

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 2018

MTS PJSC FY 2018 PROFIT DISTRIBUTION PROCEDURE

STATEMENT OF FINANCIAL RESULTS

For 2018

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 million

Item description	2018	2017
Revenue	331 236	323 793
Cost of sales	(157 826)	(161 311)
Gross profit	173 410	162 482
Selling expenses	(46 725)	(48 117)
Administrative expenses	(32 427)	(32 053)
Operating profit	94 258	82 312
Interest income	8 957	4 340
Interest expense	(33 029)	(30 627)
Interest expense – lease obligations	(10 031)	-
Share of the net profit of subsidiaries and associates	25 870	19 765
Other income	15 827	17 605
Other expenses	(81 550)	(11 296)
Profit before income tax	20 302	82 099
Current income tax	(12 369)	(13 772)
including permanent tax (assets)/liabilities	6 769	(3 521)
Change in deferred tax liabilities	176	761
Change in deferred tax assets	1 364	112
Income tax and tax penalties of prior years	(313)	(137)
Net profit	9 160	69 063
ADDITIONAL INFORMATION		
Result of other transactions not included in current year net profit	7 744	(3 162)
Comprehensive financial result of the period	16 904	65 901
Basic/diluted earnings per share, RUB	4.58	34.56
Diluted earnings per share, RUB	4.58	34.56

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 2018, MTS PJSC has paid out interim dividends amounting to 5,195,790,802.80 rubles (2.60 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 19.98 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 39,927,310,941.78.

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 2018	RUR 9,161,283,971.00
Interim dividends paid out following the results of the first half year of 2018	RUR 5,195,790,802.80
Amount to be distributed among shareholders as dividends on common registered shares at the end of the financial year	RUR 39,927,310,941.78
including retained earnings of financial year	RUR 39,927,310,941.78

Chairman,
MTS PJSC Board of Directors

R. Sommer

President, MTS PJSC

A.V. Kornya

Chief Accountant, MTS PJSC

A.V. Dvoretzkikh

