

# Yandex

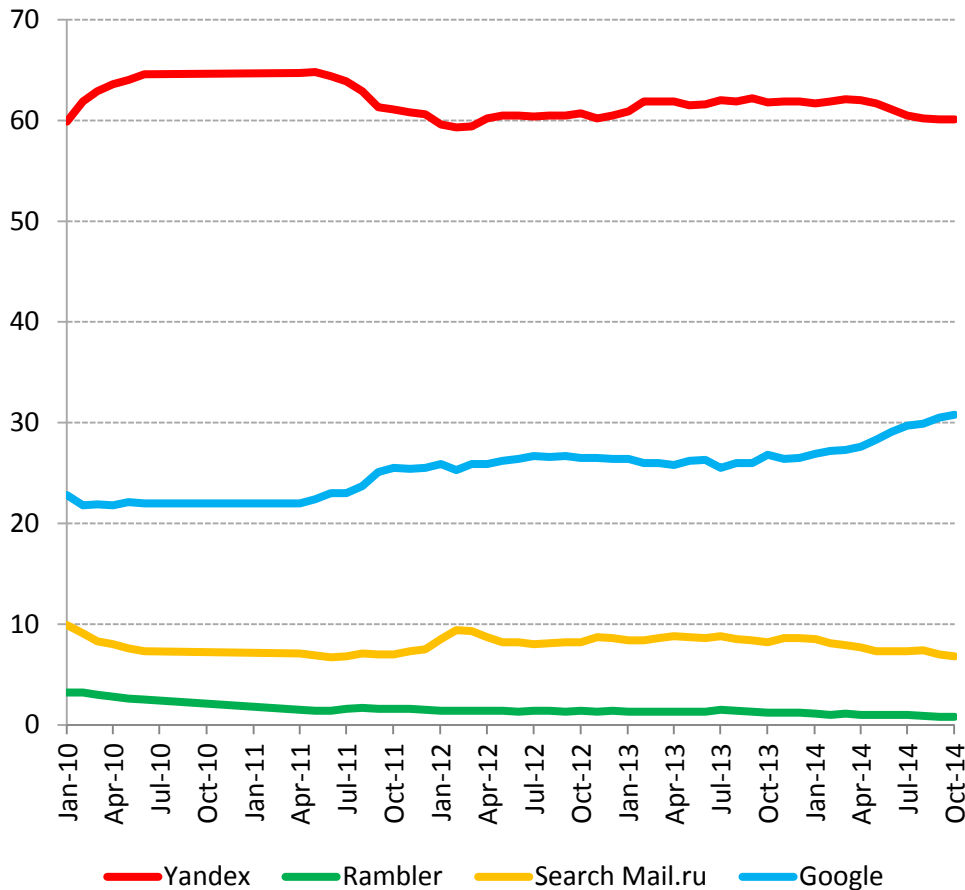
Quarterly Supplementary Materials

Search

October 23, 2014

# Share of the Russian Search Market

**RUSSIAN SEARCH MARKET, %**



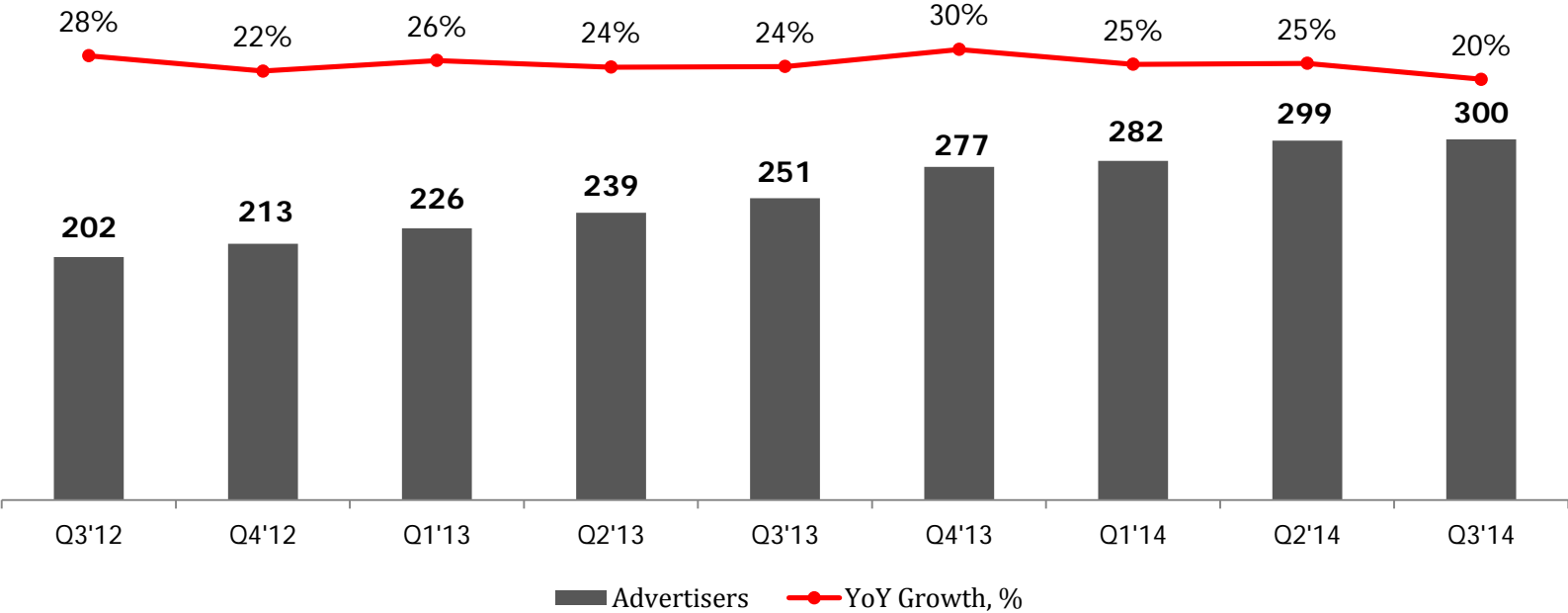
**AVERAGE SEARCH SHARE PER QUARTER, %**

	Yandex	Google	Mail.ru	Rambler
<i>Q1'12</i>	59.4	25.7	9.1	1.4
<i>Q2'12</i>	60.4	26.2	8.4	1.4
<i>Q3'12</i>	60.5	26.7	8.1	1.4
<i>Q4'12</i>	60.5	26.5	8.5	1.4
<i>Q1'13</i>	61.6	26.1	8.5	1.3
<i>Q2'13</i>	61.7	26.1	8.7	1.3
<i>Q3'13</i>	62.0	25.8	8.6	1.4
<i>Q4'13</i>	61.9	26.6	8.5	1.2
<i>Q1'14</i>	61.9	27.6	8.2	1.1
<i>Q2'14</i>	61.6	28.3	7.4	1.0
<i>Q3'14</i>	60.3	30.0	7.2	0.9

Source: LiveInternet.ru (through October 21, 2014). Search traffic reflects Russian users to Russian websites. Includes mobile searches

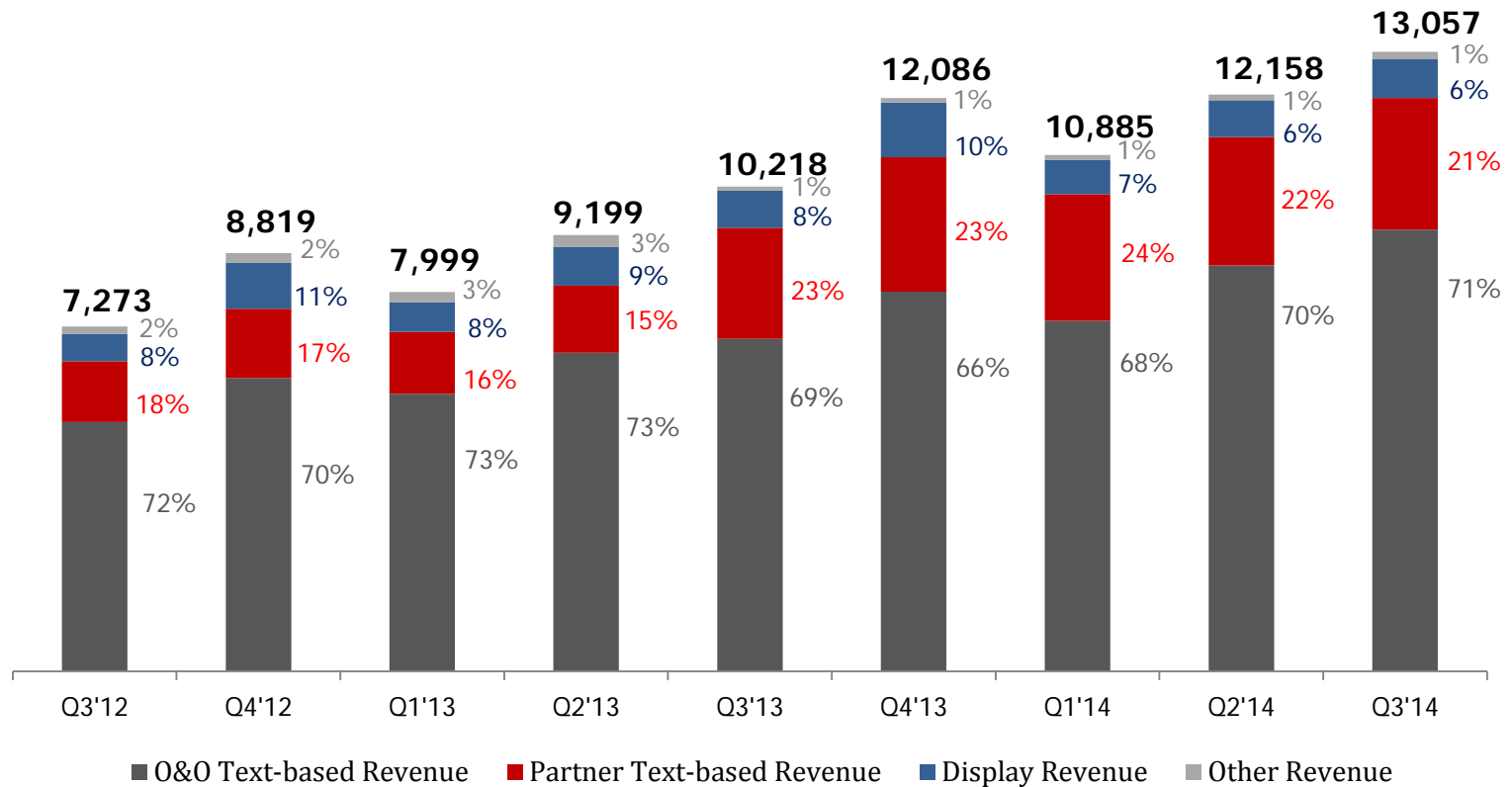
# Advertisers

NUMBER OF ADVERTISERS, IN THOUSANDS



# Revenue

YANDEX REVENUE<sup>1</sup> BREAKDOWN<sup>2</sup>, MM RUR, %

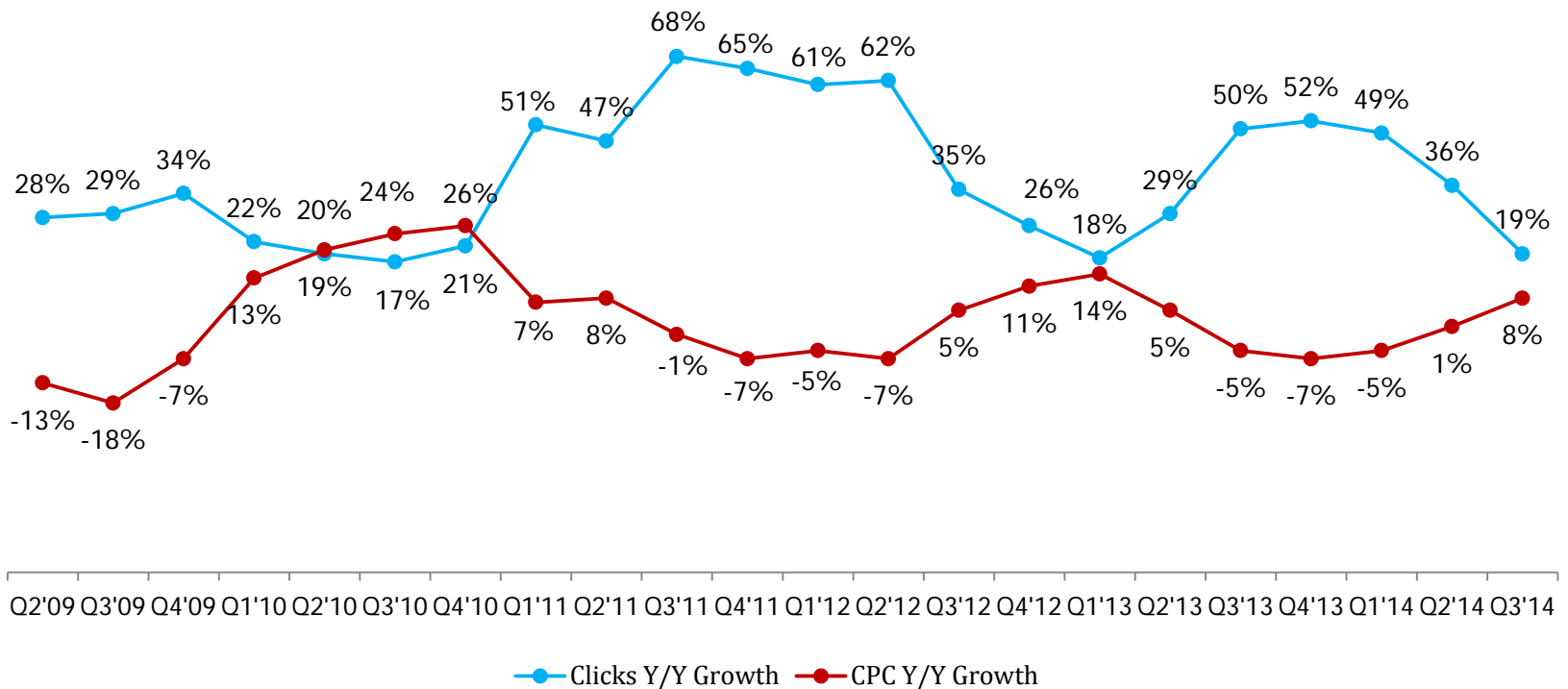


<sup>1</sup> Net of Discounts and Commissions, but gross of TAC

<sup>2</sup> Items may not total 100% due to rounding

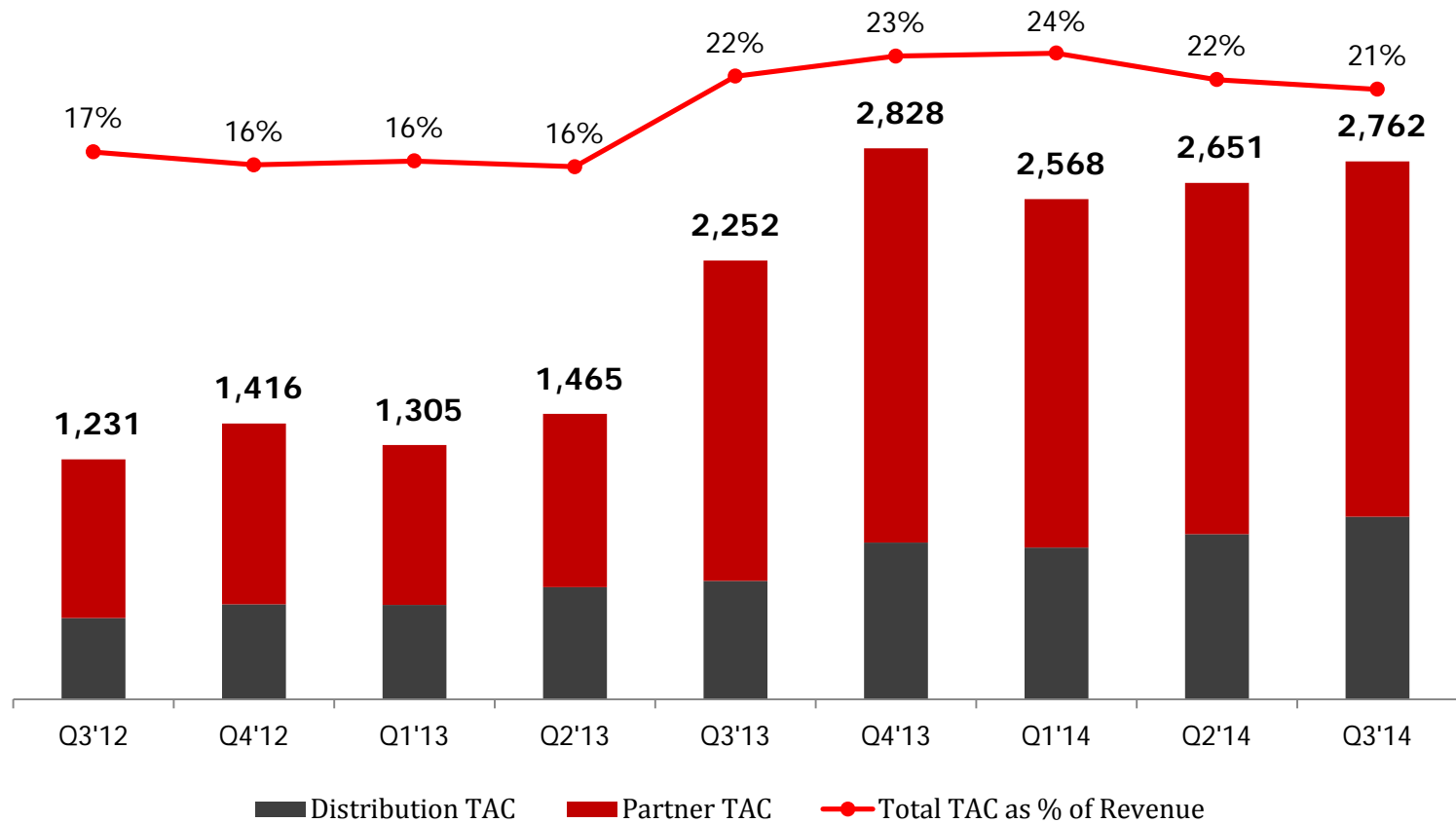
# Operational Metrics

## GROWTH IN PAID CLICKS AND CPC, %



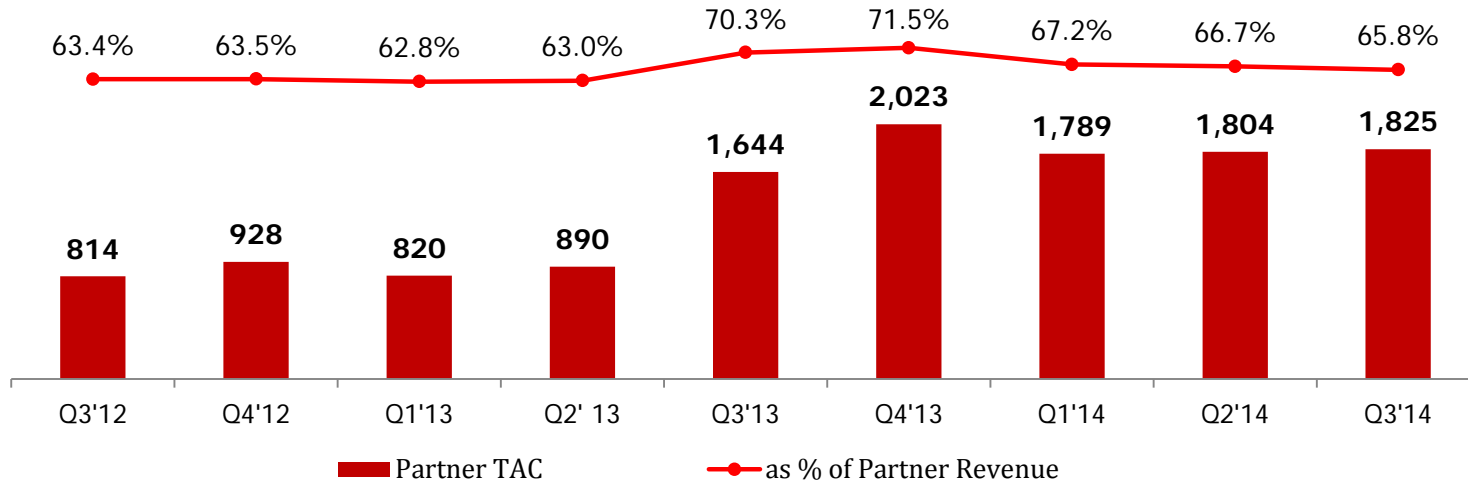
# Traffic Acquisition Costs

TAC BREAKDOWN, MM RUR

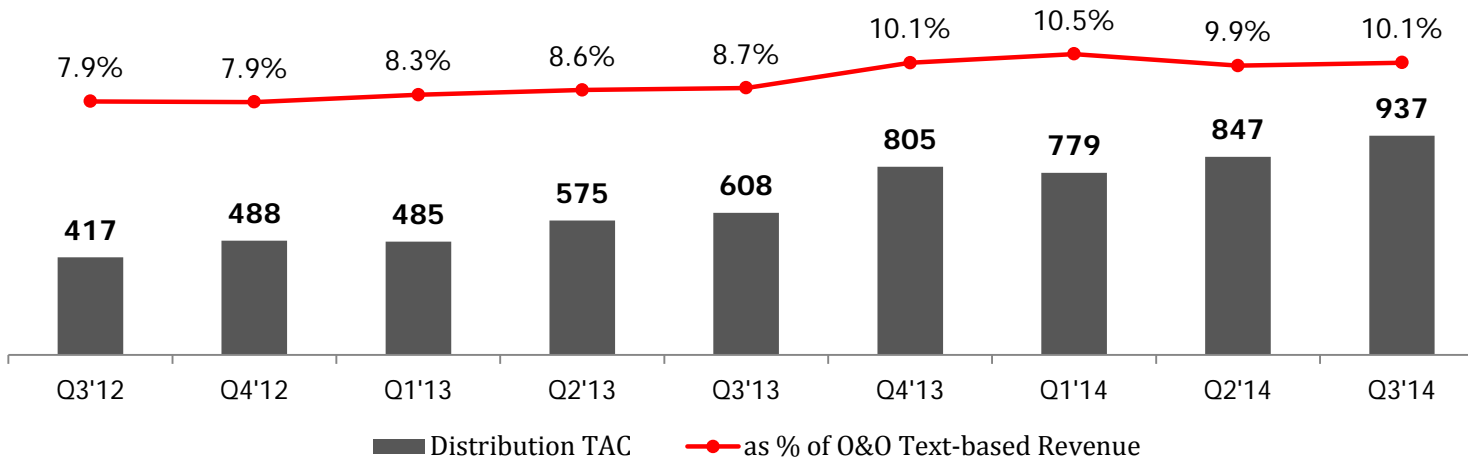


# Traffic Acquisition Costs

Partner TAC as % of Partner Revenue<sup>1</sup>, MM RUR, %



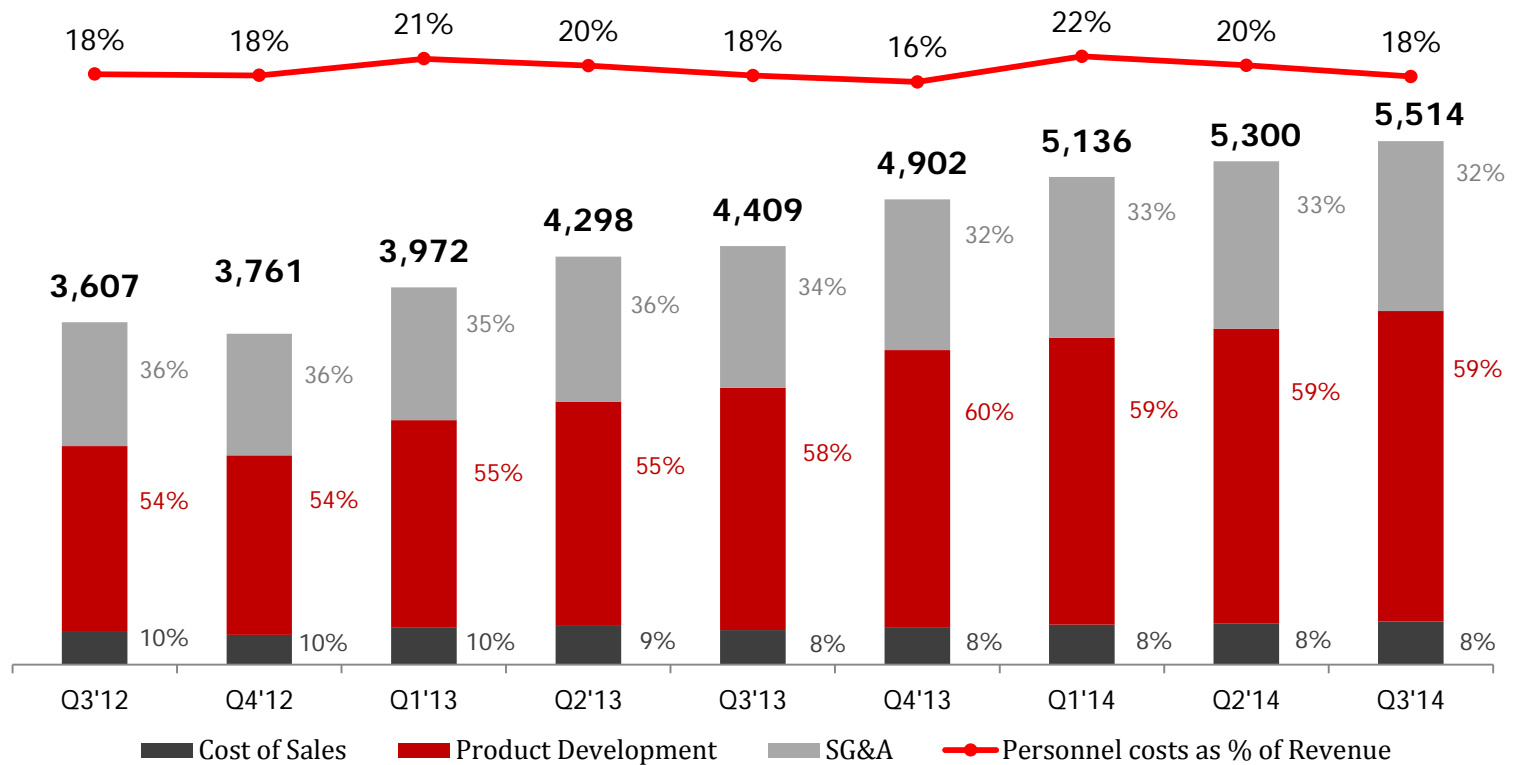
Distribution TAC as % of O&O Text-based Revenue, MM RUR, %



<sup>1</sup> Partner revenue refers to text-based partner revenue

# Headcount and Personnel Cost Evolution

## HEADCOUNT<sup>1</sup> BY GAAP COST CATEGORY<sup>2</sup>

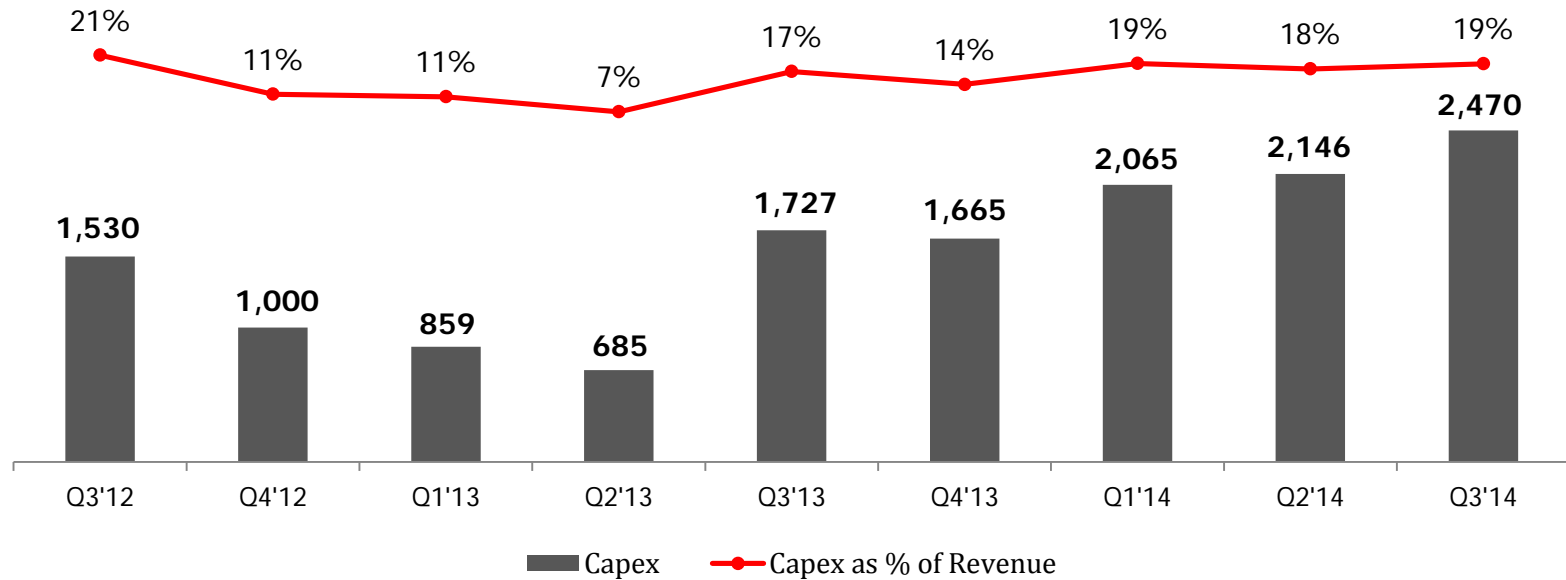


<sup>1</sup> As of the end of the period

<sup>2</sup> Items may not total due to rounding



# Capex, MM RUR<sup>1</sup>



<sup>1</sup> Figures have been restated to exclude Yandex.Money capex for all periods.  
Capex as % of Revenue excludes Yandex.Money from numerator and denominator

# Costs, MM RUR

	Q1'12	Q2'12	Q3'12	Q4'12	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14	Q2'14	Q3'14
<b>Cost of Sales (COS)</b>											
TAC	992	1,141	1,231	1,416	1,305	1,465	2,252	2,810	2,568	2,651	2,762
COS ex-SBC, ex-TAC	520	601	607	646	660	681	659	713	745	753	782
SBC related to COS	6	6	7	14	11	12	20	18	19	23	26
<b>Total Cost of Sales</b>	<b>1,518</b>	<b>1,748</b>	<b>1,845</b>	<b>2,076</b>	<b>1,976</b>	<b>2,158</b>	<b>2,931</b>	<b>3,541</b>	<b>3,332</b>	<b>3,427</b>	<b>3,570</b>
Total COS as % of Revenue	26%	26%	25%	24%	25%	23%	29%	29%	31%	28%	27%
<b>Product Development (PD)</b>											
PD ex-SBC	1,027	1,006	975	1,045	1,246	1,290	1,333	1,523	1,834	1,914	1,895
SBC related to PD	39	53	59	70	82	91	134	128	170	165	191
<b>Total PD</b>	<b>1,066</b>	<b>1,059</b>	<b>1,034</b>	<b>1,115</b>	<b>1,328</b>	<b>1,381</b>	<b>1,467</b>	<b>1,651</b>	<b>2,004</b>	<b>2,079</b>	<b>2,086</b>
PD as % of Revenue	18%	16%	14%	13%	17%	15%	14%	14%	18%	17%	16%
<b>SG&amp;A</b>											
SG&A expense ex-SBC	1,034	1,037	1,077	1,630	1,305	1,482	1,586	1,906	1,696	1,818	1,726
SBC related to SG&A	36	15	40	31	58	48	75	77	66	87	85
<b>Total SG&amp;A</b>	<b>1,070</b>	<b>1,052</b>	<b>1,117</b>	<b>1,661</b>	<b>1,363</b>	<b>1,530</b>	<b>1,661</b>	<b>1,983</b>	<b>1,762</b>	<b>1,905</b>	<b>1,811</b>
SG&A as % of Revenue	18%	15%	15%	19%	17%	17%	16%	16%	16%	16%	14%
<b>Depreciation &amp; Amortization (D&amp;A)</b>	<b>661</b>	<b>696</b>	<b>734</b>	<b>860</b>	<b>879</b>	<b>912</b>	<b>914</b>	<b>990</b>	<b>1,069</b>	<b>1,114</b>	<b>1,095</b>
D&A as % of Revenue	11%	10%	10%	10%	11%	10%	9%	8%	10%	9%	8%
<b>Total Costs</b>	<b>4,315</b>	<b>4,556</b>	<b>4,730</b>	<b>5,712</b>	<b>5,546</b>	<b>5,981</b>	<b>6,973</b>	<b>8,165</b>	<b>8,167</b>	<b>8,526</b>	<b>8,561</b>
Total Costs as % of Revenue	73%	67%	65%	65%	69%	65%	68%	68%	75%	70%	66%

Items may not total due to rounding

# Yandex

Thank you!

Search