

# Yandex

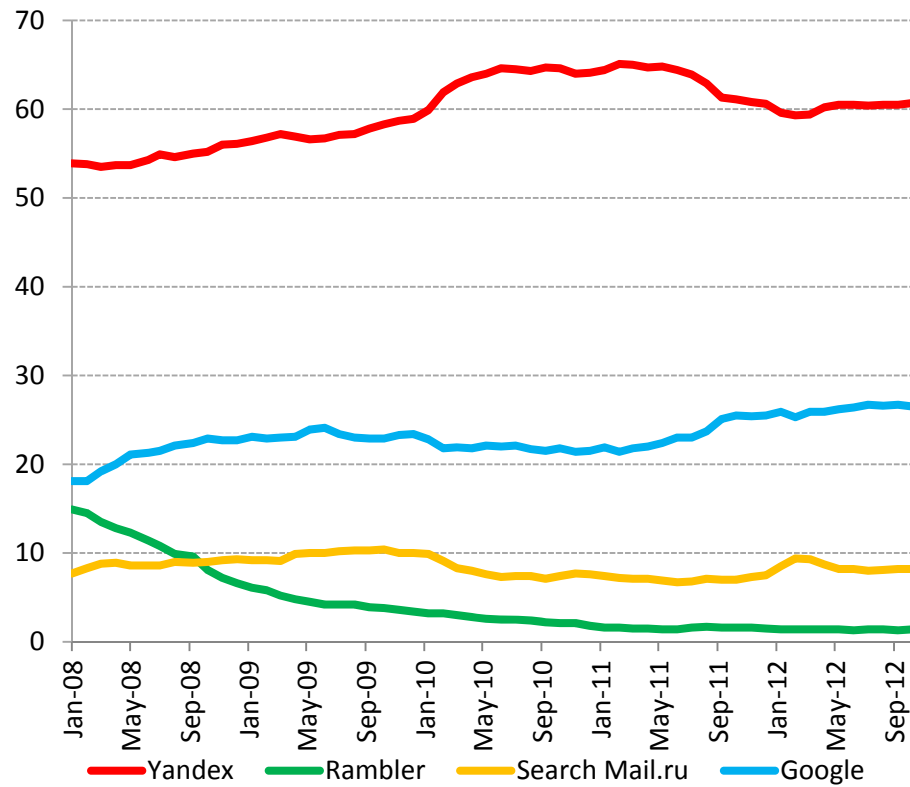
Quarterly Supplementary Materials

Search

October 30, 2012

# Share of the Russian Search Market

**RUSSIAN SEARCH MARKET, %**



**AVERAGE SEARCH SHARE PER QUARTER, %**

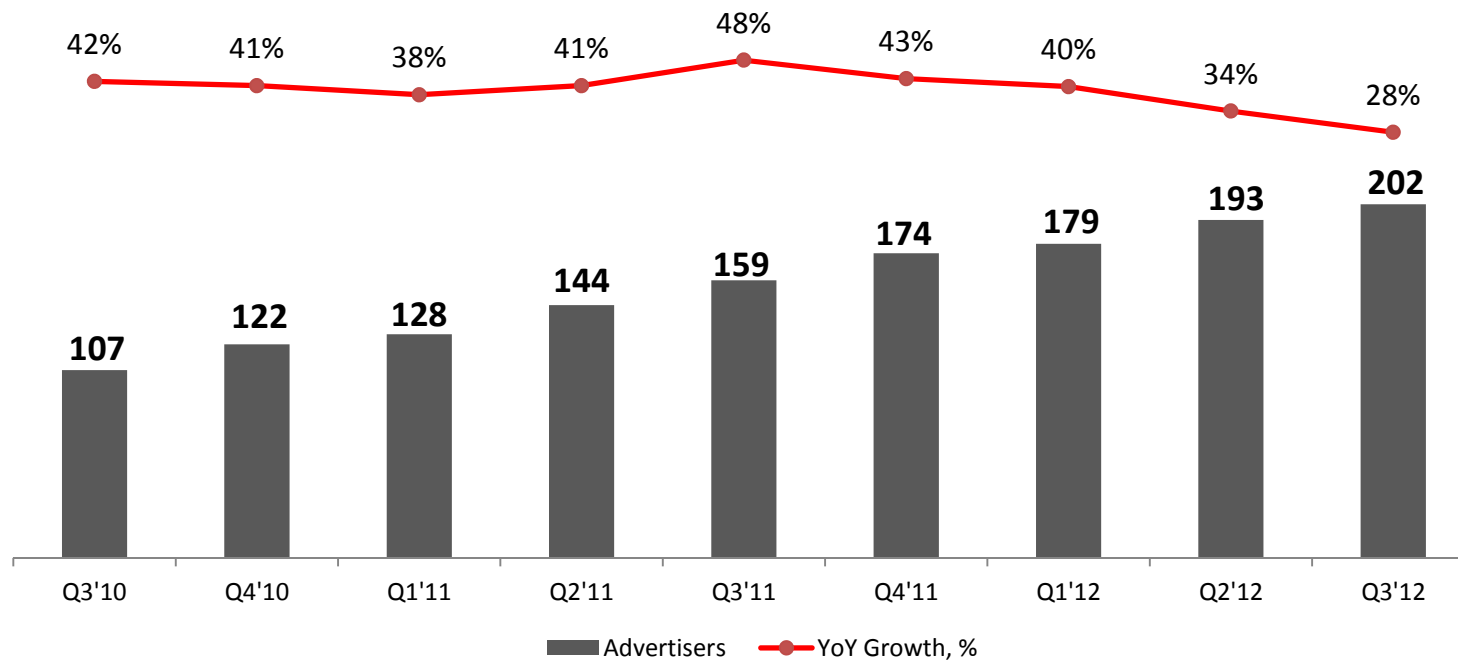
	Yandex	Google	Mail.ru	Rambler
<i>Q4'09</i>	58.6	23.2	10.1	3.6
<i>Q1'10</i>	61.6	22.2	9.1	3.1
<i>Q2'10</i>	64.1	22.0	7.6	2.6
<i>Q3'10</i>	64.5	21.8	7.3	2.4
<i>Q4'10</i>	64.2	21.6	7.6	2.0
<i>Q1'11</i>	64.8	21.7	7.2	1.6
<i>Q2'11</i>	64.6	22.5	6.9	1.4
<i>Q3'11</i>	62.7	23.9	7.0	1.6
<i>Q4'11</i>	60.8	25.5	7.3	1.6
<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

Source: LiveInternet.ru (through October 29, 2012), Search traffic reflects Russian users to Russian websites

# Advertisers

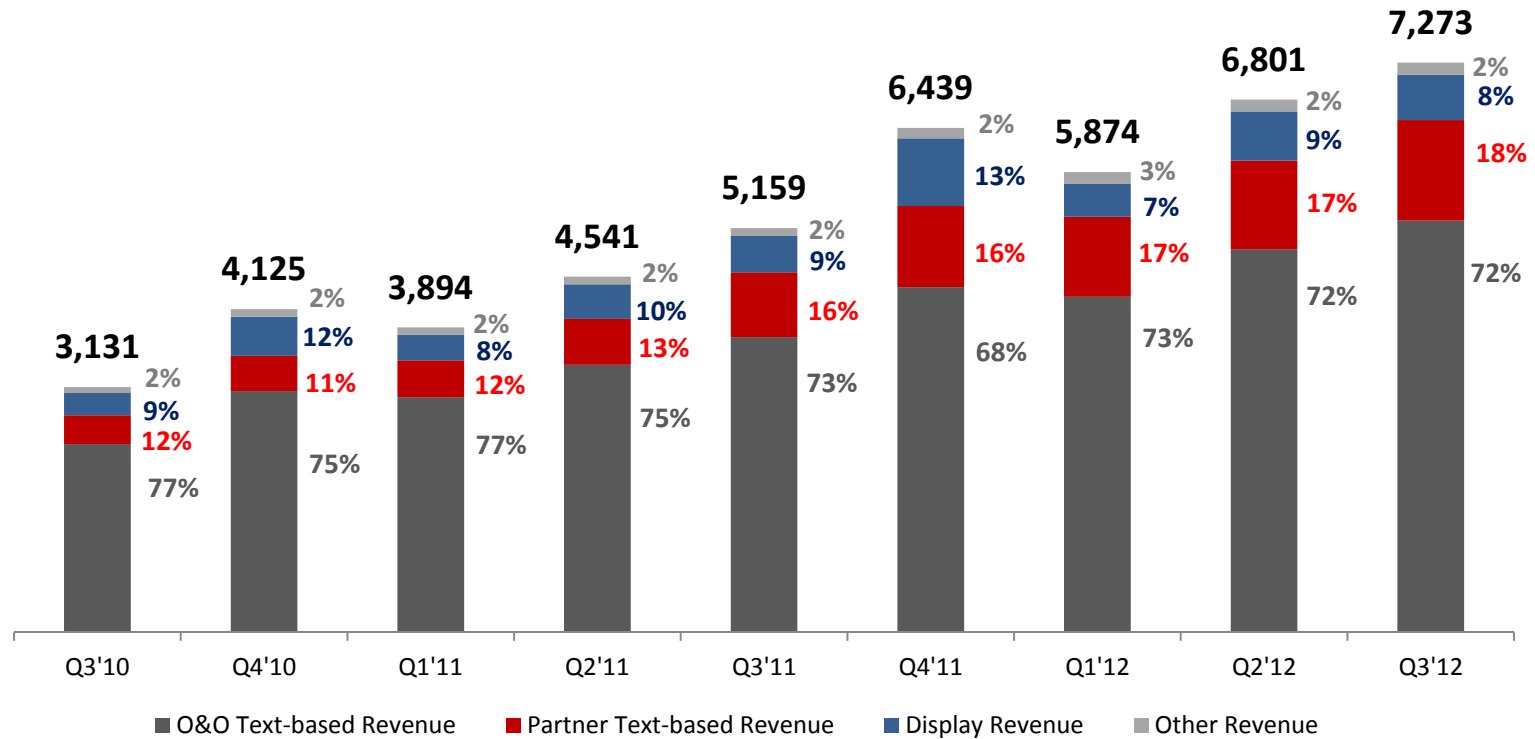
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NUMBER OF ADVERTISERS, IN THOUSANDS



# Revenue

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



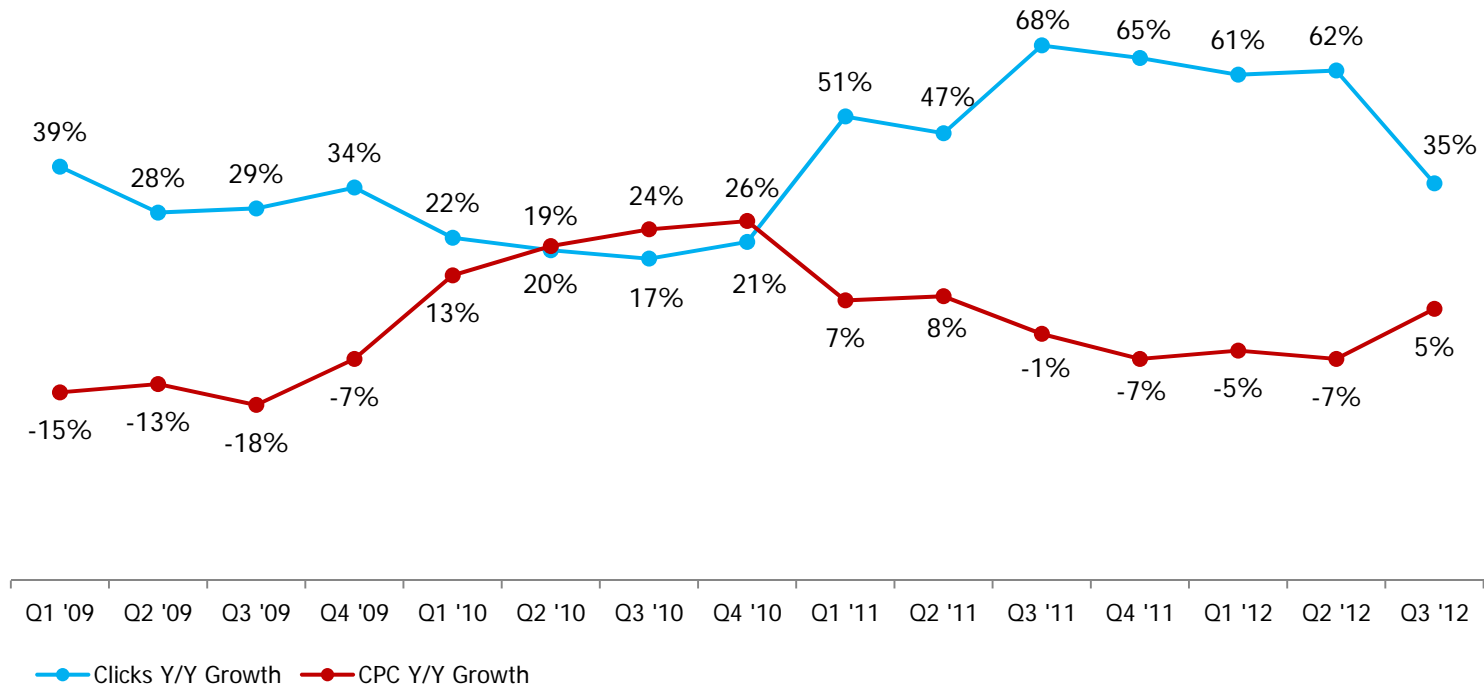
<sup>1</sup> Net of Discounts and Commissions, but gross of TAC

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

# Operational Metrics

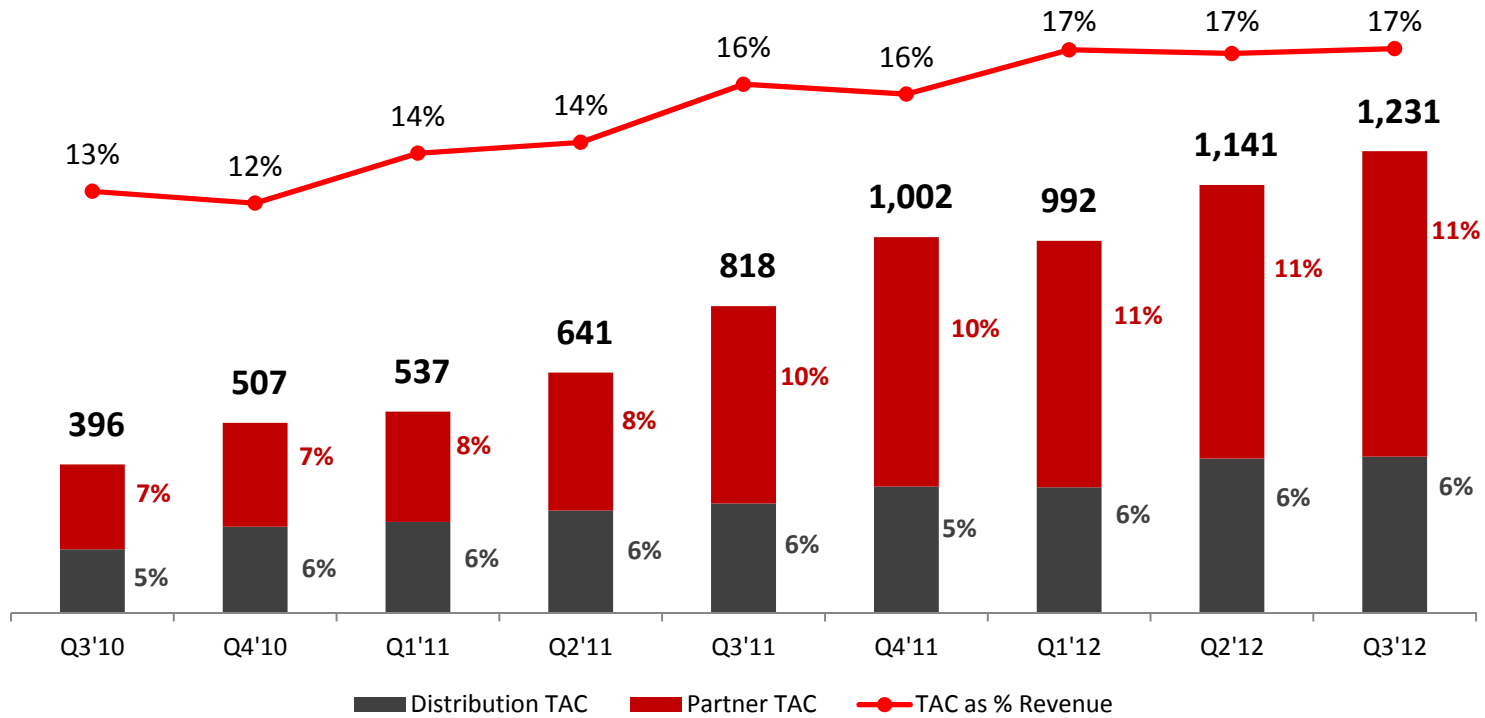
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**GROWTH IN PAID CLICKS AND CPC, %**



# Traffic Acquisition Costs

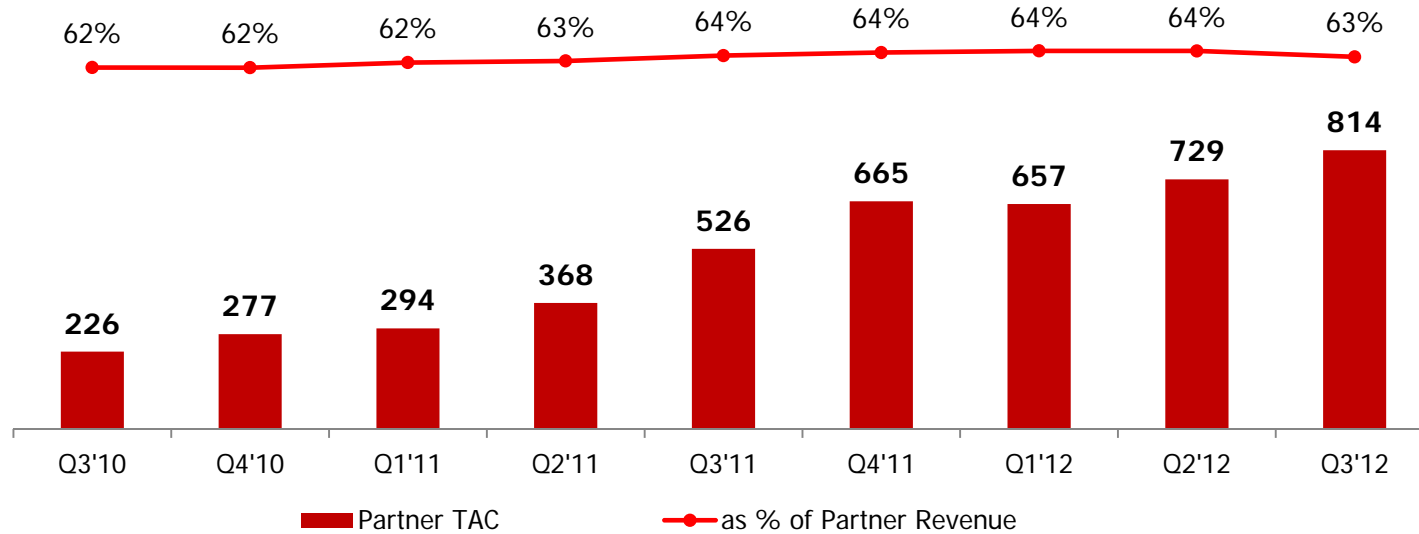
TAC BREAKDOWN<sup>1</sup>, MM RUR



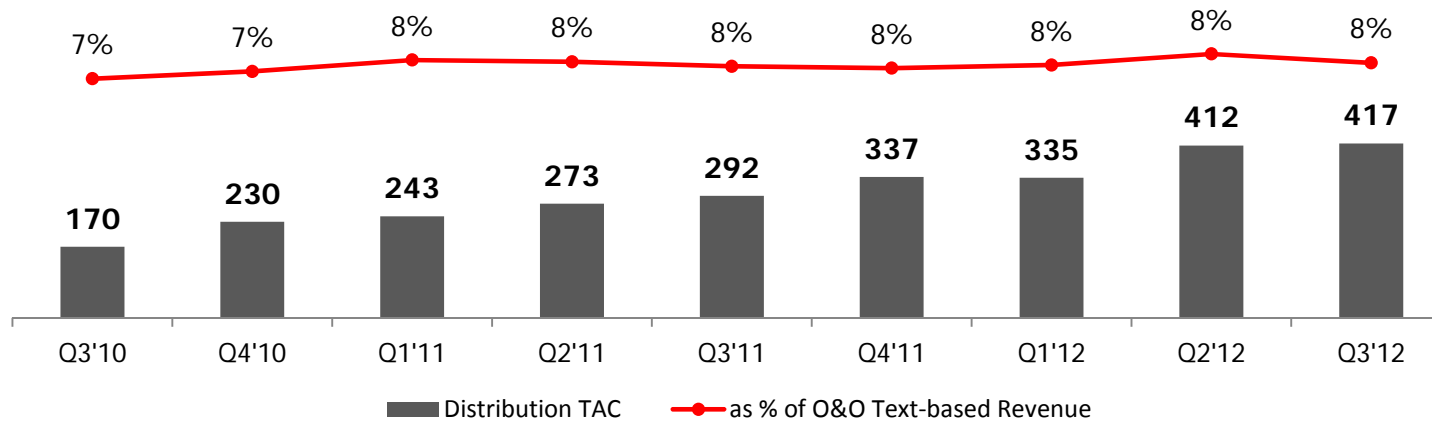
<sup>1</sup> Items may not total due to rounding

# Traffic Acquisition Costs<sup>1</sup>

**Partner TAC as % of Partner Revenue, MM RUR, %**



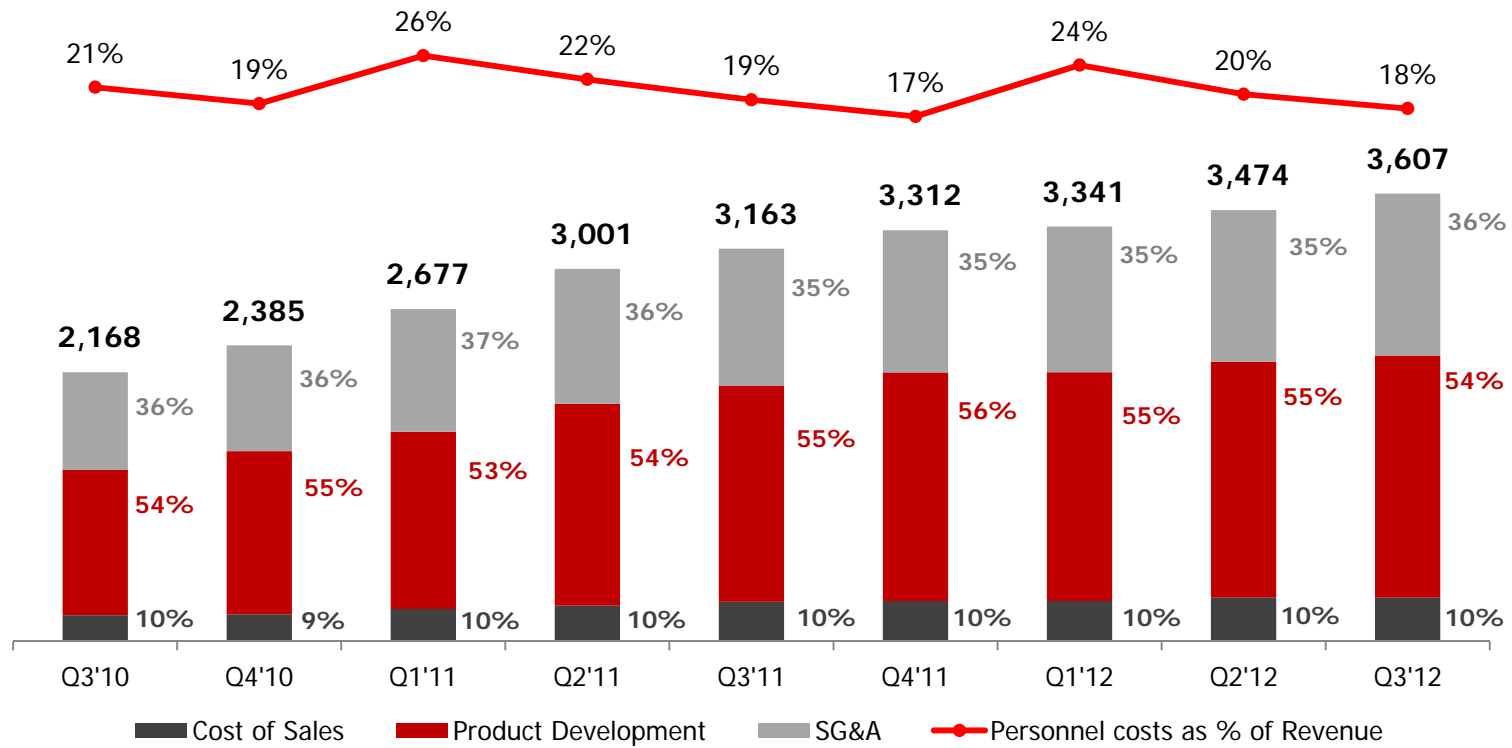
**Distribution TAC as % of O&O Text-based Revenue, MM RUR, %**



<sup>1</sup> Items may not total due to rounding

# Headcount and Personnel Cost Evolution

**PERSONNEL<sup>1</sup> BY GAAP COST CATEGORY<sup>2</sup>**



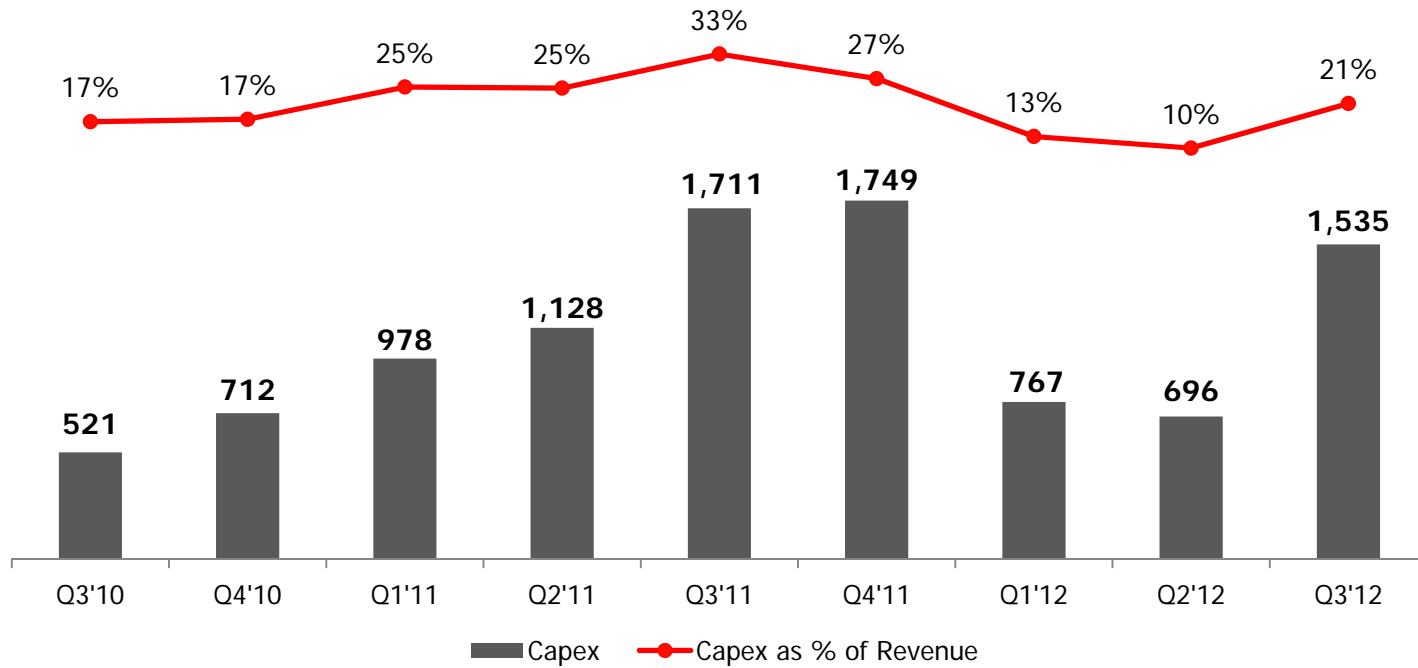
<sup>1</sup> as of the end of the period

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



# Capex, MM RUR

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# Costs, MM RUR

	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11	Q4'11	Q1'12	Q2'12	Q3'12
<b>Cost of Sales (COS)</b>									
TAC	396	507	537	641	818	1,002	992	1,141	1,231
COS ex-SBC, ex-TAC	265	283	351	387	469	476	520	602	607
SBC related to COS	4	5	6	6	7	7	6	6	7
<b>Total Cost of Sales</b>	<b>665</b>	<b>795</b>	<b>894</b>	<b>1,034</b>	<b>1,294</b>	<b>1,485</b>	<b>1,518</b>	<b>1,749</b>	<b>1,845</b>
Total COS as % of Revenue	21%	19%	23%	23%	25%	23%	26%	26%	25%
<b>Product Development (PD)</b>									
PD ex-SBC	499	565	691	718	751	811	1,027	1,006	975
SBC related to PD	22	29	32	38	41	42	39	53	59
<b>Total PD</b>	<b>521</b>	<b>594</b>	<b>723</b>	<b>756</b>	<b>792</b>	<b>853</b>	<b>1,066</b>	<b>1,059</b>	<b>1,034</b>
PD as % of Revenue	17%	14%	19%	17%	15%	13%	18%	16%	14%
<b>SG&amp;A</b>									
SG&A expense ex-SBC	452	564	596	881	786	881	1,034	1,037	1,077
SBC related to SG&A	13	22	32	65	18	35	36	15	40
<b>Total SG&amp;A</b>	<b>465</b>	<b>586</b>	<b>628</b>	<b>946</b>	<b>804</b>	<b>916</b>	<b>1,070</b>	<b>1,052</b>	<b>1,117</b>
SG&A as % of Revenue	15%	14%	16%	21%	16%	14%	18%	15%	15%
<b>Depreciation &amp; Amortization (D&amp;A)</b>	<b>307</b>	<b>343</b>	<b>377</b>	<b>427</b>	<b>488</b>	<b>582</b>	<b>661</b>	<b>696</b>	<b>734</b>
D&A as % of Revenue	10%	8%	10%	9%	9%	9%	11%	10%	10%
<b>Total Costs</b>	<b>1,958</b>	<b>2,318</b>	<b>2,622</b>	<b>3,163</b>	<b>3,378</b>	<b>3,836</b>	<b>4,315</b>	<b>4,556</b>	<b>4,730</b>
<b>Total Costs as % of Revenue</b>	<b>63%</b>	<b>56%</b>	<b>67%</b>	<b>70%</b>	<b>65%</b>	<b>60%</b>	<b>73%</b>	<b>67%</b>	<b>65%</b>

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Thank you!

Search