

**“MTS Armenia” CJSC Report on the Main Economic and Technical Indicators of Mobile Services for Q1, 2019**

|        | Main technical and economic indicators  | Measurement units |                   |
|--------|---|-------------------|-------------------|
| 1      | <b>Operating revenues, including:</b>   | thousand AMD      |                   |
| 1.1    | Revenues from mobile communication and associated activity                    | thousand AMD      | <b>13,347,985</b> |
| 1.1.1  | Revenues from voice services  | thousand AMD      | 3,456,877         |
| 1.1.2  | Revenue from VAS (excluding revenue from data transfer), including:           | thousand AMD      | 492,097           |
|        | SMS and MMS   | thousand AMD      | 407,056           |
|        | Other   | thousand AMD      | 85,041            |
| 1.1.3  | Data transfer services , including:   | thousand AMD      | 4,760,306         |
|        | Broadband Internet access services (other than by phone) (through USB modems) | thousand AMD      | 373,220           |
|        | Mobile communication network services (through handsets)                      | thousand AMD      | 4,387,086         |
|        | Other   | thousand AMD      |                   |
| 1.1.4  | Revenue from SMS and MMS  | thousand AMD      | -                 |
| 1.1.5  | International roaming revenue (own subscribers)                               | thousand AMD      | 301,464           |
| 1.1.6  | International roaming revenue (guest subscribers)                             | thousand AMD      | 99,443            |
| 1.1.7  | Revenue from interconnection including:                                       | thousand AMD      | 2,496,922         |
|        | Voice services  | thousand AMD      | 2,469,871         |
|        | SMS and MMS   | thousand AMD      | 27,051            |
| 1.1.8  | Revenues from line rental services  | thousand AMD      | -                 |
| 1.1.9  | Sales of handsets and accessories   | thousand AMD      | 1,273,034         |
| 1.1.10 | Other revenues  | thousand AMD      | 467,843           |
| 2      | <b>Operating Expenses (OPEX), including:</b>                                  | thousand AMD      | <b>8,164,337</b>  |
| 2.1    | Interconnection expenses  | thousand AMD      | 1,396,049         |
| 2.2    | Line rental expenses  | thousand AMD      | 256,921           |
| 2.3    | Advertising and Marketing expenses  | thousand AMD      | 211,390           |
| 2.4    | Dealer commissions  | thousand AMD      | 130,453           |
| 2.5    | Payroll expenses  | thousand AMD      | 2,177,666         |
| 2.6    | Mobile network exploitation and maintenance expenses                          | thousand AMD      | 235,866           |

|       |  |              |                  |
|-------|--|--------------|------------------|
| 2.7   | Other OPEX   | thousand AMD | 3,755,992        |
| 3     | <b>Operating Income Before Depreciation Amortization (OIBDA)</b>                       | thousand AMD | <b>5,183,648</b> |
| 4     | <b>Depreciation of fixed assets and amortization of intangible assets</b>              | thousand AMD | 4,205,654        |
| 5     | <b>Other operating income</b>  | thousand AMD |                  |
| 6     | <b>Non-operating income</b>  | thousand AMD | (12,986,254)     |
| 6.1   | Financial income   | thousand AMD | 146,311          |
| 6.2   | Financial expenses   | thousand AMD | -                |
| 6.3   | Gain/loss from exchange rate differences   | thousand AMD | 163,844          |
| 6.4   | Other Non-Operating revenues/expenses  | thousand AMD | (13,296,408)     |
| 7     | <b>Profit before taxation</b>  | thousand AMD | (12,008,260)     |
| 8     | <b>CAPEX</b>   | thousand AMD | <b>882,341</b>   |
| 9     | <b>Mobile connection indicators</b>  |              |                  |
| 9.1   | Number of active subscribers (at the end of the reporting period)                      |              | <b>2,119,039</b> |
| 9.1.1 | Prepaid subscribers  | subs         | 1,844,102        |
| 9.1.2 | Postpaid subscribers   | subs         | 274,937          |
| 9.1.3 | Broadband Internet subscribers (other than by phone)                                   | subs         | 59,439           |
| 9.1.4 | Subscribers using data services (by phone)   | subs         | 1,502,988        |
| 9.2   | Average revenue per active user (ARPU-3M)  | AMD          | <b>1,824</b>     |
| 9.2.1 | Prepaid subscribers  | AMD          | 1,203            |
| 9.2.2 | Postpaid subscribers   | AMD          | 2,835            |
| 9.2.3 | Broadband Internet subscribers (other than by phone)                                   | AMD          | 2,043            |
| 9.2.4 | Subscribers using other data services  | AMD          | 72,715           |
| 9.3   | Average traffic per user (including interconnection and incoming roaming) (MoU, Mb OU) | minutes      | <b>570</b>       |
| 9.3.1 | Prepaid subscribers  | minutes      | 554              |
| 9.3.2 | Postpaid subscribers   | minutes      | 675              |
| 9.3.3 | Broadband Internet subscribers (other than by phone)                                   | Mb           | 12,166           |
| 9.3.4 | Subscribers using other data services  | Mb           | -                |
| 9.4   | Unit price (including interconnection and  | AMD          | <b>1.71</b>      |

|       |  |      |                |
|-------|--|------|----------------|
|       | incoming roaming) (APPM, APP Mb)                     |      |                |
| 9.4.1 | Prepaid subscribers                                  | AMD  | 0.93           |
| 9.4.2 | Postpaid subscribers                                 | AMD  | 1.50           |
| 9.4.3 | Broadband Internet subscribers (other than by phone) | AMD  | 0.17           |
| 9.4.4 | Subscribers using other data services                | AMD  | -              |
| 9.5   | New Activations                                      |      | <b>129,640</b> |
| 9.5.1 | Prepaid subscribers                                  | subs | 116,971        |
| 9.5.2 | Postpaid subscribers                                 | subs | 12,669         |
| 9.5.3 | Broadband Internet subscribers (other than by phone) | subs | 4,580          |
| 9.5.4 | Subscribers using other data services                | subs | -              |
| 9.6   | Churn  |      | <b>138,728</b> |
| 9.6.1 | Prepaid subscribers                                  | subs | 119,289        |
| 9.6.2 | Postpaid subscribers                                 | subs | 19,439         |
| 9.6.3 | Broadband Internet subscribers (other than by phone) | subs | 7,524          |
| 9.6.4 | Subscribers using other data services                | subs | -              |

\*Capitalization by IFRS15, IFRS16 is not considered