

To the consideration of the Annual General Shareholders Meeting of MegaFon PJSC

30.06.2017  
Item 2 of the Agenda

---

**Approval of 2016 Annual Accounting (Financial) Statements of the Company**

---

Proposed decision

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

---

Responsible Function:  
Accounting of MegaFon PJSC

**BALANCE SHEET**  
as of December 31, 2016

			Form as per the Russian National Classifier of Management Documentation (OKUD) Date (dd/mm/yy)	CODES 0710001 31 / 12 / 2016
Company	<b>PJSC "MegaFon"</b>		Russian National Classifier of Businesses and Organizations (OKPO)	31090505
Taxpayer Identification Number			Individual tax payer number (INN)	7812014560
Type of activity	<b>Activities in the field of communication based on a wired and wireless technologies</b>		Russian National Classifier of Economic Activities (OKVED)	61.10; 61.20
Legal/ ownership form	<b>Public Joint-Stock Company /private</b>		Russian National Classifier of Organizational and Legal Forms/Russian National Classifier of Property Categories (OKOPF/OKFS)	12247/37
Monetary unit: millions of Russian rubles (mln. RUR)			Russian National Classifier of Measurement Units (OKEI)	385
Location (address)	<b>30 Kadashevskaya, 115035 Moscow</b>			

Note	Caption	Line code	As of December 31, 2016	As of December 31, 2015	As of December 31, 2014
1	2	3	4	5	6
	<b>ASSETS</b>				
	<b>I. NON-CURRENT ASSETS</b>				
	Intangible assets	1110	1 007	502	341
	Research and development results	1120	-	-	1
	Intangible exploration assets	1130	-	-	-
	Tangible exploration assets	1140	-	-	-
Note 4	Fixed assets	1150	191 396	197 386	201 964
	Income-bearing investments in tangible assets	1160	-	-	-
Note 6	Financial investments	1170	138 952	143 810	117 023
	Deferred tax assets	1180	863	1 354	1 475
Note 5	Other non-current assets	1190	56 375	44 767	34 176
-	<b>TOTAL Section I</b>	<b>1100</b>	<b>388 593</b>	<b>387 819</b>	<b>354 980</b>
	<b>II. CURRENT ASSETS</b>				
Note 8	Inventory	1210	2 019	1 764	1 294
-	VAT receivable	1220	631	586	503
Note 9	Accounts receivable	1230	17 218	15 317	11 570
Note 6	Financial investments (excluding cash equivalents)	1240	15 079	27 720	55 160
Note 7	Cash and cash equivalents	1250	30 490	14 415	21 311
Note 10	Other current assets	1260	10 589	15 488	10 829
	including:				
Note 10	Advances issued	1261	4 399	7 415	7 325
Note 10	Other current assets	1262	6 190	8 073	3 504
-	<b>TOTAL Section II</b>	<b>1200</b>	<b>76 026</b>	<b>75 290</b>	<b>100 667</b>
-	<b>BALANCE</b>	<b>1600</b>	<b>464 619</b>	<b>463 109</b>	<b>455 647</b>

Note	Caption	Line code	As of December 31, 2016	As of December 31, 2015	As of December 31, 2014
1	2	3	4	5	6
	<b>EQUITY AND LIABILITIES</b>				
	<b>III. EQUITY AND RESERVES</b>				
Note 11	Charter capital (share capital, authorized fund, partner's contribution)	1310	62	62	62
-	Treasury shares	1320	-	-	-
-	Revaluation of non-current assets	1340	208	213	214
-	Additional capital (without revaluation)	1350	1 878	1 878	1 878
-	Reserve capital	1360	3	3	3
-	Retained earnings/ (loss)	1370	147 529	160 910	165 843
-	<b>TOTAL Section III</b>	<b>1300</b>	<b>149 680</b>	<b>163 066</b>	<b>168 000</b>
	<b>IV. LONG-TERM LIABILITIES</b>				
Note 12	Loans and borrowings	1410	197 028	173 428	158 596
-	Deferred tax liabilities	1420	17 119	15 070	14 046
Note 14	Provisions	1430	3 929	5 001	4 958
Note 15	Other long-term liabilities	1450	1 769	2 645	2 303
-	<b>TOTAL Section IV</b>	<b>1400</b>	<b>219 845</b>	<b>196 144</b>	<b>179 903</b>
	<b>V. SHORT-TERM LIABILITIES</b>				
Note 12	Loans and borrowings	1510	37 733	47 285	49 301
Note 16	Accounts payable	1520	39 206	38 614	36 440
	including:				
Note 16	Trade accounts payable	1521	32 171	28 332	25 921
Note 16	Due to employees	1522	2 861	3 806	3 597
Note 16	Taxes and levies payable	1523	3 364	5 474	5 936
Note 16	Payable to state non-budget funds	1524	810	1 002	986
-	Deferred income	1530	-	-	-
Note 14	Provisions	1540	294	2 789	7 372
Note 17	Other short-term liabilities	1550	17 861	15 211	14 631
	including:				
Note 17	Advances received	1551	11 189	12 378	10 931
Note 17	Other short-term liabilities	1552	3 246	2 833	3 700
-	Settlements with shareholders	1553	3 426	-	-
-	<b>TOTAL Section V</b>	<b>1500</b>	<b>95 094</b>	<b>103 899</b>	<b>107 744</b>
-	<b>BALANCE</b>	<b>1700</b>	<b>464 619</b>	<b>463 109</b>	<b>455 647</b>

CEO

\_\_\_\_\_  
 (signature) S.V. Soldatenkov  
 (full name)

Chief Accountant

\_\_\_\_\_  
 (signature) L. N. Strelkina  
 (full name)

"15" March 2017