

**Information (materials) provided for the shareholders of  
PJSC LSR Group to prepare for the Annual General Meeting of Shareholders scheduled  
for June 9, 2017.**

The following information is provided to PJSC LSR Group shareholders in accordance with a notice of convening the annual general meeting of PJSC LSR Group shareholders.

**Auditors:**

**1. Auditor of accounting (financial) statements prepared in accordance with the Russian Accounting Standards.**

**Limited Liability Company Audit-Service SPb**

Place of business: 44, ul. Kazanskaya, Saint Petersburg 190031

LLC Audit-Service SPb is established in the process of reorganization through restructuring of CJSC Audit-Service incorporated in 1996 in Saint Petersburg and is its legal successor.

Reorganization through restructuring was registered by Interdistrict Inspectorate of the Federal Tax Service No. 15 for Saint Petersburg on December 30, 2014, Certificate No. 009195339, series 78.

LLC Audit-Service SPb is a member of the Self-regulatory organization of auditors Association «Sodruzhestvo» whose abbreviated name is SRO AAS (ORNZ [Primary Number of Registration Entry] 11606064748).

LLC Audit-Service SPB is a member of Saint Petersburg Audit Chamber.

CJSC Audit-Service was a member of SRO NP “Russian Audit Chamber”, ORNZ 10401003966.

LLC Audit-Service SPb specializes in the following areas: audit of companies that invest in securities, construction, development, production of building materials and products, transport and other services.

Six auditors have a unified qualification certificate.

In 2005, 2009, 2014 and 2016, following the control results in relation to quality of auditing activity and observance of professional ethics, positive opinions were received from NP “Russian Audit Chamber”.

Following the control results in relation to quality of auditing activity and observance of professional ethics, positive opinion was also received from the Federal Financial and Budgetary Supervisory Service (Rosfinnadzor) No. 72-13-04/2752 of August 5, 2014.

CJSC Audit-Service has been auditing the financial statements of the companies that are part of LSR Group since 1999. The company also consulted in relation to difficult matters of bookkeeping and tax accounting.

To observe the principle of objectivity, the auditor rotates its audit teams from time to time.

The auditor selection process is consistent with the requirements established by the Regulation on Tenders applied in LSR Group.

Information about auditor’s reward: RUB 1,200,000 w/o VAT and overhead costs.

## **2. Auditor of consolidated financial statements prepared in accordance with the IFRS.**

### **KPMG in the world and CIS countries**

KPMG is an international network of companies that provide auditing, taxing and consulting services. There are 189,000 KPMG employees working in 152 countries around the world.

KPMG has been working in Russia for more than 25 years, and during that time the basis of the company's activity has been the use of the company's global intellectual potential combined with practical experience of Russian professionals to help leading companies achieve their objectives. At the present time, more than 4,000 employees work in 18 KPMG offices located in Russia and the CIS countries.

Following the results of 2011, KPMG topped the list of the largest auditing and consulting companies in Russia. Since 2009, KPMG has been the largest auditing company in Russia (according to RAEX).

### **KPMG experience in working with construction companies**

In Russia and the CIS countries, KPMG provides services to a number of major Russian and international construction companies. Such services include auditing under international and Russian standards, as well as tax, legal, general, financial and business management counseling.

KPMG participated in implementation of such different projects as transformation of financial statements drawn up in accordance with the national standards to IFRS or GAAP format, training of personnel on bookkeeping and management, carrying out of international audit, preparation of relevant documents of companies that plan to obtain listing or issue bonds on the global stock exchanges, as well as provision of assistance to potential credit organizations and investors.

JSC KPMG has been auditing the Company's consolidated financial statements under the IFRS since 2006.

To observe the principle of objectivity, the auditor rotates its audit teams from time to time.

The auditor selection process is consistent with the requirements established by the Regulation on Tenders applied in LSR Group.

Information about auditor's reward: RUB 13,700,000 w/o VAT and overhead costs.

The Board of Directors of PJSC LSR Group