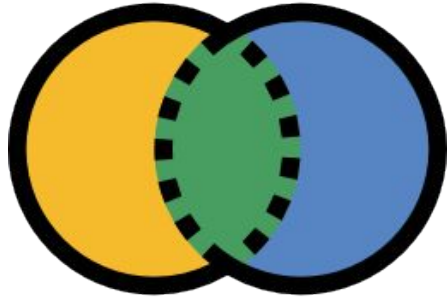
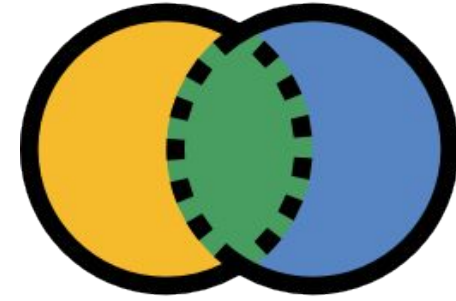


Mergers and Acquisition deals



M&A

Mergers and acquisitions



Operative motives

- ✓ Economy of scale
- ✓ Growth of market power
- ✓ Economy of vertical integration

Financial motives

- ✓ Advantages on capital markets
- ✓ Tax benefits
- ✓ Possibility of subsequent resale
- ✓ Risk diversification

Strategic motives

- ✓ Profitable purchase of assets
- ✓ Access to insider stock tips
- ✓ Sale of recurrent assets

Principle of LBO

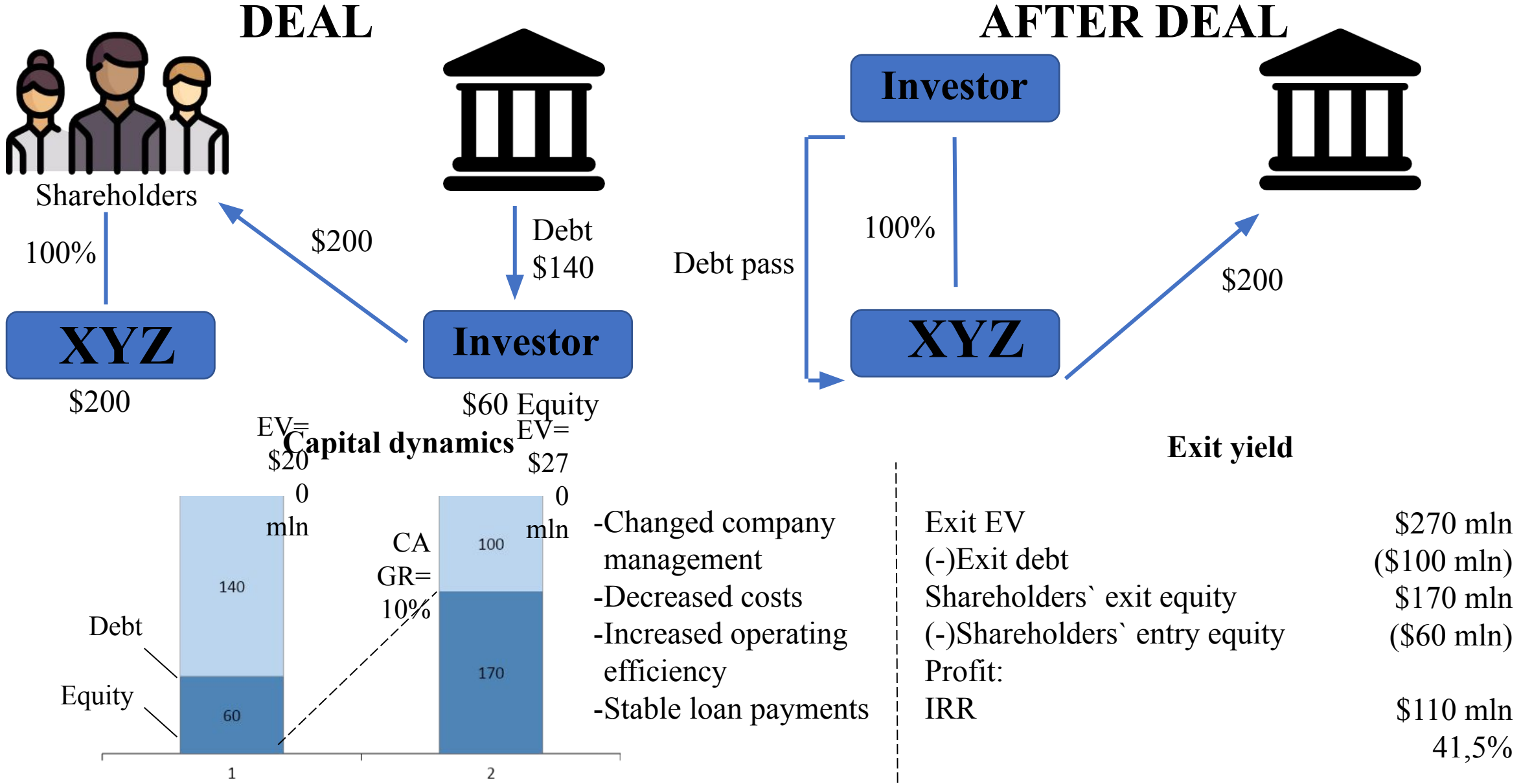


Figure 2 – Capital structure changing during LBO

Object of the deal: structure of revenue

Wind Telecom

7 377 antenna tower stations

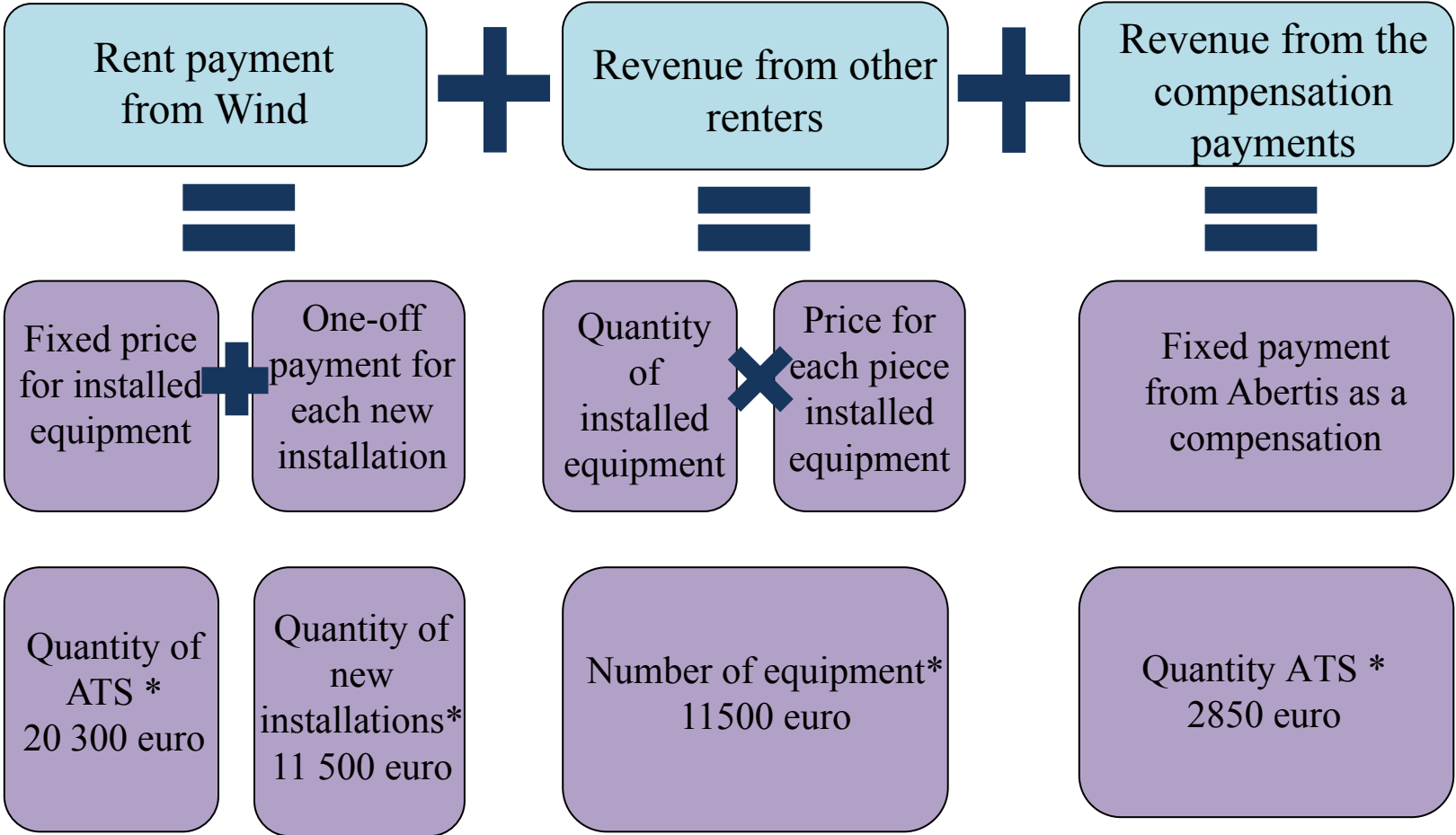


Figure 1 – Revenue structure

Expected revenue calculation

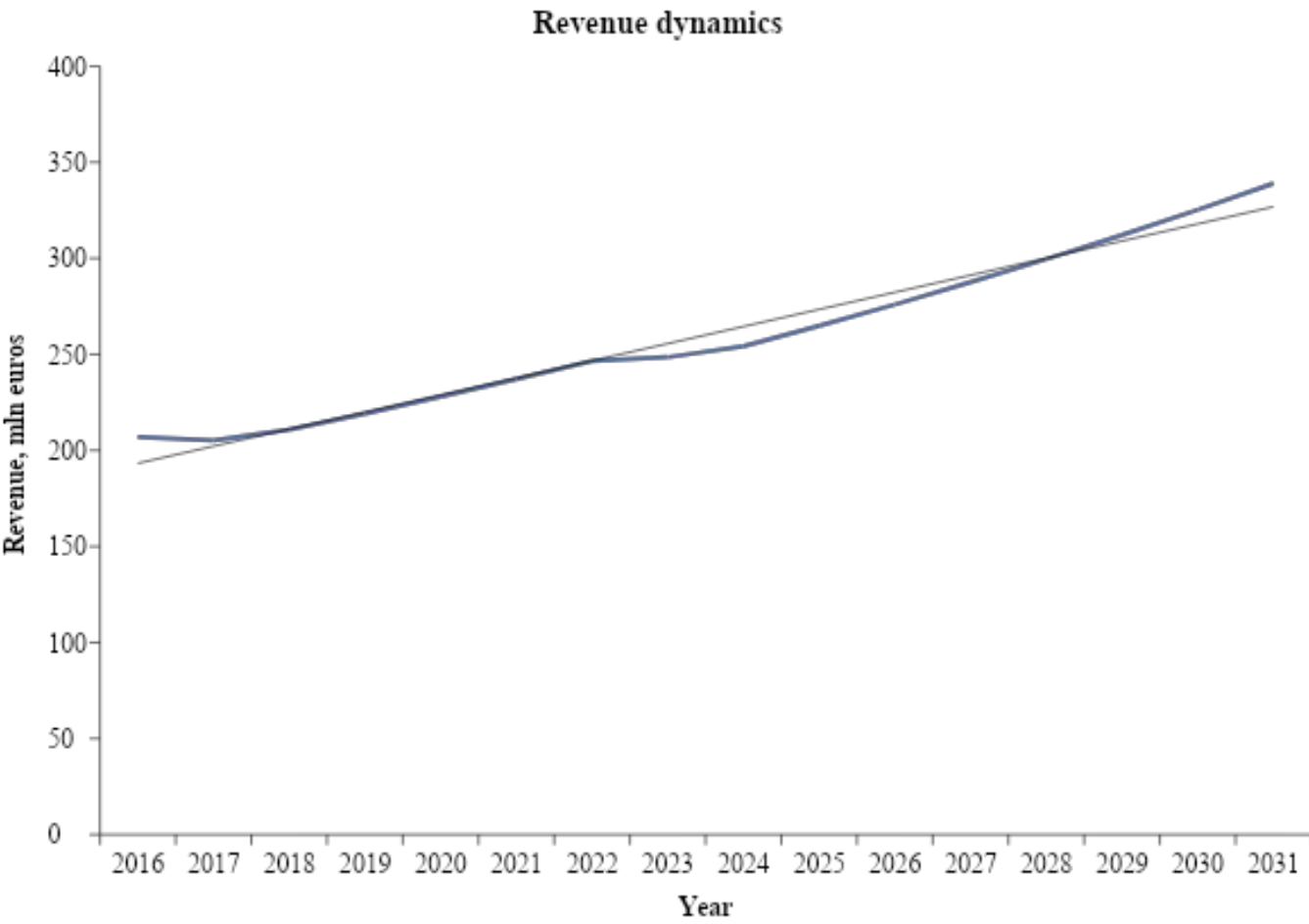


Figure 4 – Revenue dynamics

Structure of revenue in 2016

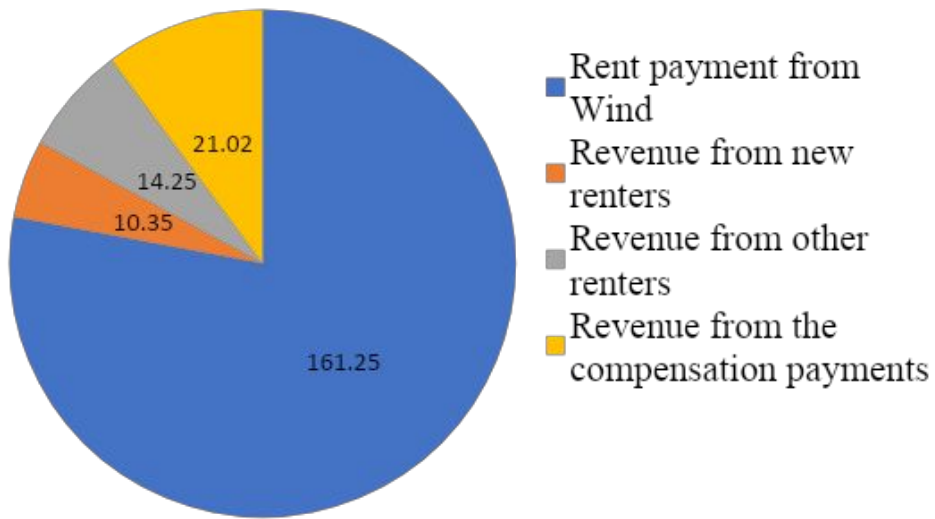


Figure 5 – Structure of revenue in 2016

Structure of revenue in 2031

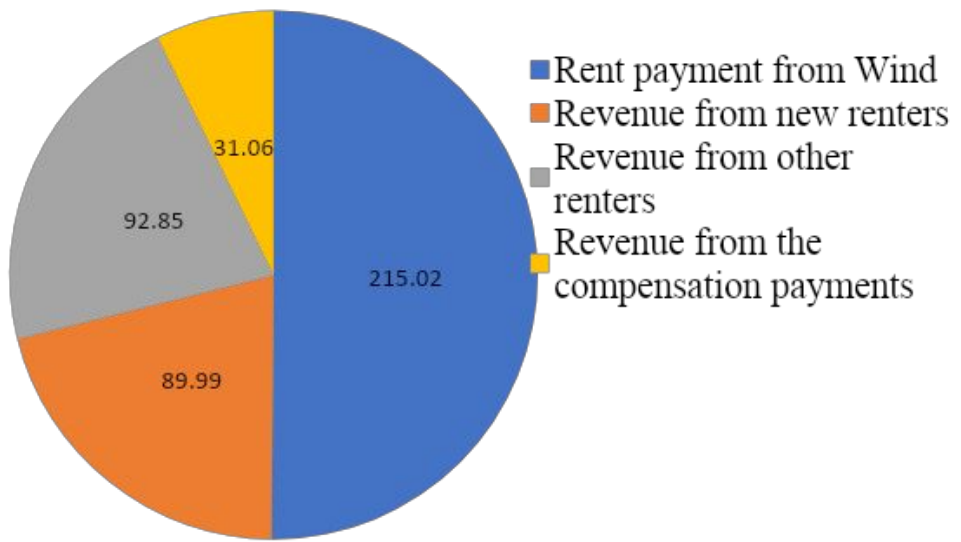


Figure 6 – Structure of revenue in 2031

Analysis of LBO deal for Abertis

Table 2 – Analysis of LBO deal for Abertis

Entry information	Costs, million euros	Interest	Entry information	Costs, million euros
Debt	350	1,50%	Exit debt (1,5%)	284
Debt	300	2,00%	Exit debt (2%)	234
Equity	43	7,00%	Equity	749
Total sum of investments	693		EV	1266

IRR > 50%

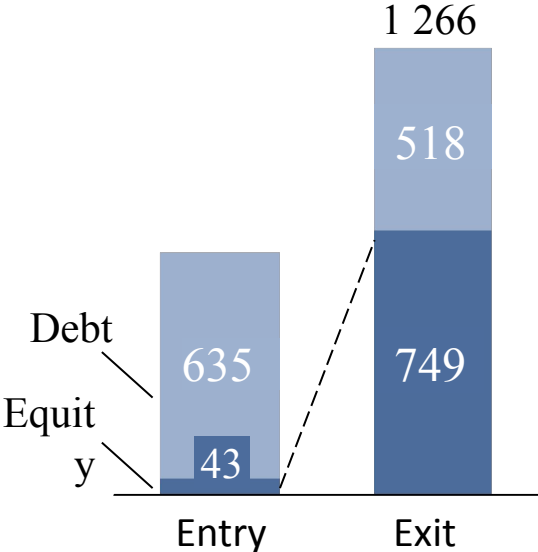
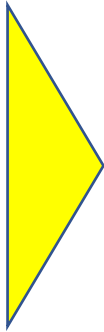


Figure 10 – Exit data of Abertis

High yield because of LBO



1266 million euros after completion of the deal



Opportunity for VimpelCom to increase the deal price