

## Notice

on material fact about the information which in issuer's opinion has a significant effect on value of its emissive securities.

### Disclosure of insider information.

1 General information	
1.1 Full corporate name of the Issuer	Public Joint-Stock Company "AVTOVAZ"
1.2 Short corporate name of the Issuer	PJSC "AVTOVAZ"
1.3 Location of the Issuer	36 Yuzhnoe Shosse, Togliatti, Samara region, 445024, Russian Federation.
1.4. State registration number of the Issuer	1026301983113
1.5 The Issuer's TIN	6320002223
1.6. The Issuer's unique number assigned by the registration body:	00002-A
1.7. Internet web-site used by the Issuer to disclose the information	<a href="http://www.lada.ru">www.lada.ru</a> ; <a href="http://disclosure.skrin.ru/disclosure/6320002223">http://disclosure.skrin.ru/disclosure/6320002223</a>

2. Contents of the message: "Notice of an opportunity to exercise the preemptive right for acquisition of additional shares of Public Joint-Stock Company "AVTOVAZ"

2.1. Brief description of an action which in issuer's opinion has a significant effect on value of its securities: **Notice of an opportunity to exercise the preemptive right for acquisition of additional shares of Public Joint-Stock Company "AVTOVAZ"**

Public Joint-Stock Company "AVTOVAZ" (PJSC "AVTOVAZ", State Registration Number 1026301983113, location: 36, Yuzhnoye shosse, city of Togliatti, Samara region, the Russian Federation), hereinafter also referred to as "the Company" or "the Issuer", informs that 17 April 2017 the Bank of Russia registered an additional issue of securities of PJSC "AVTOVAZ" placed through a closed subscription: ordinary registered non-certificated shares with a nominal value of 5 (five) rubles each, in quantity of 9,250,000,000 (nine billion two hundred fifty million) shares (hereinafter – the Shares). The additional issue of the Shares was registered under state registration number 1-07-00002-A-005D.

The Issuer's shareholders who voted against or did not participate in the voting on the issue of placement of additional Shares through a closed subscription have the preemptive right for acquisition of the Shares placed through a closed subscription in the amount proportional to the amount of the shares of this category (type) held by them, as required under Articles 40, 41 of Federal Law No. 208-FZ "On Joint-Stock Companies".

The shareholders-owners of ordinary shares of the Issuer as of 18 February 2017 (the date of defining (fixing) the list of persons having right to participate in the extraordinary general shareholders' meeting of the Company in which the decision on the placement of the shares of current additional issue was taken) have the preemptive right for acquisition of additional Shares. For the exercising of the preemptive right for acquisition of the mentioned securities, the Issuer's registrar which details are specified in par. 8.3 of the Resolution on additional issue of securities, as well as in this notice, shall make a list of persons having such preemptive right in accordance with requirements set out by the RF law on securities for compiling a list of persons exercising their rights for securities.

Hereby the Issuer informs the shareholders on an opportunity and the procedure of exercising the preemptive right.

**1. Number of placed shares:**

The number of placed shares is 9,250,000,000 (Nine billion two hundred fifty million) shares.

**2. Price of the Shares placement:**

The price of placement of additional ordinary registered non-certificated shares of PJSC "AVTOVAZ" is 10.30 (ten rubles thirty kopecks) rubles per one Share (in case of payment for the Shares in US dollars and (or) Euros, the payment shall be made at the official exchange rate of the Bank of Russia as of the starting

date of placement of the Shares).

The price of placement of additional ordinary registered non-certificated shares to the persons having the preemptive right to acquire the Shares is 10.30 (ten rubles thirty kopecks) rubles per one Share (in case of payment for the Shares in US dollars and (or) Euros, the payment shall be made at the official exchange rate of the Bank of Russia as of the starting date of placement of the Shares).

The starting date of placement shall be the next calendar day after the date of notification of the persons having the preemptive right for acquisition of additional Shares about an opportunity for them to exercise such a right. The Issuer shall publish a notification of an opportunity to exercise the preemptive right to acquire the additional Shares (the Notification) in the following printed media: <http://www.lada.ru/> "Komsomolskaya Pravda", "Samarskaya Gazeta" and shall place via the Internet on the Company's official site [www.lada.ru](http://www.lada.ru). Herewith, the latest date of publishing (the latest placement) of the Notification shall be considered the date of notification of the persons having preemptive right for acquisition of additional Shares about an opportunity for them to exercise such a right.

### **3. The procedure of determination of the number of Shares available for acquisition by every person having the preemptive right for their acquisition:**

Maximum number of the Shares available for acquisition by a person in process of exercising his/her preemptive right for acquisition of the Shares is proportional to the number of ordinary Shares of the Issuer held by this person as of 18 February 2017 (the date of defining (fixing) the list of persons having right to participate in the extraordinary general shareholders' meeting of the Company at which the decision on the placement of the Shares of current additional issue was taken) and shall be defined by the following formula:

$K = S \times (9,250,000,000 / 4,726,988,118)$ , where

K – maximum number of Shares of this additional issue available for acquisition by a person exercising his/her preemptive right for acquisition of the Shares;

S – number of the placed ordinary registered shares of the Issuer held by a person exercising his/her preemptive right for acquisition of the Shares as of 18 February 2017 (the date of defining (fixing) the list of persons having right to participate in the extraordinary general shareholders' meeting of the Company at which the decision on the placement of the shares of current additional issue was taken).

9,250,000,000 – number of Shares being placed;

4,726,988,118—number of the placed ordinary registered shares of the Issuer as of 18 February 2017 (the date of defining (fixing) the list of persons having right to participate in the extraordinary general shareholders' meeting of the Company at which the decision on the placement of the shares of current additional issue was taken).

### **4. The procedure of filing the applications about the acquisition of the additional Shares at the Issuer and time period when the Applications shall be delivered to the Company (period of validity of the preemptive right):**

A person having the preemptive right for acquisition of the Shares may exercise his/her preemptive right fully or partly by filing an application for acquisition of the placed securities (hereinafter – "the Application") and discharging an obligation to pay for them within 45 calendar days from the date of publishing/placement of a notification of an opportunity to exercise the preemptive right for acquisition of the Shares (hereinafter – "the Notification") following the procedure specified in paragraph 8.5 of the Resolution on the additional issue of securities ("Period validity of the preemptive right"). As required under paragraph 8.5 of the Resolution on the additional issue of securities, the Issuer shall publish the Notification in the following printed media: Komsomolskaia Pravda, Samarskaya Gazeta and place on the Internet on the Company's official site [www.lada.ru](http://www.lada.ru)). The latest date of publishing (the latest placement) of the Notification shall be considered the date of publishing/placement of the Notification.

Before the end of the Validity period of the preemptive right, the Shares may not be placed in any way but through exercising of the mentioned preemptive right.

The Application of a person having the preemptive right for acquisition of the Shares, registered in the Company's shareholders register, shall contain data needed for identification of the person who filed the Application and the number of the Shares acquired by this person. This Application shall be filed by mailing or handing against signature to the Company's registrar which details are specified in par. 8.3 of the Resolution on additional issue of securities, as well as in this Notification (hereinafter – "the Registrar"), a written document signed by the person filing the Application and, if provided by the rules according to which the Company's Registrar keeps the register, also by mailing to the Company's Registrar an electronic document signed by competent electronic signature. The above mentioned rules can also provide for a

possibility of signing such electronic document by normal or incompetent electronic signature. In this case the electronic document signed by normal or incompetent electronic signature shall be considered equivalent to paper document signed by manual signature.

The Application mailed or handed to the Company's Registrar shall be deemed filed in the Company on the date when it is received by the Company's Registrar.

A person having the preemptive right for acquisition of the Shares, not registered in the Company shareholders register, shall exercise such preemptive right by giving respective a respective order (instruction) to a person keeping the accounting of his/her rights for the shares of the Company. Such order (instruction) shall meet the requirements of Russian law on securities and mention the number of the acquired securities. Thereat, a request on acquisition of placed securities shall be deemed filed at the Company on the date of receiving by the Company's Registrar a message from a nominal shareholder registered in the Company's shareholders register with a declaration of intent of such person.

If:

- the Application does not meet the requirements provided by Russian law and this Notice (par.8.5 of the Resolution on additional issue of securities);

- the Application was handled in violation of the procedure set out by Russian law, by this Notice (par.8.5 of the Resolution on additional issue of securities);

the person who filed the Request, not later than 3 (Three) days from the date of receiving the Request, shall be sent a notification on impossibility to exercise the preemptive right for acquisition of the Shares on the conditions mentioned in the Request, with indication of the reasons why the exercising of the preemptive right for acquisition of the Shares is impossible.

In case of receiving a notice on impossibility to exercise the preemptive right for acquisition of the Shares, the person wishing to exercise the preemptive right for acquisition of the Shares, before the Validity period of the preemptive right is expired, has right to repeat the Request after elimination of the drawbacks which made it impossible to exercise the preemptive right for acquisition of the Shares.

#### **5. Due date**

The person exercising the preemptive right to acquire the Shares shall pay for the acquired Shares within 45 calendar days from the date of publication/posting of the Notice as required under the procedure set out by par.8.5 of the Resolution on additional issue of securities (during the term of the preemptive right).

#### **6. Payment terms and conditions**

The Shares being acquired shall be paid in full. The obligation to pay for the placed Shares is deemed as fully met at the moment of receipt of funds on the Issuer's bank account set out in the Resolution on additional issue of securities.

The payment for the Shares shall be done by means of non-cash transaction to the Issuer's bank account.

The payment for the Shares by the potential acquirers shall be done in the currency of the Russian Federation to the Issuer's bank account to the following details:

*Privolzhski Branch of PJSC ROSBANK (Public Joint-Stock Company ROSBANK)*

*Branch registration number: 2272/24*

*Registration date: 20.10.2004*

*Branch address: 603000, Nizhni Novgorod, 17B Novaya str.*

*Address of PJSC ROSBANK (Public Joint-Stock Company ROSBANK): 107078, Moscow, 34 Masha Poryvaieva str.*

*C/a of the Privolzhski Branch of PJSC ROSBANK: 3010181040000000747 in Volga-Vyatski Chief Department of the Central Bank of the Russian Federation*

*BIC of the Privolzhski Branch of PJSC ROSBANK: 042202747*

*KPP of the Privolzhski Branch of PJSC ROSBANK: 526002001*

*Beneficiary: Public Joint-Stock Company "AVTOVAZ"*

*settlement account: 40702810125060000055*

*Beneficiary's TIN: 6320002223*

If it is not prohibited by the normative acts in force at the moment of payment, potential acquirers may pay the Shares by non-cash funds fully or partially in the US dollars by means of the transfer to the bank account with the following details:

*Address of PJSC ROSBANK (Public Joint-Stock Company ROSBANK): 107078, Moscow, 34 Masha Poryvaieva str.*

*Branch address (Privolzhski Branch of PJSC ROSBANK): 603000, Nizhni Novgorod, 17B Novaya str.*

*Bank details for payment in US Dollars (beneficiary: Public Joint-Stock Company "AVTOVAZ", Beneficiary's TIN: 6320002223):*

*PJSC ROSBANK, PRIVOLZHSKIY BRANCH OF PJSC ROSBANK*

*SWIFT: RBNRUMMXXX*

*Transit account: 4070284082506000011*

*Correspondent bank:*

*THE BANK OF NEW YORK MELLON CORPORATION, NEW YORK*

*SWIFT: IRVTUS3NXXX*

*Acc. 890-0372-508*

If it is not prohibited by the normative acts in force at the moment of payment, potential acquirers may pay the Shares by non-cash funds fully or partially in Euro by means of the transfer to the bank account with the following details:

*Address of PJSC ROSBANK (Public Joint-Stock Company ROSBANK): 107078, Moscow, 34 Masha Poryvaeva str.*

*Branch address (Privolzhski Branch of PJSC ROSBANK): 603000, Nizhni Novgorod, 17B Novaya str.*

*Bank details for payment in Euro (beneficiary: Public Joint-Stock Company "AVTOVAZ", Beneficiary's TIN: 6320002223):*

*PJSC ROSBANK, PRIVOLZHSKIY BRANCH OF PJSC ROSBANK*

*SWIFT: RBNRUMMXXX*

*Transit account: 4070297802506000013*

*Correspondent bank:*

*Commerzbank AG, Frankfurt am Main*

*SWIFT: COBADEFFXXX*

*Acc. 4008870974*

Placement of the placed Shares to the personal account of the acquirers being in the list of the owners of the Issuer's securities and to the custody account of the acquirers in depositories shall be only done upon full payment of the appropriate Shares but not earlier the Starting date of placement and not later than the End date of placement.

An opportunity of payment by instalments for securities is not provided.

Payment in cash as well as non-monetary payment is not provided.

Payment for additional Shares by offsetting of cash claims to the Issuer is allowed.

As required by Article 410 of the Civil Code of the RF, an acquirer of the Shares, including persons acquiring the Shares in the framework of preemptive rights for acquisition of the Shares, have right at their discretion to send to the Issuer a request on partial or full termination of obligation to pay for acquired Shares by offsetting of similar counter claim ("Offset request").

If payment for the shares by offsetting is made by an person exercising his/her preemptive rights for acquisition of the Shares, the Offset request shall be send to the Issuer (at the address: 36, Yuzhnoye shosse, city of Togliatti, Samara region, the Russian Federation or through the Issuer's Registrar which details are specified in par. 8.3 of the Resolution on additional issue of securities and this Notice) not earlier than filling of an Application on acquisition of the placed securities under the preemptive right and not later than the Validity period of the preemptive right expires.

A request on the offsetting of cash claims to the Issuer on account of payment for the Shares shall be signed by the acquirer (also in case of exercising of the preemptive right for acquisition of the Shares) or by its authorised representative with an attachment of the original or notarially certified copy of duly issued letter of attorney or another document proving the power of the representative and, for legal entities, shall bear a seal (if available).

As the parties agree, payment for the Shares by offsetting of similar claims to the Issuer can be formalized by way of conclusion of bilateral offset agreement.

When the placed Shares are paid by way of offsetting of cash claims to the Issuer, the obligation to pay for the Shares is deemed discharged on the moment of receiving of the offset request by the Issuer (on condition that there are grounds for offsetting provided by law) and conclusion of respective offset agreement.

**Additional information:**

The terms of the Shares placement, including under the preemptive right for their acquisition, are set out by the Resolution on additional issue of securities, the text of which is published by the Issuer in the Internet site ([www.lada.ru](http://www.lada.ru); <http://disclosure.skrin.ru/disclosure/6320002223>).

The Issuer and/or the Registrar maintaining the register of owners of registered securities of the Issuer, at the request of an interested person, shall deliver him/her a copy of this Resolution on additional issue of

securities for a fee not exceeding costs of producing such copy.

To review the Resolution on additional issue of securities and (or) to obtain copies thereof, it is recommended to contact in advance a representative of the Issuer at the phone number: +7 (8482) 64-66-96.

Information about the Registrar of PJSC "AVTOVAZ":

*Full company name: "STATUS" Joint-Stock Registrar Company*

*Abbreviated name: JSC STATUS*

*Location: 32 bldg.1 Novorogozhskaya str., Moscow, 109544, Russia*

*Postal address of the registrar: Togliatti Branch of JSC Registrar Company STATUS: 14, Frunze Str., office 119, Togliatti, 445037, Samara region*

*TIN: 7707179242*

*Details of the license for keeping the register of holders of securities:*

*Number: 10-000-1-00304*

*Issued on: 12.03.2004*

*Term: Without a time limit*

*Name of the licensing authority: Federal Financial Markets Service of Russia*

*Telephone nos.: (495) 974-83-50, 974-83-45*

*Telephone numbers of Togliatti branch: (8482) 27-01-61, 27-01-62*

We draw your attention that in case of changing the personal data of a registered person, the Registrar shall be provided with the application form containing the changed information and the documents confirming the changes.

Also take note that the law allows you to purchase fractional shares while exercising the preemptive right, however, the fractional share, as a rule, does not substantially affect the number of your votes at the general shareholders' meeting, does not substantially increase the amount of the dividend due to you (if dividends payable to shareholders), however, the alienation of fractional shares may require you extra costs or efforts, which are usually not commensurate with the benefits of fractional ownership. In this regard, the acquisition of integer number of shares may be more advantageous for you.

Summing up the results of exercising of the preemptive right for the Shares acquisition is made by the Issuer's authorized body on the next business day after expiration of the Validity period of the preemptive right. Within 5 (Five) days after expiration of the Validity period of the preemptive right The Issuer shall disclose the information on results of exercising of the preemptive right in the news wire of the information agency JSC SKRIPT and (after disclosure in the news wire) on the Internet ([www.lada.ru](http://www.lada.ru); <http://disclosure.skrin.ru/disclosure/6320002223>).

Within 3 (three) business days after receiving of the Request by the Issuer's Registrar and discharging by the person who sent the Request the obligation to pay for the placed Shares the Issuer shall send to the Issuer's Registrar the transfer order on placement of the shares to the personal account of the person (nominee holder keeping accounting of rights of such person for the shares of the Issuer).

The Share Purchase Agreement with the persons exercising the preemptive right for their acquisition shall be deemed concluded from the time of sending of the above mentioned transfer order to the Issuer's Registrar.

On all issues related to the exercise of the preemptive right for acquisition of additional shares of the Issuer, you can contact by phone: +7 (8482) 64-66-96.

2.2. In case when a corresponding event (action) is related to a third party or connected with it, - full corporate name (for non-commercial organizations - name), location, TIN (if applicable), state registration number (if applicable) or surname, name (if a natural person): ***impossible to specify information, the information affects the shareholders-owners of ordinary shares of PJSC "AVTOVAZ" who voted against or did not participate in the voting on the issue of placement of additional shares through a closed subscription.***

2.3. In case when a corresponding event (action) is related to a decision made by an authorized governing body of an issuer or a third party, or is connected with such decision, - name of the authorized governing body, the date and contents of the decision made, the date and number of the meeting minutes of the governing body if the decision was taken by a collective governing body of the corresponding entity: ***additional ordinary registered shares are being placed on the basis of the decision of the Extraordinary Shareholders' Meeting of PJSC "AVTOVAZ" on 15.03.2017 (minutes without a number; dated 20.03.2017) and in pursuance of the resolution on additional***

*issuance approved by the Board of Directors of PJSC "AVTOVAZ" on 17.03.2017 (minutes No.30/10 dated 20.03.2017).*

2.4. In case when a corresponding event (action) is related or may significantly affect the value of particular securities of the issuer, - class, category (type) and other identifiers of the of the issuer's securities: *the securities that are being placed are the securities of additional issuance in respect of the securities which were placed by the issuer under the state registration number of the issuance: 1-07-00002-A dated 04.09.2007 (additional issuance without individual number/code was registered on 10.11.2016), and international securities identification code (ISIN) RU0009071187.*

2.5 The date of the relevant event (action), and if the relevant event occurs in relation to a third party (the relevant action is committed by a third entity/person) - also the date when the issuer learned about the specified event (specified action): *20.04.2017 (the date of first publication of the notice about the pre-emptive right for the acquisition of additional ordinary shares).*

Head of control and -  
coordination division of PJSC "AVTOVAZ"

O.V.Tyurin

Date: 20 April 2017.