



March 3, 2017

To Whom It May Concern

Dear Partners,

Given recent press speculation regarding the bankruptcy petition filed against FESCO PLC ("Company" or "FESCO") by Russian Management Company Kapital ("Kapital"), FESCO announces that it remains engaged in a constant dialogue with its creditors, including certain major RUB bondholders, which include Kapital. FESCO believes the court process initiated by Kapital does not preclude the possibility of reaching an amicable settlement with its RUB bondholders, including Kapital.

The Company remains committed to protecting the interests of all its stakeholders.

Further, FESCO does not expect any of the above to have an adverse impact on its operations and collaboration with its partners, including vendors and clients. The Company intends to continue to do business as usual and perform all its contractual obligations.

For sure, if you have any additional questions, do not hesitate to be in touch with your direct contact in the Company or by e-mail fesco@fesco.com.

Sincerely,

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke, positioned above a thin blue horizontal line.

Alexandrs Isurins
President and Chairman of the Management Board