

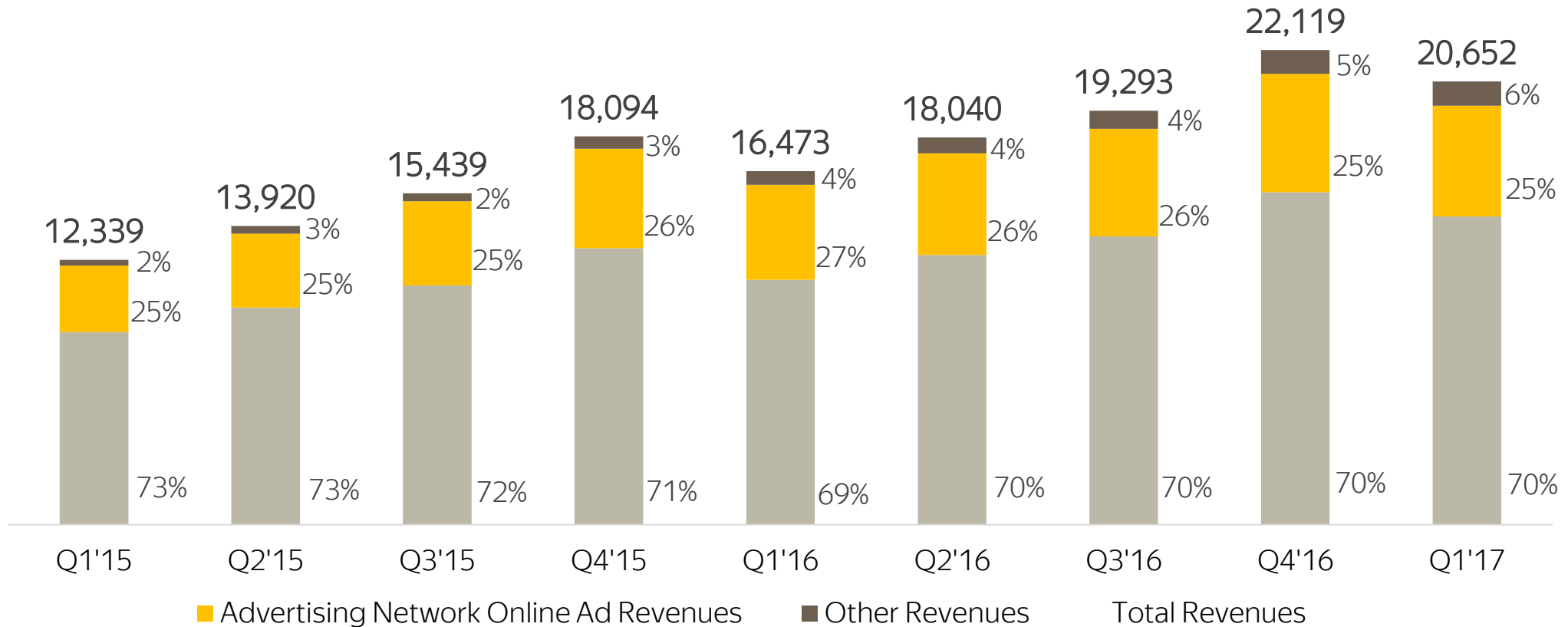
Yandex

Quarterly Supplementary Materials

April 27, 2017

Revenue Structure

Yandex Revenue Breakdown¹, MM RUB, %

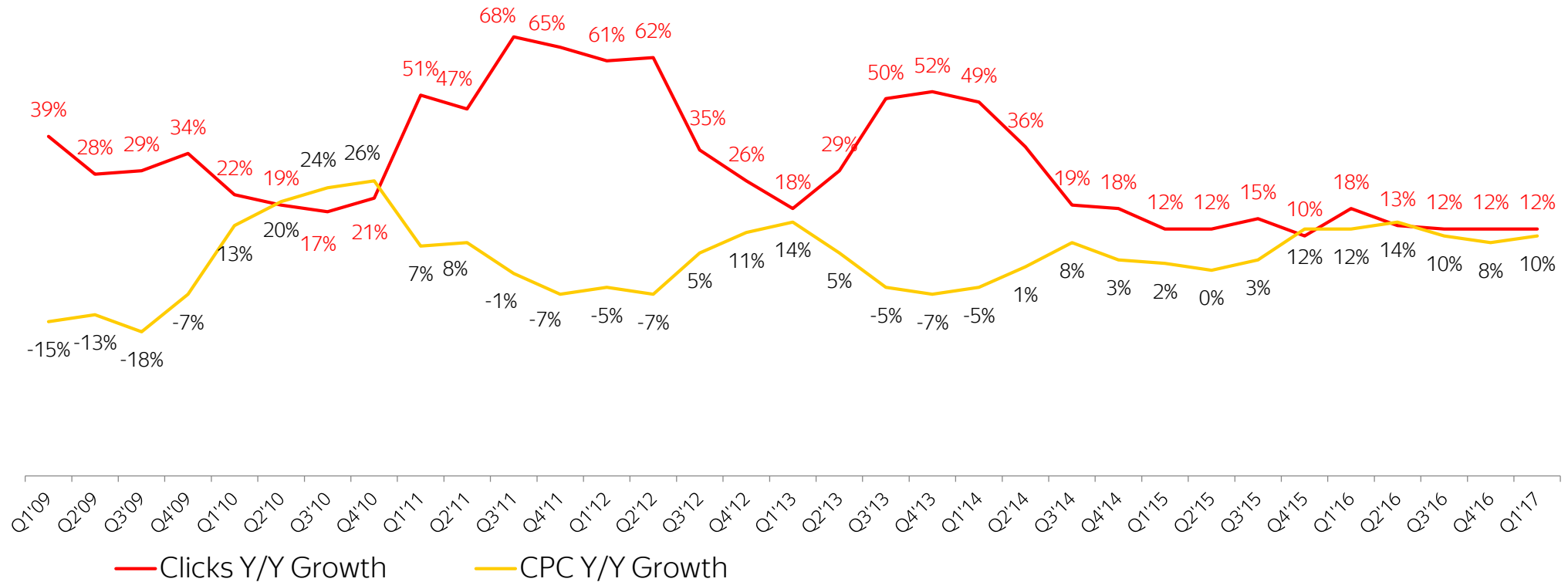


¹ As online advertising formats continue to converge, starting from Q1 2016 we are no longer providing a breakdown of our online ad revenues into text-based and display revenues. However, we continue to separately present online advertising revenues from Yandex websites and revenues from our Ad Network.

Items may not total 100% due to rounding

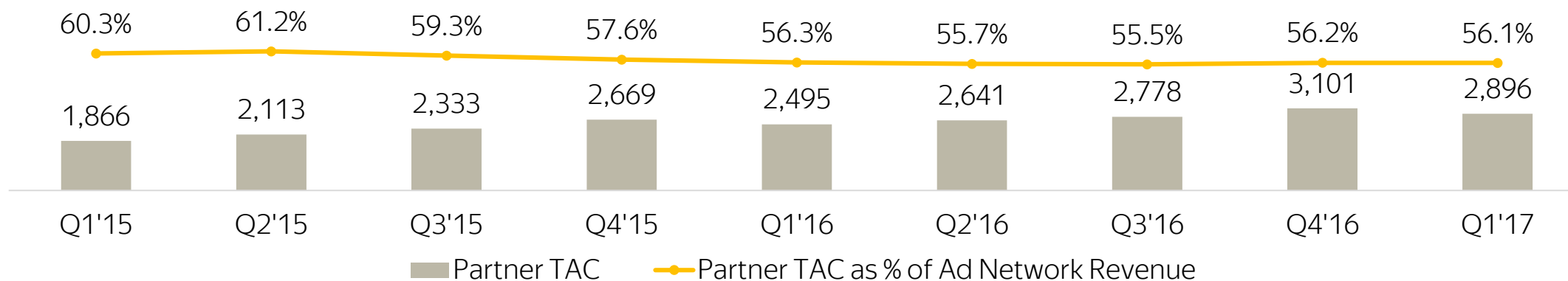
Operational Metrics

Growth in Paid Clicks and CPC, %

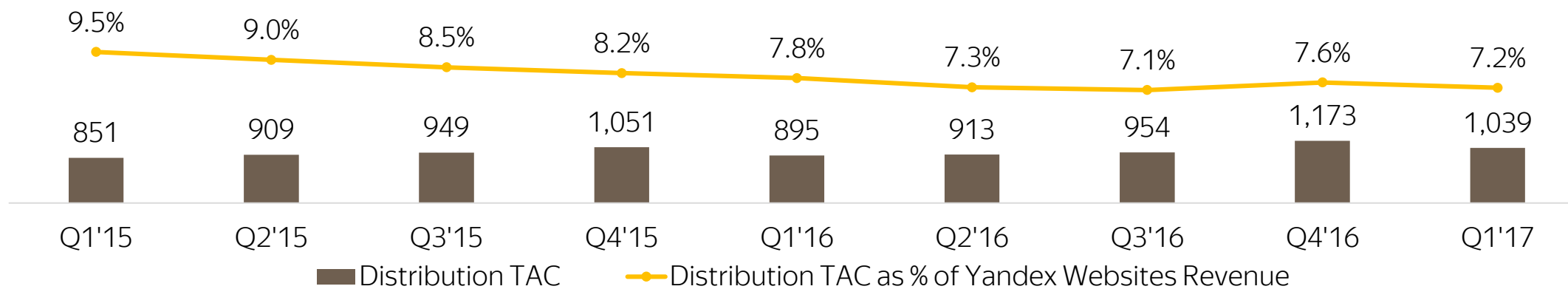


Traffic Acquisition Costs

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



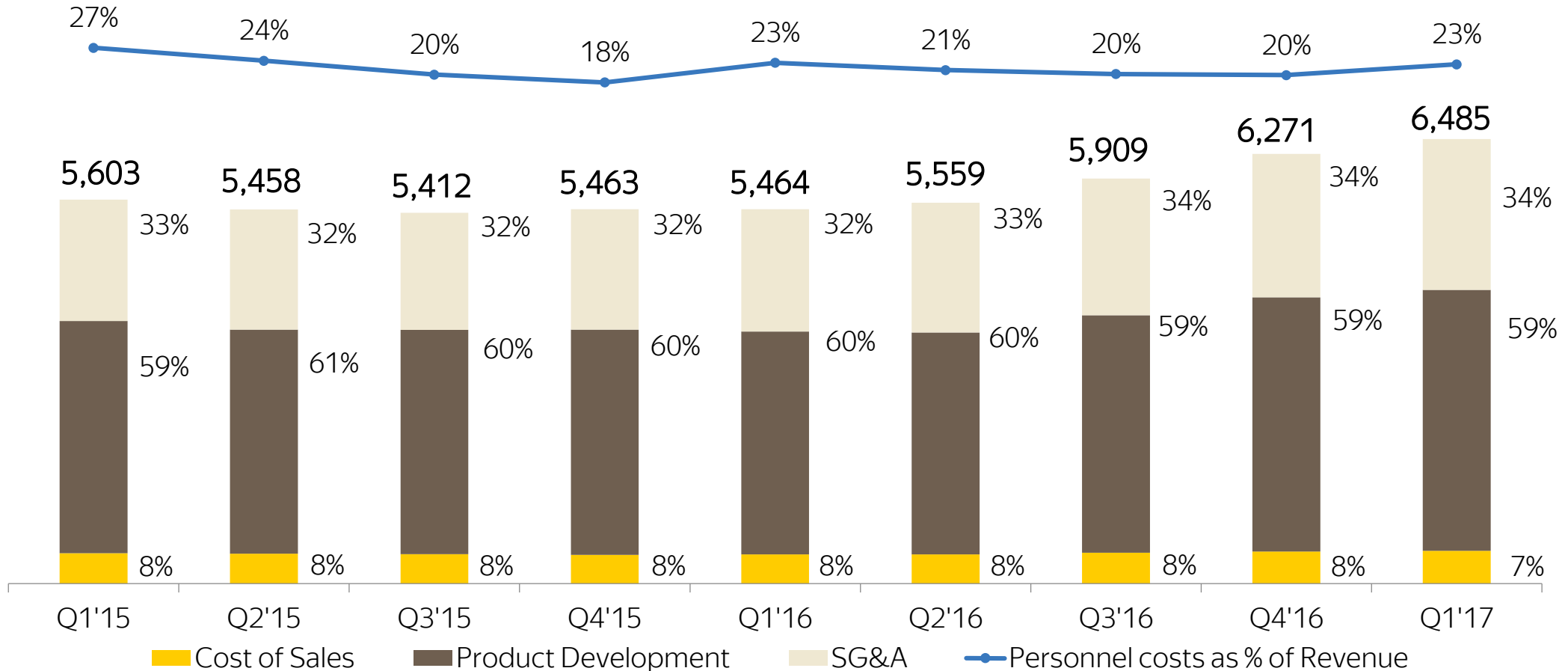
Distribution TAC as % of Yandex Websites Online Ad Revenue, MM RUB, %



¹ As online advertising formats continue to converge, starting from Q1 2016 we are no longer providing a breakdown of our online ad revenues into text-based and display revenues. However, we continue to separately present online advertising revenues from Yandex websites and revenues from our Ad Network. As a result, we now show Partner TAC as % of our Ad Network revenue, which includes revenues from text-based ad network and our display ad network, and distribution TAC as % of our online advertising revenues from text-based and display advertising on our owned and operated websites.

Headcount by Cost Category and Personnel Cost Evolution

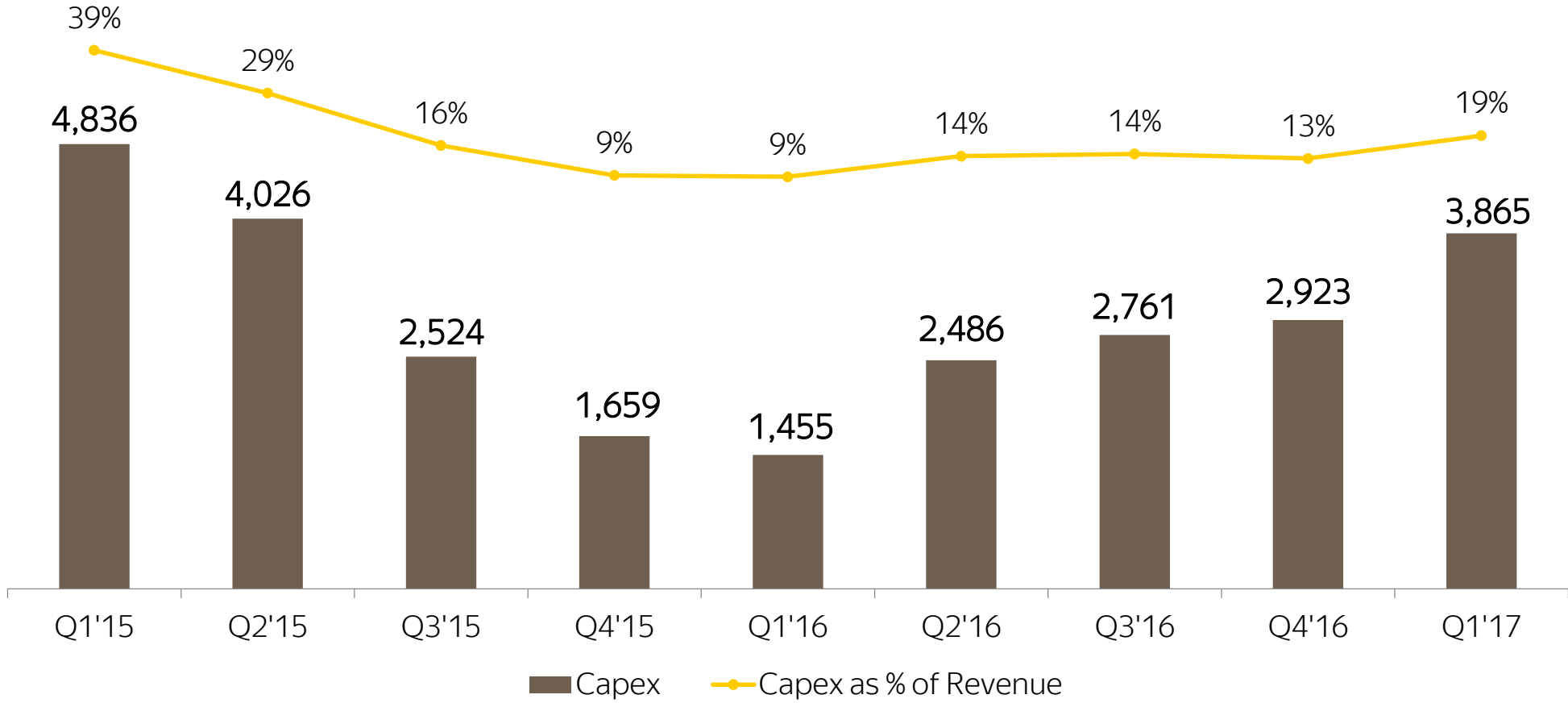
Headcount¹ by GAAP Cost Category²



¹ As of the end of the period

² Items may not total 100% due to rounding

Capex, MM RUB



Costs, MM RUB

	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17
Cost of Sales (COS)									
<i>TAC</i>	2,717	3,022	3,282	3,720	3,390	3,554	3,732	4,274	3,935
<i>COS ex-SBC, ex-TAC</i>	953	919	995	1,034	1,065	1,096	1,136	1,314	1,371
<i>SBC related to COS</i>	43	41	41	43	49	46	50	48	42
Total Cost of Sales	3,713	3,982	4,318	4,797	4,504	4,696	4,918	5,636	5,348
<i>Total COS as % of Revenue</i>	<i>30%</i>	<i>29%</i>	<i>28%</i>	<i>27%</i>	<i>27%</i>	<i>26%</i>	<i>25%</i>	<i>25%</i>	<i>26%</i>
Product Development (PD)									
<i>PD ex-SBC</i>	2,968	2,905	2,711	2,977	3,282	3,249	3,326	3,737	3,942
<i>SBC related to PD</i>	379	395	457	629	595	545	532	566	576
Total PD	3,347	3,300	3,168	3,606	3,877	3,794	3,858	4,303	4,518
<i>PD as % of Revenue</i>	<i>27%</i>	<i>24%</i>	<i>21%</i>	<i>20%</i>	<i>24%</i>	<i>21%</i>	<i>20%</i>	<i>19%</i>	<i>22%</i>
SG&A									
<i>SG&A expense ex-SBC</i>	2,165	2,410	2,445	3,891	3,011	3,427	4,272	6,184	4,608
<i>SBC related to SG&A</i>	138	158	173	221	247	290	203	251	340
Total SG&A	2,303	2,568	2,618	4,112	3,258	3,717	4,475	6,435	4,948
<i>SG&A as % of Revenue</i>	<i>19%</i>	<i>18%</i>	<i>17%</i>	<i>23%</i>	<i>20%</i>	<i>21%</i>	<i>23%</i>	<i>29%</i>	<i>24%</i>
Depreciation & Amortization (D&A)									
	1,490	1,874	2,152	2,275	2,394	2,316	2,489	2,408	2,463
<i>D&A as % of Revenue</i>	<i>12%</i>	<i>13%</i>	<i>14%</i>	<i>13%</i>	<i>15%</i>	<i>13%</i>	<i>13%</i>	<i>11%</i>	<i>12%</i>
Total Costs	10,853	11,724	12,256	15,366*	14,033	14,523	15,740	18,782	17,277
<i>Total Costs as % of Revenue</i>	<i>88%</i>	<i>84%</i>	<i>79%</i>	<i>85%</i>	<i>85%</i>	<i>81%</i>	<i>82%</i>	<i>85%</i>	<i>84%</i>

Items may not total 100% due to rounding

* Total costs in Q4 2015 include 576MM RUB of goodwill impairment related to Kinopoisk acquisition, reflecting more conservative projected free cash flows

Historical Information on Revenues and Adjusted EBITDA of Our Segments

<i>In RUB millions</i>	Quarterly data									Annual data			
	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	2013	2014	2015	2016
Revenues:													
Search and Portal	11,620	13,107	14,505	16,673	15,147	16,532	17,482	20,095	18,656	37,039	47,920	55,905	69,256
E-commerce	671	730	827	1,172	1,043	1,069	1,200	1,406	1,295	2,810	2,889	3,400	4,718
Taxi	161	194	234	395	445	528	587	753	778	112	327	984	2,313
Classifieds	179	211	243	261	241	313	352	398	371	327	539	894	1,304
Experiments	99	94	106	142	185	153	210	282	326	179	337	441	830
Eliminations*	(391)	(416)	(476)	(549)	(588)	(555)	(538)	(815)	(774)	(965)	(1,245)	(1,832)	(2,496)
Total Revenues	12,339	13,920	15,439	18,094	16,473	18,040	19,293	22,119	20,652	39,502	50,767	59,792	75,925

<i>In RUB millions</i>	Quarterly data									Annual data			
	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	2013	2014	2015	2016
Adjusted EBITDA:													
Search and Portal	3,585	4,897	6,041	7,128	5,911	6,927	7,484	8,123	7,973	16,136	20,417	21,651	28,445
E-commerce	393	411	436	486	380	325	386	329	560	2,071	1,873	1,726	1,420
Taxi	87	50	44	(19)	0	(153)	(633)	(1,300)	(1,245)	57	217	162	(2,086)
Classifieds	10	67	83	(14)	(6)	23	26	(97)	4	221	278	146	(54)
Experiments	(504)	(608)	(583)	(1,021)	(515)	(360)	(375)	(354)	(418)	(1,118)	(1,733)	(2,716)	(1,604)
Total adjusted EBITDA	3,571	4,817	6,021	6,560	5,770	6,762	6,888	6,701	6,874	17,367	21,052	20,969	26,121

Search and Portal segment includes all our services offered in Russia, Ukraine, Belarus and Kazakhstan, other than those, described below;

E-commerce segment includes our Yandex.Market service;

Taxi segment includes our Yandex.Taxi service;

Classifieds segment includes Auto.ru, Yandex.Realty, Yandex.Jobs and Yandex.Travel;

Experiments segment includes Media Services (including Kinopoisk, Yandex.Music, Yandex.Radio, Yandex.Tickets, Yandex.Afisha and Yandex TV program), Yandex Data Factory, Discovery services, including Yandex Zen and Yandex Launcher international products, and Search and Portal in Turkey.

Eliminations represent the elimination of transaction results between the reportable segments, primarily related to advertising.