

## Parameters of the BO-001R-03 series bonded loan of PJSC "Magnit":

<b>Issue identification number and assignment date</b>	No. 4B02-03-60525-P-001P dated April 4, 2016
<b>Volume of issue</b>	RUB 10,000,000,000
<b>Number of securities</b>	10,000,000
<b>Nominal value of each security</b>	RUB 1,000
<b>Placement price</b>	100% of nominal value
<b>Placement date</b>	April 12, 2016
<b>Placement method</b>	public placement
<b>Maturity date</b>	728 days from the placement date (April 10, 2018)
<b>Number of coupons</b>	4
<b>Trading code</b>	RU000A0JWCF4
<b>ISIN code</b>	RU000A0JWCF4
<b>Coupon interest rate at auction</b>	10.60%
<b>Interest rate for coupon 1</b>	10.60%
<b>Interest rate for coupon 2</b>	10.60%
<b>Interest rate for coupon 3</b>	10.60%
<b>Interest rate for coupon 4</b>	10.60%

The fourth coupon yield on the BO-001P-03 series Exchange Bonds was paid on April 10, 2018. Total income paid on the fourth coupon amounted to RUB 528.5 million; income per one bond on the fourth coupon amounted to RUB 52.85.

PJSC "Magnit" fulfilled its obligations to bondholders and redeemed the par value of the BO-001R-03 series bonds on time and in full on April 10, 2018.

In order to ensure the ability to raise debt financing by issuing local bonds of PJSC "Magnit," three Exchange Bond Programs are available with an undrawn limit of a combined RUB 110 billion. The bond programs are perpetual, which will enable the Company to promptly organize the issuance(s) of exchange bonds should the need arise to finance its operations.

**Credit ratings****S&P**

April 24, 2017 "BB+" with a stable outlook

December 15, 2017 "BB" with a stable outlook

December 20, 2018 "BB" with a stable outlook

**RA EX**

September 28, 2018 "ruAA-" with a positive outlook

## Dividends

The Company's dividend policy aims to improve shareholder returns and ensure growth in the Company's capitalization.

The Company views growth in capitalization as the main driver to meet its shareholders' property interests in generating income from the Company's shares. The dividend policy entails optimizing the proportions between the consumed and capitalized portions of the profit generated by the Company in order to increase the market value of its shares.

The Company's dividend policy is based on the following core principles:

- the principle of transparency, which means identifying and disclosing information about the duties and responsibilities of the parties involved in carrying out the dividend policy, including the procedure and conditions for deciding on the payment and amount of dividends;
- the principle of timeliness, which means establishing time limits for dividend payments;
- the principle of justifiability, which means that the decision on the payment and the amount of dividends may only be made if the Company achieves a positive financial result taking into account development plans and its investment programs;

- the principle of fairness, which means providing shareholders with equal rights to receive information about the decisions made concerning the payment, amount, and procedure for paying dividends;
- the principle of consistency, which means the strict implementation of the procedures and principles of the dividend policy;
- the principle of development, which means continuous improvement in the dividend policy as part of enhancing corporate governance procedures and revising its provisions due to changes in the Company's strategic goals;
- the principle of sustainability, which means the Company's commitment to ensuring a stable level of dividend payments.

The Annual General Meeting of Shareholders on June 21, 2018 (minutes dated June 21, 2018) decided to pay dividends on the ordinary registered shares of PJSC "Magnit" based on the results of the 2017 reporting year.

The Extraordinary General Meeting of Shareholders on December 5, 2018 (minutes dated December 6, 2018) decided to pay dividends on the ordinary registered shares of PJSC "Magnit" based on the results of the first nine months of the 2018 reporting year.

### Report on accrued and paid dividends:

Period	Dividend per share (RUB)	Total dividends declared (RUB)	Dividend amount / IFRS net income, %
Total 2008	1.46	121,538,664	3
Total 2009	14.82	1,291,338,576	15
Total 2010	6.57	584,566,230	6
Total 2011	22.93	2,142,203,933	17
Total 2012	81.35	7,701,566,229	31
Total 2013	135.21	12,785,640,810	36
Total 2014	362.94	34,320,098,184	72
Total 2015	310.47	29,358,463,887	68
Total 2016	278.13	26,300,349,666	48
6 months 2017	115.51	10,922,782,116	53
FY 2017	135.50	13,808,988,603	93
Total 2017	251.01	24,731,770,719	70
9 months 2018	137.38	14,000,581,950	55