

ALROSA. IR-Release, RAS Financial Results for 9M2010

9M2010 Results

- ALROSA’s 9M2010 revenue exceeds the level of 9M2009 and the pre-crisis 9M results for 2007-2008.
- ALROSA’s 9M2010 financial result is net profit of RUB 6.4 bln compared to RUB 8.8 bln loss in previous year.
- Moody’s Investors Service stabilized the outlook on ALROSA’s Ba3 rating.

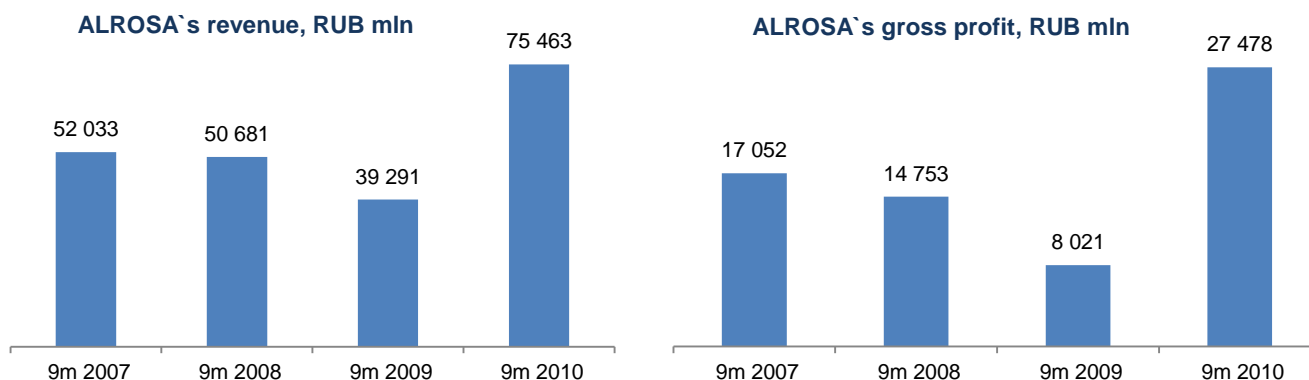
Financial Results under Russian Accounting Standards

Company’s revenue for 9M2010 is RUB 75.5 bln, gross profit – RUB 27.4 bln, net income – RUB 6.4 bln.

Statement	9M2010A	9M2009A
	RUB mln	RUB mln
Revenue	75 463	39 291
COGS	(38 558)	(23 681)
SG&A	(9 472)	(7 589)
Gross Profit	27 478	8 021
Other income/expenses result	(18 001)	(17 992)
Profit/(loss) before taxes	9 477	(9 971)
Taxes	(3 064)	1 159
Net profit/(loss)	6 413	(8 812)

Revenue and Gross profit over perform pre-crisis levels

- ALROSA has increased revenue 1.5 times compared to pre-crisis levels of 9M 2007 and 2008.
- Company has increased gross profit more than 3 times compared to 9M 2009.



Moody’s Investors Service stabilizes the outlook on ALROSA’s rating

- Moody’s Investors Service stabilized the outlook on ALROSA’s Ba3 rating.
- The change in the outlook is driven by the recovery of diamond market and strong recovery in ALROSA’s sales in 2010, as well as the expectation of strong pricing and demand environment for diamonds in the medium term.
- Moody’s Investors Service last rating action was on 7 April 2009 when the rating agency has changed ALROSA’s corporate rating to Ba3 with “negative” outlook.

Rating Agency	Rating	Outlook	Date of Assignment
S&P	B+	Positive	02.02.2010
Moody’s	Ba3	Stable	21.09.2010
Fitch	B+	Stable	17.02.2010

Investor Relations