



OPEN JOINT-STOCK COMPANY
JOINT-STOCK FINANCIAL CORPORATION
SISTEMA

Annual General Meeting of the Sistema JSFC shareholders, 25 June 2016,
Moscow, 13.1 Mokhovaya str.

**Explanatory note
to the materials of the Annual General Meeting of Sistema JSFC shareholders
on agenda item 6:
“Approval of the Company's auditors”**

Pursuant to the Federal Law “On Joint-Stock Companies”, the General Meeting of shareholders approves the auditors of Sistema JSFC. The decision on this agenda item must be taken following recommendation of the Board of Directors.

The Audit, Finance and Risks Committee of the Board of Directors of Sistema JSFC has assessed the quality of the services rendered by CJSC Deloitte and Touche CIS in 2015 and has given an opinion with regard to the selection of Company's auditors for 2016 and the cost of services.

Taking into account the assessment and the opinion of the Audit, Finance and Risks Committee, the Board of Directors has recommended that CJSC Deloitte and Touche CIS be approved for conducting RAS audits and IFRS audits in 2016.

CJSC Deloitte and Touche CIS is the Russian division of Deloitte Touche Tohmatsu Limited, an international auditing firm, one the four leading international auditors. CJSC Deloitte and Touche CIS has a broad experience in auditing IFRS and RAS reports.

You may learn more about the auditor at http://www.deloitte.com/view/ru_RU/ru/index.htm.