



PHILIP MORRIS ČR

ANNOUNCEMENT OF THE RESULTS OF THE ORDINARY GENERAL MEETING

of

Philip Morris ČR a.s.,

whose registered office is at Kutná Hora, Vítězná 1, Postal Code: 284 03,
identification number: 14803534,
registered in the Commercial Register maintained by the Municipal Court
in Prague, Section B, File 627

(the "**Company**"),

held

at the registered office

of the Company in

Kutná Hora, Vítězná 1, Postal Code: 284 03,

at 10 am on 29 April 2016

(the "**General Meeting**")

**Note: The English version of this document is published for informational purposes only.
The authoritative version of this document is the version published in the Czech language.**

1. Point 2 of the agenda of the General Meeting – Election of the Chairman of the General Meeting, Minutes Clerk, Minutes Verifiers and Scrutineers, and Approval of the Rules of Procedure and Voting Rules of the General Meeting:

1.1 The General Meeting elected Mr Martin Hájek as Chairman of the General Meeting, Ms Zuzana Dušková as Minutes Clerk of the General Meeting, Mr Milan Vácha and Ms Romana Jiroutová as Minutes Verifiers of the General Meeting and the following persons as Scrutineers of the General Meeting:

- (i) Petr Brant;
- (ii) Josef Nuhlíček.

2 367 646 valid votes (connected with 2 367 646 shares of the company), were cast, which represents 86,24% share of the capital of the Company.

Election of Chairman of the General Meeting, Minutes Clerk of the General Meeting, Minutes Verifiers of the General Meeting and Scrutineers of the General Meeting

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 367 623	99,994129
AGAINST	0	0,000000
ABSTAINED	23	0,000971
Non-participating and invalid votes	116	0,004899

1.2 The General Meeting approved the Rules of Procedure and Voting Rules of the General Meeting as proposed by the Board of Directors and published on the website www.philipmorris.cz on 29 March 2016.

2 367 646 valid votes (connected with 2 367 646 shares of the company), were cast, which represents 86,24% share of the capital of the Company.

Approval of the Rules of Procedure and Voting Rules

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 367 347	99,982473
AGAINST	276	0,011657
ABSTAINED	23	0,000971
Non-participating and invalid votes	116	0,004899

2. Point 3 and 5 of the agenda of the General Meeting – Proposal for the approval of the Report of the Board of Directors on the Business Activities of the Company, the 2015 ordinary financial statements, the 2015 ordinary consolidated financial statements and the proposal for the distribution of profit for the year 2015, including an indication of the amount and method of payment of dividends:

The General Meeting adopted the following resolutions:

"The Report of the Board of Directors on the Business Activities of the Company in the wording submitted by the Company's Board of Directors is hereby approved."

"The ordinary financial statements of the Company for the 2015 calendar year accounting period are hereby approved."

"The ordinary consolidated financial statements of the Company for the 2015 calendar year accounting period are hereby approved."

The Company's after-tax profit for the 2015 calendar year accounting period in the amount of CZK 2,539,561,716.50, will be paid in the amount of CZK 2,525,755,120,00 to the Company's shareholders as a profit share (dividend). The remaining profit in the amount of CZK 13,806,596.50 will be transferred to retained earnings from the prior years. The retained earnings from prior years in the amount of CZK 257,279,208.32 remained undistributed. A gross profit share (dividend) of CZK 920.00 will thus apply to each ordinary share of the Company with a nominal value of CZK 1,000, in view of the total number of these shares, i.e. 2,745,386. The Decisive Date for Exercising Profit (Dividend) Rights is 22 April 2016, i.e. profit shares (dividends) will be paid to shareholders who held shares of the Company as at 22 April 2016.

Shareholders will be paid profit shares (dividends) through Česká spořitelna, a.s., a company whose registered office is in Prague 4, Olbrachtova 1929/62, postcode: 140 00, identification number: 452 44 782, registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, File 1171.

Česká spořitelna, a.s. will send a "Notification of the Payment of Proceeds from Securities" to each shareholder in the Czech Republic and abroad, to the shareholder's address specified in the extract from the Issue Register of the Company maintained by Central Securities Depository (Centrální depozitář cenných papírů, a.s). as at 22 April 2016 in the case of book-entered shares, and to the shareholder's address specified in the list of the Company's shareholders as at 22 April 2016 in the case of certificated shares.

Profit shares (dividends) will be paid to the shareholders who are individuals during the payment period by bank money transfer to the shareholder's account specified in the list of the Company's shareholders. Profit share (dividend) will be paid to the shareholders who are individuals owning book-entered shares listed in the records of book-entered securities maintained pursuant to a special legal regulation by bank money transfer after the shareholder submits all the necessary documents, including a certificate of tax domicile and a declaration by the actual owner of the shares if a shareholder who is a tax resident of a country other than the Czech Republic requests the application of a special withholding tax rate. In the case of shareholders who are individuals with a permanent residence in the territory of the Czech Republic, the profit share (dividend) may also be paid at all branches of Česká spořitelna, a.s. in cash, subject to the presentation of a valid ID card. If a shareholder who is also a tax resident of a country other than the Czech Republic requests the application of a special withholding tax rate, this shareholder will be

obliged to submit, along with presentation of their valid ID card, a certificate of their tax domicile and a declaration of the actual owner.

The payment period will be from 30 May 2016 to 31 March 2017. All information regarding the payment of a profit share (dividend) to shareholders will be provided at the branches of Česká spořitelna, a.s.

Shareholders who are legal entities will also be paid profit shares (dividends) through Česká spořitelna, a.s. in accordance with the rules defined above.

Profit shares (dividends) will be paid to the shareholders who are legal entities by bank money transfer to the bank account of the shareholder specified in the list of the Company's shareholders. Profit share (dividend) will be paid to the shareholders who are legal entities owning book-entered shares listed in the records of book-entered securities maintained pursuant to a special legal regulation by bank money transfer after the shareholder submits all the necessary documents, including a certificate of tax domicile and a declaration of the actual owner, if a shareholder who is a tax resident of a country other than the Czech Republic requests the application of a special withholding tax rate.

Contact persons at Česká spořitelna, a.s.:

Department: Back Office of Investment Products

Naděžda Šmídová

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Contact address for delivery of documents for payments:

Department 8430

Budějovická 1518/13a,b,

140 00 Prague 4"

2 367 475 valid votes (connected with 2 367 475 shares of the company), were cast, which represents 86,23% share of the capital of the Company.

Approval of the Report of the Board of Directors on the Company's business activities

	<u>Number of</u> <u>votes</u>	<u>% of votes present at the</u> <u>General Meeting</u>
FOR	2 367 300	99,974070
AGAINST	0	0,000000
ABSTAINED	175	0,007390
Non-participating and invalid votes	439	0,018540

2 367 751 valid votes (connected with 2 367 751 shares of the company), were cast, which represents činí 86,24% share of the capital of the Company.

Approval of the 2015 ordinary financial statements

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 367 576	99,985726
AGAINST	0	0,000000
ABSTAINED	175	0,007390
Non-participating and invalid votes	163	0,006884

2 367 751 valid votes (connected with 2 367 751 shares of the company), were cast, which represents 86,24% share of the capital of the Company.

Approval of the 2015 ordinary consolidated financial statements

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 367 300	99,974070
AGAINST	276	0,011656
ABSTAINED	175	0,007390
Non-participating and invalid votes	163	0,006884

2 367 751 valid votes (connected with 2 367 751 shares of the company), were cast, which represents 86,24% share of the capital of the Company.

Approval of the proposal for the distribution of profit for 2015, including the amounts and method of payment of dividends

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 367 300	99,974070
AGAINST	0	0,000000
ABSTAINED	451	0,019046
Non-participating and invalid votes	163	0,006884

3. Point 6 of the agenda of the General Meeting – Resignation of Mr András Tövisi from the office of a member of the Board of Directors

Approval of the draft resolution on resignation of Mr András Tövisi, from the office of a member of the Board of Directors. Performance of Mr András Tövisi's office shall, in accordance with article 14 (7) of the Company's Articles of Association, terminate upon notification of his resignation at the General Meeting.

2 367 799 valid votes (connected with 2 367 799 shares of the company), were cast, which represents 86,25% share of the capital of the Company.

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 366 574	99,943326
AGAINST	0	0,000000
ABSTAINED	1 225	0,051733
Non-participating and invalid votes	117	0,004941

4. Election of members of the Board of Directors and approval of the agreements for the performance of the office of members of the Board of Directors:

4.1 The General Meeting elected the following persons as members of the Board of Directors of the Company:

Mr Árpád Könye, born on 10 May 1961, residing at Ave da Republica 1910, Lote 50, Alcabideche 2645-143, Portuguese Republic;

2 367 801 valid votes (connected with 2 367 801 shares of the company), were cast, which represents 86,25% share of the capital of the Company.

Election of **Árpád Könye** as member of the Board of Directors

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 367 316	99,970439
AGAINST	332	0,014020
ABSTAINED	153	0,006461
Non-participating and invalid votes	215	0,009079

Mr István Borus, born on 20 December 1975, residing at 2162 Örbottyán, Vak Bottyán utca 9719, Hungary;

2 367 803 valid votes (connected with 2 367 803 shares of the company), were cast, which represents 86,25% share of the capital of the Company.

Election of **István Borus** as member of the Board of Directors

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 367 648	99,984460
AGAINST	0	0,000000
ABSTAINED	155	0,006546
Non-participating and invalid votes	213	0,008995

4.2 The General Meeting adopted the following resolutions regarding the approval of the agreements on performance of the Agreements on Performance of the Office of the members of the Board of Directors:

2 367 747 valid votes (connected with 2 367 747 shares of the company), were cast, which represents 86,24% share of the capital of the Company.

Approval of the agreement on Performance of the Office of a Member of the Board of Directors concluded between the member of the Board of Directors of Philip Morris ČR a.s., Mr. Árpád Könye, and Philip Morris ČR a.s. on 21 March 2016.

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 367 568	99,981081
AGAINST	56	0,002365
ABSTAINED	123	0,005194
Non-participating and invalid votes	269	0,011360

2 367 747 valid votes (connected with 2 367 747 shares of the company), were cast, which represents 86,24% share of the capital of the Company.

Approval of the agreement on Performance of the Office of a Member of the Board of Directors concluded between the member of the Board of Directors of Philip Morris ČR a.s., Mr. István Borus, and Philip Morris ČR a.s. on 21 March 2016.

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 367 346	99,971706
AGAINST	276	0,011655
ABSTAINED	125	0,005279
Non-participating and invalid votes	269	0,011360

5. Point 8 of the agenda of the General Meeting – Appointment of the Company's Auditor:

The General Meeting appointed PricewaterhouseCoopers Audit, s.r.o., whose registered office is at Hvězdova 1734/2c, Nusle, Prague 4, Postal Code 140 00, the Czech Republic, identification number: 407 65 521, registered in the Commercial Register maintained by the Municipal Court in Prague, Section C, File 3637, as an auditor of the Company for the 2016 calendar year accounting period.

2 367 743 valid votes (connected with 2 367 743 shares of the company) were cast, which represents 86,24% share of the capital of the Company.

Appointment of the auditor of the Company

	<u>Number of votes</u>	<u>% of votes present at the General Meeting</u>
FOR	2 367 311	99,970228
AGAINST	56	0,002365
ABSTAINED	376	0,015878
Non-participating and invalid votes	273	0,011529

In Kutná Hora on 29 April 2016

Arpad Konye
Chairman of the Board of Directors
Philip Morris ČR a.s.

Stanislava Juríková
Member of the Board of Directors
Philip Morris ČR a.s.