q09.

Quarterly highlights:

Net operating revenues reflect stability of the core business in Russia and ability to market new products and services

Appreciation of local currencies against the US dollar strengthened the top line

The decline in revenues compared to the previous quarter reflects the normal seasonality of the business

Consolidated fixed and mobile OIBDA margin of 47.2% was in line with the previous quarter

Strong operating cash flow of \$803 million as a result of consistent focus on cash generation and working capital optimization

Capital expenditures will increase further throughout the year as we accelerate the 3G and FTTB network roll-out in the markets in which we operate

Repayment of \$928 million of debt bringing OJSC VimpelCom's net debt to \$4.9 billion with a Total Debt/OIBDA LTM ratio of 1.5

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

OJSC VimpelCom: Russia - Financial and Operating Results

RUSSIA (RUR millions)	1Q 10	1Q 09	1Q 10/ 1Q 09	4Q 09	1Q 10/ 4Q 09
Net operating revenues	57,350	56,272	1.9%	58,819	-2.5%
Adjusted OIBDA	27,107	27,227	-0.4%	27,725	-2.2%
Adjusted OIBDA margin, %	47.3%	48.4%		47.1%	
Operating income	17,527	17,719	-1.1%	17,393	0.8%
Operating income margin, %	30.6%	31.5%		29.6%	
SG&A	15,796	14,936	5.8%	17,033	-7.3%
including Sales & Marketing Expenses	4,969	4,485	10.8%	5,862	-15.2%
including General & Administrative Costs	10,827	10,451	3.6%	11,171	-3.1%
SG&A percentage	27.5%	26.5%		29.0%	
Net income (loss) attributable to OJSC VimpelCom	11,557	-6,722	n/a	9,267	24.7%
RUSSIA REVENUES* (RUR millions)	1Q 10	1Q 09	1Q 10/ 1Q 09	4Q 09	1Q 10/ 4Q 09
Net operating revenues	57,350	56,272	1.9%	58,819	-2.5%
Mobile	47,882	45,507	5.2%	48,921	-2.1%
Fixed-line	9,468	10,765	-12.0%	9,898	-4.3%
RUSSIA OIBDA DEVELOPMENT* (RUR millions)	1Q 10	1Q 09	1Q 10/ 1Q 09	4Q 09	1Q 10/ 4Q 09
Adjusted OIBDA Total	27,107	27,227	-0.4%	27,725	-2.2%
Mobile	24,385	23,562	3.5%	24,850	-1.9%
Fixed-line	2,722	3,665	-25.7%	2,875	-5.3%
Adjusted Total OIBDA margin, %	47.3%	48.4%		47.1%	
Mobile, %	50.9%	51.8%		50.8%	
Fixed-line, %	28.7%	34.0%		29.0%	
RUSSIA OPERATING DEVELOPMENT	1Q 10	1Q 09	1Q 10/ 1Q 09	4Q 09	1Q 10/ 4Q 09
Mobile subscriptions (000)	51,254	49,351	3.9%	50,886	0.7%
MOU, min	203.9	203.0	0.4%	217.7	-6.3%
Adjusted MOU, min**	208.4	205.7	1.3%	221.4	-5.9%
ARPU mobile, US\$	10.3	9.1	13.2%	10.8	-4.6%
ARPU mobile, RUR	307.7	306.6	0.4%	316.9	-2.9%
Broadband subscriptions (000)	2,335	1,498	55.9%	2,111	10.6%

* Mobile and fixed revenues for all periods were recalculated please see definition of reportable segments in Attachment A.

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

** Adjusted MOU is calculated for mobile subscriptions excluding mobile broadband subscriptions using USB modems.

Quarterly highlights:

In the mobile segment:

Strong demand for data services led to an increase in USB modem subscriptions

Stable pricing for traditional voice services

VAS as a percentage of mobile service revenues increased to 20.6%

Strong mobile OIBDA margin above 50%

In the fixed-line segment:

Revenues in the US dollar terms remained stable year-on-year

Revenue dynamics of a fixed-line segment reflect Russian ruble appreciation as a significant part of our fixed-line client base is billed in US dollars and Euro

OIBDA margin remained essentially flat quarter-on-quarter

The total number of residential broadband subscriptions, including FTTB and mobile broadband, exceeded 2.3 million with revenues up 59.1% year-on-year

Overall, in Russia the Company achieved good growth in the mobile segment, while fixed-line performance remained stable with ruble revenues and margins affected by currency fluctuations. Our competitive position remains sound, while further revenue growth will be defined to a large degree by continued macroeconomic recovery in the country.

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

OJSC VimpelCom: CIS* - Financial and Operating Results

CIS OPERATIONS (US\$ millions)	1Q 10	1Q 09	1Q 10/ 1Q 09	4Q 09	1Q 10/ 4Q 09
Net operating revenues	339.8	332.6	2.2%	341.6	-0.5%
Adjusted OIBDA	152.4	149.7	1.8%	154.7	-1.5%
Adjusted OIBDA margin, %	44.8%	45.0%		45.3%	
Operating income	56.9	49.9	14.0%	28.5	99.6%
Operating income margin, %	16.7%	15.0%		8.3%	
SG&A	94.7	92.5	2.4%	94.1	0.6%
including Sales & Marketing Expenses	21.5	22.7	-5.3%	24.9	-13.7%
including General & Administrative Costs	73.2	69.8	4.9%	69.2	5.8%
SG&A percentage	27.9%	27.8%		27.5%	
Net income/(loss) attributable to OJSC VimpelCom	22.0	-11.0	n/a	-7.6	n/a
Mobile subscriptions ('000)	15,076	13,373	12.7%	13,342	13.0%
Broadband subscriptions ('000)	178	62	187.1%	146	21.9%

* OJSC VimpelCom's CIS operations include operations in Kazakhstan, Uzbekistan, Armenia, Kyrgyzstan, Tajikistan, and Georgia as well as OJSC VimpelCom's operations in Ukraine. Starting with the second quarter of 2010 we intend to present our operations in Ukraine as a new segment, which will include OJSC VimpelCom's and Kyivstar's operations in Ukraine.

Quarterly highlights:

10% year-on-year local currency revenue growth in Kazakhstan, our largest market in this segment, reflecting signs of a return to stability in that market

Consolidation of the Kyrgyzstan mobile operations of Sky Mobile, which has a management contract with Kar-Tel, our subsidiary operating in Kazakhstan. Sky Mobile serves 1.8 million customers and has been operating under the Beeline brand since June 2009

OIBDA margin declined slightly; due in part to the inclusion of the Kyrgyz operations

Number of broadband subscriptions increased 187% year-on-year as we started to actively develop our broadband projects in Ukraine, Kazakhstan, Uzbekistan and Armenia.

Overall, in our CIS markets we continue to focus on cash flow and profitability. While the situation in Armenia and Uzbekistan remains challenging, we are pleased with our progress in Kazakhstan and Georgia.

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

OJSC VimpelCom: South-East Asia

Quarterly highlights:

Our operations in South-East Asia are still in a very early stage of development

In Cambodia, good network quality, effective marketing campaigns and a pro-active approach to distribution have made us the fourth largest player in a nine-player market after the first year of operations

In Vietnam, our networks covered approximately 57% of the total population with commercial activity in 51 out of 63 provinces where we have approximately 1.6 million subscriptions

Overall, we are optimistic about the potential of the South-East Asian mobile market and continue to enhance our presence in this region.

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

Kyivstar: Financial and Operating Results

KYIVSTAR (UAH millions)	1Q 10	1Q 09	1Q 10/ 1Q 09	4Q 09	1Q 10/ 4Q 09
Net operating revenues	2,573	2,703	-4.8%	2,890	-11.0%
Adjusted OIBDA	1,307	1,456	-10.2%	1,549	-15.6%
Adjusted OIBDA margin, %	50.8%	53.9%		53.6%	
Operating income	320	311	2.9%	414	-22.7%
Operating income margin, %	12.4%	11.5%		14.3%	
SG&A	782	766	2.1%	782	0.0%
including Sales & Marketing Expenses	134	143	-6.3%	191	-29.8%
including General & Administrative Costs	648	623	4.0%	591	9.6%
SG&A percentage	30.4%	28.3%		27.1%	
Net income (loss) attributable to Kyivstar	224	370	-39.5%	333	-32.7%
KYIVSTAR OPERATING DEVELOPMENT	1Q 10	1Q 09	1Q 10/ 1Q 09	4Q 09	1Q 10/ 4Q 09
Mobile subscriptions ('000)	21,934	22,727	-3.5%	22,022	-0.4%
MOU, min	425	281	51.2%	396	7.3%
ARPU mobile, US\$	4.8	5.1	-5.9%	5.4	-11.1%
ARPU mobile, UAH	38.5	39.1	-1.5%	43.5	-11.5%

Quarterly highlights:

Quarter-on-quarter revenue dynamics reflect typical seasonality and the results of our efforts to stabilize subscription market share

Year-on-year decline in revenues was largely driven by a lower number of active subscriptions caused by an ongoing shift of the Ukrainian mobile market to the zero on-net model aimed at price sensitive low-tier customers

Reduction of the interconnect rates starting from the beginning of 2010 was another key contributor to the decrease in revenues

Year-on-year ARPU remained essentially stable reflecting the high quality of our active customer base and partially offsetting the reduction of interconnect rates

Introduction of zero on-net pricing model under Djuiice brand in the second half of 2009 helped to reduce churn, stabilize subscription market share, and drive growth in MOU

Weaker revenues and approximately 50 million Ukrainian Hryvnias of one-off costs related to transaction expenses and shareholder charges led to a decline in OIBDA margin

The level of capital investments remained within the normal investment profile and should benefit from the upcoming integration with URS. Overall, the results are in line with our expectations and reflect our focus on stabilization of subscription market share and protecting ARPU.

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

For more information on financial and operating data for specific countries, as well as reconciliation of OIBDA, please refer to the supplementary file [FinancialOperatingQ12010.xls](http://www.vimpelcom.com/news/qrep.wbp) on our website at <http://www.vimpelcom.com/news/qrep.wbp>.

In April 2010, following successful completion of the VimpelCom's Ltd exchange offer for shares and American depository shares of OJSC VimpelCom, VimpelCom's two strategic shareholders completed the combination of OJSC VimpelCom and Kyivstar under VimpelCom Ltd.

Because VimpelCom Ltd. transaction was completed in the second quarter of 2010, VimpelCom is presenting first quarter results on a pro forma basis assuming the consolidation of OJSC VimpelCom and Kyivstar. This information does not assume that VimpelCom would have reported these results if the exchange offer was completed in the first quarter, nor does it imply that these results will be realized in the future.

The Company's management will discuss its first quarter 2010 results during a conference call and slide presentation on May 26, 2010 at 4:30 pm CET, (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 2, 2010. The slide presentation webcast will also be available for download on VimpelCom's website <http://www.vimpelcom.com>.

VimpelCom Ltd. consists of telecommunications operators providing voice and data services through a range of wireless, fixed and broadband technologies. The VimpelCom Ltd. group is headquartered in Amsterdam and has operations in Russia, Ukraine, Kazakhstan, Uzbekistan, Tajikistan, Georgia, Armenia, Kyrgyzstan, Vietnam and Cambodia, covering territory with a total population of about 340 million. VimpelCom Ltd. operating companies provide services under the Beeline and Kyivstar brands. VimpelCom Ltd.'s ADSs are listed on the New York Stock Exchange 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 include those relating to the benefits of the combination of OJSC VimpelCom and Kyivstar under the Company, the Company's 2010 capital expenditures projections and the Company's development plans in South East Asia. 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 its Ukrainian operations and other newly-acquired businesses and other factors. There can be

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

no assurance that such risks and uncertainties will not have a material adverse effect on the Company. Certain factors that could cause actual results to differ materially from those discussed in any forward-looking statements include the risk factors described in the Company's registration statement on Form F-4 filed with the U.S. Securities and Exchange Commission (the "SEC"), OJSC VimpelCom's public filings with the SEC, including its Annual Report on Form 20-F for the year ended December 31, 2009, and other public filings made by the Company with the SEC, 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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VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

- Definitions and tables are attached

Attachment A: Definitions

Adjusted OIBDA is a non-U.S. GAAP financial measure. Adjusted OIBDA, previously referred to as EBITDA or OIBDA by OJSC VimpelCom, is defined as operating income before depreciation, amortization and impairment loss. Our management uses adjusted OIBDA and adjusted OIBDA margin as supplemental performance measures and believes that adjusted OIBDA and adjusted OIBDA margin provide useful information to investors because they are indicators of the strength and performance of the Company's business operations, including its ability to fund discretionary spending, such as capital expenditures, acquisitions and other investments, as well as indicating its ability to incur and service debt. In addition, the components of adjusted OIBDA include the key revenue and expense items for which the Company's operating managers are responsible and upon which their performance is evaluated. Adjusted OIBDA also assists management and investors by increasing the comparability of the Company's performance against the performance of other telecommunications companies that provide OIBDA or EBITDA (earnings before interest, taxes, depreciation and amortization) information. This increased comparability is achieved by excluding the potentially inconsistent effects between periods or companies of depreciation, amortization and impairment loss, which items may significantly affect operating income between periods. However, OJSC VimpelCom's and Kyivstar's adjusted OIBDA results and our pro forma adjusted OIBDA results may not be directly comparable to other companies' reported OIBDA or EBITDA results due to variances and adjustments in the components of OIBDA (including our calculation of adjusted OIBDA) or calculation measures. However, a limitation of adjusted OIBDA's use as a performance measure is that it does not reflect the periodic costs of certain capitalized tangible and intangible assets used in generating revenues or the need to replace capital equipment over time. Reconciliation of adjusted OIBDA to net income, the most directly comparable U.S. GAAP financial measure, is presented below in the reconciliation tables section as well as in the supplementary file FinancialOperatingQ12010.xls on our website at <http://www.vimpelcom.com/news/qrep.wbp>.

Adjusted OIBDA margin is a non-U.S. GAAP financial measure. We calculate adjusted OIBDA margin as adjusted OIBDA divided by net operating revenues, expressed as a percentage. Reconciliation of adjusted OIBDA margin to net 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 as well as in the supplementary file FinancialOperatingQ12010.xls on our website at <http://www.vimpelcom.com/news/qrep.wbp>.

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

General and administrative costs (G&A) include salaries and outsourcing costs, including related social contributions required by 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.

Capital expenditures (Capex) purchases of new equipment, new construction, upgrades, software, other long lived assets and related reasonable costs incurred prior to intended use of the non current asset, accounted at the earliest event of advance payment or delivery. Long-lived assets acquired in business combinations are not included in capital expenditures.

Net debt is a non-U.S. GAAP financial measure and is calculated as the sum of long-term debt and short-term debt minus cash and cash equivalents and short-term investments. The Company believes that net debt provides useful information to investors because it shows the amount of debt outstanding to be paid after using available cash and cash equivalent, as well as short-term investments. Net debt should not be considered in isolation as an alternative to long-term debt and short-term debt, or any other measure of the company financial position. Reconciliation of net debt to long-term debt and short-term debt, the most directly comparable U.S. GAAP financial measures, is presented below in the reconciliation tables section.

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

Free cash flow is a non-U.S. GAAP financial measure and is calculated as operating cash flow less Capex. The Company believes that free cash flow provides useful information to investors because it is an indicator of our company's operational and financial performance and represents our ability to generate cash after accruals required to maintain or expand our asset base. Free cash flow should not be considered in isolation as an alternative to operating cash flow or any other measure of the company cash flows management. Reconciliation of free cash flow to operating cash flow, the most directly comparable U.S. GAAP financial measure, is presented below in the reconciliation tables section.

Mobile subscriptions are SIM-cards registered in the system as of a measurement date, users of which generated revenue at any time during the three months prior to the measurement date. This includes revenue coming from any incoming and outgoing calls, subscription fee accruals, debits related to service, outgoing SMS, Multimedia Messaging Service (referred to as MMS), data transmission and receipt sessions, but does not include incoming SMS and MMS sent by VimpelCom or abandoned calls. VimpelCom's total number of mobile subscriptions also includes SIM-cards for use of mobile Internet service via USB modems.

Broadband subscriptions are the customer contracts that served as a basis for revenue generating activity in the three months prior to the measurement date, as a result of activities including monthly internet access using FTTB, xDSL and WiFi technologies as well as mobile internet service via USB modems.

ARPU (Monthly Average Revenue per User) is calculated by dividing 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 subscriptions during the period and dividing by the number of months in that period.

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

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.

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

VAS (value added services) includes short messages (SMS), multimedia messages (MMS), caller number identification, call waiting, data transmission, mobile Internet, downloadable content and other services.

CIS Geographic Segment for the purpose of VimpelCom Ltd reporting includes our operations in the following countries: Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan, Armenia and Georgia as well as OJSC VimpelCom's operations in Ukraine. Starting from the next quarter we intend to include OJSC VimpelCom's operation in Ukraine in a separate reporting segment together with Kyivstar.

SEA VimpelCom operations in South-East Asia, which include operations in Cambodia and VimpelCom's respective equity in net results of operations of the Company's Vietnamese associate GTEL-Mobile JSC (GTEL-Mobile).

Reportable segments Historically intersegment revenues were eliminated in consolidation. Starting from January 1, 2010, OJSC VimpelCom changed the approach to intersegment revenues and expenses in a way that operating revenues and operating expenses of Russia mobile and Russia fixed segments from each other and operating revenues and operating expenses of CIS mobile and CIS fixed segments from each other are eliminated on the level of a segment, as well as certain expenses and revenues were allocated to allow revenues and expenses related to those revenues to produce financial result within one segment. Other intersegment revenues and expenses are eliminated at the consolidated level. The comparative information was retrospectively adjusted.

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

Attachment B: VimpelCom financial statements

VimpelCom Limited

Unaudited Combined Statement of Income (Pro-forma)

	Three months ended March 31, 2010 <i>(In thousands of US dollars)</i>
Operating revenues:	
Service revenues	2,498,176
Sales of equipment and accessories	28,424
Other revenues	9,992
Total operating revenues	2,536,592
Revenue based tax	(1,633)
Net operating revenues	2,534,959
Operating expenses:	
Service costs	536,783
Cost of equipment and accessories	31,594
Selling, general and administrative expenses	741,090
Depreciation	408,117
Amortization	134,075
Impairment loss	612
Provision for doubtful accounts	20,585
Total operating expenses	1,872,856
Operating income	662,103
Other income and expenses:	
Interest income	15,113
Net foreign exchange (loss)/gain	100,365
Interest expense	(141,844)
Equity in net gain/(loss) of associates	(3,784)
Other (expenses)/income, net	(48,487)
Total other income and expenses	(78,637)
Income before income taxes	583,466
Income tax expense	161,079
Net income/(loss)	422,387
Net income/(loss) attributable to the noncontrolling interest	10,166
Net income/(loss) attributable to VimpelCom	412,221

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

OJSC VimpelCom Unaudited Condensed Consolidated Statement of Income

	Three months ended March 31,	
	2010	2009
	<i>(In thousands of US dollars)</i>	
Operating revenues:		
Service revenues	\$ 2,202,629	\$ 1,942,761
Sales of equipment and accessories	26,579	28,680
Other revenues	3,553	3,836
Total operating revenues	2,232,761	1,975,277
Revenue based tax	(1,633)	(2,262)
Net operating revenues	2,231,128	1,973,015
Operating expenses:		
Service costs	501,588	440,237
Cost of equipment and accessories	26,350	28,666
Selling, general and administrative expenses	632,406	537,541
Depreciation	352,553	308,637
Amortization	66,694	72,601
Provision for doubtful accounts	18,643	17,861
Total operating expenses	1,598,234	1,405,543
Operating income	632,894	567,472
Other income and expenses:		
Interest income	11,546	14,813
Net foreign exchange (loss)/gain	104,934	(745,763)
Interest expense	(141,660)	(137,393)
Equity in net gain/(loss) of associates	(3,784)	(35,312)
Other (expenses)/income, net	(48,345)	(5,473)
Total other income and expenses	(77,309)	(909,128)
Income before income taxes	555,585	(341,656)
Income tax expense	153,049	(34,100)
Net income/(loss)	402,536	(307,556)
Net income/(loss) attributable to the noncontrolling interest	10,166	(10,924)
Net income/(loss) attributable to OJSC VimpelCom	\$ 392,370	\$ (296,632)

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

OJSC VimpelCom Unaudited Condensed Consolidated Balance Sheets

	March 31, 2010	December 31, 2009
	<i>(In thousands of US dollars, except share amounts)</i>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,529,605	\$ 1,446,949
Trade accounts receivable, net of allowance for doubtful accounts	449,599	392,365
Inventory	63,310	61,919
Deferred income taxes	89,178	91,493
Input value added tax	135,285	96,994
Due from related parties	187,260	249,631
Other current assets	430,640	627,257
Total current assets	2,884,877	2,966,608
Property and equipment, net	5,556,235	5,561,569
Telecommunications licenses, net	535,024	542,597
Goodwill	3,674,705	3,284,293
Other intangible assets, net	689,289	700,365
Software, net	441,514	448,255
Investments in associates	432,562	436,767
Other assets	817,685	792,087
Total assets	\$ 15,031,891	\$ 14,732,541
Liabilities, redeemable noncontrolling interest and equity		
Current liabilities:		
Accounts payable	\$ 525,013	\$ 545,690
Due to employees	156,019	113,368
Due to related parties	9,998	9,211
Accrued liabilities	399,918	315,666
Taxes payable	337,437	212,767
Customer advances, net of VAT	315,088	376,121
Customer deposits	29,109	28,386
Short-term debt	1,356,396	1,813,141
Total current liabilities	3,128,978	3,414,350
Deferred income taxes	544,932	596,472
Long-term debt	5,291,747	5,539,906
Other non-current liabilities	178,118	164,636
Commitments, contingencies and uncertainties		
Total liabilities	9,143,775	9,715,364
Redeemable noncontrolling interest	511,942	508,668
Equity:		
Convertible voting preferred stock (.005 rubles nominal value per share), 10,000,000 shares authorized; 6,426,600 shares issued and outstanding		

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Common stock (.005 rubles nominal value per share), 90,000,000 shares authorized; 51,281,022 shares issued (December 31, 2009: 51,281,022); 50,714,662 shares outstanding (December 31, 2009: 50,714,579)	92	92
Additional paid-in capital	1,152,515	1,143,657
Retained earnings	4,466,862	4,074,492
Accumulated other comprehensive (loss)	(418,444)	(488,277)
Treasury stock, at cost, 566,360 shares of common stock (December 31, 2009: 566,443)	(223,406)	(223,421)
Total OJSC VimpelCom shareholders equity	4,977,619	4,506,543
Noncontrolling interest	398,555	1,966
Total equity	5,376,174	4,508,509
Total liabilities, redeemable noncontrolling interest and equity	\$ 15,031,891	\$ 14,732,541

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

OJSC VimpelCom Unaudited Condensed Consolidated Statements of Cash Flows

	Three months ended March 31,	
	2010	2009
	<i>(In thousands of US dollars)</i>	
Operating activities		
Net cash provided by operating activities	803,279	838,187
Investing activities		
Purchases of property and equipment	(144,113)	(148,834)
Purchases of intangible assets	(8,503)	(8,759)
Purchases of software	(57,379)	(42,816)
Cash increase due to Sky Mobile consolidation	4,702	
Loan granted	(5,044)	
Proceeds from withdrawal of deposits	225,743	
Purchases of other assets, net	(8,051)	(3,049)
Net cash used in investing activities	7,355	(203,458)
Financing activities		
Proceeds from bank and other loans	203,227	
Repayments of bank and other loans	(927,551)	(525,992)
Payments of fees in respect of debt issues	(83)	(8,166)
Purchase of noncontrolling interest in consolidated subsidiaries	(2,294)	
Payment of dividends	(2,049)	
Payment of dividends to noncontrolling interest	(7,874)	
Net cash (used in)/provided by financing activities	(736,624)	(534,158)
Effect of exchange rate changes on cash and cash equivalents	8,646	(49,099)
Net increase/(decrease) in cash and cash equivalents	82,656	51,472
Cash and cash equivalents at beginning of period	1,446,949	914,683
Cash and cash equivalents at end of period	\$ 1,529,605	\$ 966,155

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

OJSC VimpelCom Unaudited Consolidated Statements of Cash Flows (Continued)

	Three months ended March 31,	
	2010	2009
	<i>(In thousands of US dollars)</i>	
Supplemental cash flow information		
Cash paid during the period:		
Income tax	\$ 175,208	\$ 30,850
Interest	118,217	88,492
Non-cash activities:		
Accounts payable for property, equipment and other long-lived assets	(138,899)	308,273

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

Attachment C: Reconciliation Tables (Unaudited)

Reconciliation of Combined Adjusted OIBDA (pro-forma)

(In millions of US\$)

VimpelCom Ltd. (Pro-forma), OIBDA, US\$ mln	1Q 10
Adjusted OIBDA	1,205
Depreciation	(408)
Amortization	(134)
Impairment loss	(1)
Operating income	662
Interest income	15
Net foreign exchange gain/(loss)	100
Interest expense	(142)
Equity in net gain/(loss) of associates	(4)
Other (expense)/income, net	(48)
Income tax expense	(161)
Net income/(loss)	422

Reconciliation of Combined Adjusted OIBDA Margin (pro-forma)

VimpelCom Ltd. (Pro-forma), %	1Q 10
Adjusted OIBDA margin as a percentage of net operating revenues	47.5%
Depreciation	(16.1)%
Amortization	(5.3)%
Impairment loss	0.0%
Operating income	26.1%
Interest income	0.6%
Net foreign exchange gain/(loss)	3.9%
Interest expense	(5.6)%
Equity in net gain/(loss) of associates	(0.2)%
Other (expense)/income, net	(1.9)%
Income tax expense	(6.3)%
Net income/(loss)	16.6%

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

Reconciliation of Consolidated Adjusted OIBDA of OJSC VimpelCom

(In millions of US\$)

OJSC VimpelCom, OIBDA, US\$ mln	1Q 10	1Q 09	4Q 09
Adjusted OIBDA	1,052	949	1,088
Depreciation	(352)	(309)	(393)
Amortization	(67)	(73)	(87)
Operating income	633	567	608
Interest income	12	15	10
Net foreign exchange gain/(loss)	105	(746)	(14)
Interest expense	(142)	(137)	(164)
Equity in net gain/(loss) of associates	(4)	(35)	(10)
Other (expense)/income, net	(48)	(6)	(24)
Income tax expense	(153)	34	(125)
Net income/(loss)	403	(308)	281

Reconciliation of Consolidated Adjusted OIBDA Margin of OJSC VimpelCom

OJSC VimpelCom, OIBDA Margin, %	1Q 10	1Q 09	4Q 09
Adjusted OIBDA margin as a percentage of net operating revenues	47.2%	48.1%	47.1%
Depreciation	(15.8)%	(15.7)%	(17.0)%
Amortization	(3.0)%	(3.7)%	(3.8)%
Operating income	28.4%	28.7%	26.3%
Interest income	0.5%	0.8%	0.4%
Net foreign exchange gain/(loss)	4.7%	(37.8)%	(0.6)%
Interest expense	(6.4)%	(6.9)%	(7.1)%
Equity in net gain/(loss) of associates	(0.2)%	(1.8)%	(0.4)%
Other (expense)/income, net	(2.0)%	(0.3)%	(1.0)%
Income tax expense	(6.9)%	1.7%	(5.4)%
Net income/(loss)	18.1%	(15.6)%	12.2%

VimpelCom Ltd - First Quarter 2010 Pro Forma Operating Results and Selected Financial Data

Reconciliation of Consolidated Adjusted OIBDA of Kyivstar*(In millions of US\$)*

KYIVSTAR, OIBDA US\$ mln	1Q 10	1Q 09	4Q 09
Adjusted OIBDA	164	189	194
Depreciation	(56)	(60)	(54)
Amortization	(67)	(82)	(78)
Impairment loss	(1)	(7)	(10)
Operating income	40	40	52
Interest income	4	36	5
Net foreign exchange gain/(loss)	(5)	(10)	(2)
Interest expense	0	(3)	0
Equity in net gain/(loss) of associates	0	0	0
Other (expense)/income, net	0	0	0
Income tax expense	(11)	(15)	(13)
Net income/(loss)	28	48	42

Reconciliation of Consolidated Adjusted OIBDA Margin of Kyivstar

KYIVSTAR, OIBDA Margin, %	1Q 10	1Q 09	4Q 09
Adjusted OIBDA margin as a percentage of net operating revenues	50.9%	53.8%	53.6%
Depreciation	(17.4)%	(17.1)%	(14.9)%
Amortization	(20.8)%	(23.4)%	(21.5)%
Impairment loss	(0.3)%	(2.0)%	(2.8)%
Operating income	12.4%	11.4%	14.4%
Interest income	1.2%	10.3%	1.4%
Net foreign exchange gain/(loss)	(1.5)%	(2.8)%	(0.6)%
Interest expense	0.0%	(0.9)%	0.0%
Equity in net gain/(loss) of associates	0.0%	0.0%	0.0%
Other (expense)/income, net	0.0%	0.0%	0.0%
Income tax expense			