



Diversifying for growth

17 January 2011



Forward-looking statements



This presentation contains "forward-looking statements". Forward-looking statements provide VimpelCom Ltd.'s current expectations or forecasts of future events. Forward-looking statements include statements about VimpelCom Ltd.'s expectations, beliefs, plans, objectives, intentions, assumptions and other statements that are not historical facts. Any statement in this presentation that expresses or implies VimpelCom Ltd.'s intentions, beliefs, expectations or predictions (and the assumptions underlying them) is a forward-looking statement. Words or phrases such as "anticipate," "believe," "continue," "estimate," "expect," "intend," "may," "ongoing," "plan," "potential," "predict," "project," "will" or similar words or phrases, or the negatives of those words or phrases, may identify forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward-looking. Forward-looking statements are subject to known and unknown risks and uncertainties and are based on potentially inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Such risks and uncertainties include, but are not limited to:

- risks related to the timing or ultimate completion of the transaction;
- the ability of either party to terminate the transaction prior to the approval of VimpelCom shareholders
- the possibility of legal challenge (including request for injunctive relief) by Telenor with respect to its claims to pre-emptive rights with respect to shares issued in the transaction or otherwise;
- the possibility that expected benefits may not materialize as expected;
- that, prior to the completion of the transaction, VimpelCom Ltd.'s business or the businesses of Wind or Orascom may not perform as expected;
- that the parties are unable to successfully implement integration strategies or otherwise realize any synergies that might arise from the transaction;
- future operating or financial results; and
- other risks and uncertainties that are beyond the parties' control.

Certain other risks that could cause actual results to differ materially from those discussed in any forward-looking statements include the risk factors described in the VimpelCom Ltd.'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 VimpelCom Ltd. with the SEC, which risk factors are incorporated herein by reference.

If such risks or uncertainties materialize or such assumptions prove incorrect, actual results could differ materially from those expressed or implied by such forward-looking statements and assumptions. The forward-looking statements contained in this presentation are made as of the date hereof, and VimpelCom Ltd. expressly disclaims any obligation to update or correct any forward-looking statements made herein due to the occurrence of events after the date of this presentation.

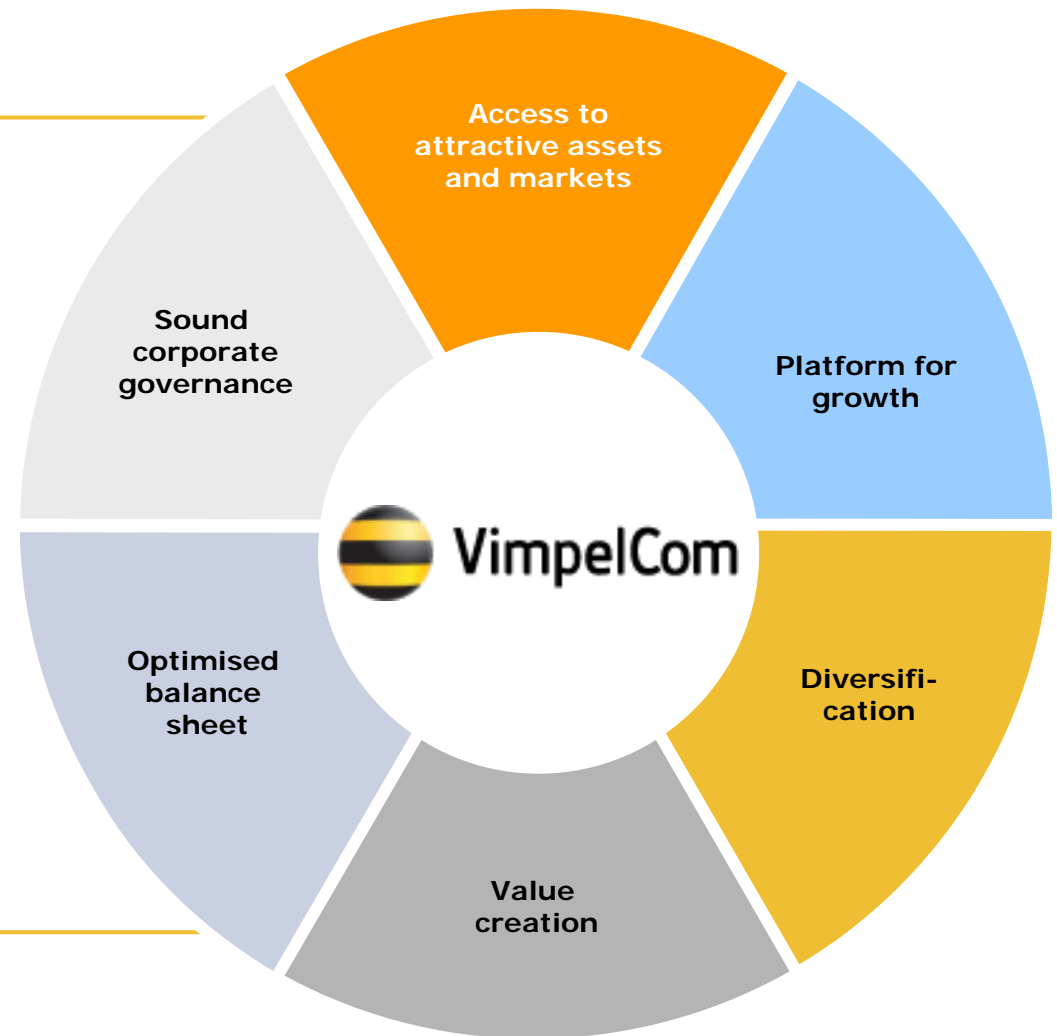
Agenda

- 1 **Today's announcement**
- 2 Developments since 4 October
- 3 Approval process and governance
- 4 The combined entity
- 5 Next steps



Today's announcement

- 1** VimpelCom Supervisory Board gave final approval for the combination of VimpelCom and Wind Telecom to create a top-tier global telecom company
- 2** Transaction consideration comprising:
 - 325.6m newly-issued VimpelCom common shares representing a 20% economic stake
 - 305.0m newly-issued VimpelCom preferred shares representing (together with the common shares) a 30.6% voting stake
 - US\$1.495bn cash
- 3** Management and the Supervisory Board recommend this transaction to the minority shareholders and request their support at the forthcoming SGM



Agenda

- 1 Today's announcement
- 2 **Developments since 4 October**
 - announcement 4 October
 - agreed new transaction terms
 - secured required financing
 - agreed an Algerian value sharing arrangement
 - defined clear spin-off plans
- 3 Approval process and governance
- 4 The combined entity
- 5 Next steps



On 4 October 2010



1 Announcement of the creation of a leading global operator – two companies with complementary footprints and strengths to secure profitable growth

Unanimous preliminary Board approval of transaction consideration

- 20% economic stake (18.5% voting) to Wind Telecom
- US\$1.8bn cash
- rights to certain Wind Italy and OTH spin-off assets

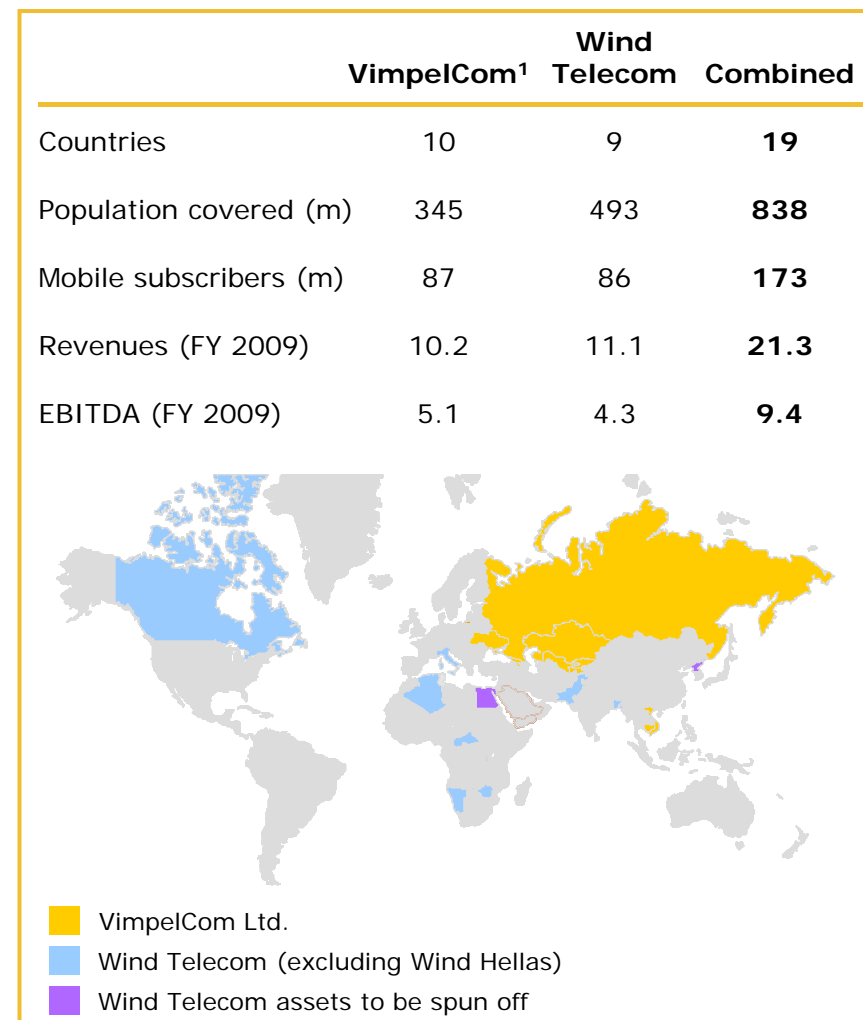
2 Final board approval subject to three required deliverables

- clear spin-off plans for Wind Italy and OTH spin-off assets
- required financing secured (VimpelCom, Wind Italy, OTH)
- all ancillary agreements to be agreed/finalized

3 Program Management Office established with 14 workstreams

- Financing, Accounting, Spin-offs and Tax, Conduct of Business, Tunisia, Algeria
- Regulatory, Legal, Shareholder matters, Communication
- Synergies, Quick-wins, People, Organisation

Workstream leaders from both VimpelCom and Wind Telecom reporting to a Steering Committee and to an Executive Oversight Board on a weekly basis



¹ Includes revenues and EBTIDA from Kyivstar

New transaction terms

Transaction terms announced on
4 October, 2010

- 325.6 million newly-issued VimpelCom common shares representing 20% economic stake (18.5% voting) in enlarged VimpelCom group
- No convertible preferred shares
- US\$1,800m cash
- Wind Italy and Orascom Telecom spin-off assets¹
- No mitigating structure for the risk of loss of control over OTA in Algeria

New transaction terms approved on
16 January, 2011

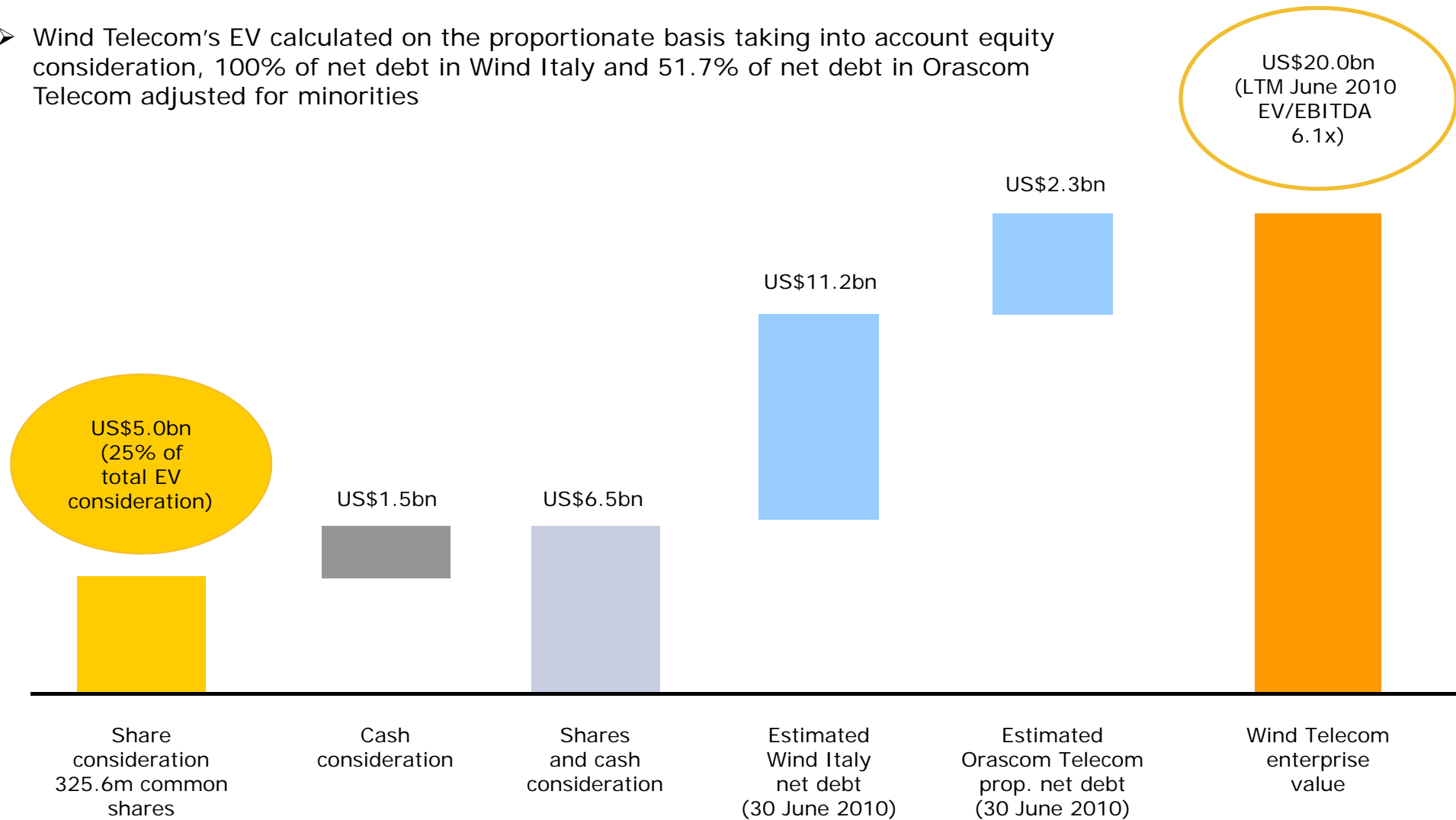
- Same as 4 October
- 305.0m newly-issued VimpelCom convertible preferred shares representing (together with the common shares) 30.6% voting stake in enlarged VimpelCom group
- US\$1,495m cash
- Same as 4 October
- Value-sharing arrangement with Wind Telecom to mitigate consequences of loss of control over OTA in Algeria

¹ Wind Italy: WIS, Libero, landline cable between Italy and Greece; OTH: Mobinil (Egypt), Koryolink (North Korea), OTH cables (Mediterranean), OT ventures (Egypt)

Transaction enterprise value (EV)



- Wind Telecom's EV calculated on the proportionate basis taking into account equity consideration, 100% of net debt in Wind Italy and 51.7% of net debt in Orascom Telecom adjusted for minorities

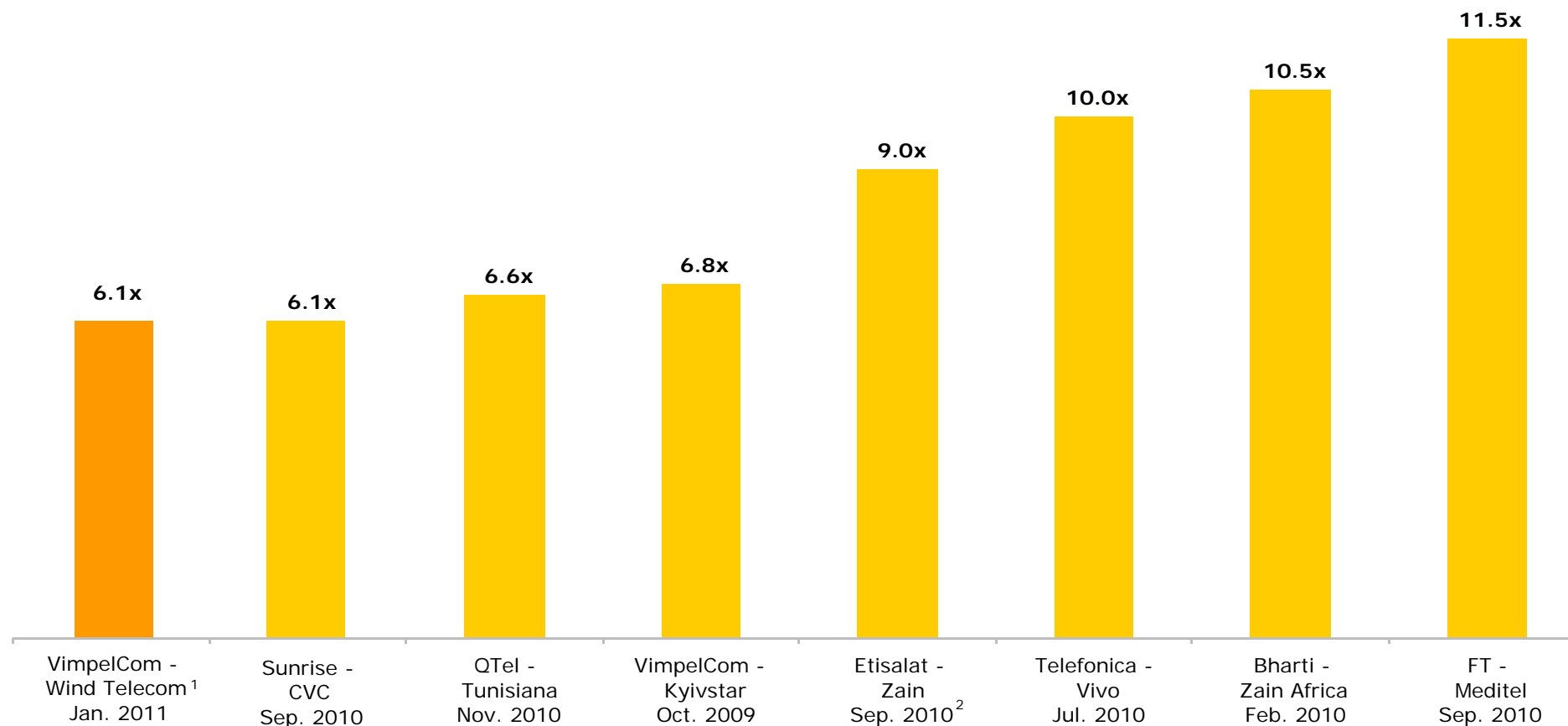


Notes: Based on VimpelCom Ltd share price as at 14 January 2011
OTH net debt adjusted for sale of Tunisiana (OTT)

Attractive transaction multiple

- 6.1x - at low end of multiples paid in other recent transactions
- Only 25% of Wind Telecom EV paid for in VimpelCom shares – the balance is cash and assumed debt

LTM EBITDA multiples



¹ LTM June 2010 EV/EBITDA multiple, based on VimpelCom Ltd share price as of 14 January 2011

² As reported in the press

Successfully secured (re-)financing



VimpelCom

- Secured (re-)financing through committed rouble term loan (US\$2.5bn) and underwritten US dollar bridge loan (up to US\$4.0bn) to finance cash consideration of purchase price, refinancing of OTH debt and costs
- Required bridge size could reduce to US\$2.5bn, due to Tunisiana sale and reduced cash consideration, lowering debt/EBITDA levels at closing from original estimates
- Limited impact on ratings of VimpelCom Ltd and OJSC VimpelCom (likely to be downgraded by one notch, as expected: S&P: BB/Negative, Moody's: Ba3/Stable)

Wind Italy

- Wind Italy refinancing successfully completed, resulting in extension of amortization timeframes, improved senior debt covenants and lower run-rate interest payments
- Change of control waivers obtained from subordinated lenders
- Besides refinancing and change of control, no additional acquisition financing requirements

Orascom Telecom

- Sale of Tunisiana (US\$1.2bn proceeds) reduced overall refinancing requirements
- Refinancing of Orascom Telecom holdco and WCSP1 debt fully covered by funding from VimpelCom
- All Orascom Telecom subsidiary debt remains in place



	Key financials (2010 Q3, pro forma)			<ul style="list-style-type: none"> ➤ Deleveraging capacity of US\$1-3bn per year ⁴ ➤ Net debt/EBITDA expected to fall below 2.0x within 2 years
	Gross debt (US\$bn)	Net debt ¹ (US\$bn)	Net debt/EBITDA ²	
Combination pre-transaction	~ 24.8	~ 21.1	~ 2.3x	
Combination post-transaction ³	~ 25.7	~ 21.7	~ 2.3x	

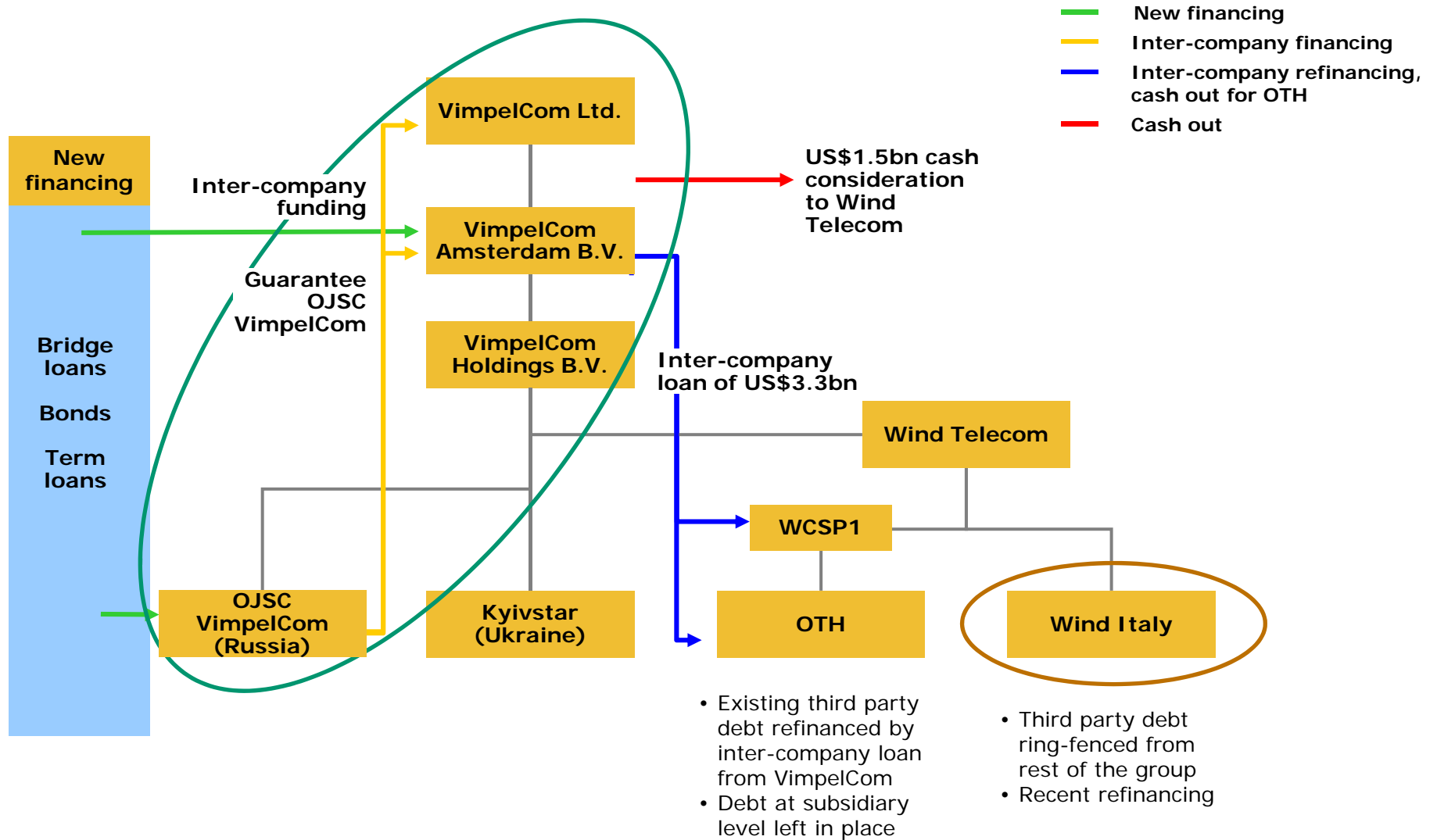
1 Gross debt less cash and cash equivalents

2 Calculated as annualized nine-month EBITDA

3 Includes impact of transaction cash consideration, refinancing of Wind Italy, proceeds from sale Tunisiana and other costs

4 On top of planned amortization and expected EBITDA forecast

Main financing structure elements



Algeria value sharing arrangement



- 1 Orascom Telecom Algeria ("OTA") remains a strategically and financially attractive asset for VimpelCom
 - #1 market share (c. 58%)
 - strong EBITDA margin (c. 57%)
 - substantial cash flow generation
- 2 VimpelCom will seek to find an amicable solution with the Algerian Government around the ongoing claims and targets six months post-closing to reach such amicable solution based on
 - retaining OTA
 - if required, selling OTA at a true fair market value
- 3 If unsuccessful, VimpelCom will pursue international arbitration
 - Weather II and VimpelCom to act jointly in any international arbitration, with Weather II's decision prevailing in case of disagreement
- 4 VimpelCom has negotiated with Weather II a value sharing arrangement providing for any financial losses or gains arising from sale of OTA to be shared in certain pre-arranged proportions
 - value sharing arrangement to result in pay-outs to/from VimpelCom from/to Weather II based on various value outcomes
 - all computations based on VimpelCom's see-through ownership in OTA (VimpelCom will own 51.7% of OTH which in turn owns 96.8% of OTA)
 - all computations based on net US dollar proceeds to VimpelCom
- 5 Value sharing arrangement provides significant downside protection for VimpelCom in Algeria

Clear spin-off plans agreed for OTH and Wind Italy

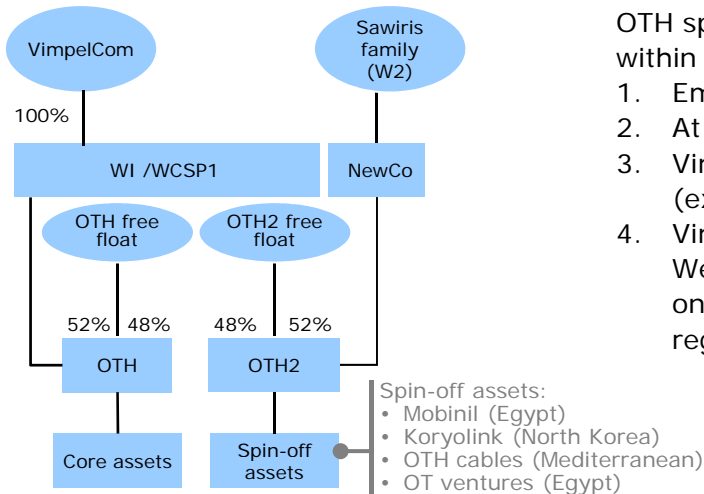


Final structure

Spin-off plans – key steps

Contingency plans

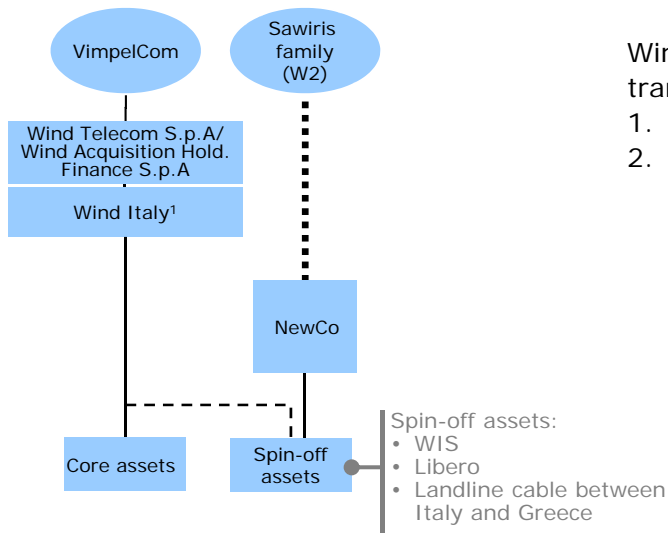
OTH



- OTH spin-off done as a “linked transaction” within five days in four clear steps
1. Empty NewCo incorporated
 2. At closing, OTH split into two companies
 3. VimpelCom gains control of Wind Telecom (excluding spin-off assets)
 4. VimpelCom transfers its stake in OTH2 to Weather II's NewCo. Split executed based on book value (as per new Egyptian FSA regulation)

Spin-off assets retained for additional cash consideration of US\$600m plus a further US\$170m conditional upon MobiNil put exercised

Wind Italy



- Wind Italy spin-off done as a “linked transaction” in one day in two clear steps
1. NewCo receives spin-off assets
 2. NewCo sold to VimpelCom for cash. NewCo transferred to Weather II as part of transaction consideration

Spin-off assets retained for additional cash consideration of US\$100m

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Shareholder Agreement and Pre-emption rights



- 1 The VimpelCom Shareholders Agreement will remain unchanged
- 2 Prior to the Supervisory Board meeting Altimo informed VimpelCom that an Altimo affiliate owns approximately US\$28 million of Orascom Telecom shares and that the Transaction should therefore be treated as a "Related M&A Transaction" under the VimpelCom Shareholders Agreement
- 3 Under the Shareholder Agreement, in case of a Related M&A Transaction, issuance of shares to Weather is not subject to pre-emption rights by either Telenor or Altimo
- 4 In letters to VimpelCom, Telenor asserted that its pre-emptive rights should continue to apply and claimed that Altimo had not acted in good faith as required by the Shareholders Agreement
- 5 The Supervisory Board considered carefully the information provided by Altimo and Telenor and after taking into account legal advice, the Supervisory Board concluded that the Transaction is a Related M&A Transaction and therefore the Transaction will not be subject to any pre-emptive rights for either Altimo or Telenor

Transaction approvals required

VimpelCom Supervisory Board approvals

- Supervisory Board approved the transaction on 16 January 2011
 - Share Sale and Exchange Agreement (SSEA) and all other agreements approved

VimpelCom Shareholder approvals

- Shareholder approval required to issue shares
 - Special General Meeting (SGM) to be convened on 17 March
 - Transaction requires 50% + 1 of those attending to vote in favor

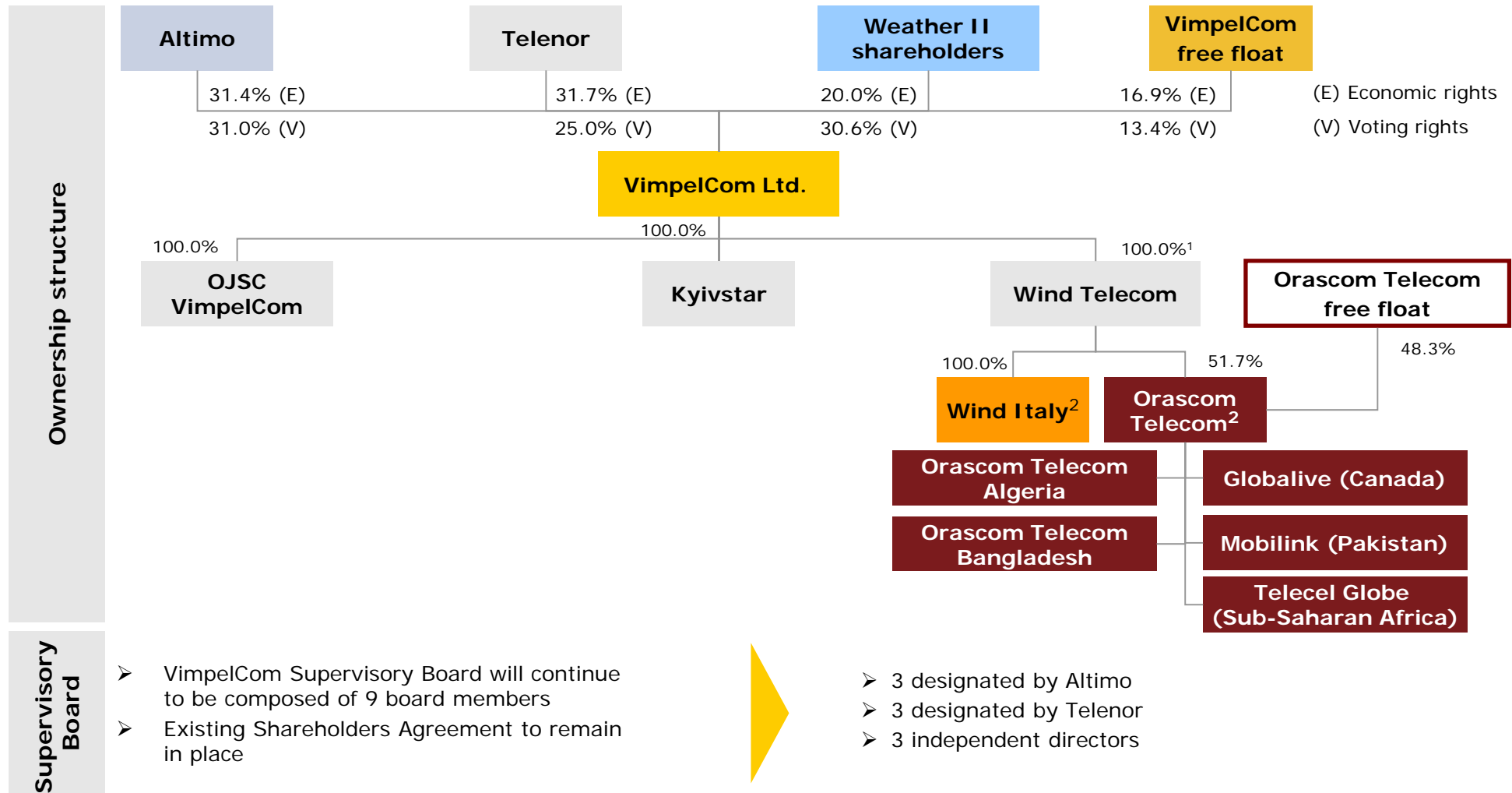
Wind Telecom approvals

- OTH EGM to approve the OTH spin-off
 - not a condition precedent; transaction will proceed even without spin-off

Regulatory approvals

- Regulatory approvals required in Ukraine, Italy and Pakistan as a condition precedent to the transaction

Post-transaction governance and shareholdings



1 A de minimis minority shareholding may remain post-transaction

2 Excluding spin-off assets

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The short-term benefits

1

Creating value

- attractive transaction multiples
- expected to be accretive on cash EPS from year 1
- extracting significant synergies
- optimizing the combined capital structure
- rapid de-leveraging expected

2

Protecting value

- diversifying the revenue base
- maintaining the dividend policy
- optimizing the funding costs
- possible inclusion in international stock market indices

Our long-term vision

1

Increasing scale and scope

- a first-tier player in a consolidating industry
- a strong platform for growth across different geographies and markets: a truly global company

2

More balanced growth profile between increasing market penetration and growing usage

3

Positioning VimpelCom to capture the significant opportunities in mobile data services

4

Recognizing the scarcity value of high-quality assets

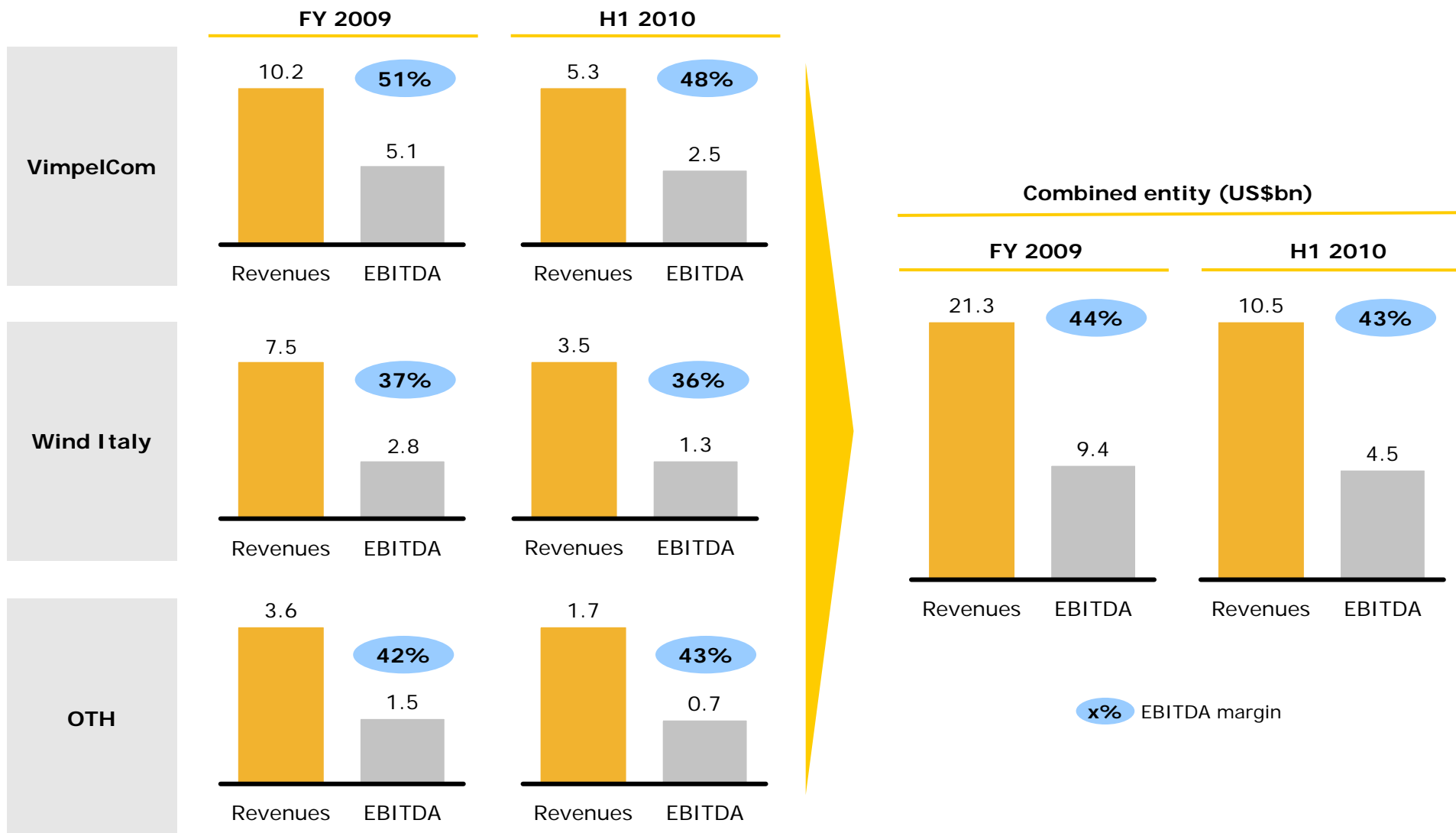
5

Creating a truly international company with better access to global capital and human talent

Key pro forma financials (2009 and H1 2010)



US\$bn



Note: Includes revenues and EBTIDA from Kyivstar

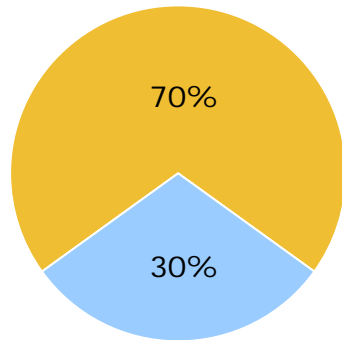
Balanced portfolio of cash generation and growth



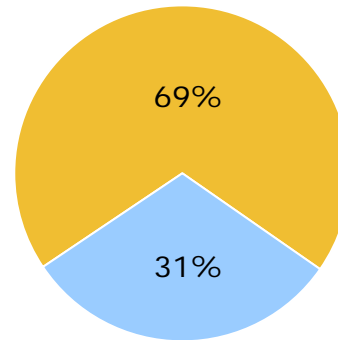
2009 pro forma financials

- Mature markets: Russia and Italy
- Emerging markets: Ukraine, CIS and OTH

Revenues (US\$21.3bn)

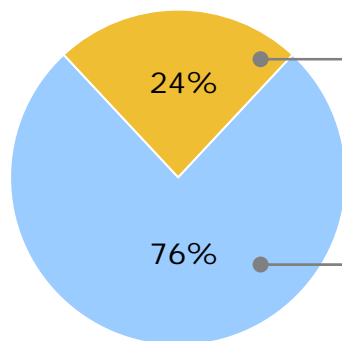


EBITDA (US\$9.4bn)



Solid financial basis, predominantly driven by mature markets in the short term

Population (838 million)



- Weighted penetration rate of 111%
- Subscriber base of 69 million

- Weighted penetration rate of 66%
- Subscriber base of 104 million

Uniquely positioned to capture growth potential in emerging markets

Note: Wind Italy and Orascom Telecom figures exclude the spin-off assets and Tunisiana

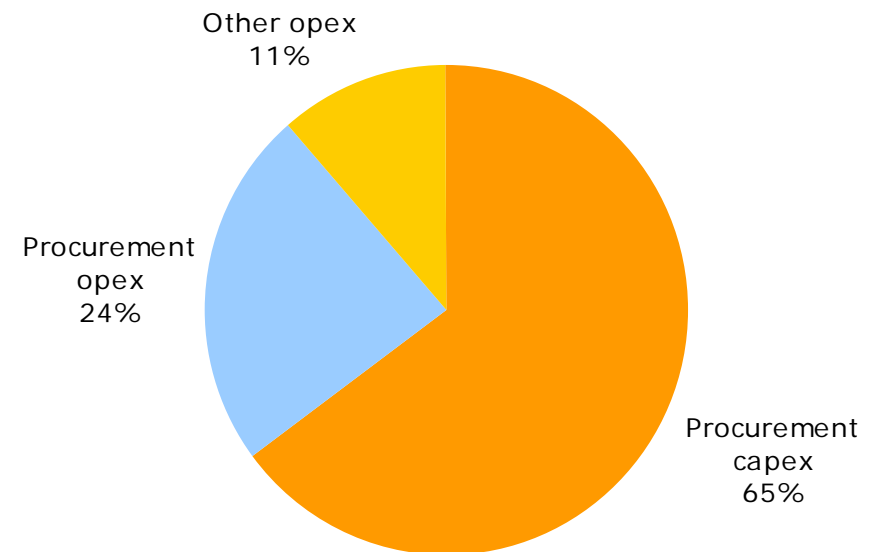
Significant synergies to be captured



Since 4 October estimates further validated

- Total of US\$2.5bn NPV expected to be generated
- Main lever for synergies will be procurement – both on capex and opex
- Procurement includes
 - network
 - IT
 - value-added services
 - handsets and devices
 - SIMs and scratch cards
- Synergy work so far has been focused on quick-wins; many levers ready to be implemented
- Additional financing benefits from lower cost of debt not included
- Sale of Algeria would imply reduction in synergies of only approx. US\$180m

Estimated opex and capex synergies



Approx. NPV of US\$2.5bn

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Timetable and key milestones



Milestones	Level of approval required	Q1 2011			Q2 2011		
		January	February	March	April	May	June
Approval of updated agreements by VimpelCom Board		● 16 January					
VimpelCom SGM	Approve issuance of new shares (50% + 1 of attending votes required)			● 17 March			
OTH EGM	Approve OTH spin-off assets (75% of attending votes required)			●			
Regulatory approvals ¹	Regulatory approvals in Ukraine, Italy and Pakistan	—————					
Closing					—————→		
Demerger of selected assets							→

¹ Approvals in Ukraine, Italy and Pakistan are conditions precedent to closing. Other countries also require formal approval or courtesy notices, but not as a condition precedent to closing.

Conclusion



- 1 VimpelCom Ltd established in April 2010 with a clear mandate to **expand organically and inorganically outside of Russia/CIS**
- 2 After a broad review, Management identified a **combination with Wind Telecom** as the best opportunity for value-accretive expansion in the near term
- 3 **A strategically compelling transaction ...**
 - access to attractive assets and markets
 - a strong platform for profitable growth
 - diversification of revenues and markets
 - value creation for all shareholders
 - optimised balance sheet
 - sound corporate governance remains in place
- 4 **... on attractive financial terms**
 - implied pro forma LTM June 2010 EV/EBITDA multiple of 6.1x (proportionate basis)
 - estimated net debt/EBITDA of 2.3x post-transaction to fall below 2.0x within 2 years
- 5 **VimpelCom's management and the majority of the Supervisory Board including all the Independent Directors recommend this transaction** to the minority shareholders and request their support at the forthcoming SGM