

# DIVIDEND POLICY

## and Profit Allocation

The Dividend Policy of Evropeyskaya Elektrotehnika defines the key principles of the Company as relates to payment of dividends on common stock. The policy shall ensure maximum transparency of decision making process in issues of paying out (declaring) dividends, determining the amount and the procedure of payment.

The Company's Dividend Policy is driven by the following principles:

- ▶ when paying out (declaring) dividends, ensure compliance with the requirements of the Russian legislation, the Company's Charter and internal documents;
- ▶ maintain the balance of short- and longterm interests of shareholders;
- ▶ support shareholder commitment to improving the Company's profitability;

- ▶ increase the Company's investment appeal;
- ▶ provide for an upward trend in dividend payouts, subject to growth of the Company's net profit;
- ▶ make dividend payouts in a way most convenient for the shareholders;
- ▶ pay out dividends in the shortest possible time;
- ▶ maximize the transparency of the dividend calculation process;

According to the approved Dividend Policy, the Company allocates at least 20% of consolidated net profit under IFRS to dividends payment<sup>1</sup>.

### Report on payment of declared (accrued) dividends on shares

Dividends	2018 (for year 2017)	2018 (for Q1 2018)
Total amount of dividends, RUB	396,500	91,500,000
Dividend per share, RUB	0.00065	0.15000
Percentage of net profit, %	92.86	75.98
Date of dividends declaring	08.06.2018	08.06.2018
Dividend record date	25.06.2018	25.06.2018
Date of actual dividends payment	29.06.2018	29.06.2018

1. The decision was taken by the Board of Directors of PJSC Evropeyskaya Elektrotehnika (Minutes No. 8 dated September 6, 2017).