

VEON

Q3 results preview

VEON is scheduled to report Q326 results on 6 November, followed by a capital markets day in New York on 16 November. We forecast revenue growth of 16.5% to \$1,299m and EBITDA of \$553m, up 5.5% y-o-y, driven by Pakistan and Ukraine and Digital Services across the footprint. We expect a positive operating outlook despite risks from the recent escalation of the Ukraine conflict and margin pressure in Kazakhstan. We will also look for further detail on VEON's digital businesses, which have grown from 20.5% of group revenue in Q225 to 26.9% in Q226, and greater clarity on how management intends to develop this fast-growing but diverse portfolio. We modestly update our estimates and valuation with this note.

Year end	Revenue (\$m)	EBITDA (\$m)	PBT (\$m)	EPS (\$)	P/E (x)	Yield (%)
12/24	4,004.0	1,691.0	704.0	5.87	14.2	N/A
12/25	4,399.0	2,002.0	785.0	7.62	10.9	N/A
12/26e	5,102.5	2,217.8	781.1	6.38	13.0	N/A
12/27e	5,569.1	2,388.4	869.1	7.88	10.6	N/A

Note: PBT and EPS are reported (US GAAP). VEON's shares are only listed on Nasdaq through the ADS structure; all per share data refer to ADS.

Q326 preview: Resilience in the face of challenges

Our Q326 forecasts are broadly in line with consensus and imply continued strong revenue growth. We forecast Q326 revenue of \$1,299m, up 16.5% y-o-y, led by Pakistan and Ukraine, and EBITDA of \$553m, representing a margin of 42.5% (vs 43.4% in Q226). We expect continued margin pressure in Kazakhstan. Delivery would reinforce VEON's ability to sustain growth and profitability despite challenging conditions, particularly in Ukraine, where infrastructure attacks and power outages disrupt operations and increase costs. We will also be watching JazzCash's performance closely, following the recent Airtel Money and Mynt IPOs at c 5x revenue, which highlight its potential as a source of value for VEON.

Bond refinancing: Greater flexibility

The \$1.4bn bond refinancing in June addressed substantially all VEON's 2027 debt maturities, providing greater flexibility to invest and return capital. The group has launched a c \$200m buyback programme targeting 3.9% of outstanding shares, with 1.5% cancelled on 20 October. Alongside shareholder returns, the agreed c \$207m Perfectum acquisition, including assumed debt, should strengthen Beeline Uzbekistan's spectrum and network capabilities. Initial regulatory approval for Nova Digital Bank also advances VEON's digital finance ambitions in Bangladesh, although a full banking licence remains subject to further requirements.

Valuation: DCF of \$95 per share

We have updated our DCF valuation to \$95 per share, from \$82. Our revised valuation incorporates updated operating forecasts and the roll forward of our estimates and assumes a WACC of 16.3%, terminal growth of 3.0% and a terminal EBIT margin of 26%. Further upside could come from improving returns on investment in VEON's expanding digital businesses and potential value-crystallisation events, such as external investment or a future listing of JazzCash, which could highlight value not fully reflected in the share price.

Q3 results preview

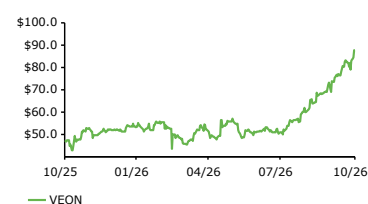
Technology

28 October 2026

Price **\$83.20**
Market cap **\$6,125m**

Net cash (debt) (including finance leases) at 30 June 2026. Net debt excl finance leases = \$1,819m
 Shares in issue 74.0m
 Free float 33.0%
 Code VEON
 Primary exchange NASDAQ
 Secondary exchange N/A

Share price performance



%	1m	3m	12m
Abs	20.5	58.5	60.4
52-week high/low		\$82.1	\$42.8

Business description

VEON is a frontier market telecommunications company with businesses in Ukraine, Pakistan, Bangladesh, Kazakhstan and Uzbekistan. It offers services ranging from traditional mobile and internet to sophisticated digital solutions for consumers and businesses.

Next events

Q3 results	6 November
Capital markets day (NYC)	16 November

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Regional overview

Operational resilience despite geopolitical and macroeconomic headwinds

VEON continues to demonstrate operational resilience across its principal markets. Despite the escalation of the conflict in Ukraine and challenging macroeconomic conditions elsewhere, the group has maintained strong revenue growth, supported by pricing, increasing data consumption and the expansion of digital services.

We expect these trends to continue in Q326, with revenue increasing 16.5% y-o-y to \$1,299m and EBITDA reaching \$553m. While the group continues to benefit from strong operating performances in Pakistan and Ukraine, Kazakhstan remains a source of margin pressure.

Elevated bond yields and geopolitical risks remain potential valuation headwinds. Nevertheless, VEON's strong underlying growth, increasing contribution from digital services and improving capital structure, alongside a growing commitment to shareholder returns, continue to support the investment case.

Ukraine: Strong underlying performance despite escalating conflict

Kyivstar's operational resilience remains a central element of VEON's investment proposition. Despite the continuing conflict and associated infrastructure challenges, the business has maintained strong revenue and EBITDA growth. In H126, total revenue increased 29.2% in local currency to UAH29.2bn (\$667m), while EBITDA rose 23.6% to UAH15.9bn (\$363m). The EBITDA margin declined 2.4pp to 54.5%, reflecting higher personnel, energy and network-support costs.

Core telecommunications and infrastructure revenue increased 14.3% in local currency to UAH23.0bn (\$526m), supported by tariff increases, higher data consumption and continued growth in business services. Telecom EBITDA rose 13.2% to UAH13.3bn (\$303m), with the margin declining modestly to 57.7% from 58.3%, demonstrating the resilience of the underlying business despite continued infrastructure disruption.

Digital services were the principal growth driver, with H126 revenue increasing 151.1% in local currency to UAH6.2bn (\$141m), supported by acquisitions and organic expansion. Digital EBITDA increased 133.0% to UAH2.6bn (\$60m), although the margin declined to 42.4% from 45.7%. Digital revenues represented 21.2% of Kyivstar's total revenue, compared with 10.9% in H125. Key contributors include Uklon (ride-hailing), Helsi and Tabletki (digital healthcare) and Kyivstar TV. In Q326, we will look for evidence of sustained organic growth, progress in integrating the acquired businesses and improving profitability as these platforms scale.

Nevertheless, the recent escalation of hostilities presents additional risks to infrastructure, service continuity and investment requirements. Kyivstar's recent share-price weakness illustrates the sensitivity of investor sentiment to geopolitical developments, even where underlying operating performance remains robust.

Kyivstar has postponed its separately planned capital markets day until 2027, reflecting the challenging operating environment. However, the company is expected to feature prominently at VEON's capital markets day on 16 November, providing investors with an opportunity to assess its operational performance and strategic priorities.

Pakistan: Continued operational momentum, JazzCash continues to scale

Pakistan remains VEON's largest operating business in terms of both revenue and EBITDA and a principal contributor to group growth, as well as leading the way in financial services adoption. Performance was particularly strong in H126, with revenue increasing 23.0% in local currency to PKR269.5bn (\$965m) and EBITDA rising 29.9% to PKR118.9bn (\$426m), lifting the EBITDA margin by 2.4pp to 44.1%.

Core telecoms revenue increased 15.0%, supported by disciplined pricing, increasing data consumption and continued 4G adoption, while telecom EBITDA rose 21.3%, reflecting operating leverage and improved margins.

Digital revenue grew by 38.7%, with EBITDA increasing 62.0%, supported particularly by the expansion of JazzCash, alongside other consumer and enterprise digital services. Digital consequently accounted for 37.8% of Pakistan's H126 revenue, up from 33.5% in H125.

JazzCash's success demonstrates the potential to leverage VEON's telecommunications infrastructure and customer relationships to develop additional revenue streams. It also provides a useful reference point for the group's ambitions to expand financial services across other markets, although differences in regulation, consumer behaviour and market

structure suggest that replicating its success elsewhere may take time. As we discuss later in this note, it is arguably one of the more likely candidates for a future value-crystallisation event.

Kazakhstan: Looking for signs of margin pressure easing

Kazakhstan remains the principal area of concern within VEON's operating portfolio. The increase in VAT from 12% to 16% in January has proved difficult to pass through to customers, while competitive pressures have affected pricing and customer monetisation.

In H126, revenue increased 6.9% in local currency to KZT213.0bn (\$438m), but EBITDA declined 12.3% to KZT87.6bn (\$180m), reducing the EBITDA margin by 9.0pp to 41.1%. Performance was mixed across the business. Core telecoms revenue grew 4.1%, but EBITDA declined 12.2%, reflecting pressure on pricing and operating costs. Digital revenue grew more strongly, increasing 21.2%, although EBITDA fell 12.7%, indicating significant margin compression. In Q226, mobile average revenue per user (ARPU) declined 8.2% y-o-y despite a 13.4% increase in data consumption. Profitability has also been affected by the growing penetration of smartphone-inclusive bundles, where equipment revenue is recognised upfront, while higher-margin service revenue is recognised over the contract term.

Management considers the margin pressures temporary, principally reflecting the VAT increase and the accounting treatment of smartphone bundles. We expect a gradual recovery during 2027 as pricing measures take effect, cost pressures moderate and the contribution from higher-margin bundled service revenues increases. However, the timing and extent of the recovery remain uncertain, and we do not anticipate an immediate return to historical profitability levels.

Beeline Kazakhstan's proposed \$75m acquisition of OLX Kazakhstan, a leading online classifieds platform with c 10 million monthly active users, remains subject to regulatory approval. We will be looking for greater clarity on regulatory approval, the expected completion date and its potential contribution to digital revenues and profitability.

Bangladesh: Turning network investment into digital growth

The telecom operating environment was challenging in H126, with energy shortages, higher power costs and pressure on consumer spending affecting demand and profitability. These pressures appear to have persisted into Q3, while sequential progression in Digital is likely to be suppressed due to the Q2 boost from the FIFA World Cup.

Banglalink is Bangladesh's third-largest operator, with around 20% market share, but has invested substantially in its network to strengthen coverage, quality and its competitive position over the past few years. Capex has now normalised and the focus is shifting towards greater network utilisation and customer monetisation, while supporting wider digital and financial inclusion. Digital services are growing rapidly from a low base, spanning entertainment and payments through Mukto Pay.

Nova Digital Bank, backed by VEON Digital Financial Group and Square Group, represents a potentially significant next step. Bangladesh Bank issued a letter of intent on 24 September, providing initial regulatory approval; a full banking licence remains subject to further regulatory and operational requirements. Securing this would enable VEON to expand beyond Mukto Pay's payment services into broader banking relationships with underserved consumers and SMEs.

VEON's recent Invest in Bangladesh event highlighted the potential for economic reform and renewed investment to support recovery and digital adoption. The group is backing this opportunity with an initial \$250m commitment across connectivity, digital infrastructure, financial services and AI. Our note, [Invest in Bangladesh: Reconnecting to growth](#), examines the economic backdrop and how Banglalink is positioned to benefit.

Uzbekistan: Strengthening Beeline's competitive position

While relatively small within the group, Uzbekistan continues to make a positive contribution to revenue and earnings growth.

VEON's agreed c \$207m acquisition of Perfectum, including c \$93m of assumed debt, should strengthen this position. Perfectum brings 115MHz of spectrum across the 850MHz and 3,800MHz bands and a Nokia 5G standalone network, increasing Beeline Uzbekistan's spectrum holdings by c 50% and supporting better coverage, additional capacity and fixed wireless access.

As a result, it is not yet apparent how rapidly synergies can be realised. Perfectum's financial performance is undisclosed, while the regulator has also attached conditions to the transaction. Perfectum must continue operating as a separate operator for at least three years, existing 5G fixed-wireless tariffs must be maintained for 12 months, average internet speeds must remain above 300Mbps and customers cannot be compelled to use Beeline or VEON

digital platforms. The regulator also requires further expansion of Perfectum's 5G standalone network.

The transaction reflects the greater capital flexibility following June's \$1.4bn bond refinancing and VEON's priority of reinforcing its existing market positions. See [Reinforcing Uzbekistan position with Perfectum acquisition](#) for further detail.

Exhibit 1: Growth and EBITDA by geography (\$m)

Region	Metric	FY24	FY25	FY26e	FY27e	FY28e
Ukraine	Revenue	924	1,164	1,357	1,435	1,526
	Y-o-y growth	1%	26%	17%	6%	6%
	EBITDA	518	650	752	775	827
	EBITDA margin	56%	56%	55%	54%	54%
Pakistan	Revenue	1,383	1,624	1,999	2,275	2,509
	Y-o-y growth	24%	17%	23%	14%	10%
	EBITDA	584	712	881	994	1,087
	EBITDA margin	42%	44%	44%	44%	43%
Kazakhstan	Revenue	855	816	940	974	1,018
	Y-o-y growth	10%	-5%	15%	4%	5%
	EBITDA	442	408	375	394	412
	EBITDA margin	52%	50%	40%	41%	40%
Bangladesh	Revenue	519	460	483	524	531
	Y-o-y growth	-9%	-11%	5%	9%	1%
	EBITDA	180	226	202	222	226
	EBITDA margin	35%	49%	42%	42%	43%
Uzbekistan	Revenue	272	308	329	363	380
	Y-o-y growth	1%	13%	7%	10%	5%
	EBITDA	100	115	128	136	142
	EBITDA margin	37%	37%	39%	37%	37%

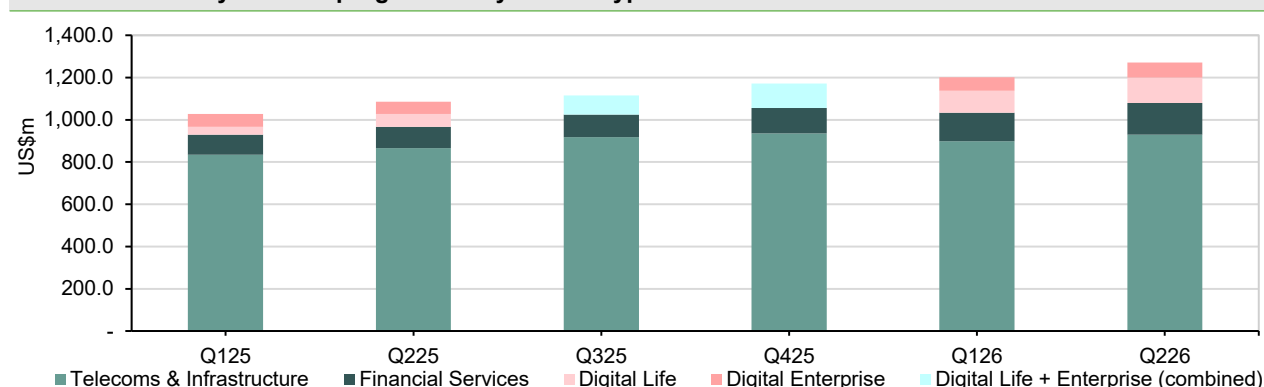
Source: VEON data, Edison Investment Research

Digital: Increasing transparency into growth and profitability

Digital services remain an increasingly important component of VEON's investment case. In Q226, digital revenue increased 53.6% to \$342m, representing 26.9% of group revenue, while digital EBITDA increased 66.2% to \$124m.

The introduction of separate disclosures for Financial Services, Digital Life and Digital Enterprise provides greater visibility into the growth and profitability of these activities.

Exhibit 2: Quarterly revenue progression by service type



Source: Veon

Financial Services is particularly important, given its potential to leverage VEON's established telecommunications customer relationships to generate incremental revenue at relatively low capital intensity. JazzCash is clearly the most significant asset here. Expansion beyond Pakistan represents a significant longer-term opportunity, although regulatory requirements, investment needs and differences between markets may affect the pace of development. As these businesses scale, the question is increasingly not just their contribution to growth, but the value they could represent within VEON's portfolio.

Telco mobile financial service (MFS) IPOs highlight the potential value in JazzCash

The recent IPOs of Airtel Money and Mynt (GCash), both at equity valuations of c \$7bn and relatively consistent multiples of c 4.8–5.3x trailing 12-month revenue, highlight the substantial value frontier emerging-market telcos can generate from their fintech operations.

Revenue from JazzCash and Mobilink Bank grew 53.3% y-o-y to \$137m in Q226, with PBT increasing from \$6m to \$22m, which is considerably faster than either Airtel Money or Mynt, albeit over different reporting periods.

This makes JazzCash arguably one of the more likely candidates for a future value-crystallisation event, having completed its operational separation in 2025. Management has indicated that it remains open to external investment, although it is in no hurry to pursue a transaction while the business continues to grow strongly.

Differences in business models, particularly lending exposure, geographical concentration, profitability and country risk, mean it would be inappropriate to apply the IPO multiples directly. Nevertheless, with JazzCash already generating annualised revenue of c \$550m as of Q226, growing rapidly and with operational leverage coming into play, it seems evident to us that VEON has significant value in its portfolio. While its precise valuation requires further analysis, we see considerable potential for this value to be recognised through external investment or a future listing, particularly as the business continues to scale. We do not believe this opportunity is fully reflected in VEON's current valuation.

Exhibit 3: Leading mobile financial services companies originating from mobile operators

Metric	Airtel Money	Mynt/Gcash	JazzCash/Mobilink Bank	M-Pesa	MTN MoMo
Financial period	FY26 (Mar)	FY25 (Dec)	FY25 (Dec)	FY26 (Mar)	FY25 (Dec)
Reported revenue	\$1,355m	PHP79.7bn (c \$1.4bn)	\$377m (H126 \$256m)	KES182.7bn (c \$1.41bn)	ZAR30.3bn (c \$1.69bn)
Annual revenue growth	28.4% (constant currency)	47%	36.1% (H126: 56.1%)	13%	23%
EBITDA	\$689m (H127 \$398m)	PHP20.4bn (c \$357m)	\$100m ¹	N/A ²	c ZAR13.0bn (c \$725m) ³
EBITDA margin	50%	26%	28.1% ¹	N/A ²	42.8% ³
Gross transaction value	\$196bn	PHP17.0tn	\$53bn	KES41.68tn	\$500.3bn
Revenue predominantly derived from:	Wallet and transaction fees	Payments and consumer lending	Payments and lending/banking	Wallet, merchant payments and transfers	Wallet, payments and airtime advances
Equity valuation at IPO	c \$7.0bn	PHP441.5bn (c \$7.0bn)	N/A	N/A	N/A
IPO equity value/FY revenue	5.2x	5.5x	N/A	N/A	N/A
Ownership	Airtel Africa majority; institutional and public minorities	Globe c 34%; Ant affiliates, Ayala/Mitsubishi, MUFG and public investors	VEON-controlled through Jazz and Mobilink Bank	Safaricom (Kenya); M-Pesa Africa JV with Vodacom	MTN Group majority; Mastercard minority investor
Transaction status	IPO, LSE 14 October 2026	IPO, PSE 20 October 2026	Operational separation completed Q325. Management open to external investment at appropriate time.	No IPO announced	Mastercard minority investment completed 2024; further value crystallisation a stated strategic objective.

Source: Edison Investment Research, company accounts and listing documentation

Note: (1) Financial periods differ: Airtel Money and M-Pesa report to March 2026; Mynt/GCash, JazzCash/Mobilink Bank and MTN MoMo to December 2025.

(2) US dollar equivalents are approximate, based on prevailing exchange rates. Revenue and EBITDA definitions may differ between operators.

(3) JazzCash/Mobilink Bank financials cover the combined businesses, while transaction values relate to JazzCash alone.

IPO valuations represent equity value rather than enterprise value. Revenue multiples are indicative, given differences in business models, profitability, lending exposure and country risk.

Financials

Q326 preview: Strong revenue growth, with mixed margin performance

We forecast Q326 group revenue of \$1,299m, up 16.5% y-o-y, which is in line with consensus (\$1,300m). We expect growth to remain broad based, with Pakistan and Ukraine providing the largest contributions in absolute terms with Digital Services the primary driver of growth. We forecast EBITDA of \$553m, marginally behind consensus of \$566m, implying a margin of 42.5%. We expect strong operating momentum in the group's principal markets to be partly offset by margin pressure in Kazakhstan and potentially Ukraine.

Updated forecasts: Continued growth through FY26

With this note, we increase our FY26 revenue forecast by 4.1% to \$5,103m from \$4,904m and EBITDA by 6.7% to \$2,218m from \$2,078m, reflecting stronger operating momentum, particularly in Pakistan and Ukraine. Our adjusted operating profit forecast increases to \$1,319m from \$1,238m (up 9%), although this is offset by higher interest costs and minority interest payments, which means that adjusted EPS remains little changed at \$6.17 vs \$6.16 previously.

We increase our year-end net debt forecast to \$3,360m from \$2,766m, reflecting higher capex, particularly in Ukraine, and the \$75m of share repurchases already completed.

Beyond FY26, we expect some moderation in growth, although digital expansion should continue to support earnings and cash generation. Further M&A could strengthen competitive positions and boost growth in existing markets, as illustrated by the proposed Perfectum acquisition in Uzbekistan, or expand digital services, as with OLX Kazakhstan.

Neither acquisition is reflected in our forecasts.

Capital allocation: Increased buyback signals confidence

VEON has expanded its share repurchase programme to approximately \$200m from \$100m, reinforcing its preference for buybacks as the principal means of returning cash to shareholders. Coming after a substantial re-rating of the shares, the increase signals management's confidence in the group's cash generation and outlook.

We have updated our model to reflect the cancellation of 26,951,230 shares (1.5% of issued capital), announced on 20 October. While elevated global bond yields may present valuation headwinds, VEON's combination of operating growth, digital expansion and increasing shareholder returns continues to support its investment case.

Vaulation

DCF valuation: \$95 per share on revised estimates

We value VEON using a discounted cash flow (DCF) methodology, reflecting its combination of established telecommunications operations, growing digital businesses and improving cash flow generation. Our updated DCF valuation is \$95 per share, compared with \$82 previously, reflecting the stronger operating forecasts and rolling our model forward. Our weighted average cost of capital (WACC) of 16.3% uses a cost of equity of 20.4% and incorporates a normalised beta of 1.1x and an EBITDA-weighted country risk premium of 11.1%, reflecting the elevated geopolitical, currency and regulatory risks across VEON's operating markets. We assume terminal growth of 3.0% and a terminal EBIT margin of 26%, reflecting a sustainable longer-term operating profile.

Our valuation continues to suggest material upside, with further potential from improving returns on digital investments and value-crystallisation events, such as external investment in or a future listing of JazzCash. These opportunities are not explicitly captured in our DCF, while significant geopolitical, macroeconomic and execution risks remain.

Exhibit 4: DCF summary

(US\$m; year end 31 December)	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e	2030e	TV
EBIT	1,544	1,162	929	1,110	1,439	1,340	1,380	1,431	1,545	1,701	1,863
EBIT margin	19.8%	30.9%	25.1%	27.7%	32.7%	26.3%	24.8%	24.0%	24.1%	24.5%	26.0%
Non-cash items	(64)	(194)	(52)	(147)	(231)	(20)	0	0	0	0	0
Taxes	(258)	(69)	(179)	(179)	(194)	(242)	(269)	(310)	(344)	(391)	(375)
Effective tax rate	28.4%	8.6%	32.0%	25.4%	24.7%	31.0%	31.0%	31.0%	31.0%	31.0%	27.2%
NOPAT	1,222	899	698	784	1,014	1,077	1,111	1,121	1,201	1,310	1,488
Depreciation and amortisation	1,873	671	729	728	811	902	1,008	1,121	1,190	1,256	1,000
Capex and investments in intangibles	(1,383)	3,312	(531)	(647)	(733)	(889)	(863)	(835)	(833)	(835)	(860)
Working capital movements and provisions	(65)	(66)	248	53	300	25	104	88	99	123	123
Free cash flow	1,647	4,816	1,144	918	1,392	1,115	1,360	1,495	1,657	1,854	1,751
Free cash flow margin	21.1%	128.3%	30.9%	22.9%	31.6%	21.9%	24.4%	25.1%	25.9%	26.7%	24.4%
Free cash flow per share (\$)	24	71	17	14	21	16	20	22	24	27	26

Source: company data, Edison Investment Research estimates

Financial Summary

Year end 31 December, \$m	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e	2030e
	US GAAP	US GAAP	US GAAP	US GAAP	US GAAP	US GAAP	US GAAP	US GAAP	US GAAP	US GAAP
PROFIT & LOSS										
Revenue	7,788	3,755	3,698	4,004	4,399	5,103	5,569	5,963	6,405	6,957
Cost of Sales	(1,880)	(476)	(441)	(515)	(526)	(538)	(619)	(668)	(724)	(800)
Gross Profit	5,908	3,279	3,257	3,489	3,873	4,565	4,950	5,295	5,681	6,157
EBITDA	3,397	1,940	1,609	1,691	2,002	2,218	2,388	2,552	2,735	2,957
Operating Profit (Adj)	1,480	968	877	963	1,208	1,319	1,380	1,431	1,545	1,701
Intangible Amortisation	(308)	(221)	(208)	(199)	(224)	(266)	(255)	(287)	(318)	(350)
Exceptionals	(64)	(194)	(52)	(147)	(231)	(20)	0	0	0	0
Other	4	0	1	1	182	4	0	0	0	0
Operating Profit	1,544	1,162	929	1,110	1,439	1,340	1,380	1,431	1,545	1,701
Net Interest	(674)	(551)	(471)	(446)	(483)	(556)	(511)	(432)	(435)	(440)
Other	38	190	101	40	(171)	(3)	0	0	0	0
Profit Before Tax (Adj)	844	607	507	557	554	761	869	1,000	1,109	1,261
Profit Before Tax	908	801	559	704	785	781	869	1,000	1,109	1,261
Tax	(258)	(69)	(179)	(179)	(194)	(242)	(269)	(310)	(344)	(391)
Minority Interest	(127)	(153)	(78)	(111)	(59)	(98)	(109)	(126)	(139)	(158)
Net Income from Discontinued operations	151	(742)	(2,830)	0	0	0	0	0	0	0
Profit After Tax (Adj)	606	(357)	(2,581)	266	347	427	534	615	682	775
Profit After Tax	674	(163)	(2,528)	414	532	441	534	615	682	775
Average Number of Shares Outstanding (m)	70	70	70	71	70	69	67.78315	68	68	68
EPS - Adjusted (\$)	8.63	(5.08)	(36.75)	3.77	4.98	6.17	7.88	9.07	10.06	11.44
EPS - Adjusted and diluted (\$)	8.63	(5.08)	(36.75)	3.77	4.98	6.05	7.63	8.77	9.74	11.06
EPS - Reported (\$)	9.60	(2.32)	(35.99)	5.87	7.62	6.38	7.88	9.07	10.06	11.44
Dividend per share (\$)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross margin (%)	75.9	87.3	88.1	87.1	88.0	89.5	88.9	88.8	88.7	88.5
EBITDA margin (%)	43.6	51.7	43.5	42.2	45.5	43.5	42.9	42.8	42.7	42.5
Operating margin (before GW and except.) (%)	19.0	25.8	23.7	24.1	27.5	25.9	24.8	24.0	24.1	24.5
BALANCE SHEET										
Fixed Assets	10,918	5,590	5,318	5,812	6,850	7,446	7,960	8,378	8,773	9,164
Intangible Assets	3,244	1,960	1,619	1,510	1,549	1,718	1,932	2,145	2,362	2,586
Tangible Assets	6,717	2,848	2,898	3,016	3,757	4,184	4,484	4,688	4,867	5,034
Investments	99	71	53	0	0	0	0	0	0	0
Other assets	858	711	748	1,286	1,544	1,544	1,544	1,544	1,544	1,544
Current Assets	5,003	9,493	2,900	2,224	2,365	2,520	3,065	3,746	4,613	5,716
Inventories	111	18	23	23	32	37	41	43	47	51
Debtors	690	456	542	440	601	697	761	815	875	950
Cash	2,252	3,107	1,902	1,689	1,732	1,785	2,264	2,888	3,691	4,715
Other	1,950	5,912	433	72	0	0	0	0	0	0
Current Liabilities	3,423	5,974	1,811	1,857	1,534	1,612	1,751	1,868	2,000	2,164
Creditors	2,650	5,499	1,354	1,326	1,534	1,612	1,751	1,868	2,000	2,164
Short-term borrowings	773	475	457	531	0	0	0	0	0	0
Long-Term Liabilities	10,993	8,342	5,336	4,922	6,047	6,096	6,128	6,155	6,186	6,224
Long-term borrowings	10,646	8,180	5,156	4,694	5,145	5,145	5,145	5,145	5,145	5,145
Other long-term liabilities	347	162	180	228	902	951	983	1,010	1,041	1,079
Net Assets	1,505	767	1,071	1,257	1,634	2,258	3,147	4,101	5,200	6,492
CASH FLOW										
Operating Cash Flow	3,539	3,288	2,820	1,958	2,387	2,267	2,492	2,640	2,834	3,080
Net interest	(603)	(464)	(436)	(446)	(355)	(556)	(545)	(513)	(472)	(418)
Tax	(289)	(284)	(264)	(179)	(379)	(242)	(269)	(310)	(344)	(391)
Capex	(1,383)	3,312	(531)	(647)	(733)	(889)	(863)	(835)	(833)	(835)
Acquisitions/disposals	0	0	0	0	294	(79)	0	0	0	0
Financing	0	0	0	0	(105)	(137)	0	0	0	0
Dividends	0	0	0	0	(15)	0	0	0	0	0
Net Cash Flow	1,264	5,852	1,589	686	1,094	364	815	982	1,185	1,436
Opening net debt/(cash)	8,418	8,394	5,073	3,254	3,005	3,413	3,360	2,881	2,257	1,454
HP finance leases initiated	0	0	0	0	0	0	0	0	0	0
Other investments / intangibles	(1,240)	(2,531)	230	(437)	(1,502)	(311)	(336)	(358)	(382)	(412)
Closing net debt/(cash)	8,394	5,073	3,254	3,005	3,413	3,360	2,881	2,257	1,454	430

Source: Veon, Edison Estimates

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