



OPEN JOINT-STOCK COMPANY
JOINT-STOCK FINANCIAL CORPORATION
SISTEMA

Annual General Meeting of Shareholders of Sistema JSFC, 28 June 2014,
Moscow, 13.1 Mokhovaya str., Room 101.

**Explanatory note
to the materials of the Annual General Meeting of Sistema JSFC shareholders
on agenda item 3:
“Distribution of income, approval of the amount of the dividend payout
on the Company's shares, procedure and form of payout and the date of
closing the list of shareholders entitled to dividends”**

Pursuant to the Federal Law “On joint-stock companies”, the General Meeting of Shareholders must make a resolution on the amount, procedure, form, and date of dividend payout for the shares of Sistema JSFC. The decision on this agenda item shall be taken following the proposal of the Board of Directors of Sistema JSFC.

The Board of Directors has made a resolution to recommend that the General Meeting of Shareholders of Sistema JSFC allocate RUB 4,535,500,000 to dividends, which amounts to RUB 0.47 per common share of Sistema JSFC (RUB 9.40 per global depositary receipt of Sistema JSFC). Dividend amount is equivalent to 10.2% of adjusted net income of Sistema JSFC in 2014 under international reporting standards. The dividend yield as of the date of the resolution of the Board of Directors (18 April 2015) amounted to 2.74%.

It is proposed that the General Meeting of Shareholders set 16 July 2015 as the date for closing the registry for the purposes of the dividend payout and set the term for the dividend payout no later than 10 business days after such date. If the General Meeting of Shareholders the dividend payout dividends will be paid by 30 July 2015.