

**Minutes of the Annual General Shareholders Meeting
of Public Joint Stock Company “MegaFon”
(hereinafter also referred to as the “Company”)**

Address of the Company: Moscow, Russian Federation.

Type of the general meeting: Annual General Shareholders Meeting of the Company.

Form of holding the Annual General Shareholders Meeting of the Company: meeting (joint presence of shareholders for discussion of items of the agenda and taking decisions on issues put to vote).

Date of holding the General Meeting of Shareholders: June 30, 2017.

Venue of the Annual General shareholders meeting: 127006 Russian Federation, Moscow, Oruzheiny lane, 41.

Time of registration of persons entitled to participate in the Annual General Meeting of Shareholders of the Company: 11-00.

Address to which the shareholders forwarded the executed voting ballots: 107076, Russian Federation, Moscow, Stromynka street, 18, building 5B, Independent Registrar Company JSC.

Deadline for acceptance of the executed voting ballots: June 27, 2017.

Starting time of the Annual General Meeting of Shareholders of the Company: 12-00.

End time of registration: 12-25.

Starting time for counting of votes: 12-40.

Closing time of the Annual General Meeting of Shareholders of the Company: 13-05.

List of persons entitled to participate in the Annual General Meeting of Shareholders was drawn according to the shareholders register of the Company as of June 7, 2017.

The total number of votes held by the Shareholders with voting shares of the Company according to the shareholders register as of June 7, 2017: 620,000,000 votes.

The Annual General Shareholders Meeting of the Company has the quorum. The Annual General Shareholders Meeting has the authority to pass resolutions on all items of the Agenda.

Chairman of the Annual General Shareholders Meeting: V.Ya. Streshinsky.

Secretary of the Annual General Shareholders Meeting: E.L. Breeva.

In the Minutes of the Annual General Shareholders Meeting of Public Joint Stock Company “MegaFon” the following term shall be used: Provisions – Provisions on additional requirements to the procedure of preparation, convocation and holding the General Shareholders Meeting, approved by the Order of FSFR of Russia dd. 02.02.2012. №12-6/ПЗ-Н.

Agenda:

1. Approval of 2016 Annual Report of the Company.
2. Approval of 2016 Annual Accounting (Financial) Statements of the Company.
3. Distribution of profit, including payment (declaration) of dividends, and losses of the Company based on 2016 Financial Year results.
4. Election of the Board of Directors of the Company.
5. Approval of the number of seats in the Management Board of the Company and election of the Management Board of the Company.

6. Approval of the Company's Auditor.
7. Election of the Revision Commission of the Company.
8. The Company's participation in Big Data Association.
9. The Company's participation in Internet of Things Association.

The floor was taken by the Company's Corporate Secretary, Breeva E.L., who presented information on all the Agenda items of the Annual General Shareholders meeting of the Company.

On Item 1 of the Agenda:

Draft resolution:

To approve the 2016 Annual Report of the Company.

Results of the voting on item 1 of the Agenda of the Annual General Shareholders Meeting:

The number of votes on this item held by the persons included in the list of persons entitled to participate in the General Shareholders Meeting (owners of outstanding voting shares)	620,000,000
The number of votes assigned to the voting shares of the Company, calculated with consideration of item 4.20 of the Provisions	620,000,000
The number of votes on this item held by the persons who actually participated in the Meeting	577,896,201
QUORUM on this item is PRESENT (%)	93.2090%

Voting options	Number of votes for each voting option	% of actual participants of the meeting
"IN FAVOR"	577,747,669	99.9743
"AGAINST"	82,544	0.0143
"ABSTAINED"	56,977	0.0098
Number of votes that were not counted due to be deemed as invalid or due to other reasons stipulated by the Provisions		
"Invalid"	0	0.0000
"Due to other reasons"	9,011	0.0016
TOTAL:	577,896,201	100.0000

Resolution on Item 1 of the Agenda of the Annual General Shareholders Meeting of the Company was ADOPTED.

Adopted resolution:

To approve the 2016 Annual Report of the Company (Attachment No. 1).

On Item 2 of the Agenda:

Draft resolution:

To approve 2016 Annual Accounting (Financial) Statements of the Company.

Results of the voting on item 2 of the Agenda of the Annual General Shareholders Meeting:

The number of votes on this item held by the persons included in the list of persons entitled to participate in the General Shareholders Meeting (owners of outstanding voting shares)	620,000,000
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The number of votes assigned to the voting shares of the Company, calculated with consideration of item 4.20 of the Provisions	620,000,000
The number of votes on this item held by the persons who actually participated in the Meeting	577,896,201
QUORUM on this item is PRESENT (%)	93.2090%

Voting options	Number of votes for each voting option	% of actual participants of the meeting
"IN FAVOR"	577,747,669	99.9743
"AGAINST"	82,544	0.0143
"ABSTAINED"	56,977	0.0098
Number of votes that were not counted due to be deemed as invalid or due to other reasons stipulated by the Provisions		
"Invalid"	0	0.0000
"Due to other reasons"	9,011	0.0016
TOTAL:	577,896,201	100.0000

Resolution on Item 2 of the Agenda of the Annual General Shareholders Meeting of the Company was ADOPTED.

Adopted resolution:

To approve 2016 Annual Accounting (Financial) Statements of the Company (Attachment No. 2).

On Item 3 of the Agenda:

Draft resolution:

1. To determine the amount of dividend for shares, form and procedures for its payment as follows:

- to forward the Company's net income earned in 2016 financial year in the amount of RUB 19,995,000,000 for payment of dividend;
- to determine dividend for ordinary shares of the Company based on 2016 financial year performance in the amount of RUB 32,25 per one ordinary share, pay dividend in money terms, in RUB.

2. To determine July 11, 2017 as the date to define the people entitled to receive the dividends on the common registered shares of the Company as of 2016 financial year results.

Results of the voting on item 3 of the Agenda of the Annual General Shareholders Meeting:

The number of votes on this item held by the persons included in the list of persons entitled to participate in the General Shareholders Meeting (owners of outstanding voting shares)	620,000,000
The number of votes assigned to the voting shares of the Company, calculated with consideration of item 4.20 of the Provisions	620,000,000
The number of votes on this item held by the persons who actually participated in the Meeting	577,896,201
QUORUM on this item is PRESENT (%)	93.2090%

Voting options	Number of votes for each voting option	% of actual participants of the meeting
"IN FAVOR"	577,887,160	99.998436
"AGAINST"	10	0.000002
"ABSTAINED"	0	0.000000
Number of votes that were not counted due to be deemed as invalid or due to other reasons stipulated by the Provisions		
"Invalid"	20	0.000003
"Due to other reasons"	9,011	0.001559
TOTAL:	577,896,201	100.000000

Resolution on Item 3 of the Agenda of the Annual General Shareholders Meeting of the Company was ADOPTED.

Adopted resolution:

1. To determine the amount of dividend for shares, form and procedures for its payment as follows:

- to forward the Company's net income earned in 2016 financial year in the amount of RUB 19,995,000,000 for payment of dividend;
- to determine dividend for ordinary shares of the Company based on 2016 financial year performance in the amount of RUB 32,25 per one ordinary share, pay dividend in money terms, in RUB.

2. To determine July 11, 2017 as the date to define the people entitled to receive the dividends on the common registered shares of the Company as of 2016 financial year results.

On Item 4 of the Agenda:

Draft resolution:

Elect the Board of Directors of the Company in the following composition:

1. Robert Wilhelm Andersson;
2. Henriette Ohland Wendt;
3. Boris Olegovich Dobrodeev;
4. Aleksandr Yurevich Esikov;
5. Nikolay Borisovich Krylov;
6. Lord Paul Myners;
7. Douglas Gordon Lubbe;
8. Hannu-Matti Mäkinen;
9. Pavel Aleksandrovich Mitrofanov;
10. Ardavan Moshiri;
11. Per Emil Nilsson;
12. Jan Erik Rudberg;
13. Ingrid Maria Stenmark;
14. Vladimir Yakovlevich Streshinsky.

Results of the voting on item 4 of the Agenda of the Annual General Shareholders Meeting:

The number of votes on this item held by the persons included in the list of persons entitled to participate in the General Shareholders Meeting (owners of outstanding voting shares)	4,340,000,000
The number of votes assigned to the voting shares of the Company, calculated with consideration of item 4.20 of the Provisions	4,340,000,000
The number of votes on this item held by the persons who actually participated in the Meeting	4,045,273,307
QUORUM on this item is PRESENT (%)	93.2090%

Item №	Name of candidate	Number of votes for cumulative voting
"IN FAVOR", distribution of votes by candidates		

1	Lord Paul Myners	853,844,161
2	Nikolay Borisovich Krylov	684,890,145
3	Vladimir Yakovlevich Streshinsky	656,922,779
4	Ardavan Moshiri	626,259,196
5	Robert Wilhelm Andersson	543,731,752
6	Ingrid Maria Stenmark	542,706,928
7	Jan Erik Rudberg	122,084,940
8	Boris Olegovich Dobrodeev	1,160,432
9	Douglas Gordon Lubbe	1,160,321
10	Aleksandr Yurevich Esikov	1,160,192
11	Henriette Ohland Wendt	1,160,172
12	Hannu-Matti Makinen	144,098
13	Pavel Aleksandrovich Mitrofanov	143,333
14	Per Emil Nilsson	143,078
	"Against" all candidates	1,913,954
	"Abstained" for all candidates	7,772,289
	Number of votes that were not counted due to be deemed as invalid or due to other reasons stipulated by the Provisions	
	"Invalid"	12,460
	"Due to other reasons"	63,077
	TOTAL:	4,045,273,307

Resolution on Item 4 of the Agenda of the Annual General Shareholders Meeting of the Company was ADOPTED.

Adopted resolution:

Elect the Board of Directors of the Company as follows:

1. Lord Paul Myners;
2. Nikolay Borisovich Krylov;
3. Vladimir Yakovlevich Streshinsky;
4. Ardavan Moshiri;
5. Robert Wilhelm Andersson;
6. Ingrid Maria Stenmark;
7. Jan Erik Rudberg.

On Item 5 of the Agenda:

Draft resolution:

To approve the number of seats in the Management Board of the Company (7 persons) and elect the Management Board of the Company in the following composition:

1. Soldatenkov Sergey Vladimirovich;
2. Vermishyan Gevork Arutyunovich;
3. Wolfson Vlad;
4. Kononov Dmitry;
5. Likhova Irina Borisovna
6. Serebryanikova Anna Andreevna;
7. Chumachenko Natalia Viktorovna.

Results of the voting on item 5 of the Agenda of the Annual General Shareholders Meeting:

The number of votes on this item held by the persons included in the list of persons entitled to participate in the General Shareholders Meeting (owners of outstanding voting shares)	620,000,000
The number of votes assigned to the voting shares of the Company, calculated with consideration of item 4.20 of the Provisions	620,000,000

The number of votes on this item held by the persons who actually participated in the Meeting	577,728,561
QUORUM on this item is PRESENT (%)	93.1820%

Voting options	Number of votes for each voting option	% of actual participants of the meeting
"IN FAVOR"	575,867,120	99.67780
"AGAINST"	1,822,970	0.31554
"ABSTAINED"	29,410	0.00509
Number of votes that were not counted due to be deemed as invalid or due to other reasons stipulated by the Provisions		
"Invalid"	50	0.00001
"Due to other reasons"	9,011	0.00156
TOTAL:	577,728,561	100.000000

Resolution on Item 5 of the Agenda of the Annual General Shareholders Meeting of the Company was ADOPTED.

Adopted resolution:

To approve the number of seats in the Management Board of the Company (7 persons) and elect the Management Board of the Company in the following composition:

1. Soldatenkov Sergey Vladimirovich;
2. Vermishyan Gevork Arutyunovich;
3. Wolfson Vlad;
4. Kononov Dmitry;
5. Likhova Irina Borisovna
6. Serebryanikova Anna Andreevna;
7. Chumachenko Natalia Viktorovna.

On Item 6 of the Agenda:

Draft resolution:

To approve KPMG JSC as the Company's Auditor.

Results of the voting on item 6 of the Agenda of the Annual General Shareholders Meeting:

The number of votes on this item held by the persons included in the list of persons entitled to participate in the General Shareholders Meeting (owners of outstanding voting shares)	620,000,000
The number of votes assigned to the voting shares of the Company, calculated with consideration of item 4.20 of the Provisions	620,000,000
The number of votes on this item held by the persons who actually participated in the Meeting	577,896,201
QUORUM on this item is PRESENT (%)	93.2090%

Voting options	Number of votes for each voting option	% of actual participants of the meeting
"IN FAVOR"	576,741,048	99.800111
"AGAINST"	1,146,082	0.198320
"ABSTAINED"	40	0.000007
Number of votes that were not counted due to be deemed as invalid or due to other reasons stipulated by the Provisions		
"Invalid"	20	0.000003
"Due to other reasons"	9,011	0.001559
TOTAL:	577,896,201	100.000000

Resolution on Item 6 of the Agenda of the Annual General Shareholders Meeting of the Company was ADOPTED.

Adopted resolution:

To approve KPMG JSC as the Company's Auditor.

On Item 7 of the Agenda:**Draft resolution:**

To elect the Revision Commission of the Company in the following composition:

1. Zheimo Yuri Antonovich;
2. Kaplun Pavel Sergeevich;
3. Haavisto Sami Petteri.

Results of the voting on item 7 of the Agenda of the Annual General Shareholders Meeting:

The number of votes on this item held by the persons included in the list of persons entitled to participate in the General Shareholders Meeting (owners of outstanding voting shares)	620,000,000
The number of votes assigned to the voting shares of the Company, calculated with consideration of item 4.20 of the Provisions	619,994,000
The number of votes on this item held by the persons who actually participated in the Meeting	577,896,201
QUORUM on this item is PRESENT (%)	93.2099%

Voting options	Number of votes for each voting option	% of actual participants of the meeting
"IN FAVOR"	577,625,295	99.9531
"AGAINST"	260,395	0.0450
"ABSTAINED"	1,500	0.0003
Number of votes that were not counted due to be deemed as invalid or due to other reasons stipulated by the Provisions		
"Invalid"	0	0.0000
"Due to other reasons"	9,011	0.0016
TOTAL:	577,896,201	100.0000

Resolution on Item 7 of the Agenda of the Annual General Shareholders Meeting of the Company was ADOPTED.

Adopted resolution:

To elect the Revision Commission of the Company in the following composition:

1. Zheimo Yuri Antonovich;
2. Kaplun Pavel Sergeevich;
3. Haavisto Sami Petteri.

On Item 8 of the Agenda:**Draft resolution:**

To approve the Company's participation in Big Data Association.

Results of the voting on item 8 of the Agenda of the Annual General Shareholders Meeting:

The number of votes on this item held by the persons included in the list of persons entitled to participate in the General Shareholders Meeting (owners of outstanding voting shares)	620,000,000
The number of votes assigned to the voting shares of the Company, calculated with consideration of item 4.20 of the Provisions	620,000,000
The number of votes on this item held by the persons who actually participated in the Meeting	577,896,201

QUORUM on this item is PRESENT (%)	93.2090%
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Voting options	Number of votes for each voting option	% of actual participants of the meeting
"IN FAVOR"	577,859,040	99.993570
"AGAINST"	28,080	0.004859
"ABSTAINED"	40	0.000007
Number of votes that were not counted due to be deemed as invalid or due to other reasons stipulated by the Provisions		
"Invalid"	30	0.000005
"Due to other reasons"	9,011	0.001559
TOTAL:	577,896,201	100.000000

Resolution on Item 8 of the Agenda of the Annual General Shareholders Meeting of the Company was ADOPTED.

Adopted resolution:

To approve the Company's participation in Big Data Association.

On Item 9 of the Agenda:

Draft resolution:

To approve the Company's participation in Internet of Things Association.

Results of the voting on item 9 of the Agenda of the Annual General Shareholders Meeting:

The number of votes on this item held by the persons included in the list of persons entitled to participate in the General Shareholders Meeting (owners of outstanding voting shares)	620,000,000
The number of votes assigned to the voting shares of the Company, calculated with consideration of item 4.20 of the Provisions	620,000,000
The number of votes on this item held by the persons who actually participated in the Meeting	577,896,201
QUORUM on this item is PRESENT (%)	93.2090%

Voting options	Number of votes for each voting option	% of actual participants of the meeting
"IN FAVOR"	577,859,080	99.993577
"AGAINST"	28,080	0.004859
"ABSTAINED"	20	0.000003
Number of votes that were not counted due to be deemed as invalid or due to other reasons stipulated by the Provisions		
"Invalid"	10	0.000002
"Due to other reasons"	9,011	0.001559
TOTAL:	577,896,201	100.000000

Resolution on Item 9 of the Agenda of the Annual General Shareholders Meeting of the Company was ADOPTED.

Adopted resolution:

To approve the Company's participation in Internet of Things Association.


The Minutes of the Annual General Shareholders Meeting were made on: June 30, 2017.

Attachments:

1. Annual Report of the Company for 2016.
2. Annual Accounting Statements for 2016.

3. Minutes confirming the results of voting at the Annual General Shareholders Meeting of the Company.

Chairman of the Annual General Shareholders Meeting  W. Ya. Streshinsky/

Secretary of the Annual General Shareholders Meeting  /E.L. Breeva/