

## **VimpelCom and Global Telecom Holding announce successful closing of Algeria transaction**

**Amsterdam (January 30, 2015) - VimpelCom Ltd. (“VimpelCom”, “the Company” or “the Group”) (NASDAQ: VIP),** a leading global provider of telecommunications services headquartered in Amsterdam and serving 223 million customers in 14 countries, and its subsidiary **Global Telecom Holding S.A.E. (“GTH”) (EGX: GTHE, LSE: GLTD),** today announce the closing of the sale by GTH of a 51% interest in Omnium Telecom Algeria SpA (formerly known as Orascom Telecom Algérie SpA, “OTA” or “Djezzy”) to the Algerian National Investment Fund, Fonds National d’Investissement (the “FNI”), for USD 2.6 billion.

GTH and the FNI have entered into a shareholders agreement (the “Shareholders Agreement”), which governs their relationship as shareholders in OTA going forward. GTH will continue to exercise operational control over OTA and, as a result, both GTH and VimpelCom will continue to fully consolidate OTA.

Jo Lunder, Chief Executive Officer of VimpelCom, commented: “Today, we have entered into a long-term relationship with the Algerian National Fund, creating a private-public ownership structure for Djezzy. With this new ownership structure, Djezzy is positioned better than ever to lead the way in Algeria, offering customers high quality mobile services and the best digital experience. The deal, on a group level, also releases significant cash amounts to GTH and VimpelCom to pay down gross debt.”

### **Settlement of Disputes**

At Closing, GTH terminated its international arbitration against the Algerian State initiated on April 12, 2012 and the parties to the arbitration settled the arbitration and all claims relating thereto. At the same time, the foreign exchange and import restrictions put in place by the Bank of Algeria against OTA on April 15, 2010 were lifted, following the payment by OTA to the Algerian Treasury of the fine of DZD 99 billion (equivalent to approximately USD 1.1 billion). In addition, OTA has written off the related tax receivable on its balance sheet.

### **Credit Facility**

Shortly prior to Closing, OTA and its wholly-owned subsidiary Optimum Telecom Algerie S.p.A. established credit facilities with a syndicate of Algerian and international banks in an amount of DZD 82 billion (approximately USD 0.9 billion).

### **Agreement with OTA’s minority shareholder Cevital**

GTH and Cevital S.p.A., a minority shareholder in OTA (“Cevital”), amended their previously disclosed Framework Agreement. Pursuant to the amended Framework Agreement, following Closing, Cevital will continue to be a shareholder in OTA and will hold 3.43% of the share capital of OTA. At Closing, the existing OTA shareholder arrangements to which Cevital was a party were terminated and Cevital dismissed all pending litigation against OTA in settlement for a dinar payment by OTA equating to approximately USD 50 million plus Cevital’s entitled share of the pre-Closing dividend paid by OTA to its shareholders.

### Use of Proceeds

Total net proceeds, including OTA dividends in respect of the financial years 2008-2013 paid to GTH, amounting to approximately USD 3.8 billion net of all taxes and after settlement of all outstanding disputes between the parties as well as the payment of associated fines, will be used to pay down existing shareholder loans provided by VimpelCom to GTH.

An Analyst and Investor conference call to discuss further details of the transaction and settlement is planned for **14:00 CET today**. For dial-in information please visit [www.vimpelcom.com](http://www.vimpelcom.com) or [www.gtelecom.com](http://www.gtelecom.com).

### DISCLAIMER

This announcement contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts, and include statements regarding the expected benefits of the transactions described above. Any statement in this announcement that expresses or implies VimpelCom’s or GTH’s intentions, beliefs, expectations or predictions (and the assumptions underlying them) is a forward-looking statement. Forward-looking statements involve inherent risks, uncertainties and assumptions, including, without limitation, the possibility that the benefits of the transactions may not materialize as expected or at all. 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. 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 VimpelCom’s Annual Report on Form 20-F for the year ended December 31, 2013, and other public filings made by the VimpelCom with the U.S. Securities and Exchange Commission, which risk factors are incorporated herein by reference. The forward-looking statements contained in this announcement are made as of the date hereof, and VimpelCom and GTH expressly disclaim any obligation to update or correct any forward-looking statements made herein due to the occurrence of events after the issuance of this announcement.

### About VimpelCom

VimpelCom, an international telecoms company operating in 14 countries and headquartered in Amsterdam, is one of the world’s largest integrated telecommunications services operators providing voice and data services through a range of traditional and broadband mobile and fixed technologies in Russia, Italy, Ukraine, Kazakhstan, Uzbekistan, Tajikistan, Armenia, Georgia, Kyrgyzstan, Laos, Algeria, Bangladesh, Pakistan, and Zimbabwe. VimpelCom’s operations around the globe cover territory with a total population of approximately 739 million people. VimpelCom provides services under the “Beeline”, “Kyivstar”, “WIND”, “Infostrada” “Mobilink”, “banglalink”, “Telecel”, and “Djezzy” brands. As of September 30, 2014, VimpelCom had 223 million mobile customers on a combined basis. VimpelCom is traded on the NASDAQ Global Select Market under the symbol (VIP). For more information visit: <http://www.vimpelcom.com>

### About Global Telecom Holding

GTH, which is 51.9% owned by VimpelCom, is a leading international telecommunications company operating mobile networks in high growth markets in the Middle East, Africa and Asia, covering territory with a total population of approximately 415 million with an average mobile telephony penetration of approximately 63% as of September 30, 2014. GTH operates mobile networks in Algeria (“OTA”), Pakistan (“Mobilink”), and

Bangladesh (“banglalink”). In addition it has an indirect equity ownership in Telecel Zimbabwe (Zimbabwe). GTH reached more than 91 million customers as of September 30, 2014. GTH is traded on the Egyptian Exchange under the symbol (GTHE.CA), and on the London Stock Exchange, its GDRs are traded under the symbol (GLTD:LI). For more information visit: <http://www.gtelecom.com>

## About Omnim Telecom Algeria (Djezzy)

Djezzy operates a mobile network in Algeria and provides a range of prepaid and postpaid products encompassing voice, data and multimedia. In 2013, Djezzy recorded USD 1.8 billion of revenue and USD 1.1 billion of EBITDA. As of September 30, 2014, Djezzy’s network served 18.2 million customers in Algeria.

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