

**Information (materials) to be presented to the shareholders of
PJSC LSR Group in preparation for conducting the annual general meeting of
shareholders on June 9, 2017.**

In accordance with the notice of the Annual General Meeting of Shareholders of PJSC LSR Group, the following recommendations are provided to the Company's shareholders:

Recommendations of the Board of Directors on distribution of the Company's profit based on the results of 2016 financial year, including payment of dividends and the record date:

In accordance with Protocol No.3/2017 of the meeting of the Board of Directors as of May 5, 2017, the Board of Directors recommends the Annual General Meeting of Shareholders to distribute the Company's profit based on the results of 2016 financial year in the following way:

- to pay dividends on ordinary registered shares following the results of the 2016 fiscal year in the amount of seventy-eight (78) rubles per one ordinary registered share for a total amount of eight billion thirty-six million three hundred and fifty-six thousand seven hundred and seventy (8,036,356,770) rubles, including due to undistributed earnings of previous years. Dividend payment shall be made in the form of monetary funds. The record date shall be deemed as follows: 6/20/2017.
- not to pay remunerations and compensations to the members of the Internal Audit Commission within the period of performance of their obligations till the next annual General Meeting of the Company's shareholders.
- to approve the amount of remunerations and compensations paid to the members of the Company's Board of Directors within the period of performance of their obligations relating to execution of the functions of the members of the Board of Directors in the amount of thirty-seven million eight hundred thousand (37,800,000) rubles.

PJSC LSR Group's Board of Directors