

OPEN JOINT STOCK CO VIMPEL COMMUNICATIONS

Form 6-K

August 28, 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 August 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: August 28, 2008

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

**Moscow and New York (August 28, 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 ended June 30, 2008.

**Financial and Operating Highlights**

Net operating revenues reached \$2,611 million, an increase of 52.1% versus 2Q2007.

OIBDA reached \$1,223 million, an increase of 36.3% versus 2Q2007.

OIBDA margin was 46.8%, including 47.3% in Russia and 52.0% in Kazakhstan.

Net income totaled \$470 million, an increase of 30.9% versus 2Q2007.

Mobile subscribers increased by 6.0 million versus 2Q2007, reaching 53.7 million.

\$2 billion Eurobond issued to refinance short-term bridge loan.

Joint venture agreement signed in Vietnam, license acquired in Cambodia.

Commenting on today's announcement, Alexander Izosimov, Chief Executive Officer of VimpelCom, said, "We are pleased with our robust second quarter results. The Company showed solid 52% annual revenue growth with a healthy 47% OIBDA margin, which is in line with our internal target for this stage of the integration of Golden Telecom. The increase in revenue was driven by fast organic growth in both our mobile and fixed-line operations as well as by the first full quarter consolidation of Golden Telecom.

In the second quarter we successfully refinanced our short-term debt related to the Golden Telecom acquisition. Following the refinancing, we started to intensify our sales and marketing efforts in the Russian mobile segment, resulting in 11% quarter-on-quarter revenue growth in this segment.

We are also very happy with our performance in the CIS, where we showed strong growth and increased revenue market share and ARPU in all geographies.

We will continue to focus our efforts along three key priorities for the Company: developing integrated operations in Russia, including a strong push in the broadband business, continued development in the CIS markets and expansion outside of the CIS. These priorities prompted us to make some adjustments to our organizational structure which we believe will enhance the focus and efficiency of our business.

**Key Consolidated Financial and Operating Results**

| <b>CONSOLIDATED OPERATIONS (US\$, mln)</b>          | <b>2Q<br/>2008</b> | <b>2Q<br/>2007</b> | <b>y-o-y</b> | <b>1Q<br/>2008</b> | <b>q-o-q</b> |
|---|--------------------|--------------------|--------------|--------------------|--------------|
| Net operating revenues                              | 2,611              | 1,717              | 52.1%        | 2,108              | 23.9%        |
| OIBDA   | 1,223              | 897                | 36.3%        | 1,126              | 8.6%         |
| OIBDA margin, %                                     | 46.8%              | 52.2%              |              | 53.4%              |              |
| SG&A  | 774                | 494                | 56.7%        | 528                | 46.6%        |
| Including Sales & Marketing Expenses                | 215                | 167                | 28.7%        | 187                | 15.0%        |
| Including General & Administrative Costs            | 559                | 327                | 70.9%        | 341                | 63.9%        |
| SG&A percentage                                     | 29.6%              | 28.8%              |              | 25.0%              |              |
| Net income  | 470                | 359                | 30.9%        | 601                | -21.8%       |
| Net income per common share, (US\$)                 | 9.26               | 7.07               |              | 11.84              |              |
| Net income per ADS equivalent <sup>*</sup> , (US\$) | 0.46               | 0.35               |              | 0.59               |              |
| Capital expenditures                                | 664.0              | 334.8              | 98.3%        | 358.5              | 85.2%        |
| Mobile subscribers ( '000)                          | 53,707             | 47,702             | 12.6%        | 52,293             | 2.7%         |
| Broadband subscribers ( '000)                       | 610                | n/a                |              | 534                | 14.2%        |

\* 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 adjusted to reflect the new ratio.

| <b>Net operating revenue 2Q 2008<sup>*</sup> (US\$ mln)</b> | <b>Russia</b> | <b>CIS</b> | <b>Eliminations</b> | <b>Total</b> |
|---|---------------|------------|---------------------|--------------|
| Mobile business   | 1,862         | 319        | -3                  | 2,178        |
| Fixed business  | 414           | 74         | -11                 | 477          |
| Eliminations  | -37           | -5         | -2                  | -44          |
| Total net operating revenue                                 | 2,239         | 388        | -16                 | 2,611        |

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

In the second quarter we consolidated the business of Golden Telecom for the first full period. Smaller net income compared to the first quarter was due to an increase in interest expense, depreciation and amortization resulting from the Golden Telecom acquisition and a significant decrease in foreign exchange gain resulting from slower appreciation of the Russian ruble versus the US dollar.

| RUSSIA (US\$ mln)                        | 2Q    | 2Q    | y-o-y | 1Q    | q-o-q  |
|--|-------|-------|-------|-------|--------|
|  | 2008  | 2007  |       | 2008  |        |
| Net operating revenues                   | 2,239 | 1,460 | 53.4% | 1,797 | 24.6%  |
| OIBDA                                    | 1,059 | 780   | 35.8% | 992   | 6.8%   |
| OIBDA margin, %                          | 47.3% | 53.4% |       | 55.2% |        |
| SG&A                                     | 658   | 419   | 57.0% | 434   | 51.6%  |
| Including Sales & Marketing Expenses     | 181   | 141   | 28.4% | 158   | 14.6%  |
| Including General & Administrative Costs | 477   | 278   | 71.6% | 276   | 72.8%  |
| SG&A percentage                          | 29.4% | 28.7% |       | 24.2% |        |
| Net income                               | 448   | 356   | 25.8% | 616   | -27.3% |

Our revenue in Russia showed good growth of 53.4%, including 27.5% organic growth in mobile revenues.

Strengthening our sales and marketing activities in the mobile segment led to positive dynamics in new subscriber additions in May and June. Strong growth in usage was enhanced by positive seasonal trends, which, when coupled with stable pricing, resulted in an 11.4% quarterly increase in ARPU.

In residential broadband we continued the active rollout of our fiber-to-the-building networks (FTTB). By the end of the second quarter we reached 5.5 million households passed by our FTTB network and accumulated 476,000 FTTB subscribers, yielding a current take-up rate of 8.6%. The total number of broadband subscribers, taking into account all of the broadband technologies, reached 604,000.

Substantial growth in our G&A expenses both quarter-on-quarter and year-on-year is mainly connected with the full quarter consolidation of Golden Telecom (\$127 million in the second quarter) and an abnormally low level of G&A shown in the first quarter due to the reversal of a \$43 million accrual in our stock price based compensation plans, resulting from the decline in VimpelCom's ADS price during the first quarter of 2008.

OIBDA of our Russian operations in the second quarter passed the \$1 billion mark. Despite some one-off costs related to the buyout of minority shareholders in Corbina Telecom in June 2008, the OIBDA margin was in line with our expectations for this stage of the integration of Golden Telecom.

|   | 2Q<br>2008 | 2Q<br>2007 | y-o-y | 1Q<br>2008 | q-o-q |
|---|------------|------------|-------|------------|-------|
| <b>RUSSIA REVENUE (US\$ mln)</b>          |            |            |       |            |       |
| Net operating revenues                    | 2,239      | 1,460      | 53.4% | 1,797      | 24.6% |
| Mobile revenue                            | 1,862      | 1,460      | 27.5% | 1,675      | 11.2% |
| Fixed revenue                             | 414        | n/a        |       | 132        |       |
| Eliminations                              | -37        | n/a        |       | -10        |       |
|   |            |            |       |            |       |
|   | 2Q<br>2008 | 2Q<br>2007 | y-o-y | 1Q<br>2008 | q-o-q |
| <b>RUSSIA OPERATING DEVELOPMENT</b>       |            |            |       |            |       |
| Mobile subscribers ( 000)                 | 42,485     | 40,140     | 5.8%  | 42,079     | 1.0%  |
| Subscriber market share <sup>*)</sup> , % | 24.6%      | 30.9%      |       | 25.0%      |       |
| MOU, min                                  | 220.3      | 192.6      | 14.4% | 198.7      | 10.9% |
| ARPU, US\$                                | 14.7       | 12.3       | 19.5% | 13.2       | 11.4% |
| Broadband subscribers ( 000)              | 604        | 0          | n/a   | 530        | 14.0% |

\* Subscriber market share data presented here and in the following country tables are published by AC&M-Consulting. Starting from January 1, 2008 VimpelCom's subscriber market share is being reported solely on the basis of active subscribers, while previously it was based on registered subscribers. The drop in the reported market share in the second quarter of 2008 as compared to the second quarter of 2007 is mainly caused by the change of reporting methodology.

|  | 2Q<br>2008 | 2Q<br>2007 | y-o-y | 1Q<br>2008 | q-o-q |
|--|------------|------------|-------|------------|-------|
| <b>RUSSIA OIBDA DEVELOPMENT (US\$ mln)</b> |            |            |       |            |       |
| OIBDA Total                                | 1,059      | 780        | 35.8% | 992        | 6.8%  |
| Mobile OIBDA                               | 969        | 780        | 24.2% | 959        | 1.0%  |
| Fixed OIBDA                                | 90         | n/a        |       | 33         |       |
| Total OIBDA margin, %                      | 47.3%      | 53.4%      |       | 55.2%      |       |
| Mobile OIBDA margin, %                     | 52.0%      | 53.4%      |       | 57.2%      |       |
| Fixed OIBDA margin, %                      | 21.7%      | n/a        |       | 25.0%      |       |

|  | 2Q    | 2Q    |        | 1Q    |       |
|--|-------|-------|--------|-------|-------|
| CIS OPERATIONS (US\$ mln)                | 2008  | 2007  | y-o-y  | 2008  | q-o-q |
| Net operating revenues                   | 388.1 | 260.1 | 49.2%  | 316.9 | 22.5% |
| OIBDA                                    | 164.4 | 116.9 | 40.6%  | 134.3 | 22.4% |
| OIBDA margin, %                          | 42.4% | 44.9% |        | 42.3% |       |
| SG&A                                     | 115.4 | 76.4  | 51.0%  | 94.3  | 22.4% |
| including Sales & Marketing Expenses     | 33.9  | 26.0  | 30.4%  | 29.0  | 16.9% |
| including General & Administrative Costs | 81.5  | 50.4  | 61.7%  | 65.3  | 24.8% |
| SG&A percentage                          | 29.7% | 29.4% |        | 29.8% |       |
| Net income                               | 22.3  | 3.7   | 502.7% | -14.3 | n/a   |

In the CIS revenue growth was strong and ahead of major competitors in each of our markets\*.

In Kazakhstan our efforts to strengthen the direct dealership network, improve service quality and maintain a conservative pricing policy resulted in 13.8% quarter-on-quarter revenue growth, which is twice the rate of our major competitor. We grew ARPU by 6% compared to the first quarter, which is particularly encouraging in light of ongoing economic difficulties in the country.

We also grew our revenue market share ahead of the competition in Uzbekistan. Due to a conservative pricing policy and our focus on network and service quality we were the only operator in Uzbekistan that increased ARPU compared to the first quarter.

As our business in Ukraine has become more robust, we initiated an aggressive sales and marketing campaign targeting high-quality subscribers. The improved quality of our subscriber base, coupled with a positive seasonal trend, helped us to grow ARPU through an increase in both usage and average price per minute. As a result, we organically boosted our mobile revenue by 26% compared to the first quarter and by 92% year-on-year. Additionally, consolidation of Golden Telecom led to total annual revenue growth of 199%.

We introduced the Beeline brand in Armenia in April 2008. A strong marketing campaign, supported by improved execution in retail, resulted in a gain in revenue market share of almost one percentage point compared to the previous quarter.

\* Comparisons with competitors are based on publicly available information



**CIS Revenues Development**

|                              | 2Q<br>2008 | 2Q<br>2007 | y-o-y  | 1Q<br>2008 | q-o-q |
|------------------------------|------------|------------|--------|------------|-------|
| <b>KAZAKHSTAN (US\$ mln)</b> |            |            |        |            |       |
| Net operating revenue        | 185.3      | 149.3      | 24.1%  | 162.8      | 13.8% |
| Mobile                       | 182.5      | 149.3      | 22.2%  | 162.1      | 12.6% |
| Fixed                        | 4.9        | n/a        |        | 1.1        |       |
| Elimination                  | -2.1       | n/a        |        | -0.4       | n/a   |
| <b>UKRAINE (US\$ mln)</b>    |            |            |        |            |       |
| Net operating revenue        | 71.2       | 23.8       | 199.2% | 44.8       | 58.9% |
| Mobile                       | 45.7       | 23.8       | 92.0%  | 36.4       | 25.5% |
| Fixed                        | 28.4       | n/a        |        | 8.9        |       |
| Elimination                  | -2.9       | n/a        |        | -0.5       | n/a   |
| <b>ARMENIA (US\$ mln)</b>    |            |            |        |            |       |
| Net operating revenue        | 64.7       | 58.4       | 10.8%  | 59.1       | 9.5%  |
| Mobile                       | 26.4       | 23.2       | 13.8%  | 22.9       | 15.3% |
| Fixed                        | 38.3       | 35.2       | 8.8%   | 36.2       | 5.8%  |
| Elimination                  | 0.0        | n/a        |        | 0.0        | n/a   |
| <b>UZBEKISTAN (US\$ mln)</b> |            |            |        |            |       |
| Net operating revenue        | 52.0       | 23.2       | 124.1% | 39.5       | 31.6% |
| Mobile                       | 49.5       | 23.2       | 113.4% | 38.7       | 27.9% |
| Fixed                        | 2.6        | n/a        |        | 0.8        |       |
| Elimination                  | -0.1       | n/a        |        | 0.0        |       |
| <b>TAJIKISTAN (US\$ mln)</b> |            |            |        |            |       |
| Net operating revenue        | 11.2       | 5.2        | 115.4% | 8.4        | 33.3% |
| Mobile                       | 11.2       | 5.2        | 115.4% | 8.4        | 33.3% |
| Fixed                        | n/a        | n/a        |        | n/a        |       |
| Elimination                  | n/a        | n/a        |        | n/a        |       |
| <b>GEORGIA (US\$ mln)</b>    |            |            |        |            |       |
| Net operating revenue        | 3.9        | 0.2        | 1850%  | 2.4        | 62.5% |
| Mobile                       | 3.9        | 0.2        | 1850%  | 2.4        | 62.5% |
| Fixed                        | n/a        | n/a        |        | n/a        |       |
| Elimination                  | n/a        | n/a        |        | n/a        |       |

| CIS REVENUES (US\$ mln) | 2Q    | 2Q    | y-o-y  | 1Q    | q-o-q |
|-------------------------|-------|-------|--------|-------|-------|
|                         | 2008  | 2007  |        | 2008  |       |
| Net operating revenue   | 388.1 | 260.1 | 49.2%  | 316.9 | 22.5% |
| Mobile                  | 318.9 | 224.9 | 41.8%  | 270.9 | 17.7% |
| Fixed                   | 74.1  | 35.2  | 110.5% | 47.0  | 57.7% |
| Eliminations            | -4.9  | n/a   | n/a    | -1.0  | n/a   |

## CIS Operating Highlights

|   | 2Q<br>2008 | 2Q<br>2007 | y-o-y  | 1Q<br>2008 | q-o-q  |
|---|------------|------------|--------|------------|--------|
| <b>KAZAKHSTAN</b>                         |            |            |        |            |        |
| Mobile subscribers ( 000)                 | 5,098      | 3,858      | 32.1%  | 4,777      | 6.7%   |
| Subscriber market share <sup>*)</sup> , % | 39.6%      | 49.3%      |        | 39.5%      |        |
| MOU, min                                  | 109.7      | 88.8       | 23.5%  | 99.1       | 10.7%  |
| ARPU, US\$                                | 12.3       | 13.6       | -9.6%  | 11.6       | 6.0%   |
| <b>UKRAINE</b>                            |            |            |        |            |        |
| Mobile subscribers ( 000)                 | 2,111      | 1,822      | 15.9%  | 1,971      | 7.1%   |
| Subscriber market share <sup>*)</sup> , % | 3.8%       | 5.2%       |        | 3.5%       |        |
| MOU mobile, min                           | 231.0      | 159.9      | 44.5%  | 210.2      | 9.9%   |
| ARPU mobile, US\$                         | 7.5        | 4.2        | 78.6%  | 6.1        | 23.0%  |
| Broadband subscribers ( 000)              | 6          | n/a        |        | 4          | 50.0%  |
| ARPU broadband, US\$                      | 32.7       | n/a        |        | 39.4**     | -17.0% |
| <b>ARMENIA</b>                            |            |            |        |            |        |
| Mobile subscribers ( 000)                 | 655        | 471        | 39.1%  | 520        | 26.0%  |
| Subscriber market share <sup>*)</sup> , % | 30.5%      | 33.5%      |        | 26.9%      |        |
| MOU mobile, min                           | 164.9      | 185.1      | -10.9% | 158.9      | 3.8%   |
| ARPU mobile, US\$                         | 15.3       | 17.3       | -11.6% | 16.1       | -5.0%  |
| <b>UZBEKISTAN</b>                         |            |            |        |            |        |
| Mobile subscribers ( 000)                 | 2,754      | 1,192      | 131.0% | 2,422      | 13.7%  |
| Subscriber market share <sup>*)</sup> , % | 31.2%      | 32.7%      |        | 33.6%      |        |
| MOU, min                                  | 294.6      | 265.6      | 10.9%  | 265.3      | 11.0%  |
| ARPU, US\$                                | 6.6        | 7.2        | -8.3%  | 5.8        | 13.8%  |
| <b>TAJIKISTAN</b>                         |            |            |        |            |        |
| Mobile subscribers ( 000)                 | 435        | 205        | 112.2% | 378        | 15.1%  |
| Subscriber market share <sup>*)</sup> , % | 17.4%      | 15.2%      |        | 16.5%      |        |
| MOU, min                                  | 241.1      | 224.2      | 7.5%   | 205.8      | 17.2%  |
| ARPU, US\$                                | 9.4        | 10.1       | -6.9%  | 8.0        | 17.5%  |
| <b>GEORGIA</b>                            |            |            |        |            |        |
| Mobile subscribers ( 000)                 | 169        | 14         | 1107%  | 146        | 15.8%  |
| Subscriber market share <sup>*)</sup> , % | 4.9%       | 0.8%       |        | 4.7%       |        |
| MOU, min                                  | 89.3       | 82.5       | 8.2%   | 87.1       | 2.5%   |
| ARPU, US\$                                | 8.2        | 4.8        | 70.8%  | 7.4        | 10.8%  |

\* Source: AC&M-Consulting. The drop in the reported market share is caused by the fact that starting from January 1, 2008 VimpelCom s market share is calculated on the basis of active subscribers, while before that date it was based on registered subscribers.

\*\* Broadband ARPU for March 2008 only.

**CIS OIBDA Development**

|                              | <b>2Q<br/>2008</b> | <b>2Q<br/>2007</b> | <b>y-o-y</b> | <b>1Q<br/>2008</b> | <b>q-o-q</b> |
|------------------------------|--------------------|--------------------|--------------|--------------------|--------------|
| <b>KAZAKHSTAN (US\$ mln)</b> |                    |                    |              |                    |              |
| OIBDA total                  | 96.4               | 80.3               | 20.0%        | 82.0               | 17.6%        |
| Mobile                       | 94.2               | 80.3               | 17.3%        | 81.6               | 15.4%        |
| Fixed                        | 2.2                | n/a                |              | 0.4                |              |
| OIBDA Margin, %              | 52.0%              | 53.8%              |              | 50.4%              |              |
| <b>UKRAINE (US\$ mln)</b>    |                    |                    |              |                    |              |
| OIBDA total                  | 9.4                | -3.1               | n/a          | 3.2                | 193.8%       |
| Mobile                       | 2.5                | -3.1               | n/a          | 1.1                | 127.3%       |
| Fixed                        | 6.9                | n/a                |              | 2.1                |              |
| OIBDA margin, %              | 13.2%              | n/a                |              | 7.1%               |              |
| <b>ARMENIA (US\$ mln)</b>    |                    |                    |              |                    |              |
| OIBDA total                  | 30.3               | 30.1               | 0.7%         | 29.1               | 4.1%         |
| Mobile                       | 10.3               | 11.6               | -11.2%       | 10.4               | -1.0%        |
| Fixed                        | 20.0               | 18.5               | 8.1%         | 18.7               | 7.0%         |
| OIBDA Margin, %              | 46.8%              | 51.5%              |              | 49.2%              |              |
| <b>UZBEKISTAN (US\$ mln)</b> |                    |                    |              |                    |              |
| OIBDA total                  | 27.8               | 11.4               | 143.9%       | 20.9               | 33.0%        |
| Mobile                       | 27.2               | 11.4               | 138.6%       | 20.6               | 32.0%        |
| Fixed                        | 0.6                | n/a                |              | 0.3                |              |
| OIBDA Margin, %              | 53.5%              | 49.1%              |              | 52.9%              |              |
| <b>TAJIKISTAN (US\$ mln)</b> |                    |                    |              |                    |              |
| OIBDA total                  | 2.6                | 0.1                | 2500%        | 1.3                | 100.0%       |
| Mobile                       | 2.6                | 0.1                | 2500%        | 1.3                | 100.0%       |
| Fixed                        | n/a                | n/a                |              | n/a                |              |
| OIBDA Margin, %              | 23.2%              | 1.9%               |              | 15.5%              |              |
| <b>GEORGIA (US\$ mln)</b>    |                    |                    |              |                    |              |
| OIBDA total                  | -2.1               | -1.9               | n/a          | -2.2               | n/a          |
| Mobile                       | -2.1               | -1.9               | n/a          | -2.2               | n/a          |
| Fixed                        | n/a                | n/a                |              | n/a                |              |
| OIBDA Margin, %              | n/a                | n/a                |              | n/a                |              |

| CIS OIBDA (US\$ mln) | 2Q    | 2Q    | y-o-y | 1Q    | q-o-q |
|----------------------|-------|-------|-------|-------|-------|
|                      | 2008  | 2007  |       | 2008  |       |
| OIBDA total          | 164.4 | 116.9 | 40.6% | 134.3 | 22.4% |
| Mobile               | 134.7 | 98.4  | 36.9% | 112.8 | 19.4% |
| Fixed                | 29.7  | 18.5  | 60.5% | 21.5  | 38.1% |
| OIBDA margin, %      | 42.4% | 44.9% |       | 42.3% |       |

For more information on financial and operating data for specific countries, please refer to the supplementary file **FinancialOperatingQ22008.xls** on our website at <http://www.vimpelcom.com/news/qrep.wbp>.

### Recent Developments

In July 2008 VimpelCom signed a definitive agreement to establish GTEL-Mobile, a joint venture in Vietnam created to build a GSM network in the country. According to the terms of this agreement VimpelCom will receive a 40% interest in GTEL-Mobile for \$267 million\*.

In July 2008 VimpelCom acquired a 90% stake in Sotelco, a company holding a GSM license in Cambodia, for \$28 million\*\*.

VimpelCom announced today it has signed an agreement with Apple to bring iPhone 3G to Russia expected later this year.

\* \* \*

The Company's management will discuss its second quarter results during a conference call and slide presentation on August 28, 2008 at 6:30 pm Moscow time (10:30 am ET in New York). The call and slide presentation may be accessed via webcast at the following URL address <http://www.vimpelcom.com>. The conference call replay will be available through September 4, 2008. The slide presentation webcast will also be available for download on VimpelCom's website <http://www.vimpelcom.com>.

The VimpelCom Group consists of telecommunications operators providing voice and data services through a range of wireless, fixed and broadband technologies. The Group includes companies operating in Russia, Kazakhstan, Ukraine, Uzbekistan,

\* Full text of the relevant press-release can be found at <http://www.vimpelcom.com/vietnam.wbp>

\*\* Full text of the relevant press-release can be found at <http://www.vimpelcom.com/cambodia.wbp>

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, the CIS and South-East Asia, general political uncertainties in Russia, the CIS and South-East Asia and general economic developments in Russia, the CIS and South-East Asia, 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, 2007 and other public filings made by the Company with the United States Securities and Exchange Commission, which risk factors are incorporated herein by reference. VimpelCom disclaims any obligation to update developments of these risk factors or to announce publicly any revision to any of the forward-looking statements contained in this release, or to make corrections to reflect future events or developments.*

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**- Definitions and tables are attached**

**Attachment A: Definitions**

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

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

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

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

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

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

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

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



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

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

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

**OIBDA** is a non-U.S. GAAP financial measure. OIBDA, previously referred to as EBITDA by the Company, is defined as operating income before depreciation 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.

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

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

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

## Attachment B: VimpelCom financial statements

## Open Joint Stock Company Vimpel-Communications

## Unaudited Condensed Consolidated Statements of Operations

|   | Three months ended<br>June 30, |                  | Six months ended<br>June 30, |                  |
|---|--------------------------------|------------------|------------------------------|------------------|
|   | 2008                           | 2007             | 2008                         | 2007             |
| <i>(In thousands of US dollars, except per share (ADS) amounts)</i> |                                |                  |                              |                  |
| <b>Operating revenues:</b>  |                                |                  |                              |                  |
| Service revenues and connection fees                                | \$ 2,604,081                   | \$ 1,715,482     | \$ 4,709,353                 | \$ 3,201,674     |
| Sales of handsets and accessories                                   | 2,719                          | 1,263            | 4,398                        | 2,785            |
| Other revenues  | 5,700                          | 1,236            | 8,147                        | 2,202            |
| <b>Total operating revenues</b>                                     | <b>2,612,500</b>               | <b>1,717,981</b> | <b>4,721,898</b>             | <b>3,206,661</b> |
| Revenue based tax   | (1,843)                        | (814)            | (3,342)                      | (1,447)          |
| <b>Net operating revenues</b>                                       | <b>2,610,657</b>               | <b>1,717,167</b> | <b>4,718,556</b>             | <b>3,205,214</b> |
| <b>Operating expenses:</b>  |                                |                  |                              |                  |
| Service costs   | 596,316                        | 313,011          | 1,027,310                    | 578,337          |
| Cost of handsets and accessories sold                               | 2,382                          | 1,491            | 3,993                        | 3,219            |
| Selling general and administrative expenses                         | 773,589                        | 494,445          | 1,302,034                    | 933,912          |
| Depreciation  | 385,012                        | 285,365          | 742,004                      | 554,537          |
| Amortization  | 100,864                        | 53,807           | 168,258                      | 107,096          |
| Provision for doubtful accounts                                     | 15,704                         | 11,462           | 36,641                       | 26,571           |
| <b>Total operating expenses</b>                                     | <b>1,873,867</b>               | <b>1,159,581</b> | <b>3,280,240</b>             | <b>2,203,672</b> |
| <b>Operating income</b>   | <b>736,790</b>                 | <b>557,586</b>   | <b>1,438,316</b>             | <b>1,001,542</b> |
| <b>Other income and expenses:</b>                                   |                                |                  |                              |                  |
| Interest income   | 24,687                         | 7,657            | 39,408                       | 12,309           |
| Interest expense  | (121,078)                      | (47,643)         | (200,215)                    | (93,448)         |
| Net foreign exchange gain   | 25,737                         | 8,362            | 210,745                      | 25,091           |
| Other expenses  | (2,531)                        | (7,866)          | (10,691)                     | (18,680)         |
| <b>Total other income and expenses</b>                              | <b>(73,185)</b>                | <b>(39,490)</b>  | <b>39,247</b>                | <b>(74,728)</b>  |
| <b>Income before income taxes and minority interest</b>             | <b>663,605</b>                 | <b>518,096</b>   | <b>1,477,563</b>             | <b>926,814</b>   |
| <b>Income taxes expense</b>   | <b>178,648</b>                 | <b>143,648</b>   | <b>374,276</b>               | <b>263,594</b>   |
| <b>Minority interest in net earnings of subsidiaries</b>            | <b>14,796</b>                  | <b>15,175</b>    | <b>31,841</b>                | <b>26,672</b>    |
| <b>Net income</b>   | <b>470,161</b>                 | <b>359,273</b>   | <b>1,071,446</b>             | <b>636,548</b>   |
| Net income per common share   | \$ 9.26                        | \$ 7.07          | \$ 21.10                     | \$ 12.52         |
| Net income per ADS equivalent                                       | \$ 0.46                        | \$ 0.35          | \$ 1.05                      | \$ 0.63          |
| <b>Weighted average common shares outstanding (thousands)</b>       | <b>50,797</b>                  | <b>50,833</b>    | <b>50,787</b>                | <b>50,862</b>    |



## Open Joint Stock Company Vimpel-Communications

## Unaudited Condensed Consolidated Balance Sheets

|   | June 30,<br>2008     | March 31,<br>2008    |
|---|----------------------|----------------------|
| <i>(In thousands of US dollars)</i>                           |                      |                      |
| <b>Assets</b>   |                      |                      |
| Current assets:   |                      |                      |
| Cash and cash equivalents                                     | \$ 978,782           | \$ 620,680           |
| Trade accounts receivable                                     | 535,080              | 525,599              |
| Other current assets  | 791,227              | 685,934              |
| Total current assets  | 2,305,089            | 1,832,213            |
| <b>Non current assets</b>                                     |                      |                      |
| Property and equipment, net                                   | 7,117,382            | 6,879,895            |
| Telecommunication licenses and allocation of frequencies, net | 1,035,420            | 1,062,501            |
| Other intangible assets, net                                  | 5,307,097            | 4,946,283            |
| Other assets  | 1,943,911            | 1,305,242            |
| Total non current assets                                      | 15,403,810           | 14,193,921           |
| <b>Total assets</b>   | <b>\$ 17,708,899</b> | <b>\$ 16,026,134</b> |
| <b>Liabilities and shareholders equity</b>                    |                      |                      |
| Current liabilities:  |                      |                      |
| Accounts payable  | \$ 689,374           | \$ 634,414           |
| Dividends Payable   | 505,193              | 0                    |
| Customer advances and deposits                                | 436,785              | 431,011              |
| Short-term debt   | 1,248,033            | 968,772              |
| Accrued liabilities   | 939,355              | 686,983              |
| Total current liabilities                                     | 3,818,740            | 2,721,180            |
| Deferred income taxes   | 880,300              | 945,265              |
| Long-term debt  | 6,502,874            | 5,709,263            |
| Accrued liabilities   | 71,036               | 66,688               |
| Minority Interest   | 373,504              | 406,265              |
| Shareholders equity   | 6,062,445            | 6,177,473            |
| <b>Total liabilities and shareholders equity</b>              | <b>\$ 17,708,899</b> | <b>\$ 16,026,134</b> |

## Open Joint Stock Company Vimpel-Communications

## Unaudited Condensed Consolidated Statements of Cash Flows

|  | Six month ended<br>June 30,             |                     |
|--|---|---------------------|
|  | 2008                                    | 2007                |
|  | <i>(In thousands of US<br/>dollars)</i> |                     |
| <b>Net cash provided by operating activities</b>                             | <b>\$ 1,821,228</b>                     | <b>\$ 1,351,512</b> |
| Proceeds from bank and other loans   | 4,955,985                               | 291,896             |
| Proceeds from sale of treasury stock   | 17,457                                  | 34,995              |
| Payments of fees in respect of debt issues                                   | (52,766)                                | (1,288)             |
| Repayment of bank and other loans  | (319,362)                               | (215,434)           |
| Purchase of treasury shares  | (41,783)                                | (81,069)            |
| <b>Net cash provided by financing activities</b>                             | <b>4,559,531</b>                        | <b>29,100</b>       |
| Purchase of property and equipment   | (883,834)                               | (558,550)           |
| Purchase of intangible assets  | (37,603)                                | (14,185)            |
| Purchase of software   | (139,985)                               | (83,636)            |
| Acquisition of subsidiaries, net of cash acquired                            | (4,102,305)                             | (55,924)            |
| Late payment of purchase price   |   | (12,688)            |
| Loans granted  | (350,000)                               |                     |
| Short term deposits  | (101,343)                               |                     |
| Exercise of escrow cash depositing   | 200,170                                 |                     |
| Prepayment for Limnotex  | (561,800)                               |                     |
| Purchase of minority interest in consolidated subsidiaries                   | (425,254)                               |                     |
| Purchase of other assets, net  | (29,654)                                | (55,454)            |
| <b>Net cash used in investing activities</b>                                 | <b>(6,431,608)</b>                      | <b>(780,437)</b>    |
| <b>Effect of exchange rate changes on cash and cash equivalents</b>          | <b>25,920</b>                           | <b>5,997</b>        |
| <b>Net increase (decrease) in cash and cash equivalents</b>                  | <b>(24,929)</b>                         | <b>606,172</b>      |
| <b>Cash and cash equivalents at beginning of period</b>                      | <b>1,003,711</b>                        | <b>344,494</b>      |
| <b>Cash and cash equivalents at end of period</b>                            | <b>\$ 978,782</b>                       | <b>\$ 950,666</b>   |
| <b>Supplemental cash flow information</b>                                    |   |                     |
| <b>Cash paid during the period:</b>  |   |                     |
| Income tax   | \$ 330,721                              | \$ 260,199          |
| Interest   | \$ 127,444                              | \$ 99,475           |
| <b>Non cash activities:</b>  |   |                     |
| Equipment acquired under financing agreements                                | \$ 54,880                               | \$ 25,873           |
| Accounts payable for equipment and license                                   | 275,074                                 | 199,033             |
| <b>Acquisitions:</b>   |   |                     |
| Fair value of assets acquired  | 2,544,330                               | 41,636              |
| Fair value of minority interest acquired                                     | 48,770                                  |                     |
| Difference between the amount paid and the fair value of net assets acquired | 3,152,540                               | 14,288              |
| Cash paid for the acquisition of subsidiaries                                | (4,748,556)                             | (55,924)            |

Change in Fair value of Liabilities assumed

\$ 997,084

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

**Reconciliation table of segments presented to segments  
reported in financial statements due to inter-segment revenue adjustments**

*(In millions of US dollars)*

|  | Russia | CIS | Total |
|--|--------|-----|-------|
| Segment operating revenue                  | 2,239  | 388 | 2,627 |
| Inter-segment revenues                     | -5     | -11 | -16   |
| Operating revenues from external customers | 2,234  | 377 | 2,611 |

|  | Mobile<br>business | Fixed<br>business | Total |
|--|--------------------|-------------------|-------|
| Segment operating revenue                  | 2,178              | 477               | 2,655 |
| Inter-segment revenues                     | -1                 | -5                | -6    |
| Elimination adjustments                    | -1                 | -37               | -38   |
| Operating revenues from external customers | 2,176              | 435               | 2,611 |

**Reconciliation of Consolidated OIBDA**

*(In millions of US dollars)*

|                                 | Three months ended |                  |                 |
|---------------------------------|--------------------|------------------|-----------------|
|                                 | June 30,<br>2008   | June 30,<br>2007 | Mar 31,<br>2008 |
| <b>OIBDA Consolidated Total</b> |                    |                  |                 |
| <b>OIBDA</b>                    | <b>1,223</b>       | <b>897</b>       | <b>1,126</b>    |
| Depreciation                    | (385)              | (285)            | (357)           |
| Amortization                    | (101)              | (54)             | (67)            |
| <b>Operating income</b>         | <b>737</b>         | <b>558</b>       | <b>702</b>      |

## Reconciliation of OIBDA Margin

|  | Three months ended |                  |                 |
|--|--------------------|------------------|-----------------|
|  | June 30,<br>2008   | June 30,<br>2007 | Mar 31,<br>2008 |
| <b>OIBDA Margin Consolidated Total</b>                           |                    |                  |                 |
| <b>OIBDA margin</b>  | <b>46.8%</b>       | <b>52.2%</b>     | <b>53.4%</b>    |
| Less: Depreciation as a percentage of net operating revenue      | (14.7)%            | (16.6)%          | (16.9)%         |
| Less: Amortization as a percentage of net operating revenue      | (3.9)%             | (3.1)%           | (3.2)%          |
| <b>Operating income as a percentage of net operating revenue</b> | <b>28.2%</b>       | <b>32.5%</b>     | <b>33.3%</b>    |

## Attachment D: Capex Development

| CAPEX (in US\$ mln) | 2Q    | 2Q    | y-o-y  | 1Q    | q-o-q  |
|---------------------|-------|-------|--------|-------|--------|
|                     | 2008  | 2007  |        | 2008  |        |
| Total capex         | 664.0 | 334.8 | 98.3%  | 358.5 | 85.2%  |
| Russia              | 425.1 | 189.0 | 124.9% | 212.5 | 100.0% |
| CIS                 | 238.9 | 145.8 | 63.9%  | 146.0 | 63.6%  |
| Kazakhstan          | 55.4  | 45.8  | 21.0%  | 42.6  | 30.0%  |
| Ukraine             | 54.1  | 46.0  | 17.6%  | 26.6  | 103.4% |
| Armenia             | 20.9  | 20.4  | 2.5%   | 14.6  | 43.2%  |
| Uzbekistan          | 82.8  | 18.5  | 347.6% | 48.0  | 72.5%  |
| Tajikistan          | 13.5  | 5.7   | 136.8% | 7.2   | 87.5%  |
| Georgia             | 12.2  | 9.4   | 29.8%  | 7.0   | 74.3%  |



































































