

PRESS-RELEASE

MEGAFON ANNOUNCES FINANCIAL AND OPERATING RESULTS FOR Q1 2017

MOSCOW, Russia (25 May 2017) - PJSC “MegaFon” (“MegaFon” or the “Company” and, together with its consolidated subsidiaries, the “Group”) (LSE: MFON), a leading Russian provider of integrated digital services, announces its financial¹ and operating results for Q1 2017

KEY FINANCIAL AND OPERATING HIGHLIGHTS OF THE GROUP²

- Group revenue increased by 14.8% y-o-y³ to RUB 86,254 million; Group pro-forma⁴ revenue increased by c. 1.4%
- Group OIBDA increased by 6.2% y-o-y to RUB 32,120 million
- Group OIBDA margin was 37.2% versus 40.2% in Q1 2016
- Group CAPEX decreased by 33.6% y-o-y to RUB 9,497 million
- Group Free Cash Flow to Shareholders⁵ increased by 55.8% y-o-y to RUB 8,267 million
- Group Net Debt as of 31 March 2017 was RUB 221,015 million
- The number of mobile subscribers as of 31 March 2017 grew by 1.2% y-o-y to 77.3 million

As previously reported, on 9 February 2017 the Group completed the acquisition of an interest representing 15.2% of the equity, translating to 63.8% of the voting rights in Mail.Ru Group Limited (“Mail.Ru”), a leading company in the Russian-speaking internet market. Based on the current set-up of the Board of Directors of Mail.Ru, the Group has concluded that it has the ability to direct relevant activities of Mail.Ru and therefore has control over that company. Accordingly, the Group has consolidated the financial position and the results of operations of Mail.Ru from the beginning of 2017. We refer to the business of the Group exclusive of Mail.Ru in this press release as the “telecom segment”. The summarised unaudited financial information for the telecom segment is set out in Schedule 3. This press release does not address or include the results of Mail.Ru for the first quarter of 2017, other than as mentioned in the key financial highlights of the Group above and in Schedule 4, which shows how the financial information of Mail.Ru, reported in the standalone financial statements of Mail.Ru, are reconciled to the financial information of Mail.Ru reported in the consolidated financial statements of the Group.

¹ Based on the interim unaudited condensed consolidated financial statements for Q1 2017 reviewed by JSC KPMG

² See Schedule 1 for definitions of the terms used and Schedule 2 for the reconciliation of Non-IFRS measures. Due to rounding manual calculations for financials and KPIs may differ from those displayed

³ Year over year (“y-o-y”) stands for the same periods in the current and previous year on either a quarterly or yearly basis

⁴ Group pro-forma revenue is calculated on the basis that the Group consolidated the results of Mail.Ru starting from 1 January 2016

⁵ Starting from the first quarter of 2017, pursuant to the adoption of its new dividend policy, the Group switched from reporting free cash flow, the financial measure previously used, to reporting free cash flow to shareholders

SERGEY SOLDATENKOV, THE GROUP'S CHIEF EXECUTIVE OFFICER, COMMENTED ON THE FINANCIAL AND OPERATING RESULTS AS FOLLOWS:



Strategic acquisition

This quarter represented an important milestone for us as we completed the acquisition of a controlling interest in Mail.Ru, a leading company in the Russian-speaking internet market. This makes us unique in the Russian telecom market as we are transforming from being a traditional telecom operator to a provider of integrated digital services. As required by applicable accounting principles, we are presenting the consolidated financial results for the entire MegaFon Group, including Mail.Ru, for the first time. However, today I will focus solely on performance of our telecom segment.

Revenue and OIBDA

The market trends that we observed over the course of last year continue to affect the financial results of our telecom segment. In an effort to offset the negative trends we introduced a number of initiatives toward the end of 2016 that are now starting to show signs of possible recovery as we are noticing a reduction in the rates of decline for both revenue and OIBDA. At the same time, our overall performance in the wireline sector and in equipment sales remained solid as we managed to show revenue growth in both sectors.

New business strategy and cluster management model

Today at our Investor Day we are introducing our new business strategy for the period through 2020. In order to implement the new strategy effectively, at the end of last year we revised the Company's structure by dividing it into operational and commercial divisions. This year we are transitioning to a new cluster-based management model. We will form our regional units not by geographical location, as previously, but based on clusters with comparable potential and local market similarities. We will then apply different tactics to different clusters. The switch to the new management model will help us to speed up our decision-making processes, be more flexible, strengthen expertise within key functions, and increase the efficiency of our business processes.

New dividend policy

Along with the new business strategy, MegaFon has also updated its dividend policy. The new dividend policy specifies a minimum level of dividends at 70% of the Group's free cash flow to shareholders, excluding the results of Mail.Ru. The Company will aim to ensure that dividend payments will not increase the Group's leverage level above a 2.0x ratio, also not taking into account the results of Mail.Ru. However, we will retain the flexibility to increase the leverage level in certain instances, for example, when it would be reasonable to borrow for strategically important M&A transactions to increase shareholders' value. We believe that the new dividend policy is in line with

market practice, is simple to understand, and will allow shareholders to benefit from the implementation of our new business strategy on a long-term basis.

Recommendation of dividends for 2016

I am happy to announce that in accordance with our new dividend policy and based on the full year results for 2016, MegaFon's Board of Directors is recommending to the shareholders a final dividend for 2016 in the amount of RUB 20.0 billion. This is equivalent to RUB 32.25 per ordinary share (or GDR). The dividend payment is subject to approval by shareholders at the Annual General Meeting scheduled for 30 June 2017. If approved by the shareholders, the total amount of dividends distributed for 2016 will be RUB 40.0 billion, equivalent to RUB 64.50 per ordinary share (or GDR).

Launch of VoLTE for iPhone users in the Moscow region

In April, MegaFon was the first operator to start providing voice-over-LTE ("VoLTE") services for iPhone users in the Moscow region. Subscription to the VoLTE option is free and available for all subscribers of our bundled tariffs. MegaFon intends to extend the areas in which VoLTE will be available going forward.

Outlook/Guidance

Aiming at improvement of returns in the telecom segment, we are switching our focus towards more profitable revenue streams to concentrate on service revenue, which we expect to remain flat or grow in a low single digit range in 2017. We anticipate that our OIBDA will be in the range of RUB 112 – 118 billion. We project MegaFon's capital expenditures for 2017 to be in the range of RUB 55 – 60 billion. This guidance represents standalone numbers for the telecom segment and does not include the financial results of Mail.Ru. This guidance also does not take into account strategic advantages from the Mail.Ru transaction.

FINANCIAL RESULTS OF THE TELECOM SEGMENT⁶

(Unaudited data, in millions of RUB, except as indicated)

	Q1 2017	Q1 2016	Change
Revenue	74,494	75,150	(0.9%)
Wireless Services	62,714	64,558	(2.9%)
Including data revenue	20,941	20,648	1.4%
Wireline Services	6,077	6,007	1.2%
Sales of equipment and accessories	5,703	4,585	24.4%
OIBDA	29,031	30,247	(4.0%)
OIBDA Margin	39.0%	40.2%	(1.2p.p.)
Net Profit	3,840	8,837	(56.5%)
Net Profit Margin	5.2%	11.8%	(6.6p.p.)
CAPEX	8,147	14,298	(43.0%)
CAPEX / Revenue	10.9%	19.0%	(8.1p.p.)

FINANCIAL RESULTS OF THE TELECOM SEGMENT, RUSSIA ONLY⁷

(Unaudited data, in millions of RUB, except as indicated)

	Q1 2017	Q1 2016	Change
Revenue	73,478	73,973	(0.7%)
Wireless Services	61,709	63,394	(2.7%)
Including data revenue	20,610	20,321	1.4%
Wireline Services	6,068	5,997	1.2%
Sales of equipment and accessories	5,701	4,582	24.4%
OIBDA	28,961	30,194	(4.1%)
OIBDA Margin	39.4%	40.8%	(1.4p.p.)
Net Profit	4,490	9,656	(53.5%)
Net Profit Margin	6.1%	13.1%	(7.0p.p.)

⁶ Excluding Mail.Ru results

⁷ Excluding mutual settlements with "TT mobile" CJSC, "AQUAFON-GSM" CJSC and "OSTELEKOM" CJSC

Revenue

Our total revenue for the telecom segment decreased in Q1 2017 by 0.9% y-o-y to RUB 74,494 million.

Revenue from Russia remained the major component in this segment, accounting for over 98.6% of total revenue.

Wireless service revenue decreased in Q1 2017 by 2.9% y-o-y to RUB 62,714 million. This was the result of continued decline in voice revenue mainly due to the revision of our tariff offerings (reducing the prices of bundles and increasing the amount of services in those bundles) at the end of Q1 2016 to meet continued competitive pressure and due to the effect of the leap year.

Mobile data revenue increased in Q1 2017 by 1.4% y-o-y to RUB 20,941. The growth rate slowed down compared to the trends in preceding years due to an increase in the number of our subscribers choosing bundled tariffs with large data traffic allowances, which had the effect of holding back data revenue growth.

Wireline service revenue increased in Q1 2017 by 1.2% y-o-y to RUB 6,077 million. We saw some stabilisation in B2B/B2G revenue after its steep growth over the last few years due to robust expansion of the client base, including the effects of the acquisition of GARS.

Revenue from sales of equipment and accessories increased in Q1 2017 by 24.4% y-o-y to RUB 5,703 million. We continue to see a recovery in customer demand for more expensive data-enabled devices, including Samsung devices which we are now offering as a result of a new partnership agreement with that company.

OIBDA and OIBDA Margin

OIBDA of the telecom segment decreased in Q1 2017 by 4.0% y-o-y to RUB 29,031 million mainly due to the decline in total revenues in this segment, lower margins as a result of reductions in pricing to meet competitive pressures since the end of Q1 2016, and higher dealer commission expenses. The OIBDA margin of the telecom segment decreased in Q1 2017 by 1.2 p.p. y-o-y to 39.0% compared to 40.2% in Q1 2016.

CAPEX

The CAPEX of the telecom segment in Q1 2017 was 43.0% lower than in Q1 2016, amounting to RUB 8,147 million as compared to RUB 14,298 million in Q1 2016, because of higher investing activities in Q1 2016, including the acquisition of additional frequencies at the frequency distribution auctions.

Free Cash Flow to Shareholders

Free cash flow to shareholders of the telecom segment decreased in Q1 2017 by 25.3% y-o-y to RUB 3,965 million, mainly due to higher interest expense.

Net Debt

Net debt of the telecom segment increased from RUB 196,856 million as of 31 December 2016 to RUB 229,443 million as of 31 March 2017, principally as a result of financing the Mail.Ru acquisition.

Net Profit

Net profit of the telecom segment decreased in Q1 2017 by 56.5% y-o-y to RUB 3,840 million mainly due to higher forex loss and increased interest expense.

EPS

Basic and diluted EPS of the telecom segment decreased in Q1 2017 y-o-y from RUB 15 per share to RUB 6 per share, in line with the decrease in net profit.

WIRELESS SUBSCRIBERS IN RUSSIA

	31 March 2017	31 March 2016	Change
Number of wireless subscribers (K)	75,574	74,537	1.4%
of which data service users (K)	31,114	29,601	5.1%
Share of data service users	41.2%	39.7%	1.5 p.p.

Our Russian wireless subscriber base increased as of 31 March 2017 by 1.4% y-o-y to 75.6 million due to our new approach to subscriber acquisition in all of our customer segments. As previously announced, we have shifted our focus from gross additions to taking steps to retain our existing customer base and increasing the life-time value of our subscribers⁸.

Our data service user base in Russia increased as of 31 March 2017 by 5.1% y-o-y to 31.1 million due to: intensive roll out of our high speed mobile data network coverage across our existing network footprint; upgrading our 2G and 3G networks; ongoing promotion of MegaFon data services; and increased penetration of data-enabled devices (58.5% of all devices registered on the MegaFon network are now data-enabled devices). Our data users currently represent 41.2% of the overall subscriber base in Russia.

DATA OPERATING INDICATORS

	Q1 2017	Q1 2016	Change
ARPDU (RUB)	224	232	(3.4%)
DSU (MB)	5,727	3,942	45.3%

ARPDU decreased in Q1 2017 by 3.4% y-o-y to RUB 224 as the number of clients choosing bundled tariffs with large volumes of services continues to rise.

DSU increased in Q1 2017 by 1,785 megabytes, or 45.3% y-o-y, to 5,727 megabytes, due to continued development and promotion of data products in response to the growing demand for such products as a result of increased penetration of data-enabled devices and services.

⁸ The present value of the future cash flows attributed to the subscriber during his/her entire relationship with MegaFon

CONFERENCE CALL

MegaFon will be hosting an analyst and investors conference call today with a simultaneous audiocast to discuss its Q1 2017 results during the Company's Investor Day at the Mayfair Hotel, London at 08.30 (New York time), 13.30 (London time), 15.30 (Moscow time)

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AUDIOCAST AND SLIDE PRESENTAION

Registration for the video-webcast as well as details of access to the live and on demand webcast from any iOS or Android mobile devices will be available today at 07.00 (New York time), 12.00 (London time), 14.00 (Moscow time) at: – [MegaFon Investor Day 2017 English language](#) or via the following QR-code:



FOR REPLAY

Replay facilities will be available for 7 days:

Local – Moscow, Russia	+7 495 745 7948
Local - London, United Kingdom:	+44 20 33 67 9460
Local - New York, United States of America:	+1 877 642 3018
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NOTES TO EDITORS

MegaFon PJSC is a leading Russian provider of integrated digital services, operating in all segments of the telecommunications markets in Russia, and in the Republics of Abkhazia, South Ossetia and Tajikistan. MegaFon is a recognized market leader in the provision of mobile data services, was the first operator in Russia to launch commercial operation of a third generation (3G) network and was the first operator in the world to launch commercial operation of an LTE-Advanced (4G) data network. In February 2017, MegaFon acquired a 15.2% equity interest (which represented 63.8% of the voting shares) in Mail.Ru, a leading company in the Russian-speaking internet market. MegaFon is traded on the Moscow Stock Exchange and the London Stock Exchange under the symbol MFON. Mail.Ru is traded on the London Stock Exchange under the symbol MAIL. Additional information about MegaFon and the products and services provided by the telecom segment can be found at <http://www.megafon.ru> and information related solely to Mail.Ru can be found at <http://www.mail.ru>.

DISCLAIMERS, STATEMENT REGARDING INSIDE INFORMATION AND FORWARD LOOKING STATEMENTS

The above discussion and analysis should be read in conjunction with the Group's consolidated financial statements which are available for download on the Group's website at: <http://corp.megafon.com/investors/>

Some of the information in this document may be inside information. The subject matter, the identity of the issuer, the identity of the persons making the notification and their titles, and the date and time of the notification are all as set forth above.

Certain statements and/or other information included in this document may not be historical facts and may constitute "forward looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 2(1)(e) of the U.S. Securities Exchange Act of 1934, as amended. The words "believe", "expect", "anticipate", "intend", "estimate", "plans", "forecast", "project", "will", "may", "should" and similar expressions may identify forward looking statements but are not the exclusive means of identifying such statements. Forward looking statements include statements concerning our plans, expectations, projections, objectives, targets, goals, strategies, future events, future revenues, operations or performance, capital expenditures, financing needs, our plans or intentions relating to the expansion or contraction of our business as well as specific acquisitions and dispositions, our competitive strengths and weaknesses, the risks we face in our business and our response to them, our plans or goals relating to forecasted production, reserves, financial position and future operations and development, our business strategy and the trends we anticipate in the industry and the political, economic, social and legal environment in which we operate, and other information that is not historical information, together with the assumptions underlying these forward looking statements. By their very nature, forward looking statements involve inherent risks, uncertainties and other important factors that could cause our actual results, performance or achievements to be materially different from results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the political, economic,

social and legal environment in which we will operate in the future. We do not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. We expressly disclaim any obligation or undertaking to update any forward-looking statements to reflect actual results, changes in assumptions or in any other factors affecting such statements.

SCHEDULE 1: DEFINITIONS

Wireless Subscriber is defined as each SIM card that is activated in our billing system or has had at least one chargeable traffic event (that is, use of voice, VAS or data transfer services) within the preceding three months, whether chargeable to the subscriber or to a third party (for example, interconnection charges payable by other operators). Where an individual person holds more than one SIM card, each SIM card is included as a separate subscriber.

Data service user is defined as a subscriber who has consumed any amount of data traffic within preceding month.

ARPDU (Average Monthly Revenue Per Data Services User) is calculated for a given period by dividing the Group's telecom segment data services revenues for a given period by the average number of its data services users during that period, and further dividing the result by the number of months in that period.

DSU (Monthly Average Data Services Usage per User) is calculated by dividing the total number of megabytes transferred by our network during a given period by the average number of data services users during such period and dividing the result by the number of months in such period.

OIBDA (Operating Income Before Depreciation and Amortisation) is a financial measure not defined by IFRS, should be considered as supplementary and not as an alternative to the information provided in the financial statements of the Group. OIBDA margin means OIBDA as a percentage of revenue. OIBDA and OIBDA margin are widely used by investors, analysts and rating agencies as a measure to evaluate and compare current and future operating performance and to determine the value of companies within the telecommunications industry. However, the Group's definition of OIBDA and OIBDA margin may not be directly comparable to similarly named financial measures and disclosures by other companies. A reconciliation of OIBDA to operating profit is provided in Schedule 2.

Adjusted OIBDA is OIBDA net of impairment charge. A reconciliation of Adjusted OIBDA to operating profit is provided in Schedule 2.

Net Profit is profit for the period attributable to equity holders of the Group.

EPS (Earnings per Share) means an amount of the Group's profit allocated to one share of its stock, and is calculated by dividing Net Profit for a reporting period by the weighted average number of shares outstanding during the period. No earnings are allocated to treasury shares.

Diluted EPS is calculated by adjusting both numerator and denominator in the EPS calculation so as to reflect the effect of including the additional shares that would have been outstanding if all options and other rights to acquire shares had been converted into actual shares.

Capital Expenditures (CAPEX) comprises the cost of purchases of new equipment, new construction, acquisition of new or upgrades to software, acquisition of spectrum and other intangible assets, and purchases of other long-term assets, together with related costs incurred prior to the intended use of the applicable assets, all accounted for as of the earliest time of

payment or delivery. Long-term assets obtained through business combinations are not included in the calculation of capital expenditures.

Free Cash Flow to Shareholders means cash from operating activities, less cash paid for purchases of property, equipment and intangible assets and interest paid, increased by proceeds from sales of property and equipment and interest received. It is a financial measure which should be considered as supplementary but not as an alternative to the information provided in the Group's financial statements. A reconciliation of free cash flow and cash from operating activities is provided in Schedule 2.

Net debt position means the difference between (a) cash, cash equivalents, and principal amount of deposits and (b) principal amount of loans and borrowings less unamortised debt issuance fees. It is a financial measure which should be considered as supplementary but not as an alternative to the information provided in the Group's financial statements. A description of how the metric is calculated is provided in Schedule 2.

SCHEDULE 2: RECONCILIATIONS OF NON-IFRS FINANCIAL MEASURES

(Unaudited data, in millions of RUB, except as indicated)

Group OIBDA

	Q1 2017
Operating profit	13,364
Depreciation	14,405
Amortisation	4,272
Disposal of long-lived assets	79
OIBDA	32,120

Group OIBDA margin as % of revenue

	Q1 2017
Operating profit	15.5%
Depreciation	16.6%
Amortisation	5.0%
Disposal of long-lived assets	0.1%
OIBDA Margin	37.2%

Telecom segment OIBDA and adjusted OIBDA

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Operating profit	15,560	14,199	16,686	10,639	13,075
Depreciation	12,715	13,111	13,370	12,729	13,936
Amortisation	1,867	2,013	1,981	2,020	1,941
Disposal of long-lived assets	105	231	248	265	79
OIBDA	30,247	29,554	32,285	25,653	29,031
Impairment of goodwill	—	—	—	3,400	—
Adjusted OIBDA	—	—	—	29,053	—

Telecom segment OIBDA and adjusted OIBDA margins as percentage of revenue

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Operating profit	20.7%	18.0%	20.6%	13.1%	17.6%
Depreciation	16.9%	16.7%	16.5%	15.7%	18.7%
Amortisation	2.5%	2.6%	2.4%	2.5%	2.6%
Disposal of long-lived assets	0.1%	0.2%	0.3%	0.3%	0.1%
OIBDA Margin	40.2%	37.5%	39.8%	31.6%	39.0%
Impairment of goodwill	—	—	—	4.1%	—
Adjusted OIBDA Margin	—	—	—	35.7%	—

Group net debt as of

	31 Mar 2017
Cash and cash equivalents	30,325
Bank deposits (principal amount)	9,727
Loans and borrowings (principal amount), less unamortised fees and discounts	(261,067)
Net debt	(221,015)

Telecom segment net debt as of

	31 Mar 2016	30 Jun 2016	30 Sep 2016	31 Dec 2016	31 Mar 2017
Cash and cash equivalents	15,631	35,873	25,703	31,922	21,897
Bank deposits (principal amount)	18,747	7,287	20,621	5,052	9,727
Loans and borrowings (principal amount), less unamortised fees and discounts	(208,244)	(210,295)	(236,531)	(233,830)	(261,067)
Net debt	(173,866)	(167,135)	(190,207)	(196,856)	(229,443)

Group free cash flow to shareholders

	Q1 2017
Net cash flows from operating activities	33,364
Purchase of property, equipment and intangible assets	(20,269)
Proceeds from sale of property and equipment	14
Interest received	424
Interest paid	(5,266)
Free cash flow to shareholders	8,267

Telecom segment free cash flow to shareholders

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Net cash flows from operating activities	25,791	20,644	27,481	29,042	27,915
Purchase of property, equipment and intangible assets	(17,000)	(11,425)	(14,137)	(15,330)	(19,022)
Proceeds from sale of property and equipment	33	149	477	50	14
Interest received	100	237	456	359	312
Interest paid	(3,617)	(4,651)	(3,558)	(7,393)	(5,254)
Free cash flow to shareholders	5,307	4,954	10,719	6,728	3,965

SCHEDULE 3: SUMMARISED FINANCIAL INFORMATION OF THE TELECOM SEGMENT

(Unaudited data, in millions of RUB, except as indicated)

Summarised income statement of the telecom segment for the three months ended 31 March

	2017	2016
Revenues	74,494	75,150
Operating expenses	(61,419)	(59,590)
Operating profit	13,075	15,560
Non-Operating loss	(7,965)	(4,131)
Profit before tax	5,110	11,429
Income tax expense	(1,202)	(2,663)
Profit for the period	3,908	8,766
Profit for the period attributable to the equity holders of the segment	3,840	8,837
Basic and diluted, earnings per share for the period attributable to equity holders of the segment	6	15

Summarised financial position of the telecom segment as of

	31 March 2017	31 December 2016 (Audited)
Non-current assets	416,142 ⁹	383,270
Current assets	75,266	78,513
Total assets	491,408	461,783
Total equity	127,830	124,123
Non-current liabilities	242,475	229,682
Current liabilities	121,103	107,978
Total liabilities	363,578	337,660
Total equity and liabilities	491,408	461,783

Summarised cash flow information of the telecom segment for the three months ended 31 March

	2017	2016
Net cash flows from operating activities	27,915	25,791
Net cash flows used in investing activities	(61,001)	(20,435)
Net cash flows received from/(used in) financing activities	24,819	(6,378)
Net decrease in cash and cash equivalents	(8,267)	(1,022)

⁹ Includes investments in Mail.Ru in the amount of 44,040

Schedule 4: RECONCILIATION OF MAIL.RU FINANCIAL INFORMATION

(Unaudited data, in millions of RUB, except as indicated)

As a result of certain differences in accounting policies adopted by Mail.Ru and the Company and due to the purchase price allocation of the Mail.Ru acquisition by the Company, there are differences in the way in which certain financial information of Mail.Ru is reported in the standalone financial statements of Mail.Ru and in the consolidated financial statements of the Group. The adjustments are noted in the tables below.

Summarised income statement of Mail.Ru for the three months ended 31 March 2017

	Per Group	Per Mail.Ru	Adjustments
Revenue	11,760	11,760	—
Net loss on venture capital investments	—	(27)	27
Operating expenses	(8,673)	(8,689)	16
Amortisation and depreciation	(2,799)	(2,114)	(685)
Finance costs	(12)	(12)	—
Finance income	119	119	—
Foreign exchange loss, net	(274)	(274)	—
Gain on financial instruments, net	186	186	—
Other non-operating gain/(loss)	(23)	4	(27)
Profit before tax	284	953	(669)
Income tax	(15)	(149)	134
Profit for the period	269	804	(535)

Summarised financial position of Mail.Ru as of 31 March 2017

	Per Group	Per Mail.Ru	Adjustments
Non-current assets	114,014	171,195	(57,181)
Current assets	14,898	14,898	—
Non-current liabilities	13,714	7,171	(6,543)
Current liabilities	13,750	13,750	—
Total equity:	101,448	165,172	(63,724)
Attributable to Equity holders	44,108	165,107	(120,999)
Attributable to NCI	57,340	65	57,275

Summarised cash flow information of Mail.Ru for the three months ended 31 March 2017

	Per Group	Per Mail.Ru	Adjustments
Net cash flows from operating activities	5,449	5,549	(100)
Net cash flows used in investing activities	(2,352)	(2,464)	112
Net cash flows used in financing activities	(134)	(122)	(12)
Net increase in cash and cash equivalents	2,963	2,963	—