

MOBILE TELESYSTEMS PJSC
Form 6-K
July 27, 2018

FORM 6-K

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Issuer
July 27, 2018

**Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934**

Commission file number: 333-12032

Mobile TeleSystems PJSC

(Exact name of Registrant as specified in its charter)

Russian Federation

(Jurisdiction of incorporation or organization)

**4, Marksistskaya Street
Moscow 109147
Russian Federation**

(Address of principal executive offices)

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Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

Ad-Hoc Notice

July 27, 2018

Moscow, Russian Federation MTS PJSC (the Company NYSE: MBT, MOEX: MTSS), the leading telecommunications operator and digital service provider in Russia, announces that it has filed a Request for Arbitration against the Sovereign State of Turkmenistan with the World Bank's International Center for Settlement of Investments Disputes (ICSID).

In September 2017, MTS's wholly-owned subsidiary MTS-Turkmenistan was compelled to suspend its operations in Turkmenistan due to the actions of the Government of Turkmenistan, including the actions of the Ministry of Communications and other entities owned, controlled and directed by the Turkmen State. The Company considers that the Turkmen State has violated its rights as a foreign investor under the Agreement on Promotion and Reciprocal Protection of Investments (the Treaty) signed between the Government of the Russian Federation and the Government of Turkmenistan on March 29, 2009, ultimately resulting in the total expropriation of the Company's investment in Turkmenistan. The Company's total losses caused by the violation of its rights under the Treaty have not yet been fully quantified, but are estimated to be at least USD 750 mln.

In accordance with the Treaty, MTS has been pursuing an amicable resolution of this dispute, and gave a formal notice to the Government of Turkmenistan more than six months ago of its intention to pursue relief under the Treaty if no agreement could be reached. Regrettably, such agreement has not been reached and therefore MTS is initiating these legal proceedings before the ICSID in order to protect its legal rights and investments in Turkmenistan.

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For further information, please contact in Moscow:

Investor Relations Department

Mobile TeleSystems PJSC

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Learn more about MTS. Visit the official blog of the Investor Relations Department at www.ir.mts.ru/ir-blog

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Mobile TeleSystems PJSC (MTS - NYSE:MBT; MOEX:MTSS), the leading telecommunications group in Russia and the CIS, provides a range of mobile, fixed-line and digital services. We serve over 100 million mobile subscribers in Russia, Ukraine, Armenia, and Belarus, and about 9 million customers of fixed-line services, including fixed voice, broadband internet, and pay-TV. To keep pace with evolving customer demand, MTS is redefining what telecommunications services are by offering innovative products beyond its core network-related businesses in various tech segments, including Big Data, financial and banking services, internet of things, OTT, cloud computing, systems integration and e-commerce. We leverage our market-leading retail network as a platform for customer services and sales of devices and accessories. MTS maintains its leadership in the Russian mobile market in terms of revenue and profitability. MTS is majority-owned by Sistema PJSC. Since 2000, MTS shares have been listed on the New York Stock Exchange and since 2003 - on the Moscow Exchange. For more information, please visit: www.ir.mts.ru.

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Some of the information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of MTS, as defined in the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. You can identify forward looking statements by terms such as expect, believe, anticipate, estimate, intend, will, could, may or might, and such terms or other similar expressions. We wish to caution you that these statements are only predictions and that actual events or results may differ materially. We do not undertake or intend to update these statements to reflect events and circumstances occurring

after the date hereof or to reflect the occurrence of unanticipated events. We refer you to the documents MTS files from time to time with the U.S. Securities and Exchange Commission, specifically the Company's most recent Form 20-F. These documents contain and identify important factors, including those contained in the section captioned "Risk Factors" that could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, the severity and duration of current economic and financial conditions, including volatility in interest and exchange rates, commodity and equity prices and the value of financial assets; the impact of Russian, U.S. and other foreign government programs to restore liquidity and stimulate national and global economies, our ability to maintain our current credit rating and the impact on our funding costs and competitive position if we do not do so, strategic actions, including acquisitions and dispositions and our success in integrating acquired businesses, potential fluctuations in quarterly results, our competitive environment, dependence on new service development and tariff structures, rapid technological and market change, acquisition strategy, risks associated with telecommunications infrastructure, governmental regulation of the telecommunications industries and other risks associated with operating in Russia and the CIS, volatility of stock price, financial risk management and future growth subject to risks.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MOBILE TELESYSTEMS PJSC

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| By: | /s/ Alexey Kornya | |
| | Name: | Alexey Kornya |
| | Title: | CEO |

Date: **July 27, 2018**