

M&A Activities

Rostelecom strives to execute on good acquisition opportunities, buying high-quality assets that help strengthen its market position.

Major transactions in 2018: ¹

- Acquired 75% stakes in LLC Open Mobile Platform and LLC Votron, the copyright holders of Sailfish Mobile OS RUS and Sailfish OS mobile operating systems
- Acquired a 100% stake in LLC Solar Security, a technological leader in the Russian information security market
- Acquired a 100% stake in CJSC Netris and LLC Netris Group, a leading Russian video surveillance software developer serving government customers, businesses and telecoms operators
- Acquired a 99.92% stake in LLC Start2Com, a Russian developer of automated billing systems

Operating Review

Key product and segment highlights

42%

revenue growth in VAS² and cloud services

55%

revenue from content and digital services

8%

growth of blended ARPU in retail

1.2 million

MVNO subscribers

A twofold growth in Corporate TV sales

1.2 million

customers installed Wink

A twofold growth in Federal Wi-Fi sales

40%

growth in revenue from Virtual Data Centre/IaaS

A fourfold growth in information security service sales

5,870

data centre racks
(up 11% year-on-year)

1. The full list of completed transactions is available in Appendix 9 Acquisition and Disposal of Interests in Other Companies to this Annual Report.

2. Value-added services.