

ITEM 9: DECISION ON DISTRIBUTION OF PROFIT

Resolution:

Pursuant to Section 8.2 letter k) of Articles of Association of UNIPETROL, a.s. the General meeting of UNIPETROL, a.s. resolves to approve to:

- a) distribute the whole non-consolidated profit of UNIPETROL, a.s. for the year 2016 in the amount of CZK 47,358,727.78 to the company shareholders; and*
- b) distribute part of the non-consolidated retained earnings of past years in the amount of CZK 1,457,719,813.42 (from the total non-consolidated retained earnings of past years in the amount of CZK 9,238,862,228.00 to the company shareholders.*

The total share in the company profit to be distributed to the company shareholders (the "Dividend") amounts to CZK 1,505,078,541.20. After recalculation, the Dividend represents CZK 8.30 per one (1) company share before tax.

Record date for right to the Dividend is 31 May 2017. Persons who are shareholders of UNIPETROL, a.s. (are specified in the excerpt from the records of the book-entered shares of the Company) as at the record date shall have the right for the Dividend.

The Dividend is payable on 7 September 2017. The Dividend payment will be processed by Česká spořitelna, a.s., having its registered office at Praha 4, Olbrachtova 1929/62, Postal Code: 14000, Business ID no.: 45244782, registered in the Commercial Registry maintained by Municipal Court in Prague, file no. B 1171. Dividend payment will end on 7 September 2021.

Justification:

In accordance with binding legal regulations and Articles of Association of UNIPETROL, a.s. decision on distribution of profits is vested within the powers of the General Meeting.

The Board of Directors is focusing on long term and stable shareholder value growth in order to ensure a stable dividend payout and create the possibility for continuous dividend growth in the future. The proposed and well balanced dividend amount allows the company to maintain the ability to finance multiple ongoing business development projects, including the largest petrochemical project in the Czech Republic, that being the new polyethylene unit which will undoubtedly contribute to future value growth for shareholders. The Board of Directors has also taken into consideration various financial risks resulting from a volatile and unpredictable macroeconomic environment. The Board of Directors is also aware that the proposal to pay dividend of CZK 8.30 per share is in line with the strategic target of the Company of a systematic increase of DPS ratio (dividend per share), reflects liquidity position and profitability combined with increased share valuation. In the Board of Directors opinion the proposed dividend offers an attractive return to its shareholders compared to a return from alternative investments in the same industry.

Proposal for distribution of UNIPETROL, a.s. profit for the year of 2016 and part of the non-consolidated retained earnings of past years submitted by the Board of Directors of the Company for approval by the General Meeting is in line with applicable generally binding legal regulations and Articles of Association of UNIPETROL, a.s.