

Recommendations of MTS PJSC Board of Directors
to the Annual General Meeting of MTS PJSC Shareholders
regarding the distribution of profit at the end of FY 2019

MTS PJSC FY 2019 PROFIT DISTRIBUTION PROCEDURE

STATEMENT OF FINANCIAL RESULTS

For 2019

Entity: Mobile TeleSystems Public Joint Stock Company

Location: Moscow, Russian Federation

Main state registration number: 1027700149124

Type of activity: Telecommunication based on wireless technologies

Measurement unit: RUB thousand

Item description	2019	2018
Revenue	342 122 949	331 236 433
Cost of sales	(161 966 153)	(157 825 639)
Gross profit	180 156 796	173 410 794
Selling expenses	(50 084 217)	(46 725 494)
Administrative expenses	(33 869 579)	(32 426 773)
Operating profit	96 203 000	94 258 527
Interest income	7 056 589	8 956 887
Interest expense	(37 289 699)	(33 029 316)
Interest expense – lease obligations	(10 320 433)	(10 030 985)
Share of the net profit of subsidiaries and associates	15 400 017	25 872 970
Other income	17 122 191	15 824 329
Other expenses	(8 333 980)	(81 550 000)
Profit before income tax	79 837 685	20 302 412
Current income tax	(13 103 138)	(12 368 529)
including permanent tax (assets)/liabilities	(784 672)	6 769 000
Change in deferred tax liabilities	(1 734 220)	176 591
Change in deferred tax assets	252 102	1 363 543
Income tax and tax penalties of prior years	(640 432)	(312 734)
Net profit	64 611 997	9 161 283
ADDITIONAL INFORMATION		
Result of other transactions not included in current year net profit	10 523 481	7 745 456
Comprehensive financial result of the period	75 135 478	16 906 739
Basic/diluted earnings per share, RUB	32.33	4.58
Diluted earnings per share, RUB	32.29	4.58

FUNDS

The Reserve Fund of the Company has been formed to the full extent as required by Russian law and the Charter of MTS PJSC.

DIVIDENDS

Based on the results of the first half year of 2019, MTS PJSC has paid out interim dividends amounting to 17,345,798,747.48 rubles (8.68 rubles per one registered ordinary share of MTS PJSC with the par value of 0.1 ruble each).

Based on the results of the nine months of 2019, MTS PJSC has paid out interim dividends amounting to 26,478,321,820.75 rubles (13.25 rubles per one registered ordinary share of MTS PJSC with the par value of 0.1 ruble each).

The annual dividends on common registered shares of MTS PJSC shall be RUR 20.57 per common registered share of MTS PJSC with a par value of RUR 0.1 each.

The total annual dividends of MTS PJSC shall be RUR 41,106,345,649.27.

The annual dividends shall be paid in cash within the time limit set forth in the Charter of MTS PJSC.

FINAL DISTRIBUTION OF PROFIT AND LOSS

Expense item	Amount
Net income for 2019 without interim / special dividends paid	RUR 64,611,996 642.00
Interim dividends paid out following the results of the first half year of 2019	RUR 17,345,798,747.48
Interim dividends paid out following the results of the nine months of 2019	RUR 26,478,321,820.75
Amount to be distributed among shareholders as dividends on common registered shares at the end of the financial year	RUR 41,106,345,649.27
including retained earnings of financial year	RUR 41,106,345,649.27

Chairman,
MTS PJSC Board of Directors

F.V. Evstushenkov

President, MTS PJSC

A.V. Kornya

Chief Accountant, MTS PJSC

A.V. Dvoretiskikh