

In pursuance of the Decision 432A issued by the RA Public Services Regulation Commission dated 23 September, 2011 K-Telecom CJSC presents Report on the Main economic and technical indicators of mobile services for Q2, 2012.

|            | Main economic and technical indicators                  | Measurement units   |                   |
|------------|---|---------------------|-------------------|
| <b>1</b>   | <b>Total operating revenues, including:</b>             | <b>thousand AMD</b> |                   |
| <b>1.1</b> | <b>Revenues from mobile business and other services</b> | <b>thousand AMD</b> | <b>19,060,393</b> |
| 1.1.1      | Voice/Airtime revenue                                   | thousand AMD        | 11,188,393        |
| 1.1.2      | VAS revenues (excl. data revenues)                      | thousand AMD        | 706,184           |
| 1.1.3      | Data transferring                                       | thousand AMD        | 1,436,084         |
| 1.1.4      | Roaming (own subscribers)                               | thousand AMD        | 293,722           |
| 1.1.5      | Roaming (guest subscribers)                             | thousand AMD        | 317,080           |
| 1.1.6      | Interconnection and line rental                         | thousand AMD        | 4,683,461         |
| 1.1.7      | Handset and accessories                                 | thousand AMD        | 304,037           |
| 1.1.8      | Other revenue   | thousand AMD        | 131,432           |
| 1.2        | Other operating revenue                                 | thousand AMD        | 43,813            |
| <b>2</b>   | <b>Non Operating revenue / (expense)</b>                | thousand AMD        | 1,251,013         |
| <b>3</b>   | <b>CAPEX</b>  | <b>thousand AMD</b> | <b>1,203,132</b>  |
| <b>4</b>   | <b>OPEX (VAT excl.), including:</b>                     | <b>thousand AMD</b> | <b>9,143,724</b>  |
| 4.1        | Interconnection and line rental expenses                | thousand AMD        | 2,625,399         |
| 4.2        | Advertising and Marketing expenses                      | thousand AMD        | 776,955           |
| 4.3        | Dealer commissions                                      | thousand AMD        | 514,954           |
| 4.4        | Payroll   | thousand AMD        | 2,322,287         |
| 4.5        | Other OPEX  | thousand AMD        | 2,904,129         |
| <b>5</b>   | <b>OIBDA</b>  | <b>thousand AMD</b> | <b>9,932,891</b>  |
| <b>6</b>   | <b>Amortization and depreciation</b>                    | <b>thousand AMD</b> | <b>6,566,562</b>  |
| <b>7</b>   | <b>Profit/(Loss) before tax</b>                         | <b>thousand AMD</b> | <b>4,617,342</b>  |
| <b>8</b>   | <b>Profit after tax</b>                                 | <b>thousand AMD</b> | <b>3,819,481</b>  |
|            |   |                     |                   |
| <b>9</b>   | <b>Mobile services indicators</b>                       |                     | -                 |
| <b>9.1</b> | <b>Number of active subscribers (3M)</b>                |                     | <b>1,956,711</b>  |
| 9.1.1      | Prepaid subscribers                                     |                     | 1,658,724         |
| 9.1.2      | Postpaid subscribers                                    |                     | 297,987           |
| 9.1.3      | Broadband internet customers (other than by phone)      |                     | 70,731            |
| 9.1.4      | Other customers using data services                     |                     | 25                |
| <b>9.2</b> | <b>ARPU-3M</b>  | <b>AMD</b>          | <b>3,205</b>      |
| 9.2.1      | Prepaid subscribers                                     | AMD                 | 1,951             |
| 9.2.2      | Postpaid subscribers                                    | AMD                 | 4,557             |
| 9.2.3      | Broadband internet customers (other than by phone)      | AMD                 | 3,623             |
| 9.2.4      | Other customers using data services                     | AMD                 | 78,658            |
| <b>9.3</b> | <b>MoU, MbOU</b>  | <b>minutes</b>      | <b>400</b>        |
| 9.3.1      | Prepaid subscribers                                     | minutes             | 368               |
| 9.3.3      | Postpaid subscribers                                    | minutes             | 578               |
| 9.3.3      | Broadband internet customers (other than by phone)      | Mb                  | 6,385             |
| 9.3.4      | Other customers using data services                     | Mb                  | -                 |
| <b>9.4</b> | <b>APPM, APP Mb</b>                                     | <b>AMD</b>          | <b>6.92</b>       |
| 9.4.1      | Prepaid subscribers                                     | AMD                 | 4.64              |
| 9.4.2      | Postpaid subscribers                                    | AMD                 | 5.88              |
| 9.4.3      | Broadband internet customers (other than by phone)      | AMD                 | 0.57              |

|            | <b>Main economic and technical indicators</b>             | <b>Measurement units</b> |                |
|------------|---|--------------------------|----------------|
| 9.4.4      | <i>Other customers using data services</i>                | AMD                      | -              |
| <b>9.5</b> | <b>Gross additions</b>                                    |                          | <b>282,529</b> |
| 9.5.1      | <i>Prepaid subscribers</i>                                |                          | 241,846        |
| 9.5.2      | <i>Postpaid subscribers</i>                               |                          | 40,683         |
| 9.5.3      | <i>Broadband internet customers (other than by phone)</i> |                          | 12,600         |
| 9.5.4      | <i>Other customers using data services</i>                |                          | -              |
| <b>9.6</b> | <b>Churn</b>  |                          | <b>245,668</b> |
| 9.6.1      | <i>Prepaid subscribers</i>                                |                          | 213,902        |
| 9.6.2      | <i>Postpaid subscribers</i>                               |                          | 31,766         |
| 9.6.3      | <i>Broadband internet customers (other than by phone)</i> |                          | 8,340          |
| 9.6.4      | <i>Other customers using data services</i>                |                          | -              |