

**Y**andex

# **Morgan Stanley TMT Conference**

March 2020

# Forward Looking Statement Disclaimer

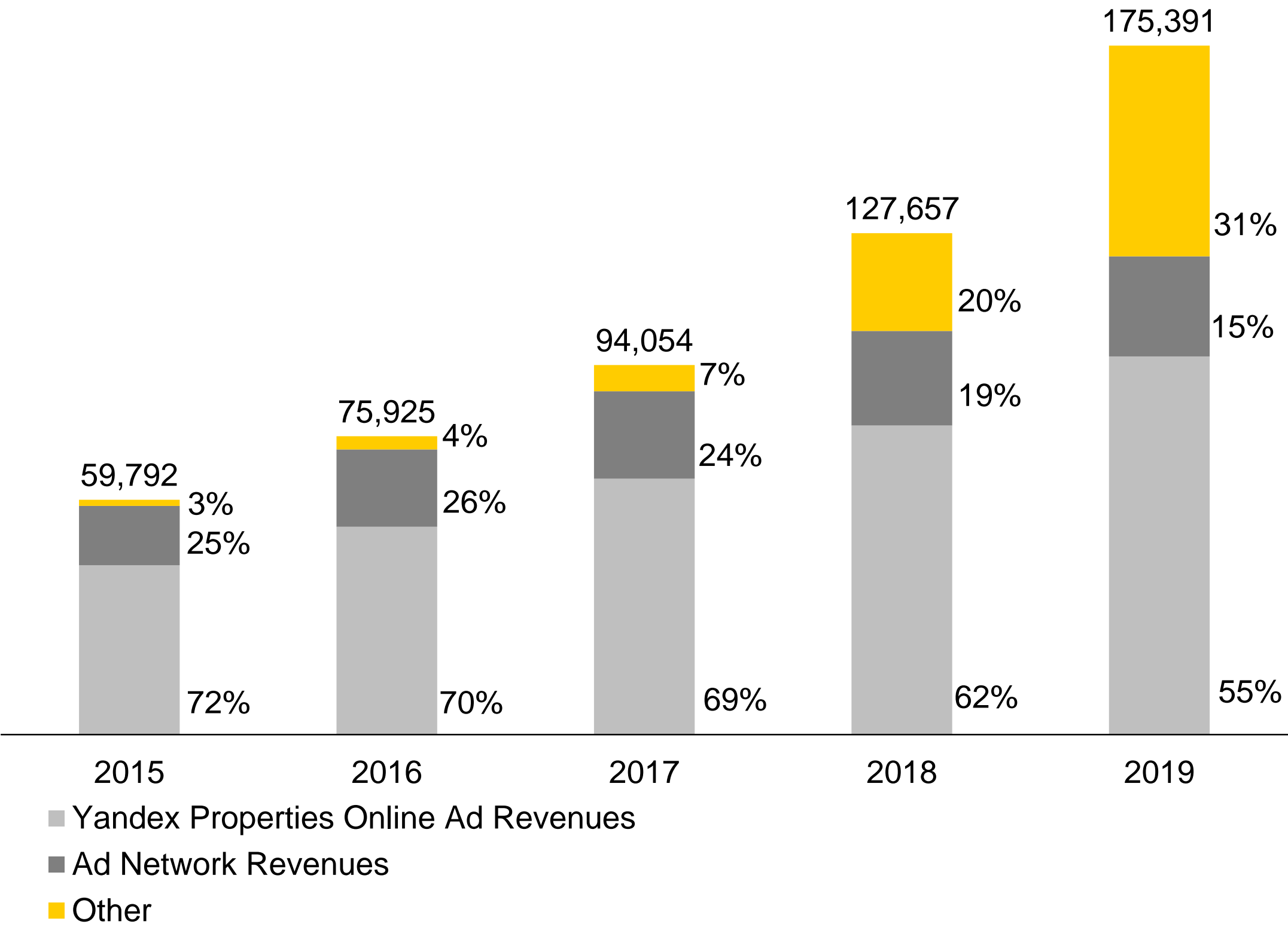
This presentation contains forward-looking statements that involve risks and uncertainties. These include statements regarding the anticipated development of the internet search and the online advertising markets, the planned growth of our business, our anticipated revenues and capital.

Actual results may differ materially from the results predicted or implied by such statements, and our reported results should not be considered as an indication of future performance. The potential risks and uncertainties that could cause actual results to differ from the results predicted or implied by such statements include, among others, competitive pressures, our ability to attract and retain users, advertisers and partners, changes in advertising patterns, changes in internet usage patterns, changes in the legal and regulatory environment, technological developments and our need to expend capital to accommodate the growth of the business, as well as those risks and uncertainties included under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 20-F dated April 19, 2019, which is on file with the Securities and Exchange Commission and is available on our investor relations website.

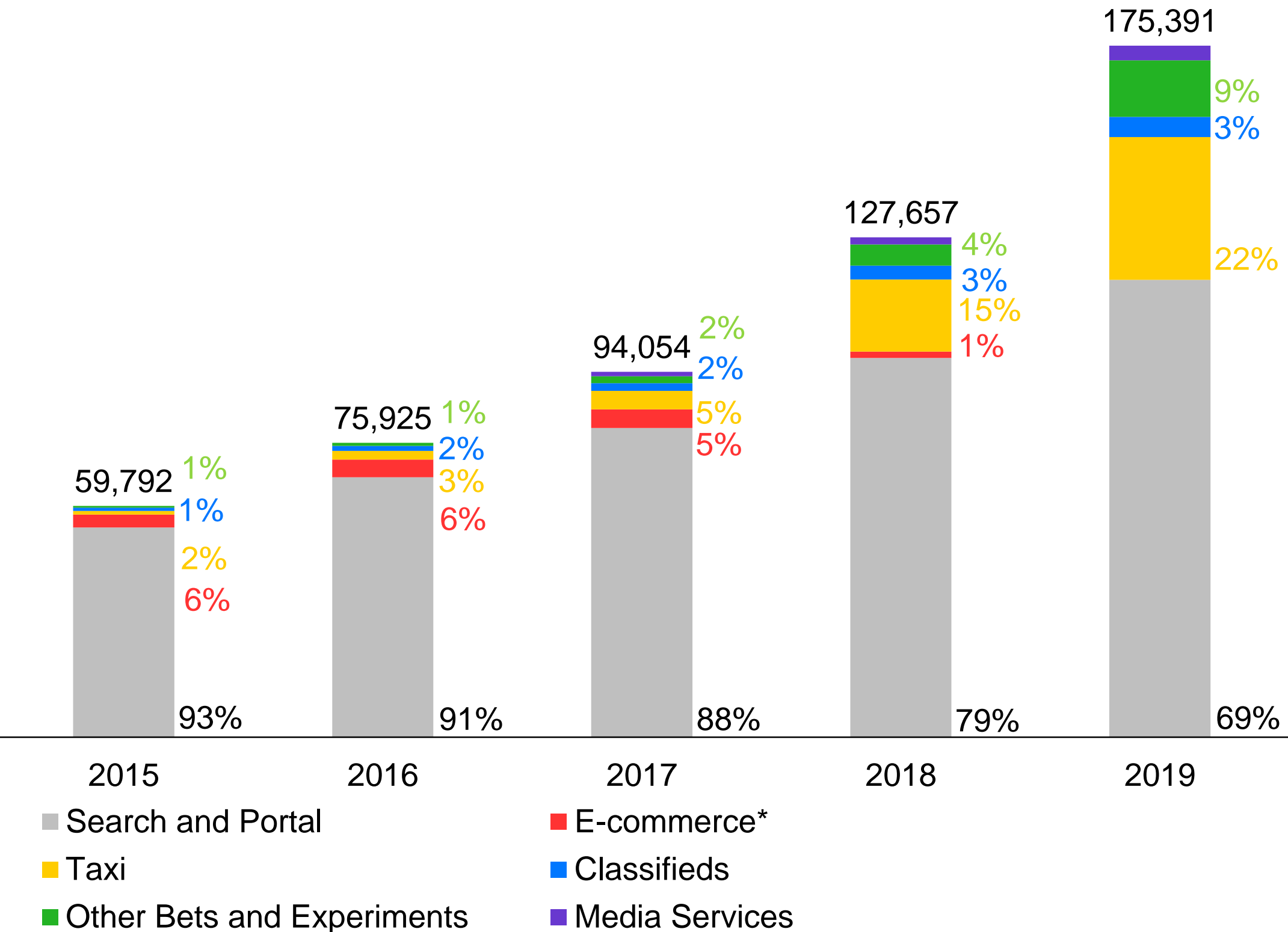
All information provided in this presentation is as of February 26, 2020, and Yandex expressly disclaims any duty to update this information unless required by law.

# Yandex Revenue Sources are Diversified

Consolidated Revenue<sup>1</sup> Breakdown, MM Rub, %



Revenue Breakdown by Segments<sup>2</sup>, MM Rub, %



<sup>1</sup> Revenues are recognized net of VAT, discounts and commissions, but gross of TAC

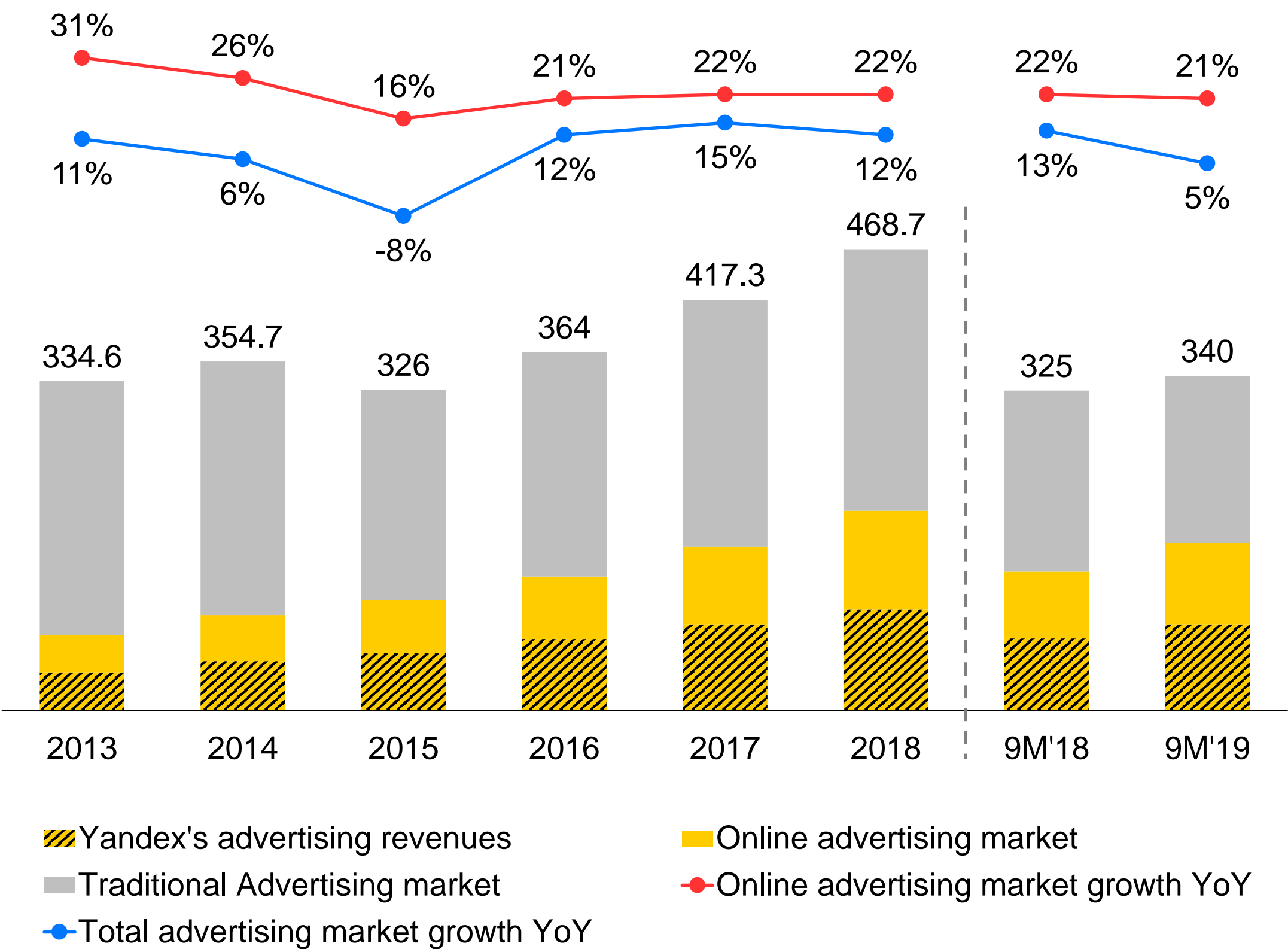
<sup>2</sup> Segments do not total to 100% due to eliminations: intersegment transactions, primarily related to advertising, which are eliminated in the consolidation

\* Our E-commerce segment includes Yandex.Market service. On April 27, 2018 Yandex and Sberbank announced the completion of the formation of the joint venture based on the Yandex.Market platform, aimed at developing a leading B2C E-commerce ecosystem. The parties own equal stakes in the JV. We deconsolidated Yandex.Market starting April 27, 2018 from our consolidated financial results.

# Search and Portal

# Yandex is the Leading Online Ad Platform

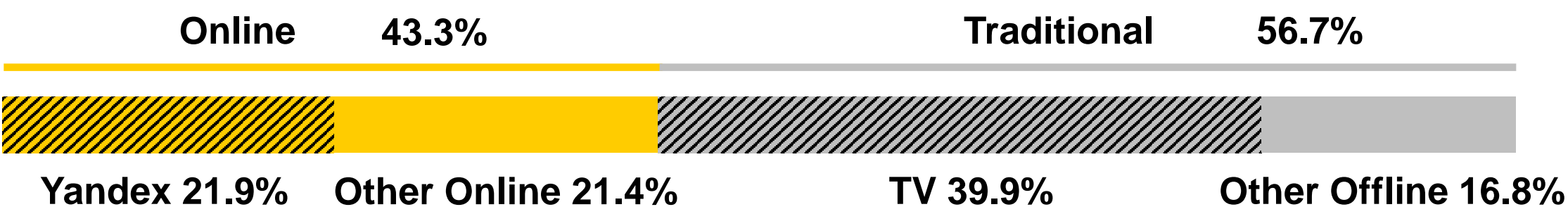
Russian Advertising Market,  
Bn Rub, YoY Growth, %



Russian Advertising Market, 2018

**468.7 Bn Rub**  
**0.5% as of GDP**

Russian Advertising Market, breakdown, 2018



YoY Growth

**22%**

Online advertising market growth

**22%**

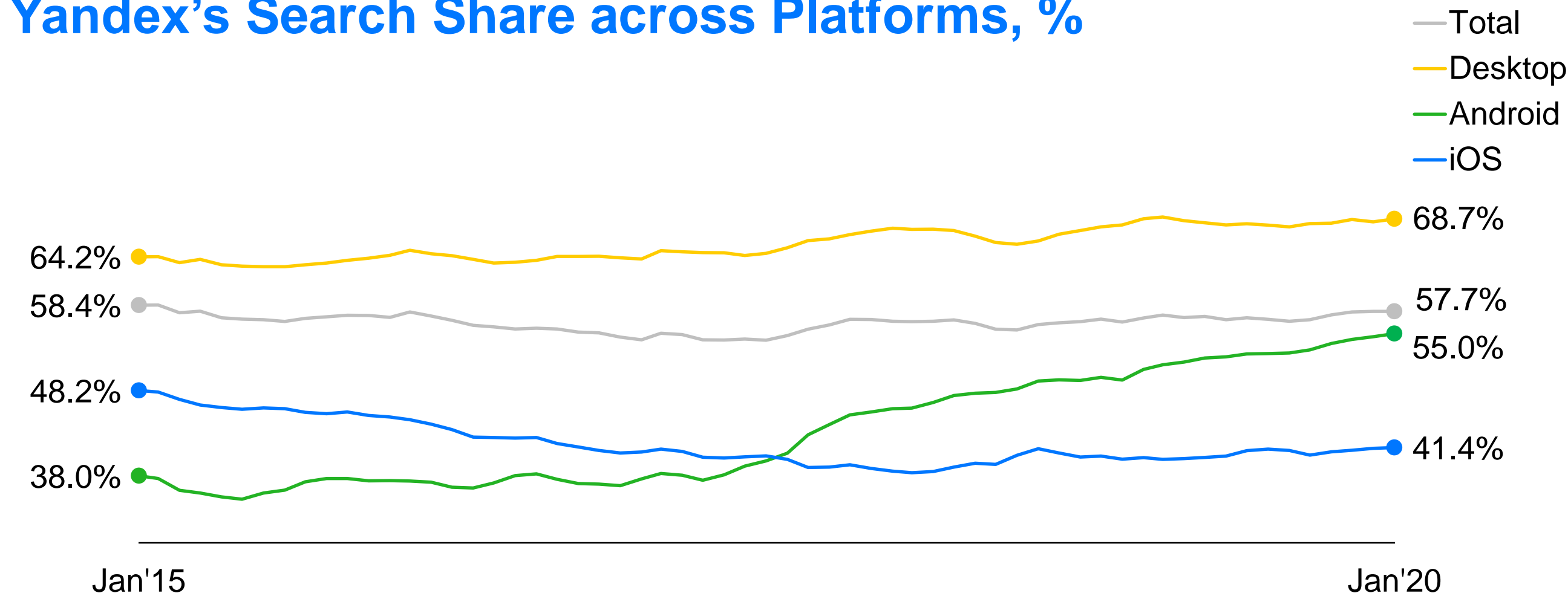
Yandex's advertising revenues growth

**12%**

Total traditional advertising market growth

# Yandex is the Consistent Search Leader in Russia

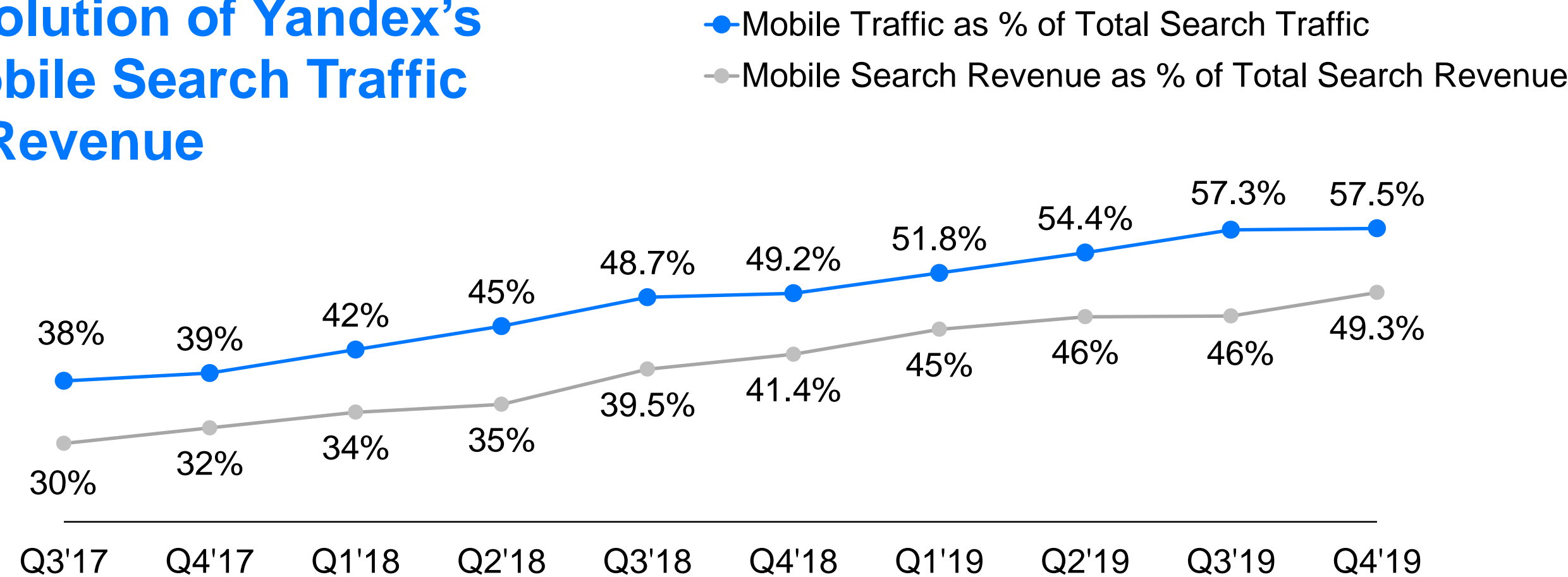
Yandex's Search Share across Platforms, %



In Jan'20 share of Yandex Browser was

**30.9 %**  
**on desktop**

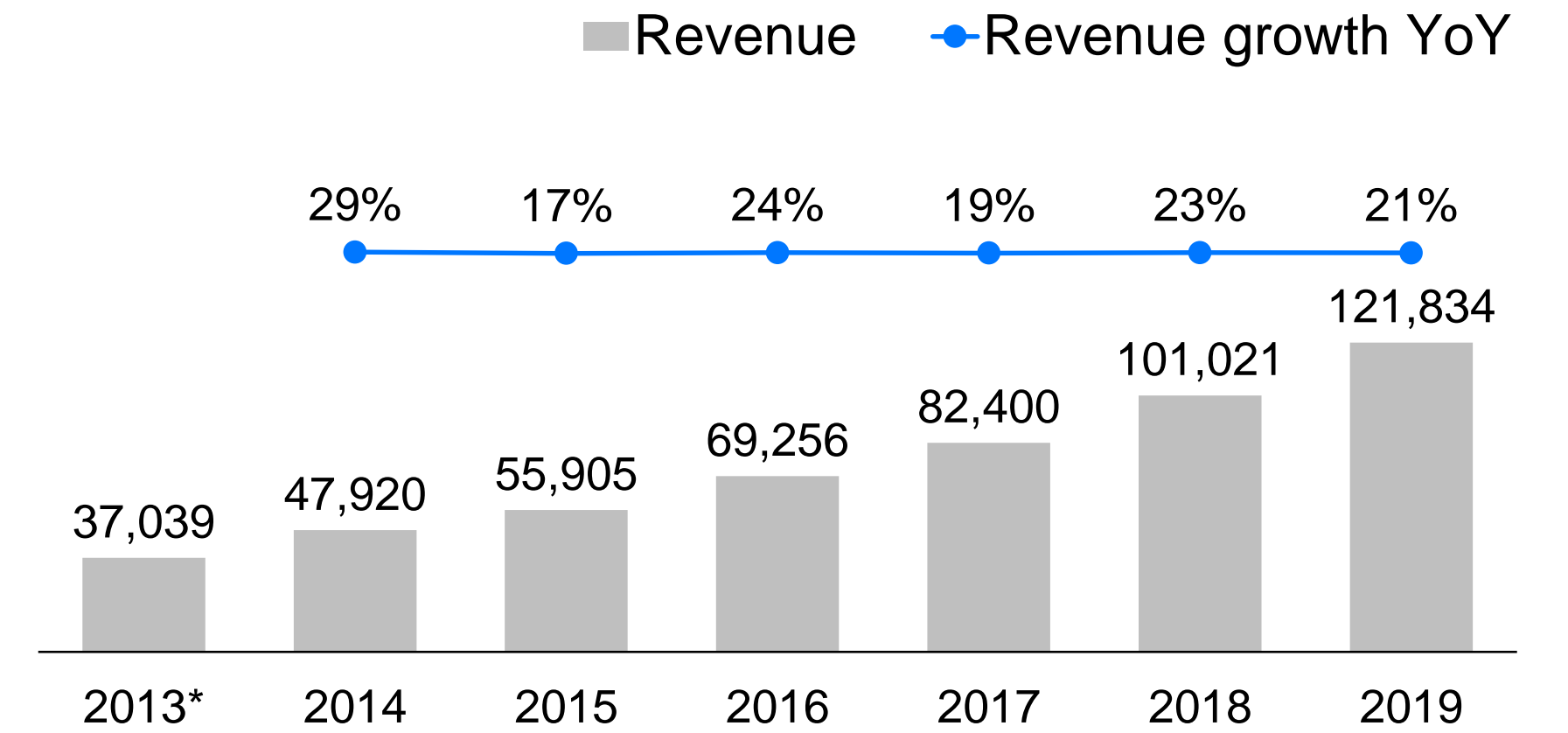
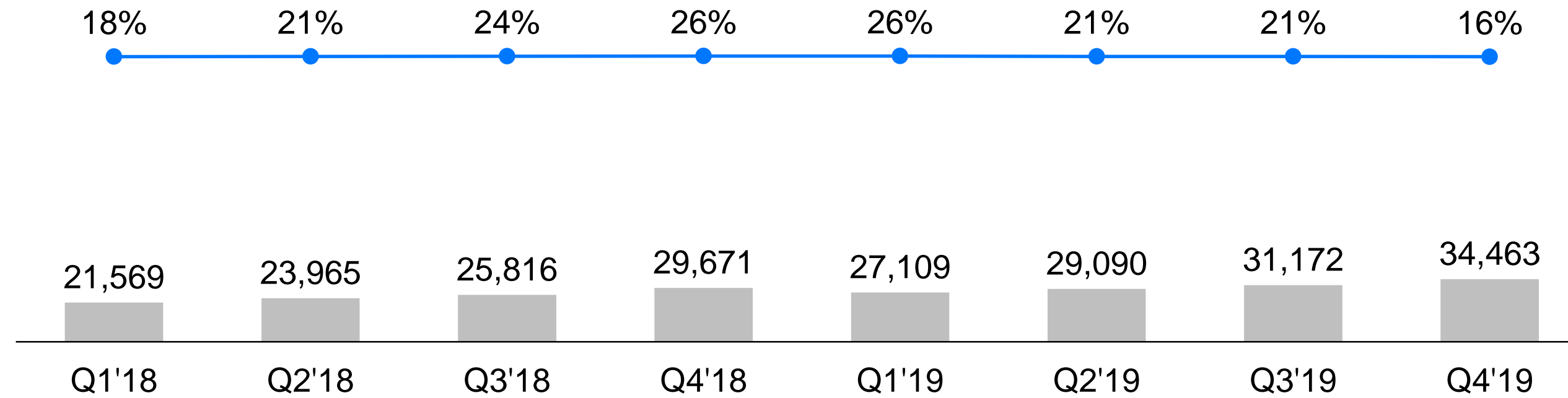
Evolution of Yandex's Mobile Search Traffic & Revenue



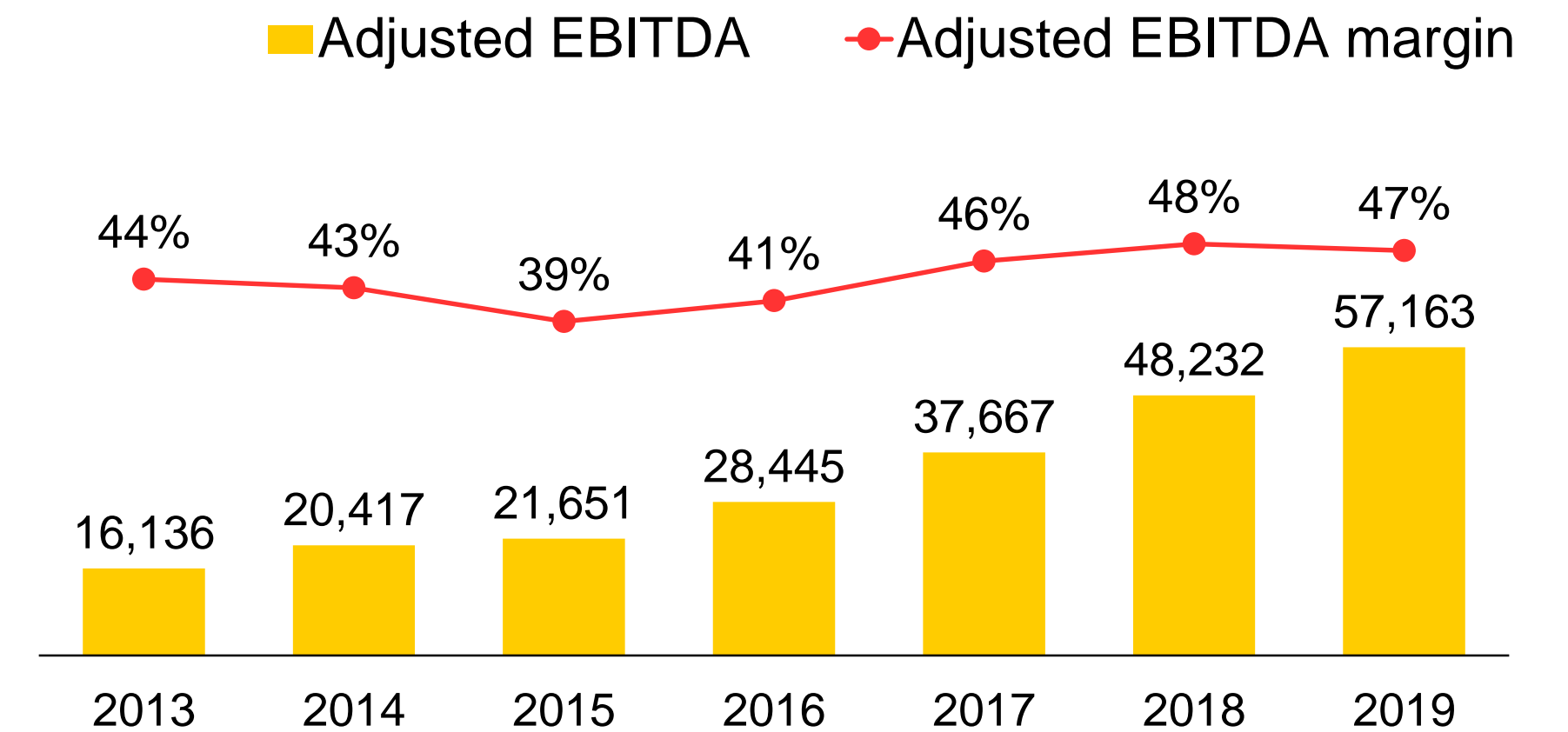
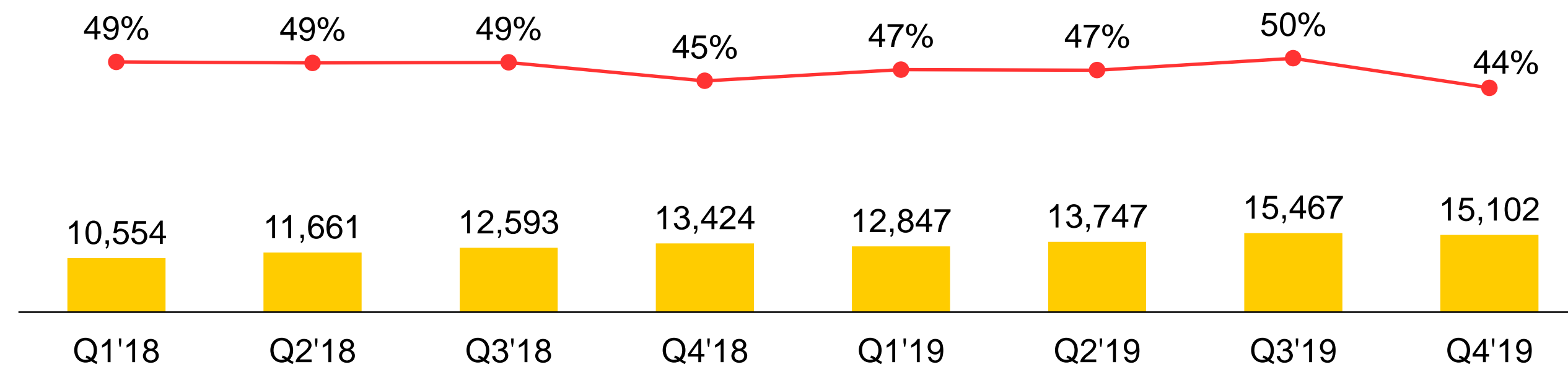
**20.1 % overall,**  
**including mobile**

# Search and Portal

## Revenue, MM Rub, YoY Growth, %



## Adjusted EBITDA, MM Rub, and Adjusted EBITDA Margin, %



Search and Portal segment offers a broad range of services in Russia, Belarus, Kazakhstan and Uzbekistan

\* We do not show YoY growth rates of BUs in 2013, as we had not yet formed segments in 2012. Items may not total due to rounding.

Note: Company outlook as of 14 February 2020: we expect our Search and Portal ruble-based revenue ex-TAC to grow in the range of 14% to 17% in the full year 2020 compared with 2019, while we expect our adjusted EBITDA margin of Search and Portal in 2020 to be approximately flat compared with the previous year.

**Taxi Group**



# Taxi Group\*

**58.2%** owned by Yandex

**36.2%** owned by Uber

and **5.6%** owned by management and employees

---

## Ride-sharing

Yandex.Taxi

Uber

Vezet IP & Call-centers  
pending transaction

---

## FoodTech

Ready-to-Eat

Yandex.EATs

Hyper local convenience store delivery service

Yandex.Lavka

---

## Self-Driving cars

Licenses in Russia, Israel and in the US

> **110** self-driving cars as of Feb'20

> **2 MM** miles driven on public roads as of Feb'20

\* On a fully diluted basis, without taking into account the effects of the pending Vezet acquisition

# Ride-hailing

**\$ 6.2 Bn GMV**  
**Run-Rate (Dec'19)\***

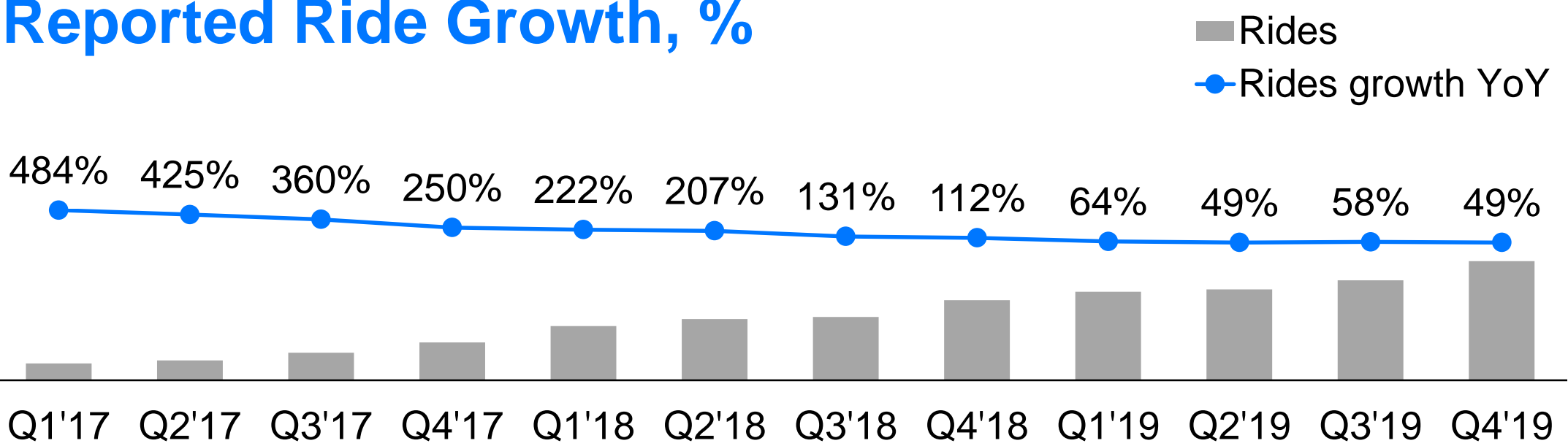
**Profitable in Russia since Q3'18\*\***

**150 MM** rides in Dec'19

**18** countries

**700,000** active drivers

Reported Ride Growth, %



Yandex.Taxi

Dec'16

16 MM

Jun'17

24 MM

Nov'18

335 MM  
accumulated

Yandex.Taxi + Uber

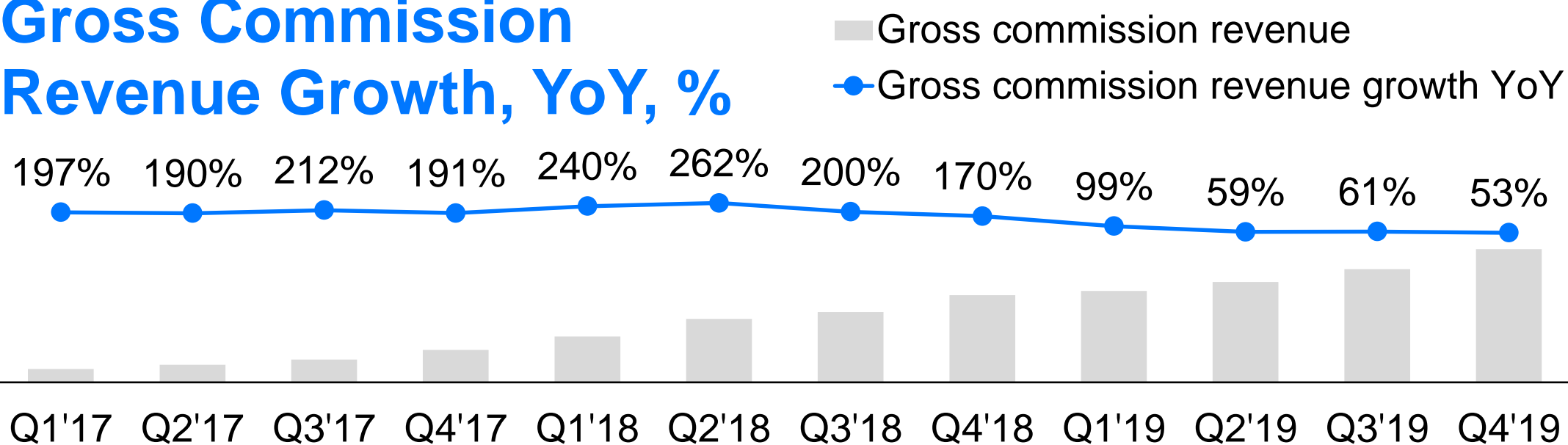
7 Feb'18

Consolidation

Sep'18

1 Bn  
accumulated

Gross Commission  
Revenue Growth, YoY, %



\* Russian ruble (RUB) amounts have been translated into U.S. dollars at a rate of RUB 61.9057 to \$1.00, the official exchange rate quoted as of December 31, 2019 by the Central Bank of the Russian Federation

\*\* Based on ride-sharing only at Adjusted EBITDA level

# FoodTech

## Yandex.EATs

Ready-to-Eat

Launched in **Feb'18**

**15,000** restaurants

**33** cities

**32 min** average delivery time

## Experiments

### Yandex.Lavka

Hyper local convenience  
store delivery service

Launched in **Jun'19**

**50** dark stores as of Dec'19 in Moscow

Launched in St. Petersburg in Feb'20

**15 min** average delivery time

# Self-Driving Cars

**Yandex is one  
of **a few** companies  
globally, developing  
level 4 and 5  
autonomy**

**> 110** cars on public roads  
as of Feb'20

---

**> 2 MM** miles driven on public roads  
as of Feb'20

---

obtained permission to operate self-driving cars  
on public roads in Israel and the USA

---

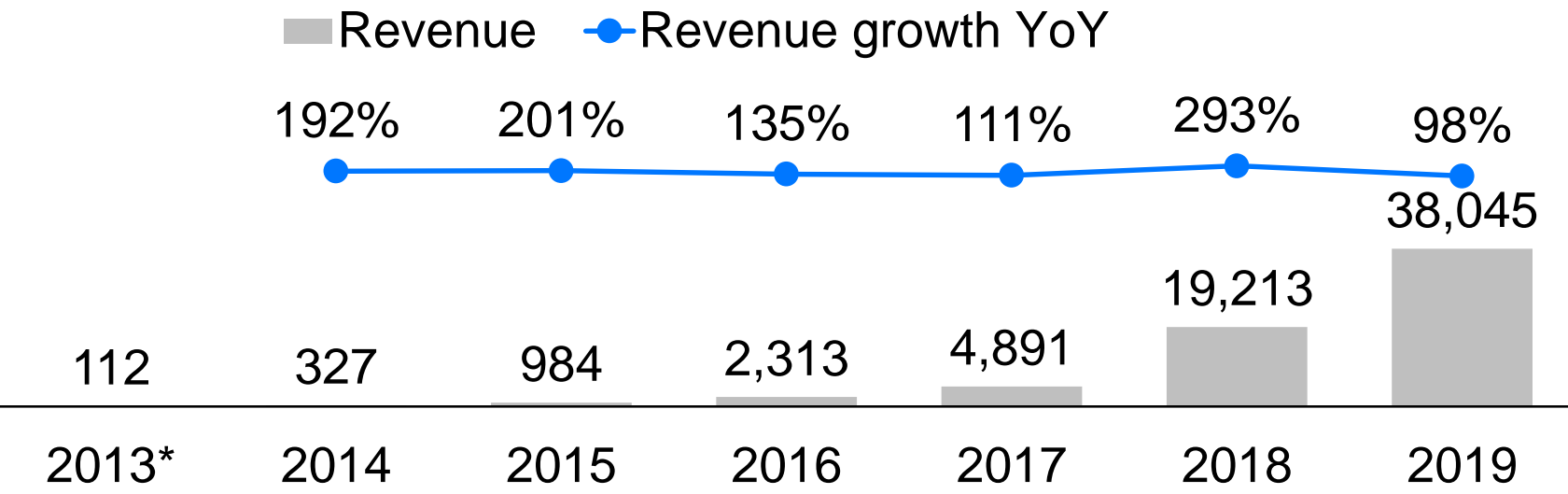
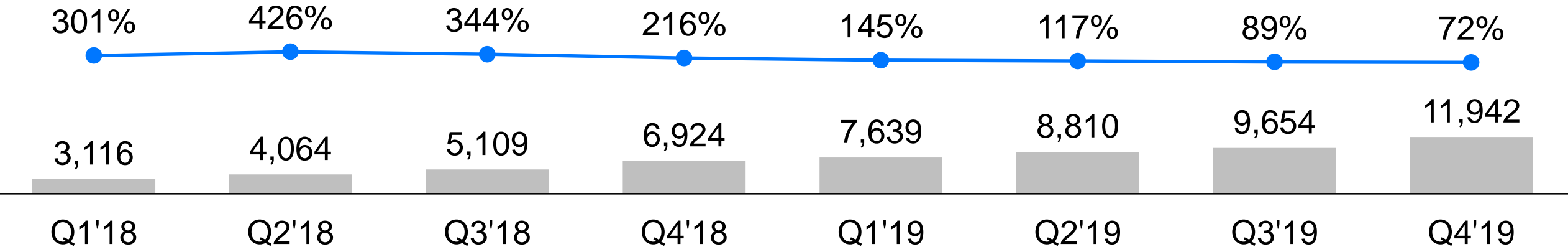
partnership with Hyundai Mobis

---

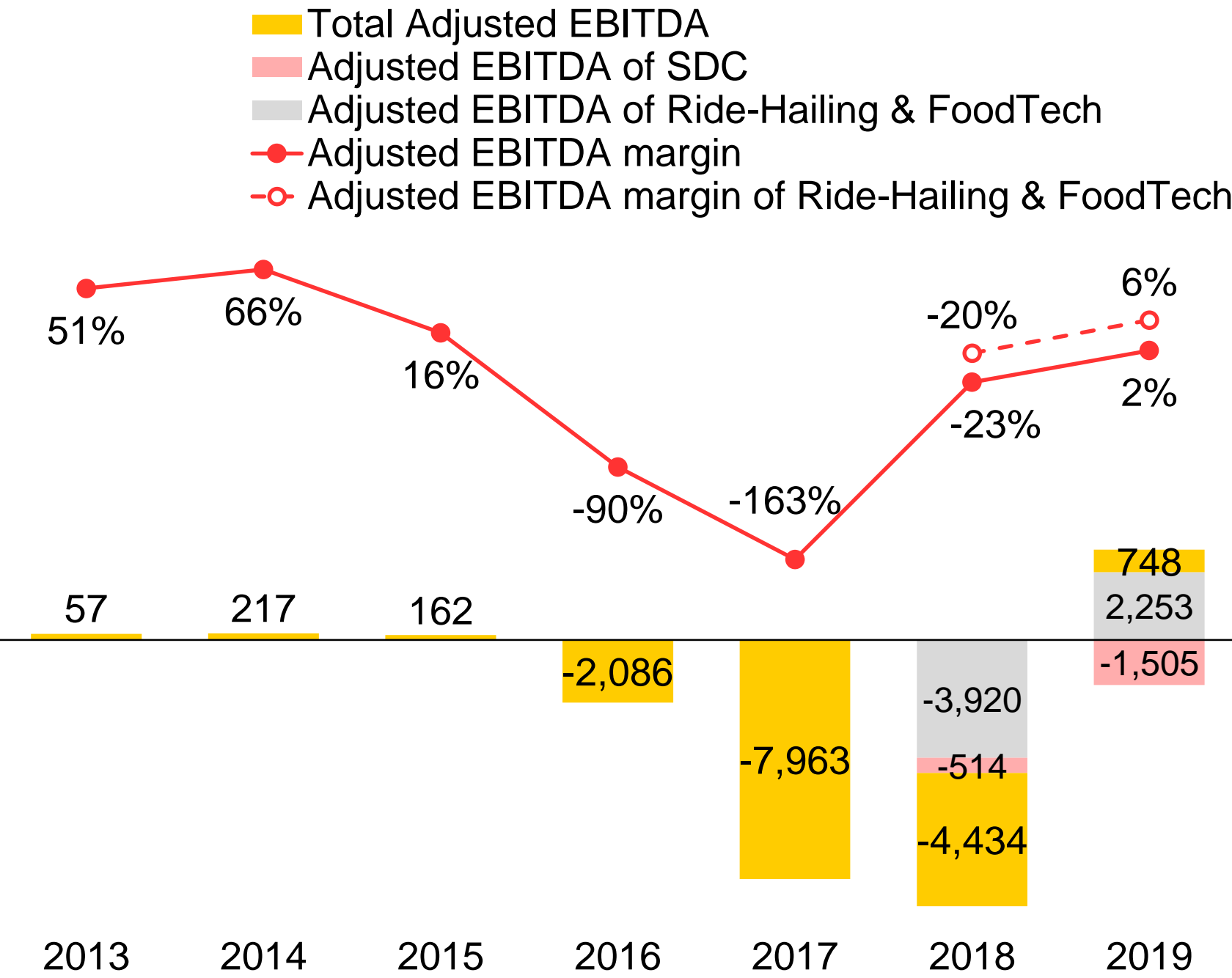
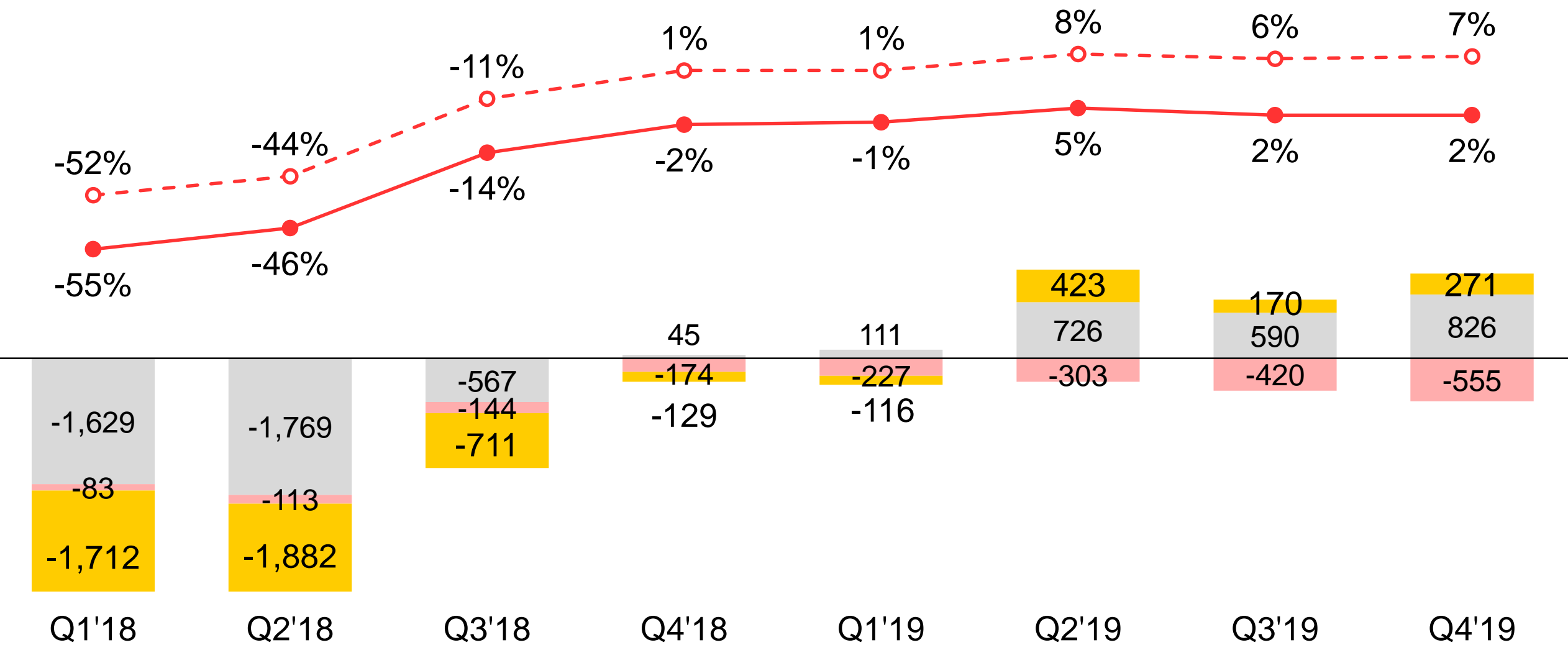
our engineers have begun testing prototypes of  
our own lidars

# Taxi Group

Revenue, MM Rub, YoY Growth, %



Adjusted EBITDA, MM Rub, and Adjusted EBITDA Margin, %



Taxi segment includes our Ride-hailing business (including Yandex.Taxi and Uber in Russia and neighboring countries), FoodTech business (including Yandex.EATs, Yandex.Chef, a meal kit subscription service, and Yandex.Lavka, a hyper local convenience store delivery service) and our Self-Driving Cars (“SDC”) division. Revenues are presented in accordance with US GAAP, whereby in cities where we have implemented commissions, minimum fare guarantees and discounts are netted against revenues.

\* We do not show YoY growth rates of BUs in 2013, as we had not yet formed segments in 2012. Items may not total due to rounding.

**Classifieds**

# Classifieds

## Auto.ru

Our classifieds platform for used and new cars, commercial vehicles and spare parts

≈ **22 MM** users per month

≈ **800,000**  
active listings

---

## Yandex.Realty

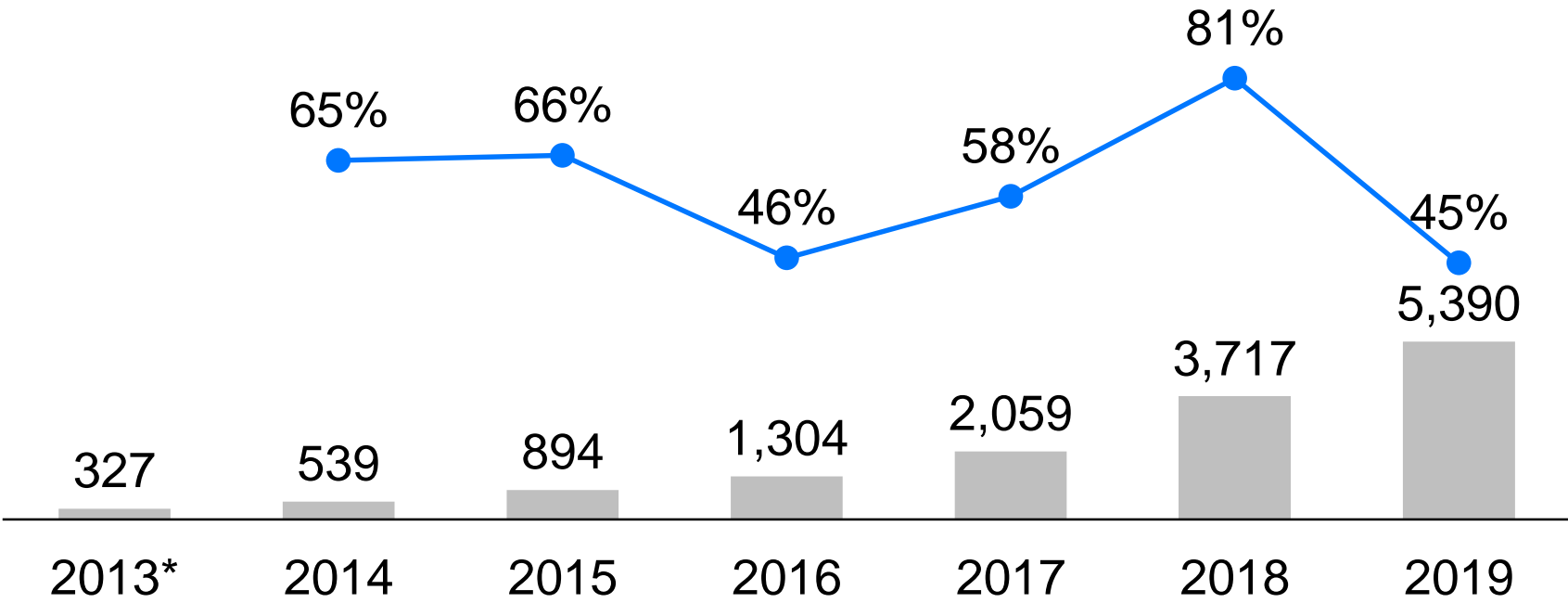
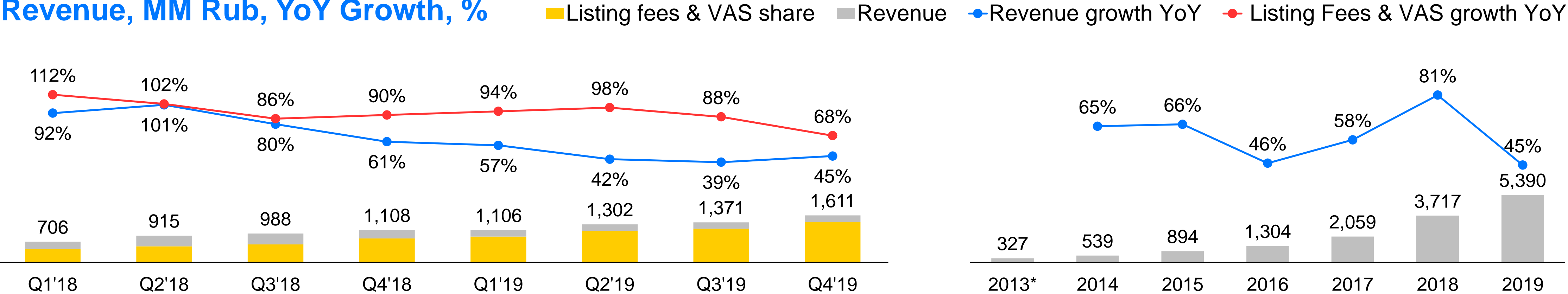
Our real estate classifieds platform for private individuals and realtors

## Yandex.Jobs

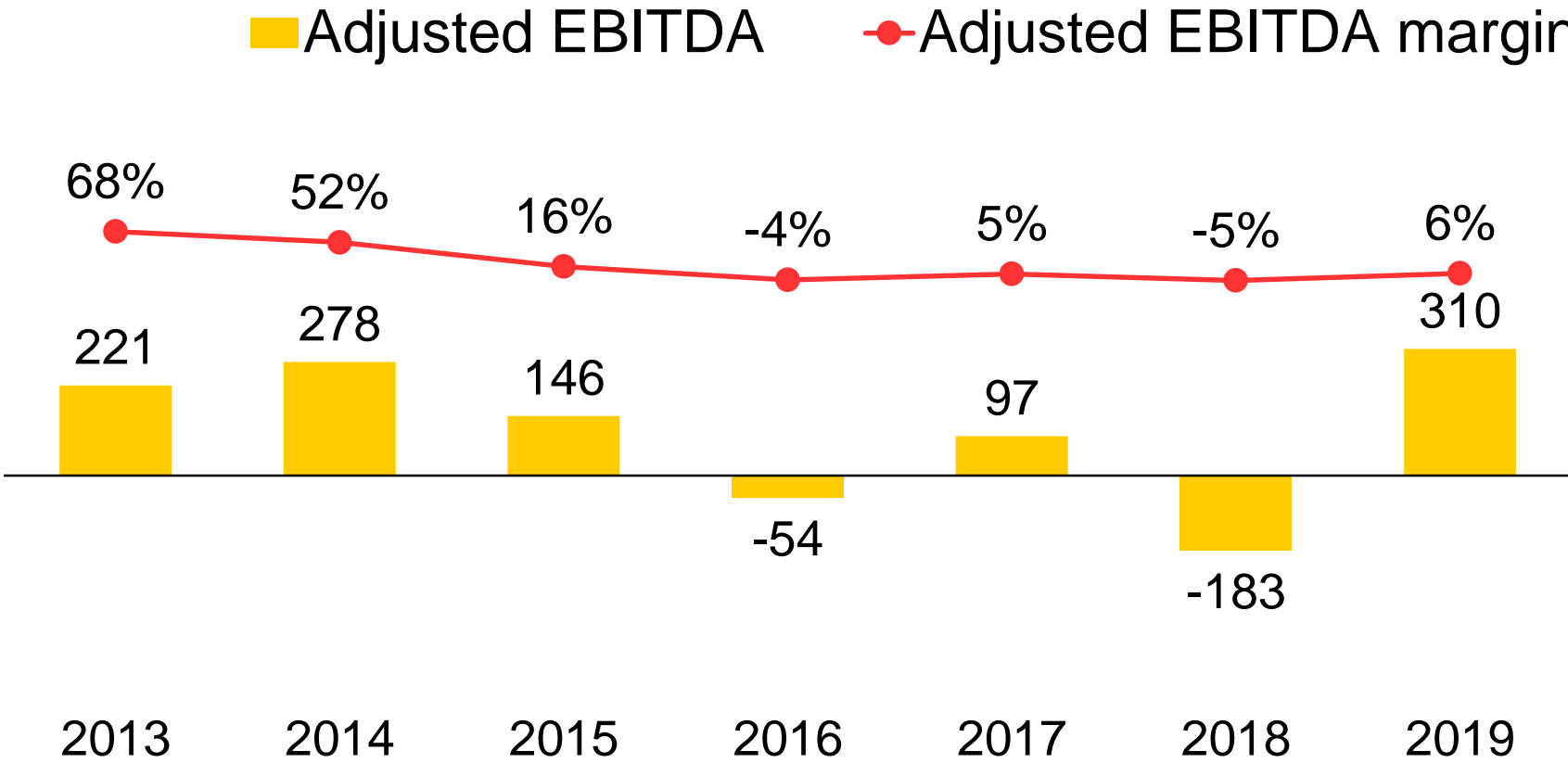
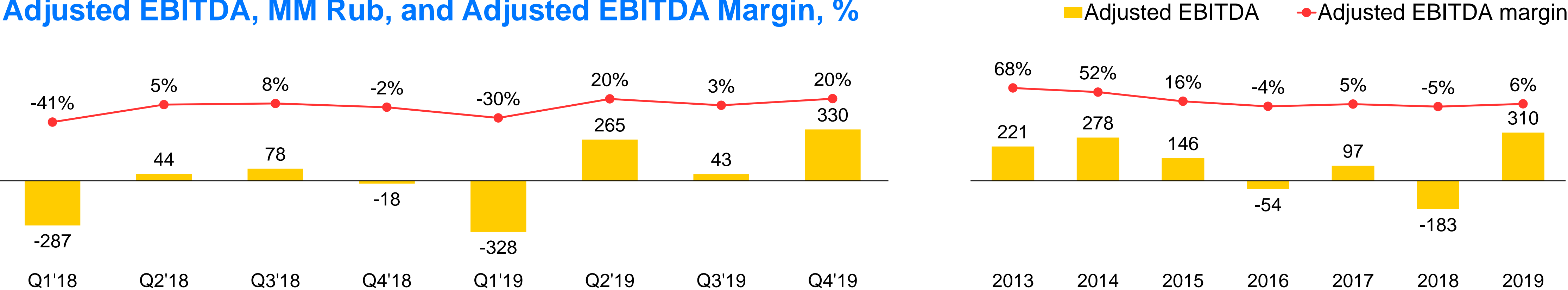
Our service for job seekers with a focus on blue collar and service industry jobs

# Classifieds

Revenue, MM Rub, YoY Growth, %



Adjusted EBITDA, MM Rub, and Adjusted EBITDA Margin, %



Classifieds segment includes Auto.ru, Yandex.Realty and Yandex.Jobs  
\* We do not show YoY growth rates of BUs in 2013, as we had not yet formed segments in 2012. Items may not total due to rounding.



# Media Services

## Yandex.Music

Our music streaming service, offering users millions of tracks and facilitating new music discovery with its recommendation tools and Radio feature

---

## KinoPoisk

The largest Russian language source for information about movies, TV-shows, celebrity content and entertainment news, providing users with video streaming, movie reviews and ratings, personalized recommendations, local movie showtimes, ticketing, and many other services

---

## Yandex.Afisha

Our playbill service that provides an opportunity to buy tickets to cinemas, theaters and concerts online

---

## Other

Yandex.TV Program

Yandex.Plus

Yandex.Studio

# Media Services

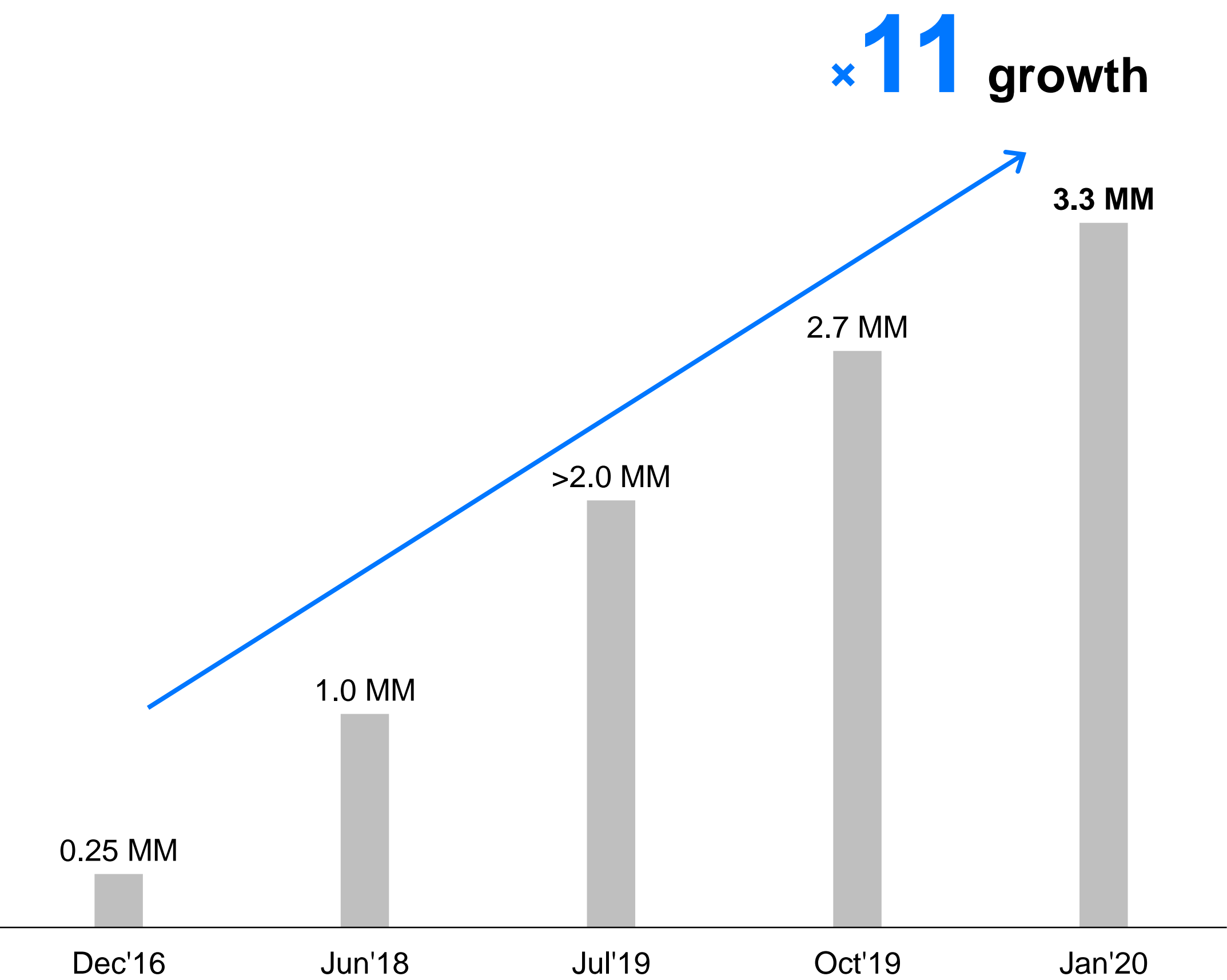
**> 3.3 MM** subscribers as of Jan'20

**> 20 MM** music users per month\*

**> 80 MM** music tracks streamed daily

**12** countries, where Yandex.Music is available

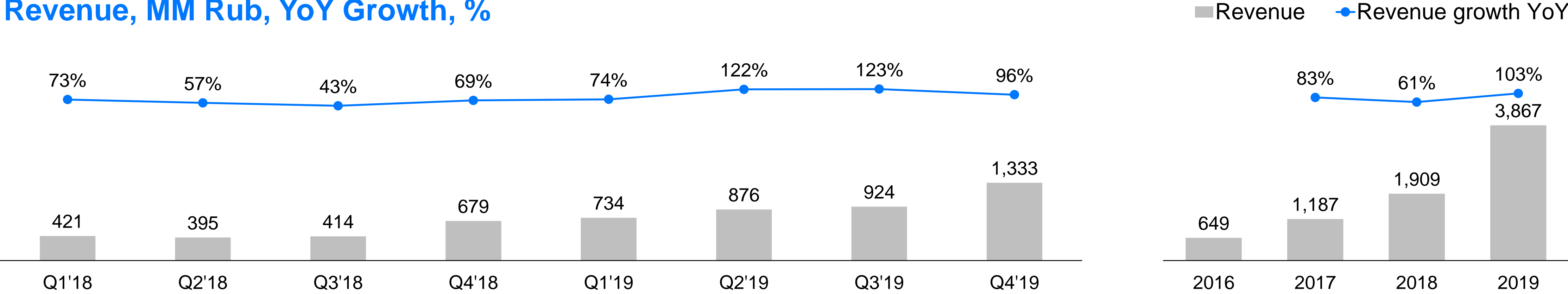
## Subscribers



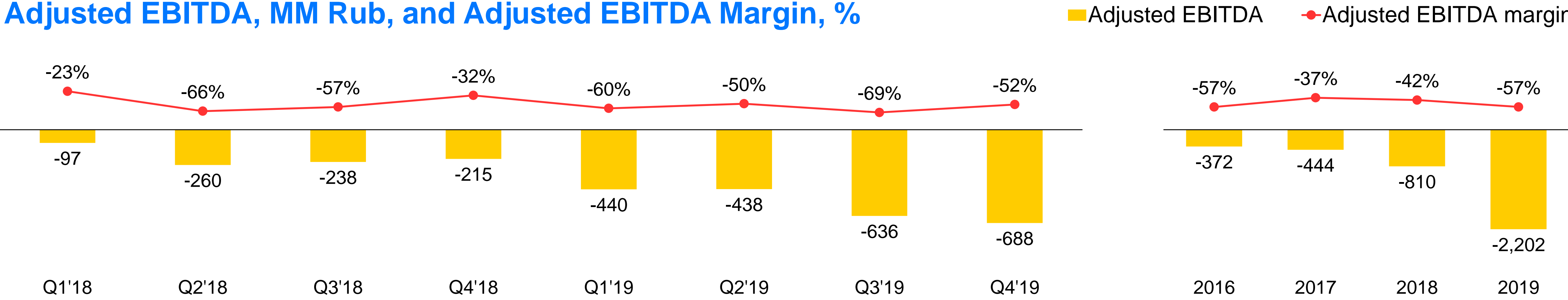
\* Including freemium model

# Media Services

Revenue, MM Rub, YoY Growth, %



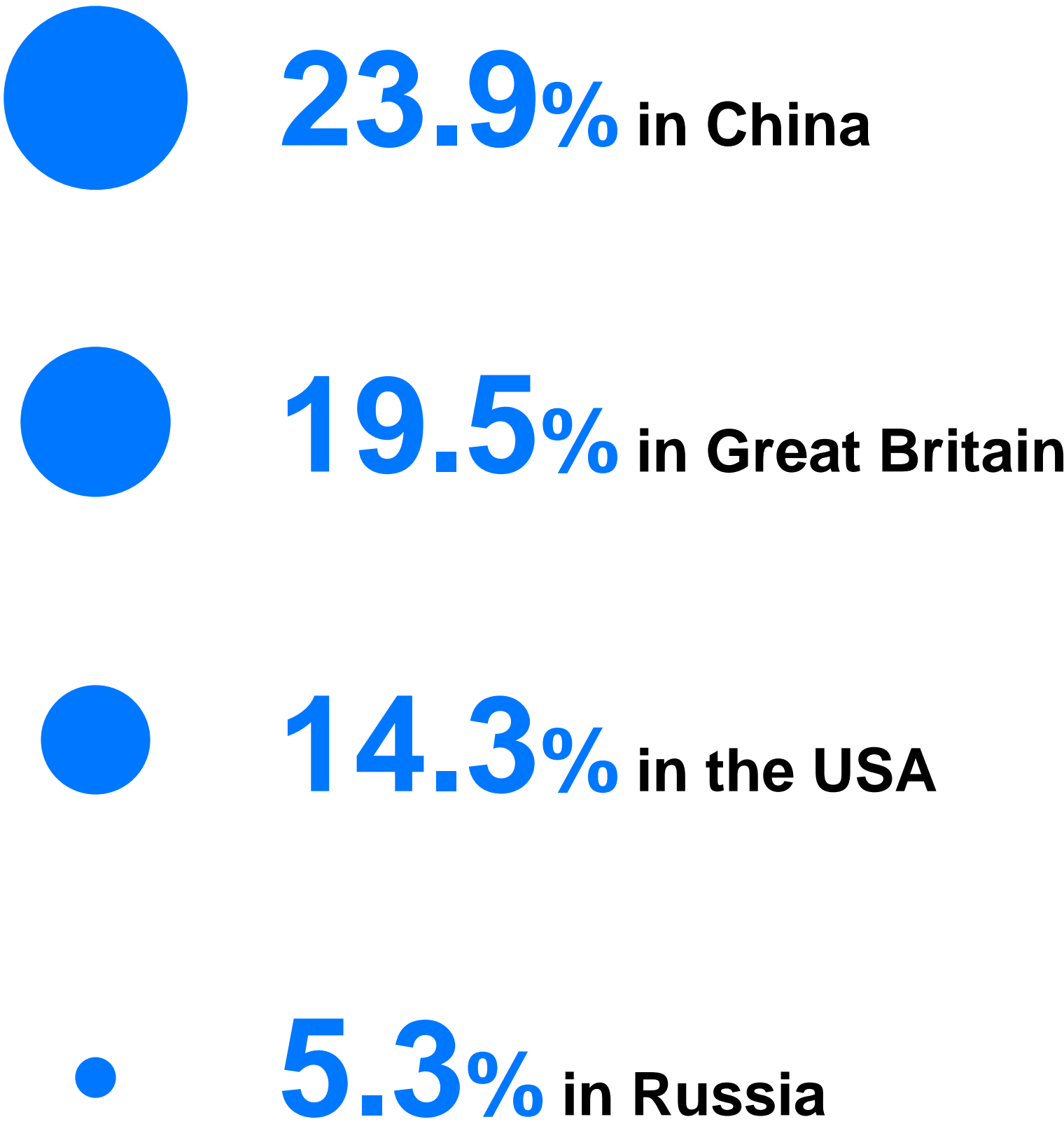
Adjusted EBITDA, MM Rub, and Adjusted EBITDA Margin, %



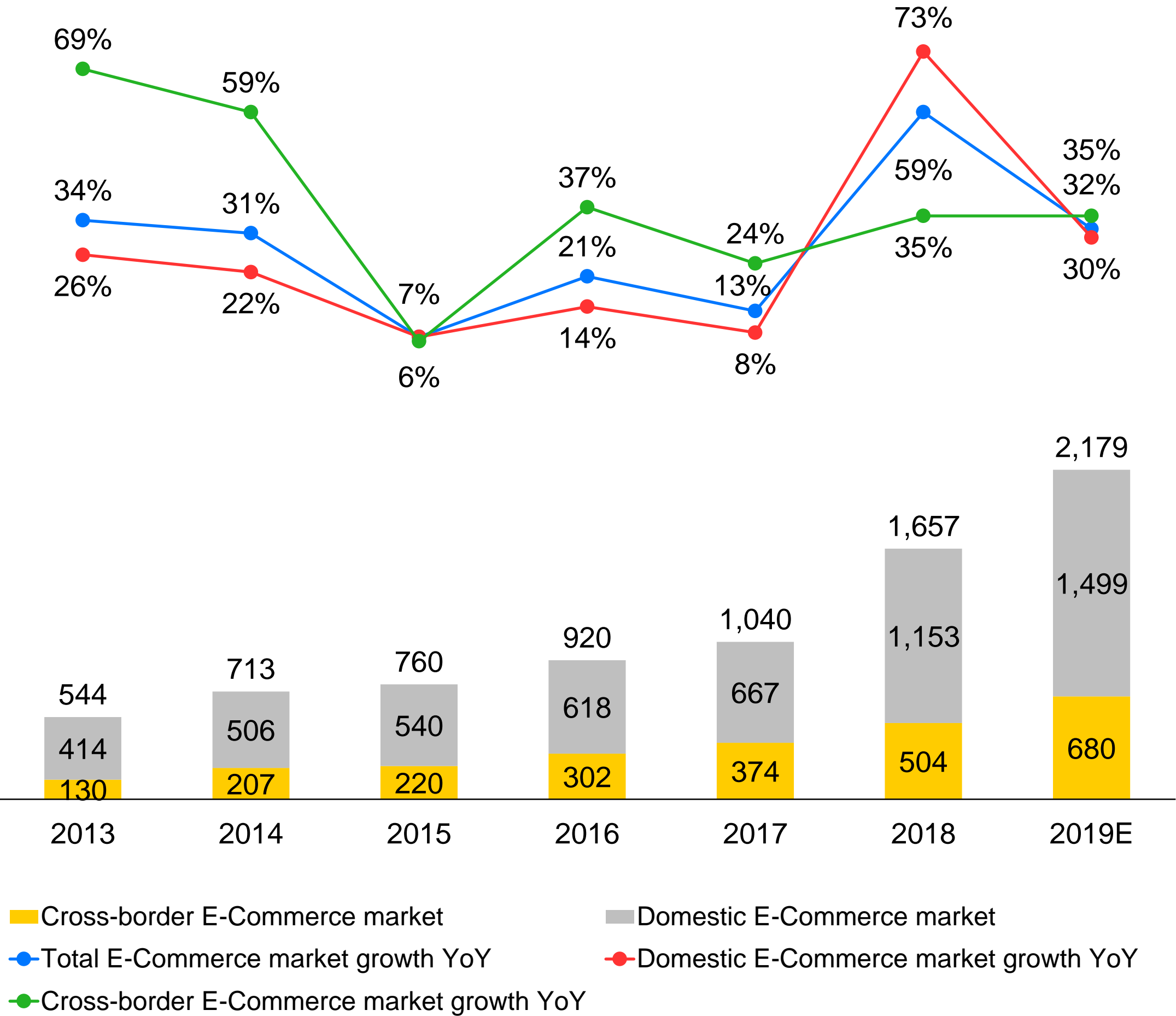
Media Services segment includes KinoPoisk, Yandex.Music, Yandex.Afisha, Yandex.TV program, our production center Yandex.Studio and our subscription service Yandex.Plus  
Items may not total due to rounding.

# E-commerce in Russia

E-Commerce as % of overall retail market in 2018



E-Commerce in Russia, Bn Rub, YoY Growth, %



# Yandex.Market JV\*

In 2019 revenue grew **+145%** YoY

---

## Yandex.Market

One of the most popular internet services in Russia, providing product information, price comparison and user generated reviews of products and online retailers

**200 Bn** Rub GMV in 2019

In 2019 revenue grew **+30%** YoY

**4 MM** DAU in 2019

---

## Beru!

Our domestic marketplace with both 1P and 3P products and fast, reliable delivery

**> 600,000** SKUs

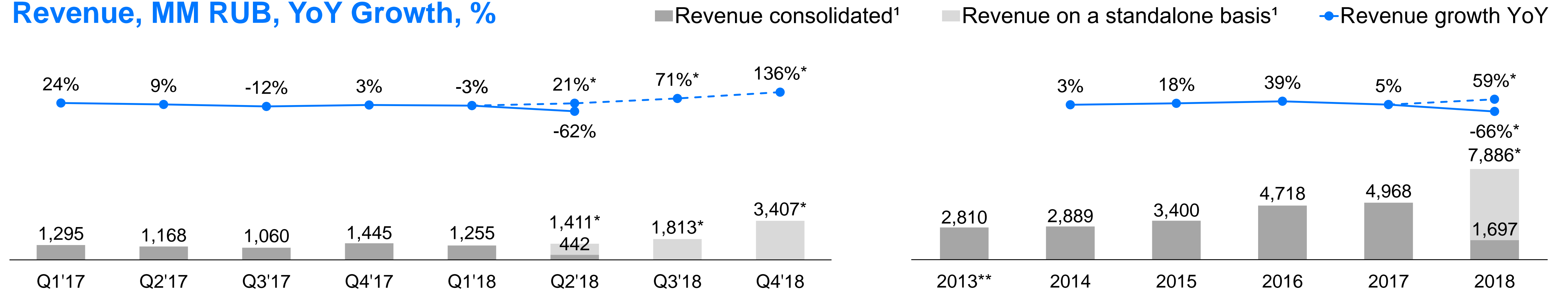
**1.3 MM** SKUs by 2020

**46 Bn** Rub annual Run-rate of GMV (as of Dec'19)

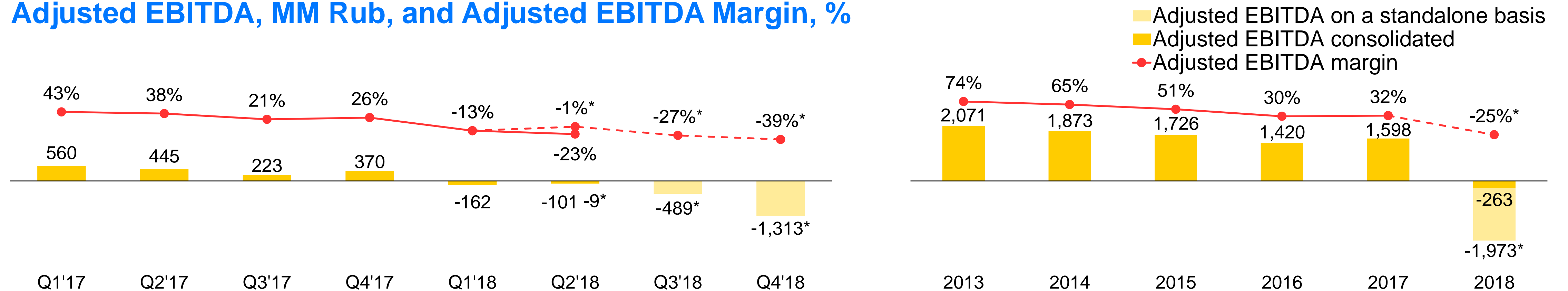
\* Yandex.Market JV was formed on April 27, 2018 as a result of Sberbank and Yandex.Market transaction

# E-Commerce

## Revenue, MM RUB, YoY Growth, %



## Adjusted EBITDA, MM Rub, and Adjusted EBITDA Margin, %



<sup>1</sup> Our E-commerce segment includes Yandex.Market service. On April 27, 2018 Yandex and Sberbank announced the completion of the formation of the joint venture based on the Yandex.Market platform, aimed at developing a leading B2C E-commerce ecosystem. The parties own equal stakes in the JV. We deconsolidated Yandex.Market starting April 27, 2018 from our consolidated financial results and since 2019 stopped disclosing JV results separately. Comparison shopping of Yandex.Market JV provides access to 234+ MM offers from 25,000+ online retailers.

Revenue consolidated includes revenues of Yandex.Market before April 27, 2018, and excludes such revenues post the transaction.

Revenues on a standalone basis includes total revenues of Yandex.Market JV as a standalone company.

\* Yandex.Market's growth on a standalone basis

\*\* We do not show YoY growth rates of BUs in 2013, as we had not yet formed segments in 2012

Items may not total due to rounding



# Other Bets and Experiments

## Yandex.Drive

Car-sharing service

58 MM rides since launch

8-10 rides per car per day

#1 in Russia by fleet size

## Zen

Personalized content feed

13.4 MM DAU (Dec'19)

> 30 min time spent daily

8.8 Bn Rub revenue run-rate (Dec'19)

+49% YoY revenue growth (Dec'19)

+59% YoY revenue growth (FY'19)

## Geolocation services

Yandex.Maps

Yandex.Navigator

Yandex.Routing

logistics B2B-platform

Yandex.Auto

infotainment platform with Alice

Currently available in 150,000 cars

2.5 MM preinstalls by 2024 in Renault, Nissan, LADA and other OEMs

## Yandex.Cloud

Intelligent public cloud platform

~ 40% of revenue relates to PaaS

3 own local data centers

Key services:

- > Cloud computing and data storage
- > Database management
- > Machine translation
- > Speech recognition and synthesis

## Yandex.Education

School of Data Analysis

2-year master program on data analysis

Yandex.Lyceum

Programming courses for school children

Yandex.Schoolbook

Educational program (math and Russian) for primary school

Yandex.Praktikum

Postgraduate education and professional retraining in the IT sphere

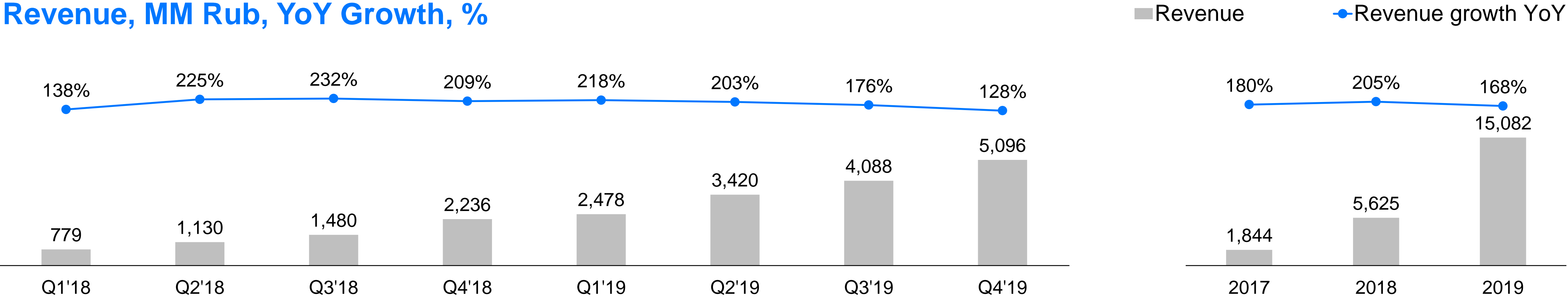
Yandex Academy

IT professional upgrade training projects

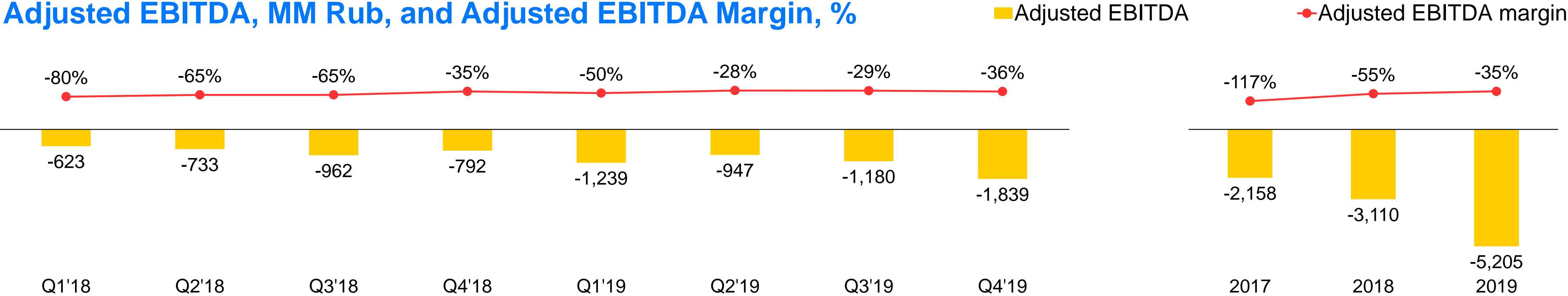
Yandex courses on Coursera

# Other Bets and Experiments

Revenue, MM Rub, YoY Growth, %



Adjusted EBITDA, MM Rub, and Adjusted EBITDA Margin, %



Other Bets and Experiments category includes Zen, Yandex.Cloud, Yandex.Drive, Geolocation Services and Yandex.Education  
Items may not total due to rounding



# Fundamental Pillars of Yandex's Ecosystem

## Alice

the first conversational intelligent assistant in Russia

Launched in October 2017

> **45 MM** users per month

≈ **1.5 Bn** voice requests to Alice monthly (Feb'20)

Integrated across many platforms ranging from smart speakers, connected cars to home devices

## Devices empowered with Alice

### 1P Devices:

- › Yandex.Station
- › Yandex.Station Mini
- › Yandex.Auto
- › Yandex.Module (HDMI dongle)

### 3P Devices:

- › DEXP
- › Irbis
- › Elari
- › LG

Recently we launched Smart Home Ecosystem, which supports 3P smart home devices (Philips, Xiaomi, Samsung, Redmond devices) as well as Yandex's gadgets (the Smart Bulb, the Smart Plug, and the Smart Remote Control)

## Yandex.Plus

our subscription service to Yandex's products

Yandex.Plus offers the following benefits:

- › A full subscription to Yandex.Music, incl. unlimited downloads to mobile devices
- › A 10% discount for Yandex.Taxi rides in the Comfort, Comfort+, Business Premier, Élite and Cruise categories
- › A 5%-12% discount for Yandex.Drive rides and an extended car reservation period
- › Ad-free viewing of films and television series on KinoPoisk HD with 6,000 movies and series in the package
- › Additional 10GB of free storage space on Yandex.Disk and 30% discount on all tariffs
- › Extra points for tickets bought on Yandex.Afisha
- › More benefits will be added over time

**169** Rub (\$2.75) per month

Full-price Yandex.Music subscribers in Russia automatically became members of Yandex.Plus

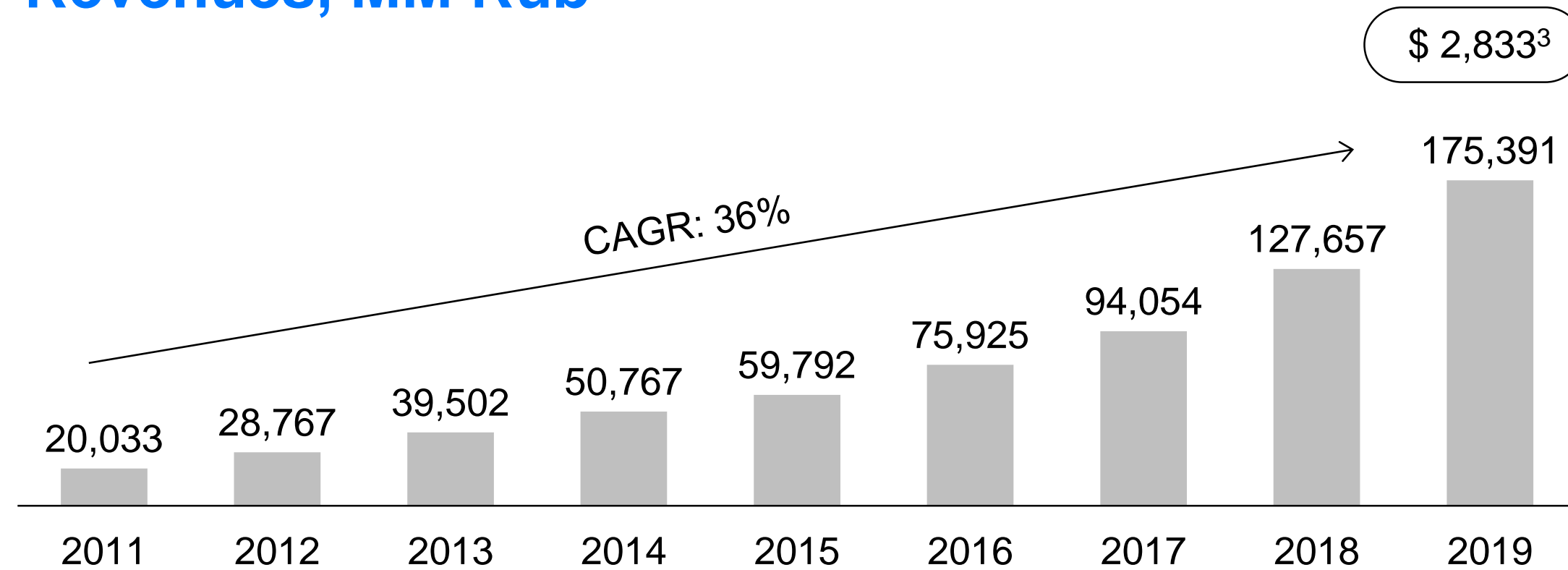
We launched the new Yandex.Plus credit and debit cards in partnership with Alfa-Bank and Tinkoff. The bank card includes a subscription to Yandex.Plus and offers 10% cashback on purchases on over fifteen Yandex services, as well as up to 5% cashback on other purchases

Recently, we launched family subscription to Yandex.Plus as well as expanded our service to Kazakhstan and Belarus

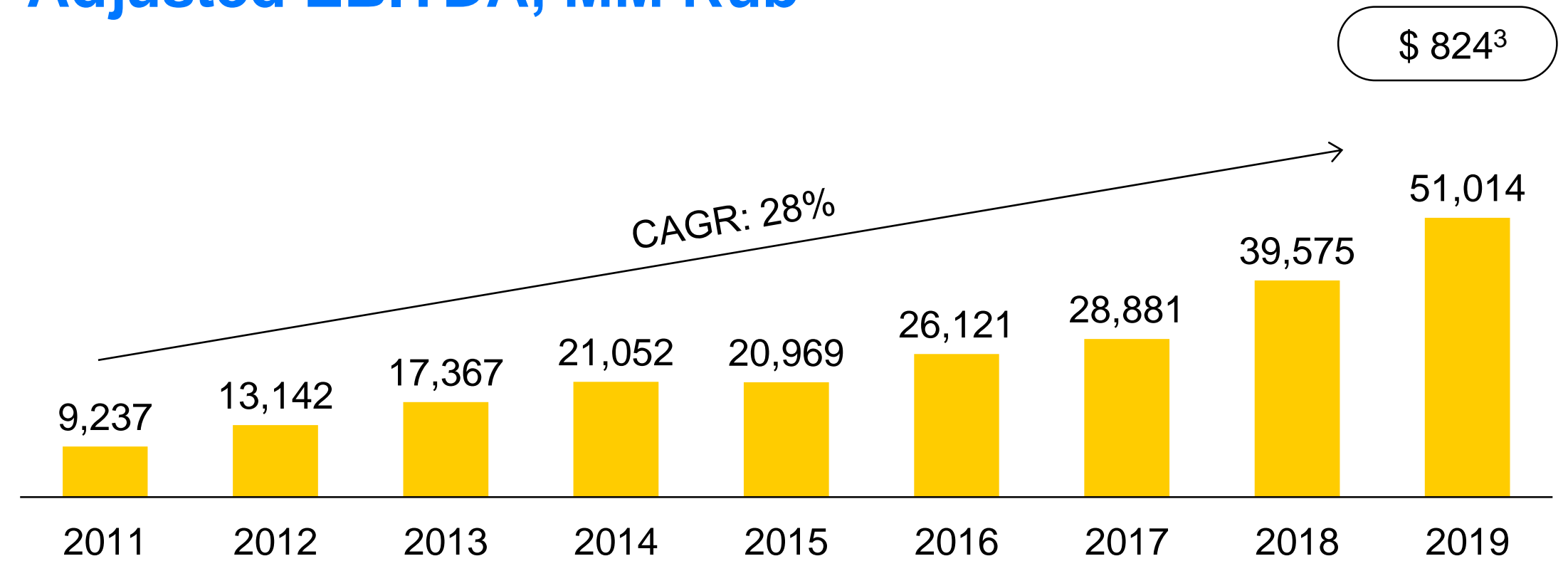
# Consolidated Financials

# Financial Summary

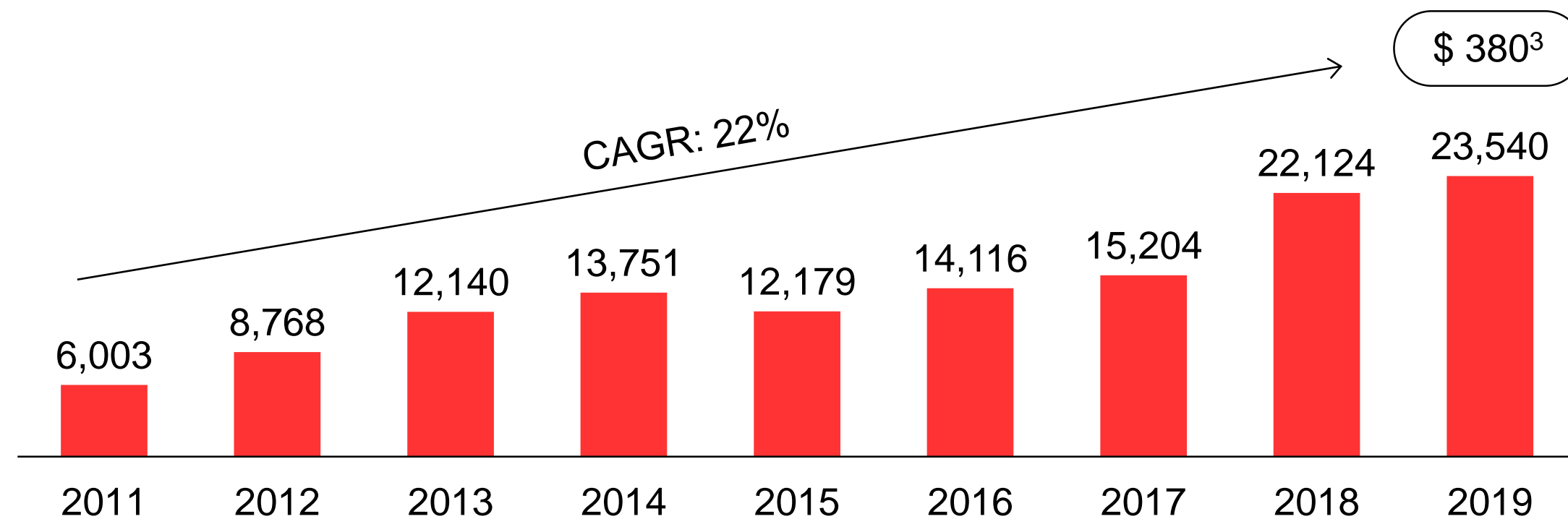
## Revenues, MM Rub<sup>1</sup>



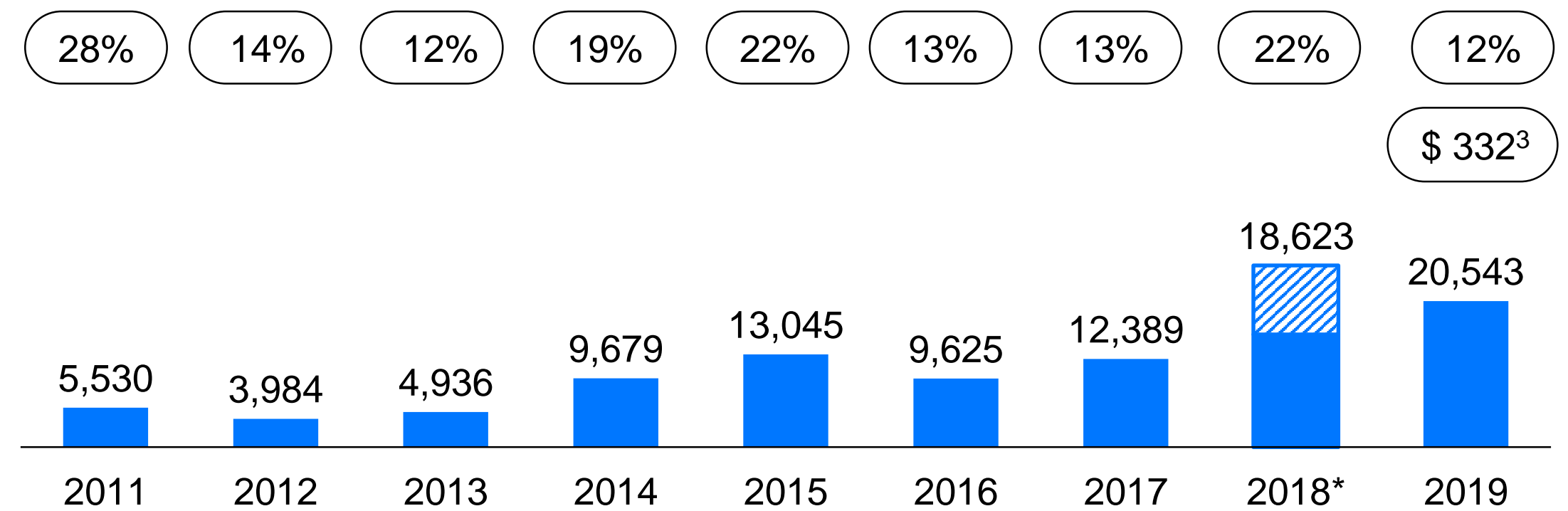
## Adjusted EBITDA, MM Rub<sup>2</sup>



## Adjusted Net Income, MM Rub<sup>3</sup>



## Capex, MM Rub, as % of Revenues



<sup>1</sup> Revenues are recognized net of VAT, discounts and commissions, but gross of TAC

<sup>2</sup> Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA margin and Adjusted Net Income margin are non-GAAP financial measures. For Reconciliations see slides 41-44.

<sup>3</sup> Translated using an exchange rate of Rub 61.9057 to \$1.00 as of Dec 31, 2019. \$ figures, shown in charts, expressed in millions.

The growth rates of the financial results, excluding Yandex.Market. We deconsolidated Yandex.Market starting April 27, 2018, the date of the completion of the Yandex.Market joint venture between Yandex and Sberbank.

\* Our Capex, excluding the one-off effect from the headquarter site acquisition, was 15% in 2018

# Quarterly Financial Summary by Segment

Revenues, MM RUB	Q1'18	Q2'18	Q3'18	Q4'18	FY '18	Q1'19	Q2'19	Q3'19	Q4'19	FY'19
Search & Portal	21,569	23,965	25,816	29,671	101,021	27,109	29,090	31,172	34,463	121,834
<i>S&amp;P, excl. IoT</i>	<i>21,569</i>	<i>23,965</i>	<i>25,801</i>	<i>29,376</i>	<i>100,711</i>	<i>26,887</i>	<i>28,899</i>	<i>30,894</i>	<i>33,676</i>	<i>120,356</i>
E-commerce	1,255	442	-	-	1,697	-	-	-	-	-
Taxi	3,116	4,064	5,109	6,924	19,213	7,639	8,810	9,654	11,942	38,045
<i>Ride-hailing &amp; FoodTech</i>	<i>3,116</i>	<i>4,064</i>	<i>5,109</i>	<i>6,924</i>	<i>19,213</i>	<i>7,639</i>	<i>8,810</i>	<i>9,654</i>	<i>11,942</i>	<i>38,045</i>
<i>SDC</i>	-	-	-	-	-	-	-	-	-	-
Classifieds	706	915	988	1,108	3,717	1,106	1,302	1,371	1,611	5,390
Media Services	421	395	414	679	1,909	734	876	924	1,333	3,867
Other Bets and Experiments	779	1,130	1,480	2,236	5,625	2,478	3,420	4,088	5,096	15,082
Eliminations	(1,273)	(1,239)	(1,237)	(1,776)	(5,525)	(1,782)	(2,101)	(2,195)	(2,749)	(8,827)
<b>Total Revenues</b>	<b>26,573</b>	<b>29,672</b>	<b>32,570</b>	<b>38,842</b>	<b>127,657</b>	<b>37,284</b>	<b>41,397</b>	<b>45,014</b>	<b>51,696</b>	<b>175,391</b>

Revenue growth, %YoY	Q1'18	Q2'18	Q3'18	Q4'18	FY '18	Q1'19	Q2'19	Q3'19	Q4'19	FY '19
Search & Portal	18%	21%	24%	26%	23%	26%	21%	21%	16%	21%
<i>S&amp;P, excl. IoT</i>	-	-	-	-	-	25%	21%	20%	15%	20%
E-commerce	-3%	-62%	-	-	-66%	-	-	-	-	-
Taxi	301%	426%	344%	216%	293%	145%	117%	89%	72%	98%
<i>Ride-hailing &amp; FoodTech</i>	<i>301%</i>	<i>426%</i>	<i>344%</i>	<i>216%</i>	<i>293%</i>	<i>145%</i>	<i>117%</i>	<i>89%</i>	<i>72%</i>	<i>98%</i>
<i>SDC</i>	-	-	-	-	-	-	-	-	-	-
Classifieds	92%	101%	80%	61%	81%	57%	42%	39%	45%	45%
Media Services	73%	57%	43%	69%	61%	74%	122%	123%	96%	103%
Other Bets and Experiments	138%	225%	232%	209%	205%	218%	203%	176%	128%	168%
Eliminations	98%	75%	55%	55%	68%	40%	70%	77%	55%	60%
<b>Total Revenues</b>	<b>29%</b>	<b>34%</b>	<b>39%</b>	<b>39%</b>	<b>36%</b>	<b>40%</b>	<b>40%</b>	<b>38%</b>	<b>33%</b>	<b>37%</b>

Our segments structure includes:

- Search and Portal segment offers a broad range of services in Russia, Belarus, Kazakhstan and Uzbekistan
- E-commerce segment includes Yandex.Market for the period prior to April 27, 2018, the date of the completion of the Yandex.Market joint venture between Yandex and Sberbank
- Taxi segment includes our Ride-hailing business (including Yandex.Taxi and Uber in Russia and neighboring countries), FoodTech business (including Yandex.EATs, Yandex.Chef, a meal kit subscription service, and Yandex.Lavka, a hyperlocal grocery delivery service) and our Self-Driving Cars division
- Classifieds segment includes Auto.ru, Yandex.Realty and Yandex.Jobs
- Media Services segment includes KinoPoisk, Yandex.Music, Yandex.Afisha, Yandex.TV program, our production center Yandex.Studio and our subscription service Yandex.Plus
- Other Bets and Experiments category includes Zen, Yandex.Cloud, Yandex.Drive, Geolocation Services and Yandex.Education
- Eliminations in our revenues represent the elimination of transactions between the reportable segments, primarily related to advertising. Eliminations related to our adjusted EBITDA mainly reflect reallocation of a portion of Search and Portal D&A expenses related to leasehold improvements to office rent expenses of our business unites

# Quarterly Financial Summary by Segment (continued)

Adj. EBITDA, MM RUB*	Q1'18	Q2'18	Q3'18	Q4'18	FY '18	Q1'19	Q2'19	Q3'19	Q4'19	FY '19
Search & Portal	10,554	11,661	12,593	13,424	48,232	12,847	13,747	15,467	15,102	57,163
<i>S&amp;P, excl. IoT</i>	<i>10,596</i>	<i>11,694</i>	<i>12,666</i>	<i>13,648</i>	<i>48,604</i>	<i>13,017</i>	<i>13,870</i>	<i>15,669</i>	<i>15,459</i>	<i>58,015</i>
E-commerce	(162)	(101)	-	-	(263)	-	-	-	-	-
Taxi	(1,712)	(1,882)	(711)	(129)	(4,434)	(116)	423	170	271	748
<i>Ride-hailing &amp; FoodTech</i>	<i>(1,629)</i>	<i>(1,769)</i>	<i>(567)</i>	<i>45</i>	<i>(3,920)</i>	<i>111</i>	<i>726</i>	<i>590</i>	<i>826</i>	<i>2,253</i>
<i>SDC</i>	<i>(83)</i>	<i>(113)</i>	<i>(144)</i>	<i>(174)</i>	<i>(514)</i>	<i>(227)</i>	<i>(303)</i>	<i>(420)</i>	<i>(555)</i>	<i>(1,505)</i>
Classifieds	(287)	44	78	(18)	(183)	(328)	265	43	330	310
Media Services	(97)	(260)	(238)	(215)	(810)	(440)	(438)	(636)	(688)	(2,202)
Other Bets and Experiments	(623)	(733)	(962)	(792)	(3,110)	(1,239)	(947)	(1,180)	(1,839)	(5,205)
Eliminations	31	27	41	44	143	44	47	55	54	200
<b>Total Adj.EBITDA</b>	<b>7,704</b>	<b>8,756</b>	<b>10,801</b>	<b>12,314</b>	<b>39,575</b>	<b>10,768</b>	<b>13,097</b>	<b>13,919</b>	<b>13,230</b>	<b>51,014</b>

Adj. EBITDA Margin, %	Q1'18	Q2'18	Q3'18	Q4'18	FY '18	Q1'19	Q2'19	Q3'19	Q4'19	FY '19
Search & Portal	49%	49%	49%	45%	48%	47%	47%	50%	44%	47%
<i>S&amp;P, excl. IoT</i>	<i>49%</i>	<i>49%</i>	<i>49%</i>	<i>46%</i>	<i>48%</i>	<i>48%</i>	<i>48%</i>	<i>51%</i>	<i>46%</i>	<i>48%</i>
E-commerce	-13%	-23%	-	-	-16%	-	-	-	-	-
Taxi	-55%	-46%	-14%	-2%	-23%	-1%	5%	2%	2%	2%
<i>Ride-hailing &amp; FoodTech</i>	<i>-52%</i>	<i>-44%</i>	<i>-11%</i>	<i>1%</i>	<i>-20%</i>	<i>1%</i>	<i>8%</i>	<i>6%</i>	<i>7%</i>	<i>6%</i>
<i>SDC</i>	<i>n/m</i>	<i>n/m</i>	<i>n/m</i>	<i>n/m</i>	<i>n/m</i>	<i>n/m</i>	<i>n/m</i>	<i>n/m</i>	<i>n/m</i>	<i>n/m</i>
Classifieds	-41%	5%	8%	-2%	-5%	-30%	20%	3%	20%	6%
Media Services	-23%	-66%	-58%	-32%	-42%	-60%	-50%	-69%	-52%	-57%
Other Bets and Experiments	-80%	-65%	-65%	-35%	-55%	-50%	-28%	-29%	-36%	-35%
Eliminations	-2%	-2%	-3%	-2%	-3%	-2%	-2%	-3%	-2%	-2%
<b>Total Adj. EBITDA Margin</b>	<b>29%</b>	<b>30%</b>	<b>33%</b>	<b>32%</b>	<b>31%</b>	<b>29%</b>	<b>32%</b>	<b>31%</b>	<b>26%</b>	<b>29%</b>

Our segments structure includes:

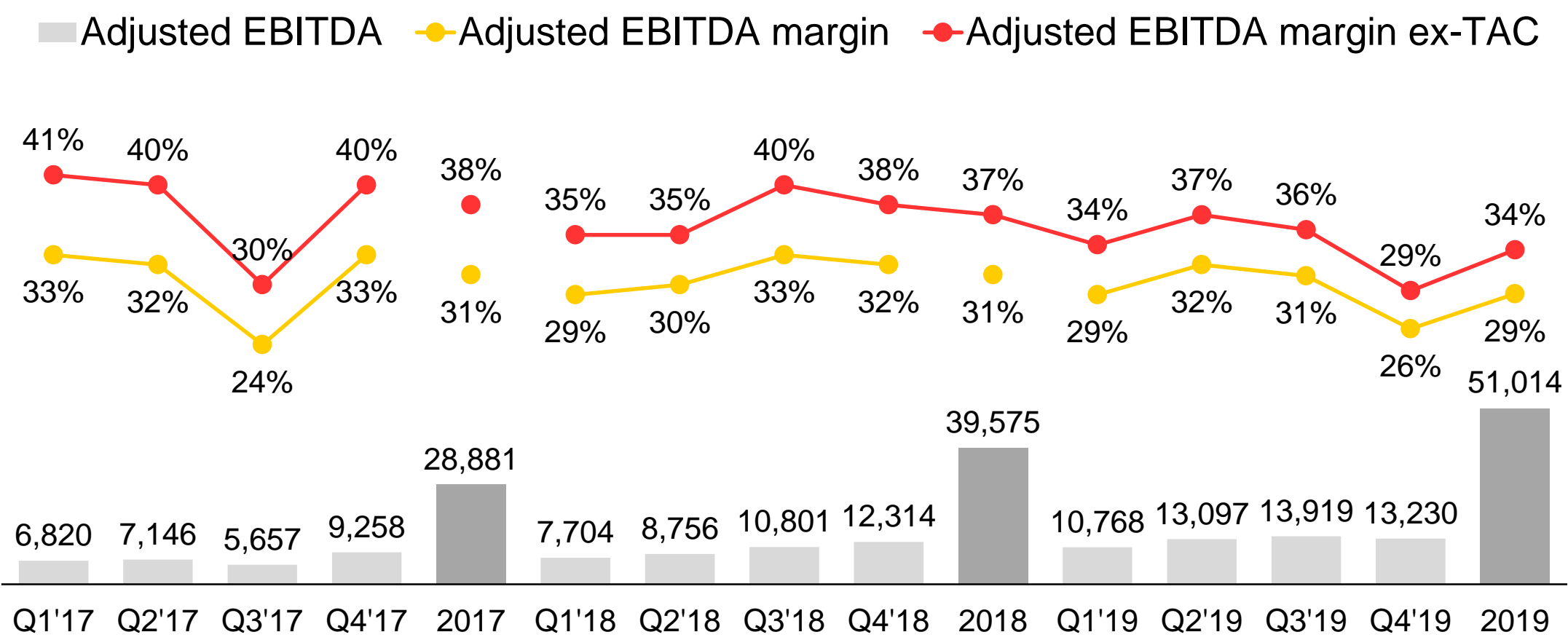
- Search and Portal segment offers a broad range of services in Russia, Belarus, Kazakhstan and Uzbekistan
- E-commerce segment includes Yandex.Market for the period prior to April 27, 2018, the date of the completion of the Yandex.Market joint venture between Yandex and Sberbank
- Taxi segment includes our Ride-hailing business (including Yandex.Taxi and Uber in Russia and neighboring countries), FoodTech business (including Yandex.EATs, Yandex.Chef, a meal kit subscription service, and Yandex.Lavka, a hyperlocal grocery delivery service) and our Self-Driving Cars division
- Classifieds segment includes Auto.ru, Yandex.Realty and Yandex.Jobs
- Media Services segment includes KinoPoisk, Yandex.Music, Yandex.Afisha, Yandex.TV program, our production center Yandex.Studio and our subscription service Yandex.Plus
- Other Bets and Experiments category includes Zen, Yandex.Cloud, Yandex.Drive, Geolocation Services and Yandex.Education
- Eliminations in our revenues represent the elimination of transactions between the reportable segments, primarily related to advertising. Eliminations related to our adjusted EBITDA mainly reflect reallocation of a portion of Search and Portal D&A expenses related to leasehold improvements to office rent expenses of our business unites

\* Due to adoption of ASU 842 "Leases" since the beginning of 2019, we restated certain financial metrics for FY 2018, including our Adj EBITDA and Adj EBITDA margin of Search and Portal results.

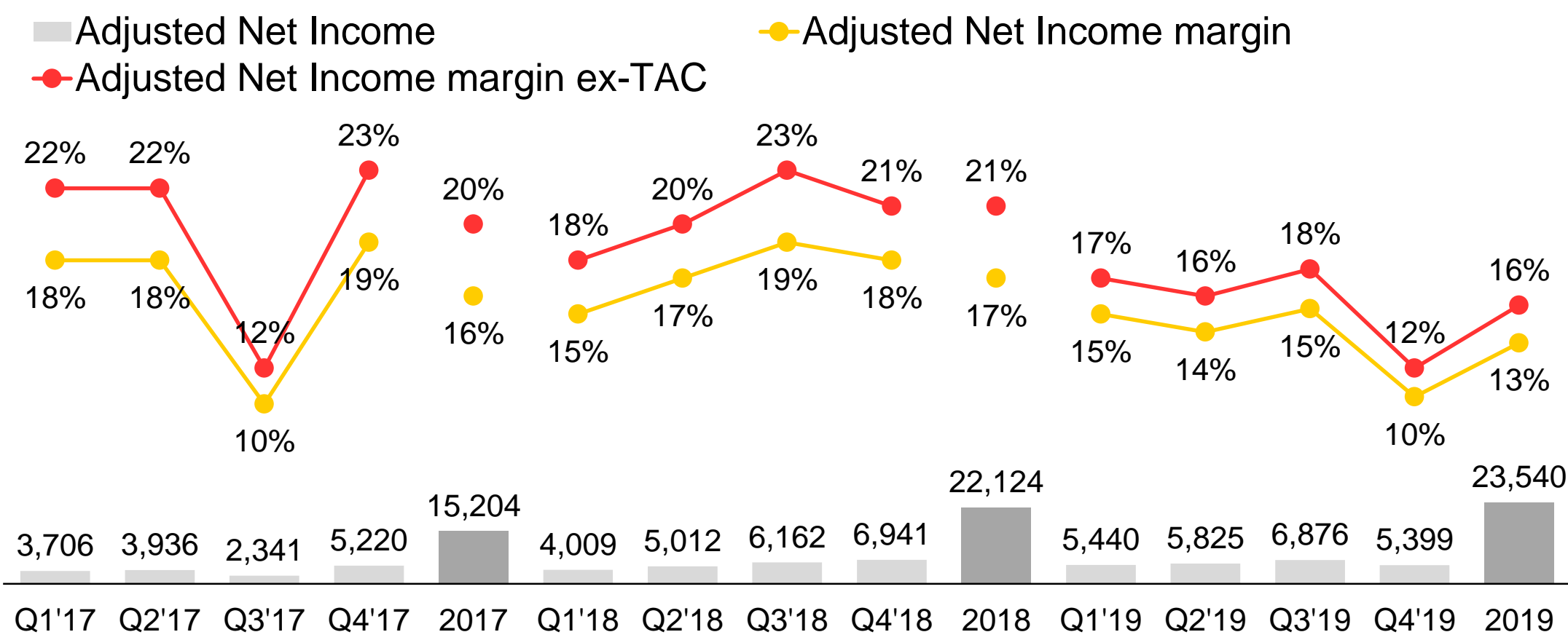


# Consolidated Adjusted EBITDA<sup>1</sup>, Net Income<sup>2</sup>, headcount Evolution — Breakdown by GAAP Cost Category and Capex

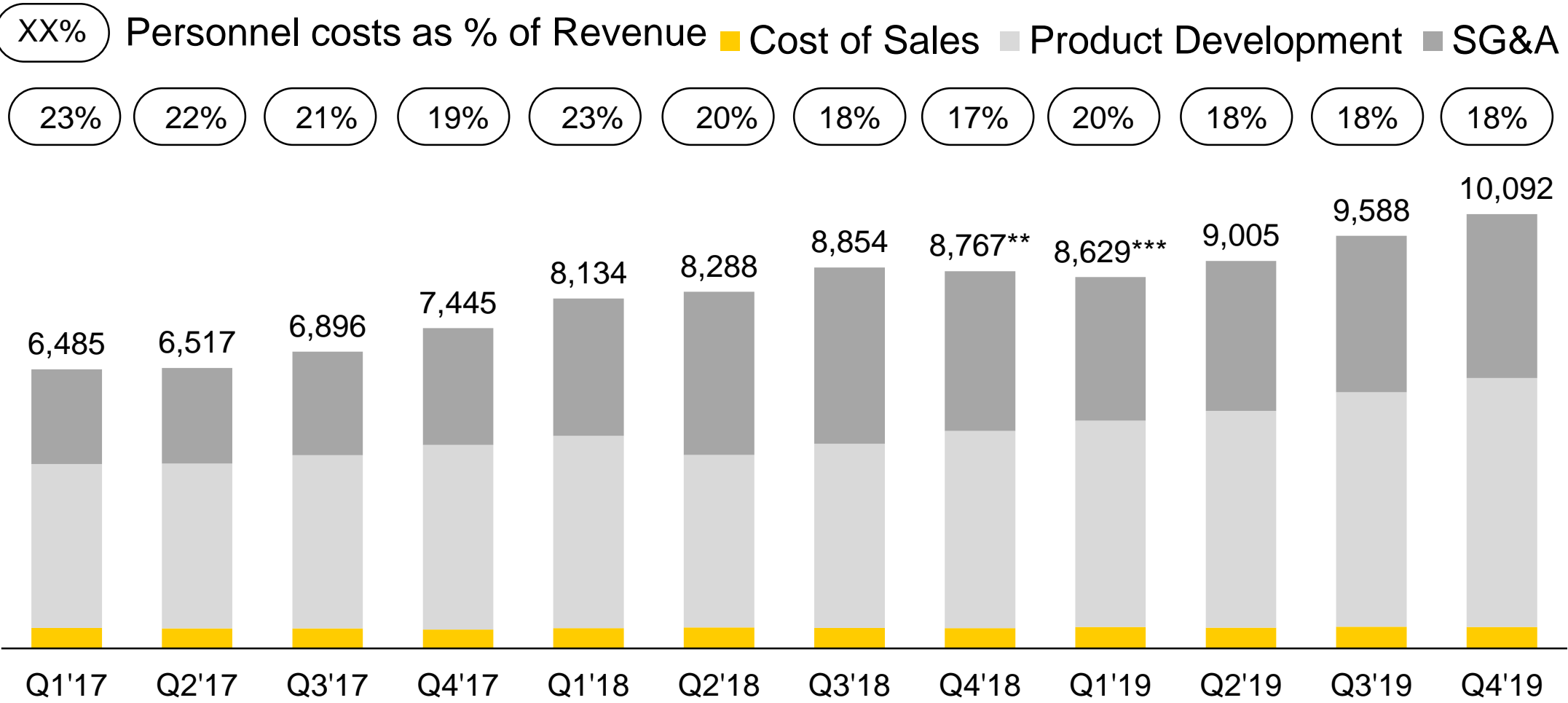
## Adjusted EBITDA, MM Rub, and Margin, %



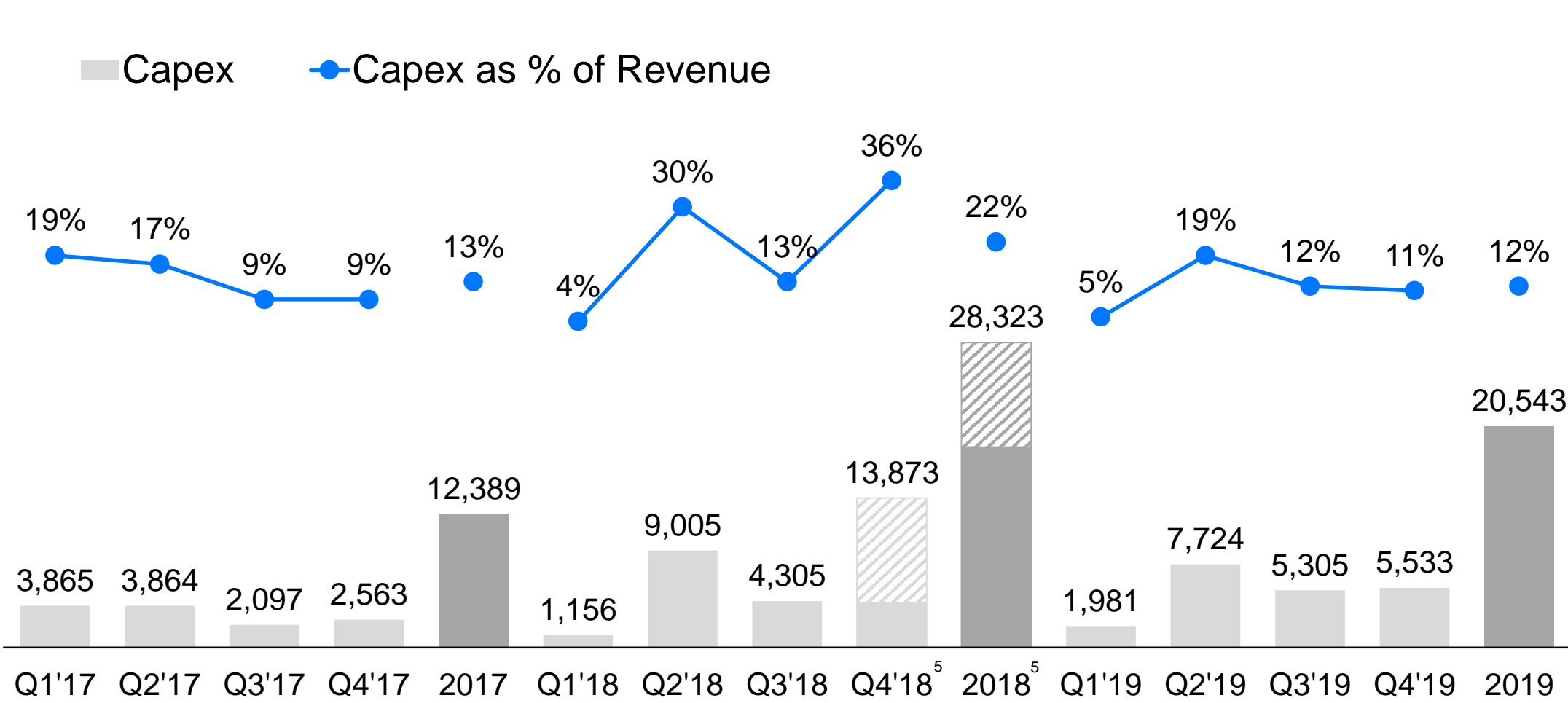
## Adjusted Net Income, MM Rub, and Margin, %



## Headcount<sup>3</sup> by GAAP Cost Category<sup>4</sup>



## Capex, MM Rub, and Capex/Revenue Ratio, %



For marks see next page

# Consolidated Adjusted EBITDA<sup>1</sup>, Net Income<sup>2</sup>, headcount Evolution — Breakdown by GAAP Cost Category and Capex (marks)

<sup>1</sup> Adjusted EBITDA, Adjusted EBITDA margin and Adjusted EBITDA margin ex-TAC are non-GAAP financial measures. For a reconciliation of these non-GAAP financial measures to their most directly comparable US GAAP measures, see slides 41-44.

<sup>2</sup> Adjusted Net Income, Adjusted Net Income margin and Adjusted Net Income margin ex-TAC are non-GAAP financial measures. For a reconciliation of these non-GAAP financial measures to their most directly comparable US GAAP measures, see slides 41-44.

\* Our E-commerce segment includes Yandex.Market service. On April 27, 2018 Yandex and Sberbank announced the completion of the formation of the joint venture based on the Yandex.Market platform, aimed at developing a leading B2C E-commerce ecosystem. The parties own equal stakes in the JV. We deconsolidated Yandex.Market starting April 27, 2018 from our consolidated financial results.

<sup>3</sup> As of the end of the period

<sup>4</sup> Items may not total 100% due to rounding

<sup>5</sup> In Q4 2018 capital expenditures were Rub 13.9 Bn, which included one-time effect of the acquisition cost of the property site for our new Moscow headquarters, which amounted to Rub 9.7 Bn (around \$145 MM, based on the exchange rate as of transaction date) exclusive of 18% VAT. Our Capex, excluding the one-off effect from the headquarter site acquisition, was 11% of total Q4'18 revenues, while for the FY 2018 our Capex was 15% of total revenues. In 2020, we expect our CapEx excluding new HQ expenditures to be in the low teens as a percent of total revenues.

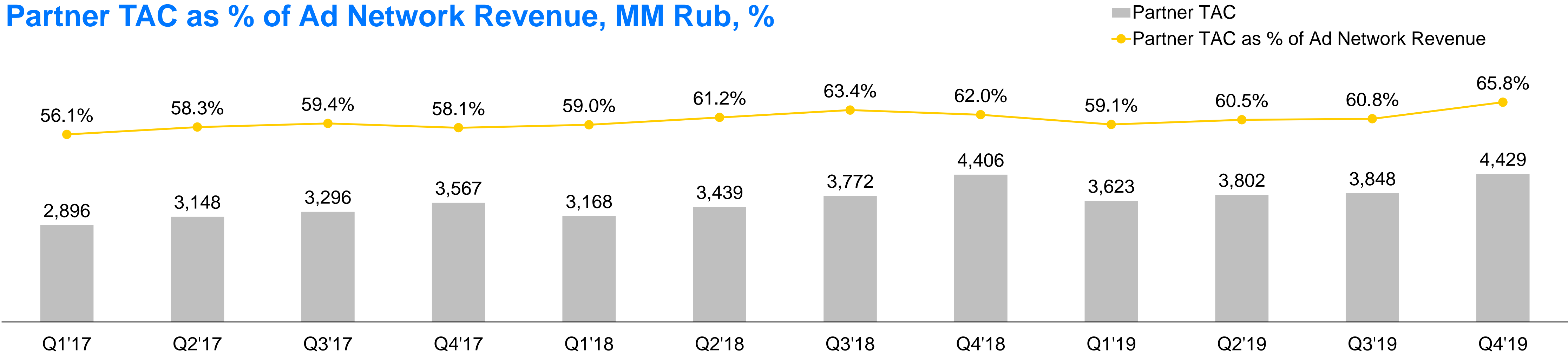
\*\* In Q4'18 our headcount was down 1% compared to September 30, 2018. This decrease was mainly due to headcount reclassification, which we implemented to ensure consistency in internal reporting.

\*\*\* In Q1'19 our headcount was down 2% compared to December 31, 2018. This decrease was mainly due to headcount reclassification, which we continued to implement to ensure consistency in internal reporting.

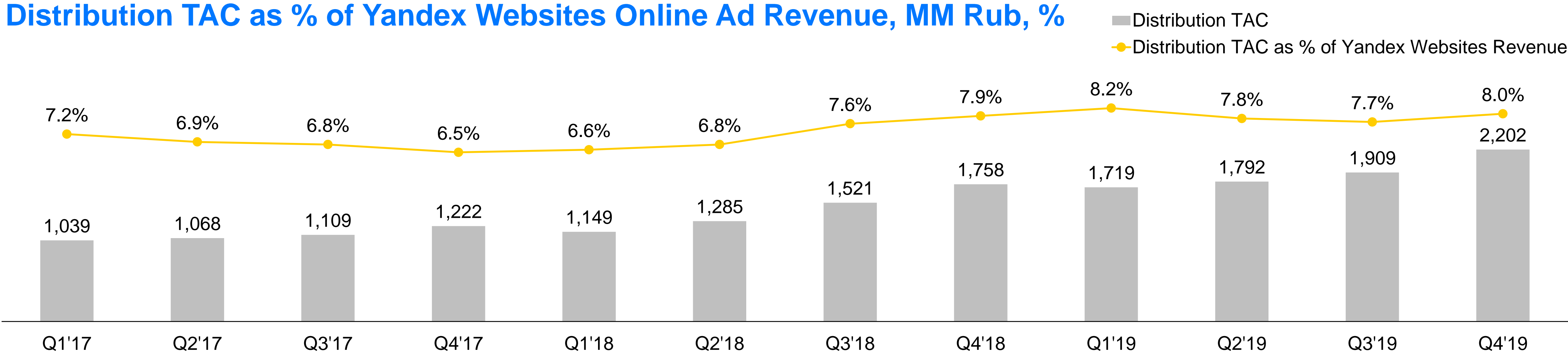
Note: Capex primarily relates to servers and data center equipment. Capex is not evenly spread across the quarters and depends on the delivery date of equipment.

# Traffic Acquisition Costs

Partner TAC as % of Ad Network Revenue, MM Rub, %



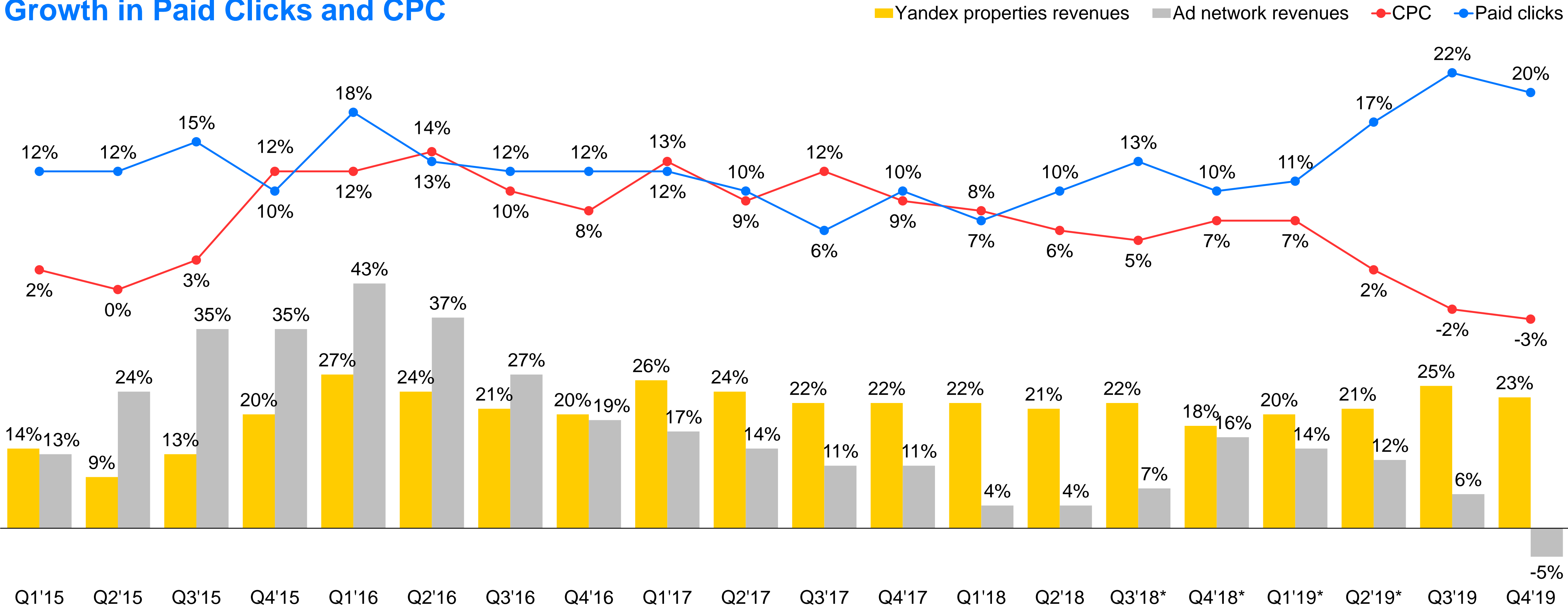
Distribution TAC as % of Yandex Websites Online Ad Revenue, MM Rub, %





# Operational Metrics

## Growth in Paid Clicks and CPC



Starting from Q1 2016 we are no longer providing a breakdown of our online ad revenues into text-based and display revenues. Therefore, Q1'16 revenue growth for this respective period represents growth rate of our online advertising revenues from Yandex websites, which include our text-based and display revenues, derived from Yandex Websites, and growth rate of online advertising revenues from our Ad Network, which include our text-based and display revenues, derived from Yandex Advertising Network. Data for periods prior to Q1'16, is consistent with what was presented previously and provides growth rates of text-based revenues from Yandex Websites and growth rates of text-based revenues from Ad Network.

\* Paid clicks, excluding paid clicks on Yandex.Market, grew 22% in Q3'18, 20% in Q4'18, 20% in Q1'19, 20% in Q2'19 YoY; CPC, excluding clicks of Yandex.Market, grew 2% in Q3'18, 4% in Q4'18, 4% in Q1'19, 1% in Q2'19 YoY.

# Ownership Structure

The total number of shares issued and outstanding as of **December 31, 2019** was

**329,858,166**

**Including**

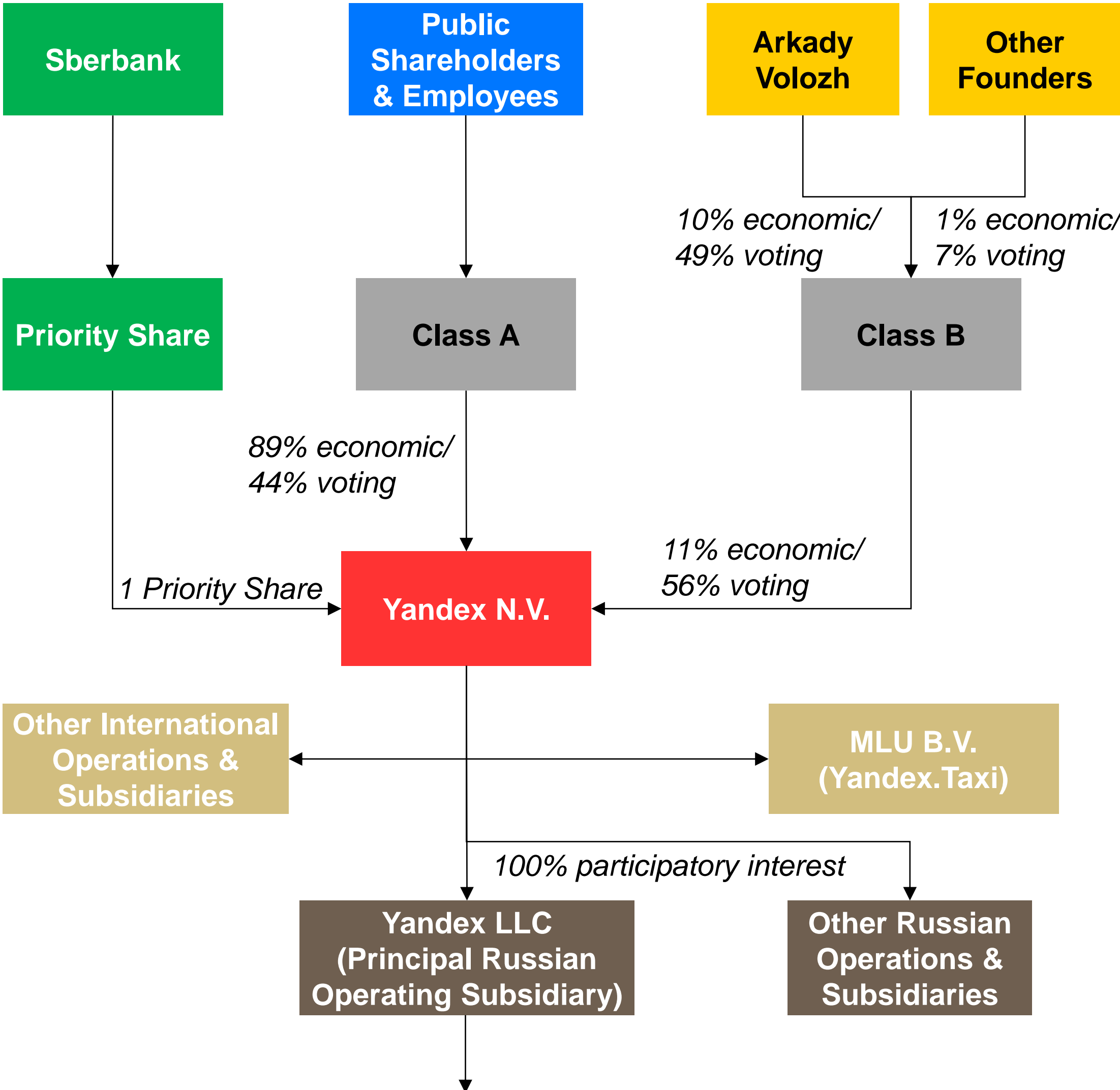
- > **292,719,508** Class A shares
- > **37,138,658** Class B shares
- > **One** Priority share
- > **Excluding 808,147** Class A shares held in treasury as a result of Yandex’s share repurchase program

Shareholders	Economic Ownership as of December 31, 2019
Principal pre-IPO Shareholders, Directors, Officers and Employees	14.1%
Arkady Volozh (CEO)	9.9%
Other Directors, Officers & Employees	4.1%
Other pre-IPO Shareholders	0.8%
Public Investors	85.1%
Total	100%

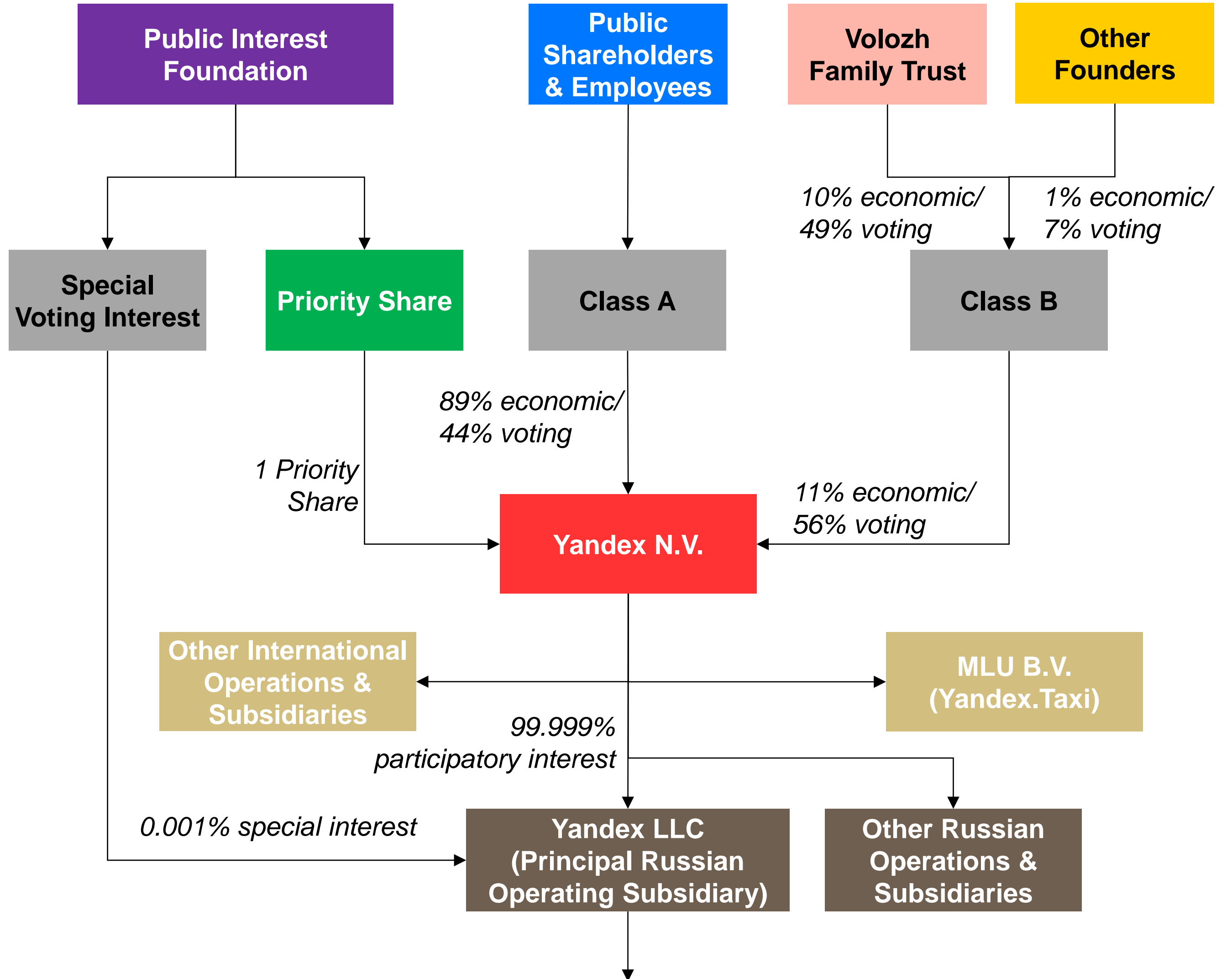
# Corporate Governance

# Corporate Structure Prior and After the Restructuring

Prior to Restructuring



After the Restructuring



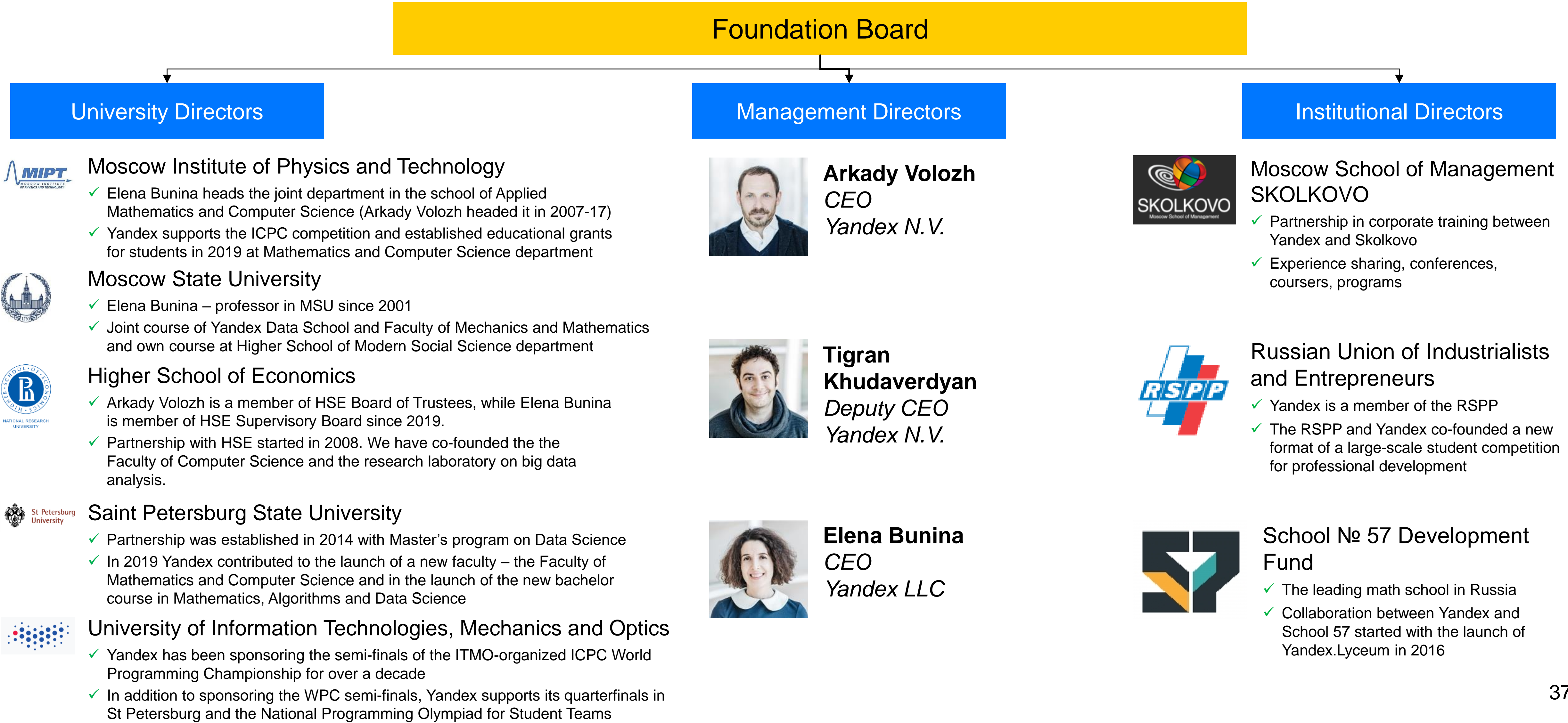
- Principal operations, which include Search & Portal, among others
- Holds core IP that underpins the Yandex Group ecosystem (software code, algorithms and know-how)
- Owns data centers and holds personal data and big data of Russian users



# Public Interest Foundation Overview

Public Interest Foundation (PIF) established as an “orphan” entity, incorporated under Russian law in Kaliningrad Special Administrative Region, with no shareholders, owners or beneficiaries (modelled after the Stichting concept in Dutch corporate law).

Governed by a Board of Directors consisting of 11 directors, including Yandex N.V. CEO and 2 directors nominated by Yandex, 5 directors nominated by state universities and 3 directors nominated by independent institutions with which Yandex has long-standing productive relationships.





# Public Interest Committee and Designated Directors

## PIC and Special Voting Interest

- The Public Interest Committee of Yandex N.V. Board will consist of Yandex N.V. CEO and 2 Designated Directors
- PIC will have the ability to act as a gatekeeper only on a **limited list of matters** (rather than day-to-day operations), related to:
  - transfer of material IP rights, if as a result Yandex N.V. would lose the ability to use such rights in Russia,
  - transfer of Russian users' personal data and non-depersonalized big data to non-Russian persons,
  - Russian users' personal data protection policies,
  - agreements with non-Russian states or international intergovernmental organizations
- Special Voting Interest will allow Public Interest Committee, in **very specific situations**, and upon the determination of the qualified majority of directors of the Foundation, the temporary replacement of the General Director of Yandex LLC
- The situations, triggering the replacement of the General Director are:
  - a Special Corporate Situation - an unresolved breach of specific governance rights of the Public Interest Foundation at the Yandex. N.V level
  - a Special Situation - an unresolved issue constituting an extraordinary one-off event related to matters of the national security of the Russian Federation requiring urgent remedy

## Yandex Nominees for Designated Directors



**Alexey  
Komissarov**

- Vice-Rector of the Russian Presidential Academy of National Economy and Public Administration
- Member of PJSC SIBUR Holding's Board of Directors
- Served as the Director of the Industry Development Fund and as an Independent Director, Member of the Strategy and Investment Committee and Chairman of the Budget and Reporting Committee to GLONASS in 2015-2017
- Served in the Moscow government as a Minister and Head of the Department of Science, Industrial Policy and Entrepreneurship and Advisor to the Mayor in 2011-2015
- Holds degree from the Moscow Automobile and Road Construction State Technical University (MADI) in Automotive Engineering and Maintenance and MBA from Kingston University (UK)
- Graduated from the Institute of Directors as a Chartered Director

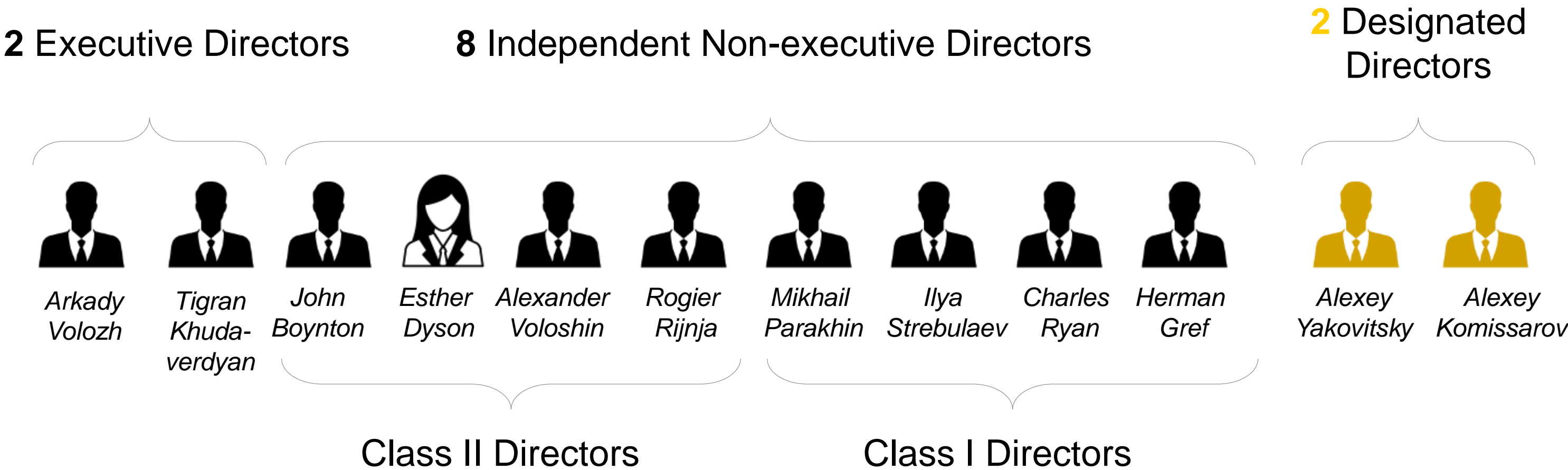


**Alexey  
Yakovitsky**

- CEO of VTB Capital, VTB Group's investment banking business, member of VTB Capital's board of directors, Chairman of the Supervisory Board of VTB Bank (Europe) SE, member of the Board of Directors of Rostelecom
- Started his career in equity research at United Financial Group (UFG). Ranked #1 telecom analyst for Russia by Institutional Investor in 2004
- Co-head of Russian equity research at UFG and Deutsche Bank (which acquired UFG) in 2005-2008
- Joined VTB Capital in 2008 as co-head of equities and head of research, and became CEO of VTB Capital Russia in 2009
- Holds degrees from Moscow Lomonosov State University, Department of History, as well as from the Nelson A. Rockefeller College of Public Affairs and Policy (Albany, US)

# Changes to the Yandex N.V. Board Composition

- BoD will be expanded to include 2 additional Designated Directors appointed by the Public Interest Foundation via a binding nomination
- A new Public Interest Committee will be formed to address a specific, limited set of issues
- Nominating Committee will be separated from the Corporate Governance Committee and will nominate potential board candidates to the Board. A Designated Director will have the right to veto 4 out of 12 nominees to the BoD of Yandex N.V.



Public Interest Committee	Nominating Committee
<ul style="list-style-type: none"><li>■ Comprised of 2 DDs and the CEO; decisions must be unanimous</li><li>■ Has power to approve Board's decisions on certain and specific matters related to:<ul style="list-style-type: none"><li>— Sale or licence of material IP rights that would restrict its use by Yandex in Russia</li><li>— Transfer of personal data of Russian users to non-Russian persons</li><li>— Modification of internal policies on protection of personal data and big data of Russian users</li><li>— Agreements with a non-Russian state or a non-Russian state organization</li></ul></li></ul>	<ul style="list-style-type: none"><li>■ Comprised of 1 DD and 4 Independent Non-executive Directors</li><li>■ Board selects one of two DDs to serve on the Nomination Committee by a simple majority vote</li><li>■ Responsible for recommending to the Board the nomination of the 10 Directors who are not the Designated Directors</li><li>■ DD will have veto right (but not approval rights) in respect to the nomination of the 4 Class I Directors of the Board</li><li>■ Board will have to approve Class I candidates before proposing them for shareholder vote</li></ul>

# Supplementary Materials



# Reconciliation of Non-GAAP Financial Measures<sup>1</sup>

	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19		2013	2014	2015	2016	2017	2018	2019
Total revenues	22,119	20,652	22,104	23,438	27,860	26,573	29,672	32,570	38,842	37,284	41,397	45,014	51,696		39,502	50,767	59,792	75,925	94,054	127,657	175,391
Less: traffic acquisition costs (TAC)	4,274	3,935	4,216	4,405	4,789	4,317	4,724	5,293	6,164	5,342	5,594	5,757	6,631		7,850	11,076	12,741	14,950	17,345	20,498	23,324
Ex-TAC revenues	17,845	16,717	17,888	19,033	23,071	22,256	24,948	27,277	32,678	31,942	35,803	39,257	45,065		31,652	39,691	47,051	60,975	76,709	107,159	152,067
Net income	1,213	1,444	3,112	939	3,525	1,851	32,575	4,433	5,398	3,124	3,416	4,378	281		13,474	17,020	9,679	6,783	9,020	44,258	11,199
Add: depreciation and amortization	2,408	2,463	2,823	2,930	3,023	2,890	2,926	3,118	3,203	3,257	3,756	3,788	3,976		3,695	4,484	7,791	9,607	11,239	12,137	14,777
Add: share-based compensation expense	865	958	965	876	1,394	1,633	1,561	1,716	1,642	2,119	2,347	2,670	2,719		754	1,210	2,718	3,422	4,193	6,552	9,855
Add: compensation expense related to contingent consideration	91	78	41	42	42	22	7	8	7	7	7	24	-		81	35	291	245	203	44	38
Add: one-off restructuring expenses	-	-	-	-	-	-	-	-	-	-	-	-	882		-	-	-	-	-	-	882
Less: effect of Yandex.Market deconsolidation	-	-	-	-	-	-	(28,244)	-	-	-	-	-	-		-	-	-	-	-(28,244)	-	-
Add: goodwill impairment	-	-	-	-	-	-	-	-	-	-	-	-	762		-	-	576	-	-	-	762
Less: interest income, net	(344)	(481)	(471)	(506)	(554)	(487)	(574)	(668)	(708)	(826)	(822)	(817)	(776)		(1,717)	(856)	(1,744)	(1,655)	(2,012)	(2,437)	(3,241)
Less: other income/(loss), net	1,209	1,420	(991)	481	(93)	491	(1,352)	(155)	(114)	235	414	(364)	915		(2,154)	(6,248)	(2,161)	3,570	817	(1,130)	1,200
Less: (income)/loss from equity method investments	(55)	-	-	-	-	(91)	(211)	22	474	638	946	899	1,403		(5)	(48)	(98)	(175)	-	194	3,886
Add: income tax expense	1,314	938	1,280	895	1,904	1,395	2,068	2,326	2,412	2,214	3,033	3,341	3,068		3,239	5,455	3,917	4,324	5,017	8,201	11,656
Add: operating losses resulting from sanctions in Ukraine	-	-	387	-	17	-	-	-	-	-	-	-	-		-	-	-	-	404	-	-
Adjusted EBITDA	6,701	6,820	7,146	5,657	9,258	7,704	8,756	10,801	12,314	10,768	13,097	13,919	13,230		17,367	21,052	20,969	26,121	28,881	39,575	51,014

<sup>1</sup> Figures may not add due to rounding

# Reconciliation of Non-GAAP Financial Measures (continued)<sup>1</sup>

	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2013	2014	2015	2016	2017	2018	2019
Net income	1,213	1,444	3,112	939	3,525	1,851	32,575	4,434	5,398	3,124	3,416	4,378	281	13,474	17,020	9,679	6,783	9,020	44,258	11,199
Add: SBC expense	865	958	965	876	1,394	1,633	1,561	1,716	1,642	2,119	2,347	2,670	2,719	754	1,210	2,718	3,422	4,193	6,552	9,855
Less: reduction in income tax attributable to SBC expense	-	(12)	(16)	(18)	(16)	(20)	(27)	(29)	(28)	(18)	(21)	(20)	(42)	(9)	(20)	(41)	(36)	(62)	(104)	(101)
Add: compensation expense related to contingent consideration	91	78	41	42	42	22	7	8	7	7	7	24	-	81	35	291	245	203	44	38
Less: foreign exchange (gains)/losses	1,163	1,370	(875)	464	176	482	(1,224)	(154)	(273)	279	270	(254)	999	(139)	(6,553)	(1,903)	3,834	1,135	(1,169)	1,294
Add: increase/(reduction) in income tax attributable to foreign exchange (gains)/losses	(234)	(264)	190	(92)	(31)	(86)	223	36	68	(71)	(73)	78	(202)	28	1,324	355	(775)	(196)	241	(268)
Add: one-off restructuring expenses	-	-	-	-	-	-	-	-	-	-	-	-	882	-	-	-	-	-	-	882
Less: effect of deconsolidation of former subsidiaries	-	-	-	-	-	-	(28,244)	-	-	-	(121)	-	-	-	-	-	-	-	(28,244)	(121)
Add: impairment of investment in equity securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	700	-	-	-	-	-
Less: reduction in income tax attributable to impairment of investment in equity securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(175)	-	-	-	-	-
Less: gain from sale and deconsolidation of equity investments	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,067)	-	-	-	-	-	-
Add: goodwill impairment	-	-	-	-	-	-	-	-	-	-	-	-	762	-	-	576	-	-	-	762
Less: (gain)/loss from repurchases of convertible debt	-	3	3	-	-	-	-	-	-	-	-	-	-	-	(548)	(310)	(53)	6	-	-
Add: increases/(reduction) in income tax attributable to (gain)/loss from repurchases of convertible debt	-	(1)	-	-	-	-	-	-	-	-	-	-	-	-	137	77	13	(1)	-	-
Add: amortization of debt discount	201	173	165	173	173	170	187	201	170	-	-	-	-	24	811	967	911	684	728	-
Less: reduction in income tax attributable to amortization of debt discount	(50)	(43)	(42)	(43)	(43)	(43)	(46)	(50)	(43)	-	-	-	-	(6)	(190)	(230)	(228)	(171)	(182)	-
Add: losses resulting from sanctions in Ukraine	-	-	393	-	-	-	-	-	-	-	-	-	-	-	-	-	-	393	-	-
Adjusted net income	3,249	3,706	3,936	2,341	5,220	4,009	5,012	6,162	6,941	5,440	5,825	6,876	5,399	12,140	13,751	12,179	14,116	15,204	22,124	23,540

<sup>1</sup> Figures may not add due to rounding

# Reconciliation of Non-GAAP Financial Measures (continued)<sup>1</sup>

	US GAAP Actual Net Income	Net Income Margin (1)	Adjustment (2)	Adjusted EBITDA	Adjusted EBITDA Margin (3)	Adjusted Ex-TAC EBITDA Margin (4)
Reconciliation of Adjusted EBITDA Margin and Adjusted Ex-TAC EBITDA Margin to US GAAP Net Income Margin (Rub MM)						
Three months ended June 30, 2015	423	3.0%	4,394	4,817	34.6%	44.2%
Three months ended September 30, 2015	4,278	27.7%	1,743	6,021	39.0%	49.5%
Three months ended December 31, 2015	2,851	15.8%	3,709	6,560	36.3%	45.6%
Three months ended March 31, 2016	1,069	6.5%	4,701	5,770	35.0%	44.1%
Three months ended June 30, 2016	2,058	11.4%	4,704	6,762	37.5%	46.7%
Three months ended September 30, 2016	2,443	12.7%	4,445	6,888	35.7%	44.3%
Three months ended December 31, 2016	1,213	5.5%	5,488	6,701	30.3%	37.6%
Three months ended March 31, 2017	1,144	7.0%	5,376	6,820	33.0%	40.8%
Three months ended June 30, 2017	3,112	14.1%	4,034	7,146	32.3%	39.9%
Three months ended September 30, 2017	939	4.0%	4,718	5,657	24.1%	29.7%
Three months ended December 31, 2017	3,525	12.7%	5,733	9,258	33.2%	40.1%
Three months ended March 31, 2018	1,851	7.0%	5,853	7,704	29.0%	34.6%
Three months ended June 30, 2018	32,575	109.8%	(23,819)	8,756	29.5%	35.1%
Three months ended September 30, 2018	4,434	13.6%	6,367	10,801	33.2%	39.6%
Three months ended December 31, 2018	5,398	13.9%	6,916	12,314	31.7%	37.7%
Three months ended March 31, 2019	3,124	8.4%	7,644	10,768	28.9%	33.7%
Three months ended June 30, 2019	3,416	8.3%	9,681	13,097	31.6%	36.6%
Three months ended September 30, 2019	4,378	9.7%	9,541	13,919	30.9%	35.5%
Three months ended December 31, 2019	281	0.5%	12,949	13,230	25.6%	29.4%
Twelve months ended December 31, 2010	3,817	30.5%	2,347	6,164	49.3%	56.4%
Twelve months ended December 31, 2011	5,773	28.8%	3,464	9,237	46.1%	54.2%
Twelve months ended December 31, 2012	8,223	28.6%	4,919	13,142	45.7%	54.8%
Twelve months ended December 31, 2013	13,474	34.1%	3,893	17,367	44.0%	54.9%
Twelve months ended December 31, 2014	17,020	33.5%	4,032	21,052	41.5%	53.0%
Twelve months ended December 31, 2015	9,679	16.2%	11,290	20,969	35.1%	44.6%
Twelve months ended December 31, 2016	6,783	8.9%	19,338	26,121	34.4%	42.8%
Twelve months ended December 31, 2017	9,020	9.6%	19,861	28,881	30.7%	37.7%
Twelve months ended December 31, 2018	44,258	34.7%	(4,683)	39,575	31.0%	36.9%
Twelve months ended December 31, 2019	11,199	6.4%	39,815	51,014	29.1%	33.5%

(1) Net income margin is defined as net income divided by total revenues.

(2) Adjusted to eliminate depreciation and amortization expense, SBC expense, expense related to contingent compensation, effect of deconsolidation of former subsidiaries, interest income, interest expense, (income)/loss from equity method investments, other (income)/loss, net and income tax expense. For a reconciliation of adjusted EBITDA to net income, please see the table above.

(3) Adjusted EBITDA margin is defined as adjusted EBITDA divided by total revenues.

(4) Adjusted ex-TAC EBITDA margin is defined as adjusted EBITDA divided by ex-TAC revenues. For a reconciliation of ex-TAC revenues to U.S. GAAP revenues, please see the table above.

<sup>1</sup> Figures may not add due to rounding



# Reconciliation of Non-GAAP Financial Measures (continued)<sup>1</sup>

	US GAAP Actual Net Income	Net Income Margin (1)	Adjustment (2)	Adjusted Net Income	Adjusted Net Income Margin (3)	Adjusted Ex-TAC Net Income Margin (4)
Reconciliation of Adjusted Net Income Margin and Adjusted Ex-TAC Net Income Margin to US GAAP Net Income Margin (Rub MM)						
Three months ended June 30, 2015	423	3.0%	2,368	2,791	20.1%	25.6%
Three months ended September 30, 2015	4,278	27.7%	(771)	3,507	22.7%	28.8%
Three months ended December 31, 2015	2,851	15.8%	781	3,632	20.1%	25.3%
Three months ended March 31, 2016	1,069	6.5%	2,099	3,168	19.2%	24.2%
Three months ended June 30, 2016	2,058	11.4%	1,848	3,906	21.7%	27.0%
Three months ended September 30, 2016	2,443	12.7%	1,350	3,793	19.7%	24.4%
Three months ended December 31, 2016	1,213	5.5%	2,036	3,249	14.7%	18.2%
Three months ended March 31, 2017	1,144	7.0%	2,262	3,706	17.9%	22.2%
Three months ended June 30, 2017	3,112	14.1%	824	3,936	17.8%	22.0%
Three months ended September 30, 2017	939	4.0%	1,402	2,341	10.0%	12.3%
Three months ended December 31, 2017	3,525	12.7%	1,695	5,220	18.7%	22.6%
Three months ended March 31, 2018	1,851	7.0%	2,158	4,009	15.1%	18.0%
Three months ended June 30, 2018	32,575	109.8%	(27,563)	5,012	16.9%	20.1%
Three months ended September 30, 2018	4,433	13.6%	1,728	6,162	18.9%	22.6%
Three months ended December 31, 2018	5,398	13.9%	1,543	6,941	17.9%	21.2%
Three months ended March 31, 2019	3,124	8.4%	2,316	5,440	14.6%	17.0%
Three months ended June 30, 2019	3,416	8.3%	2,409	5,825	14.1%	16.3%
Three months ended September 30, 2019	4,378	9.7%	2,498	6,876	15.3%	17.5%
Three months ended December 31, 2019	281	0.5%	5,118	5,399	10.4%	12.0%
Twelve months ended December 31, 2010	3,817	30.5%	151	3,968	31.7%	36.3%
Twelve months ended December 31, 2011	5,773	28.8%	230	6,003	30.0%	35.2%
Twelve months ended December 31, 2012	8,223	28.6%	545	8,768	30.5%	36.6%
Twelve months ended December 31, 2013	13,474	34.1%	(1,334)	12,140	30.7%	38.4%
Twelve months ended December 31, 2014	17,020	33.5%	(3,269)	13,751	27.1%	34.6%
Twelve months ended December 31, 2015	9,679	16.2%	2,500	12,179	20.4%	25.9%
Twelve months ended December 31, 2016	6,783	8.9%	7,333	14,116	18.6%	23.2%
Twelve months ended December 31, 2017	9,020	9.6%	6,184	15,204	16.2%	19.8%
Twelve months ended December 31, 2018	44,258	34.7%	(22,134)	22,124	17.3%	20.6%
Twelve months ended December 31, 2019	11,199	6.4%	12,341	23,540	13.4%	15.5%

(1) Net income margin is defined as net income divided by total revenues.

(2) Adjusted to eliminate SBC expense (as adjusted for the income tax reduction attributable to SBC expense), expense related to contingent compensation, foreign exchange (gains)/losses as adjusted for the increase/(reduction) in income tax attributable to the (gains)/losses, effect of deconsolidation of former subsidiaries and amortization of debt discount (as adjusted for the related reduction in income tax). For a reconciliation of adjusted net income to net income, please see the table above.

(3) Adjusted net income margin is defined as adjusted net income divided by total revenues.

(4) Adjusted ex-TAC net income margin is defined as adjusted net income divided by ex-TAC revenues. For a reconciliation of ex-TAC revenues to U.S. GAAP revenues, please see the table.

<sup>1</sup> Figures may not add due to rounding



## Contact us



[askir@yandex-team.ru](mailto:askir@yandex-team.ru)



+7 495 974-35-38