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NEXT GENERATION YOTAPHONE UNVEILED AT MWC

Full-Touch Control Makes YotaPhone's Always-On Display Even More Interactive

Twitter caption: Full-touch #NextGenYotaPhone unveiled at #MWC14

BARCELONA, SPAIN — Yota Devices, the company that innovated the world's first dual-screen, always-on smartphone, unveiled the next generation YotaPhone today at Mobile World Congress (MWC). The next generation YotaPhone has full-touch control on its always-on electronic paper display (EPD) and many other new hardware and software features, making it even more intuitive and interactive.

"YotaPhone's arrival on the market last year marked one of the first game changers in smartphones in many years. Yota Devices proved that there is an antidote to the always-dark smartphone screen," said Yota Devices CEO Vlad Martynov.

"The future of smartphones is always-on displays allowing users to stay connected without turning off the real world and disrupting the people around you. The next generation YotaPhone takes this totally innovative concept in smartphones and makes it even better. Now, with two full-touch displays, the next generation YotaPhone is twice as smart, twice as useful and twice as beautiful," explained Martynov.

1-Look, 1-Touch Always-On Display

With the first generation YotaPhone, notifications and other important information appear automatically on YotaPhone's always-on display. The next generation YotaPhone allows users to open and respond to these notifications, with just one touch, without having to wake up and activate the color display. Users can immediately respond to mails and SMSs, accept and decline meeting invites and post to social media.

The next generation YotaPhone delivers an even better reading experience on a bigger and better screen. The always-on EPD display is 4.7" with higher resolution, greater pixel density and a built-in light. "Now you can read comfortably in bright sunlight or in the dark on the always-on display,"

explained Martynov. YotaPhone delivers 50+ hours of battery life when reading on the always-on display.

With two displays, users can choose how best to use their smartphone. They can watch videos, play games, view photos and browse the internet on a bigger, brighter and more brilliant 5.0" AMOLED display. On the energy-saving 4.7" EPD, they can open and respond to real-time notifications, read books and newspapers, keep track of meetings and post comments to social media. 74% of YotaPhone is usable, interactive display, compared to just 30-40% on other premium Android smartphones.

Smart Power Mode

The next generation YotaPhone also comes with a Smart Power Mode so users can turn off the energy-consuming color screen and perform functions like making and answering phone calls on the always-on display to preserve battery life.

The next generation YotaPhone also boasts a Qualcomm quad-core 800 series processor, wireless charging, near-field communications (NFC), advanced anti-theft protection and high-performance integrated hands-free audio (IHF).

"The next generation YotaPhone is sleeker, thinner and even more beautiful," said Martynov. "The sleek, soft and rounded body fits naturally and comfortably in your hand. We've taken a gorgeous phone and made it even more stunning."

Now Open: YotaPhone SDK

Yota Devices also announced today that it is opening YotaPhone's SDK to third-party developers. Tools and information can be found at <http://developer.yotaphone.com>.

"Thinking out of the box just got two times more fun for app developers around the world. YotaPhone's unique dual-screen, always-on experience provides vast opportunities for third-party developers to adapt and create fun, productive and totally new types of applications," said Martynov.

Yota Devices also unveiled several new apps at MWC, including Sportscaster, which allows users to track their favorite team, including play-by-play text commentary streamed in real time to the always-on display. Fitness Tracker syncs with any health monitoring device and tracks health status and fitness goals. Yota Devices also announced a partnership agreement with Israel-based Cellrox to include the company's multi-persona technology on YotaPhone to provide

functionality, privacy and security for both corporate and personal use. An agreement was also reached with MobiSystems to allow for reading of office docs on YotaPhone's always-on display.

Crowdsourcing YotaPhone

Yota Devices will continue its innovate and active engagement of users, early adopters, analysts and media in YotaPhone's continuous development. "From the beginning, we realized that we had to do things differently, including building a direct dialogue with our fans and active users. The improvements in the next generation YotaPhone are directly the result of crowdsourcing. The Android community, along with our partners, suppliers and retailers, love our dual-screen, always-on concept and have many great suggestions for taking it to the next level," explained Martynov.

The next generation YotaPhone will be on sale in EMEA and Russia in Q4 2014, and a version for the US and Asian markets will follow three-four months later. Yota Devices will soon be announcing an upgrade program for consumers who purchased the first generation YotaPhone to be able to receive the next generation at a significant discount.

ABOUT YOTA DEVICES: Yota Devices is a private company dedicated to developing and producing high-tech consumer LTE devices, including smartphones, modems and routers. The company gained international prominence with the introduction of YotaPhone, the world's first dual-screen, always-on smartphone, which was named the Best of CES 2013 by CNET. YotaPhone went on sale in five countries in December 2013 and will expand to 15 other CIS, European and Middle Eastern markets in Q1 2014. Yota Devices is also well known for producing fast, reliable portable LTE modems and routers. The company has sold nearly 4 million connectivity devices since its first products went on the market in 2009. The company's headquarters are located in Moscow with offices in Finland, Germany and Singapore. yotadevices.com, yotaphone.com, [facebook.com/YotaPhone](https://www.facebook.com/YotaPhone), twitter.com/YotaPhone, [instagram.com/yotadevices](https://www.instagram.com/yotadevices)

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NOTE TO REPORTERS AT MWC: WORKING PROTOTYPES OF THE NEXT GENERATION YOTAPHONE ARE AVAILABLE FOR HANDS-ON DEMONSTRATIONS AT YOTA DEVICES' MWC BOOTH AT 1D30.

PHOTOS AND RENDERINGS ARE AVAILABLE

AT: <https://www.dropbox.com/sh/9x4j720yq5o61yb/CPHio0HTfU>

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