

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 Q4, 2011.

|            | 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>18,915,033</b> |
| 1.1.1      | Voice/Airtime revenue                                     | thousand AMD        | 11,333,582        |
| 1.1.2      | VAS revenues (excl. data revenues)                        | thousand AMD        | 871,196           |
| 1.1.3      | Data transferring   | thousand AMD        | 1,402,456         |
| 1.1.4      | Roaming (own subscribers)                                 | thousand AMD        | 357,181           |
| 1.1.5      | Roaming (guest subscribers)                               | thousand AMD        | 247,294           |
| 1.1.6      | Interconnection and line rental                           | thousand AMD        | 4,435,818         |
| 1.1.7      | Handset and accessories                                   | thousand AMD        | 102,803           |
| 1.1.8      | Other revenue   | thousand AMD        | 164,705           |
| 1.2        | Other operating revenue                                   | thousand AMD        | 92,971            |
| <b>2</b>   | <b>Non Operating revenue / (expense)</b>                  | <b>thousand AMD</b> | <b>313,906</b>    |
| <b>3</b>   | <b>CAPEX</b>  | <b>thousand AMD</b> | <b>8,586,427</b>  |
| <b>4</b>   | <b>OPEX (VAT excl.), including:</b>                       | <b>thousand AMD</b> | <b>9,365,014</b>  |
| 4.1        | Interconnection and line rental expenses                  | thousand AMD        | 2,494,985         |
| 4.2        | Advertising and Marketing expenses                        | thousand AMD        | 943,212           |
| 4.3        | Dealer commissions  | thousand AMD        | 570,115           |
| 4.4        | Payroll   | thousand AMD        | 1,940,960         |
| 4.5        | Other OPEX  | thousand AMD        | 3,415,742         |
| <b>5</b>   | <b>OIBDA</b>  | <b>thousand AMD</b> | <b>9,561,721</b>  |
| <b>6</b>   | <b>Amortization and depreciation</b>                      | <b>thousand AMD</b> | <b>6,862,091</b>  |
| <b>7</b>   | <b>Profit/(Loss) before tax</b>                           | <b>thousand AMD</b> | <b>3,013,537</b>  |
| <b>8</b>   | <b>Profit after tax</b>                                   | <b>thousand AMD</b> | <b>3,630,270</b>  |
| <b>9</b>   | <b>Mobile services indicators</b>                         |                     | -                 |
| <b>9.1</b> | <b>Number of active subscribers (3M)</b>                  |                     | <b>1,941,392</b>  |
| 9.1.1      | <i>Prepaid subscribers</i>                                |                     | 1,670,756         |
| 9.1.2      | <i>Postpaid subscribers</i>                               |                     | 270,636           |
| 9.1.3      | <i>Broadband internet customers (other than by phone)</i> |                     | 58,277            |
| 9.1.4      | <i>Other customers using data services</i>                |                     | 23                |
| <b>9.2</b> | <b>ARPU-3M</b>  | <b>AMD</b>          | <b>3,225</b>      |
| 9.2.1      | <i>Prepaid subscribers</i>                                | AMD                 | 1,997             |
| 9.2.2      | <i>Postpaid subscribers</i>                               | AMD                 | 5,051             |
| 9.2.3      | <i>Broadband internet customers (other than by phone)</i> | AMD                 | 3,663             |
| 9.2.4      | <i>Other customers using data services</i>                | AMD                 | 85,352            |
| <b>9.3</b> | <b>MoU, MbOU</b>  | <b>minutes</b>      | <b>377</b>        |
| 9.3.1      | <i>Prepaid subscribers</i>                                | minutes             | 354               |
| 9.3.3      | <i>Postpaid subscribers</i>                               | minutes             | 519               |
| 9.3.3      | <i>Broadband internet customers (other than by phone)</i> | Mb                  | 5,142             |
| 9.3.4      | <i>Other customers using data services</i>                | Mb                  | -                 |
| <b>9.4</b> | <b>APPM, APP Mb</b>                                       | <b>AMD</b>          | <b>7.37</b>       |
| 9.4.1      | <i>Prepaid subscribers</i>                                | AMD                 | 4.85              |
| 9.4.2      | <i>Postpaid subscribers</i>                               | AMD                 | 7.43              |
| 9.4.3      | <i>Broadband internet customers (other than by phone)</i> | AMD                 | 0.71              |
| 9.4.4      | <i>Other customers using data services</i>                | AMD                 | -                 |

|            | <b>Main economic and technical indicators</b>             | <b>Measurement units</b> |                |
|------------|---|--------------------------|----------------|
| <b>9.5</b> | <b>Gross additions</b>                                    |                          | <b>229,434</b> |
| 9.5.1      | <i>Prepaid subscribers</i>                                |                          | 168,171        |
| 9.5.2      | <i>Postpaid subscribers</i>                               |                          | 61,263         |
| 9.5.3      | <i>Broadband internet customers (other than by phone)</i> |                          | 15,702         |
| 9.5.4      | <i>Other customers using data services</i>                |                          | 5              |
| <b>9.6</b> | <b>Churn</b>  |                          | <b>320,209</b> |
| 9.6.1      | <i>Prepaid subscribers</i>                                |                          | 261,765        |
| 9.6.2      | <i>Postpaid subscribers</i>                               |                          | 51,656         |
| 9.6.3      | <i>Broadband internet customers (other than by phone)</i> |                          | 6,788          |
| 9.6.4      | <i>Other customers using data services</i>                |                          | 8              |