

Operating Expenses

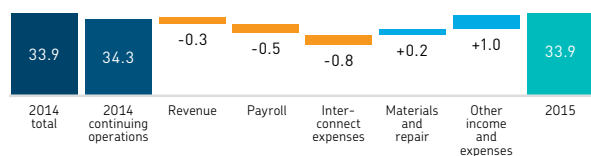
	2013	2014	2015	2015 vs. 2014, %
Operating expenses, RUB mln	(245,502)	(258,943)	(258,768)	-0,1
Wages, other benefits and social expenditures	(85,798)	(89,929)	(91,081)	1
<i>Including option program</i>	0,000	(1,850)	(1,654)	-11
Depreciation allowances and noncurrent assets impairment loss	(58,914)	(60,623)	(60,599)	0,0
Communication operator service expenses	(42,420)	(47,429)	(49,825)	5
Materials, repairs and maintenance, utilities	(26,260)	(25,828)	(25,125)	-3
Gain/loss on disposal of property, plant and equipment and intangible assets	111	1,475	2,133	45
Doubtful debt expenses	(2,094)	(2,006)	(882)	-56
Other operating income	15,228	12,950	14,630	13
Other operating expenses	(45,355)	(47,553)	(48,020)	1

Operating expenses in 2015 almost has not changed. The following factors had an impact on operating expenses in 2015:

- higher communication operators service expenses mainly due to respective growth of income from the services of traffic transit from other operators via the Company's networks, as well as growing content expenses related to an increase in the Pay TV subscribers' base;
- higher staff expenses due to the annual indexation of employees' wages, which was partially compensated by the optimization of staff headcount;
- higher other operating expenses, also due to growing compensation under the BDD project;
- a 45% increase in income from disposal of property, plant and equipment and intangible assets, as well as lower doubtful debt reserve. Refer to p. 81 for more detail about the Operational Efficiency Improvement program.

OIBDA

OIBDA margin in 2015, %



OIBDA trends in 2015, RUB bln

