



ALROSA

IR-release:
Q1 2018 operational overview

20 April 2018

The below applies to the presentation (the “Presentation”) following this important notice, and you are therefore advised to read this important notice carefully before reading, accessing or making any other use of this Presentation.

This Presentation contains statements about future events and expectations that are forward-looking statements. Any statement herein (including, without limitation, a statement regarding our financial position, strategy, management plans and future objectives) that is not a statement of historical fact is a forward-looking statement that involves known and unknown risks, uncertainties and other factors which may cause ALROSA’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Past performance should not be taken as an indication or guarantee of future results, and no representation or warranty, express or implied, is made regarding the future performance. The information and opinions contained in this document are provided as at the date hereof (unless indicated otherwise) and are subject to change without notice. ALROSA assumes no obligation to update, supplement or revise the forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements.

The diamond resources and reserves estimates provided in this Presentation have been prepared and presented in accordance with the standards and classifications of the JORC Code (the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves as promulgated by the Australasian Joint Ore Reserves Committee), which differ in significant respects from the standards and classifications applicable to the disclosure of mineral resources and reserves under the laws and regulations of certain other jurisdictions, including the regulations of the U.S. Securities Exchange Commission (the “SEC”) with respect to registration statements and other documents filed with the SEC. Among other things, in accordance with the JORC Code, this Presentation provides certain mineral resources estimates classified as “inferred”, “indicated” or “measured”, which differ in significant respects from “probable” and “proven” mineral reserves estimates and are not disclosed in certain jurisdictions, including in SEC filings. There can be significant uncertainty as to whether mineral resources can ever be feasibly and commercially mined. For further explanation of the JORC Code, see the JORC website at www.jorc.org.

This Presentation does not constitute or form part of and should not be construed as, an offer to sell or issue or the solicitation of an offer to buy or acquire any securities in any jurisdiction or an inducement to enter into any investment activity. The contents hereof should not be construed as investment, legal, tax, accounting or other advice, and investors and prospective investors in securities of any issuer mentioned herein are required to make their own independent investigation and appraisal of the business and financial condition of such issuer and the nature of the securities and consult their own advisers as to legal, financial, tax and other related matters.

This Presentation has not been independently verified. No representation or warranty or undertaking, express or implied, is made as to the accuracy, completeness or fairness of the information or opinions contained in this Presentation. None of ALROSA nor any of its shareholders, directors, officers or employees, affiliates, advisors, representatives nor any other person accepts any liability whatsoever for any loss howsoever arising from any use of this Presentation or its contents or otherwise arising in connection therewith. No reliance may be placed for any purpose whatsoever on the information contained in this Presentation or on its completeness, accuracy or fairness.

This Presentation is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction. Persons in whose possession this Presentation and/or such information may come are required to inform themselves about and to observe such restrictions.

Some numerical figures included in this Presentation have been subject to rounding adjustments.

By reviewing and/or attending this Presentation you acknowledge and agree to be bound by the foregoing.

Operational overview of ALROSA's Q1 2018 results

Q1 2018 diamond production was down by 17% y-o-y to 7,420 thousand carats. Main drivers are:

- reduced production at the Mirny Division caused by the shutdown of the Mir underground mine following the accident in August 2017;
- processing of lower grade ore from the Jubilee pipe; termination of processing of ore from the Udachny open pit after completion of open-pit mining.

Ore and gravels processing in Q1 2018 was 5,712 thousand tons, down by 7% y-o-y and 21% q-o-q, in line with the Company's production plan.

Diamond production

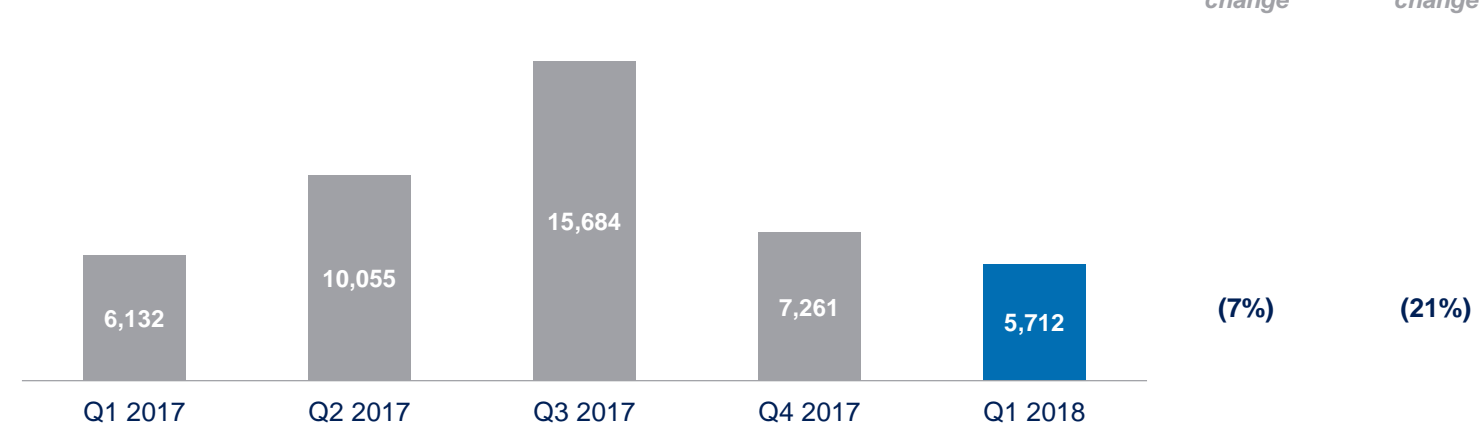
'000 cts

— Grade (cpt)



Ore and gravels processing

'000 t

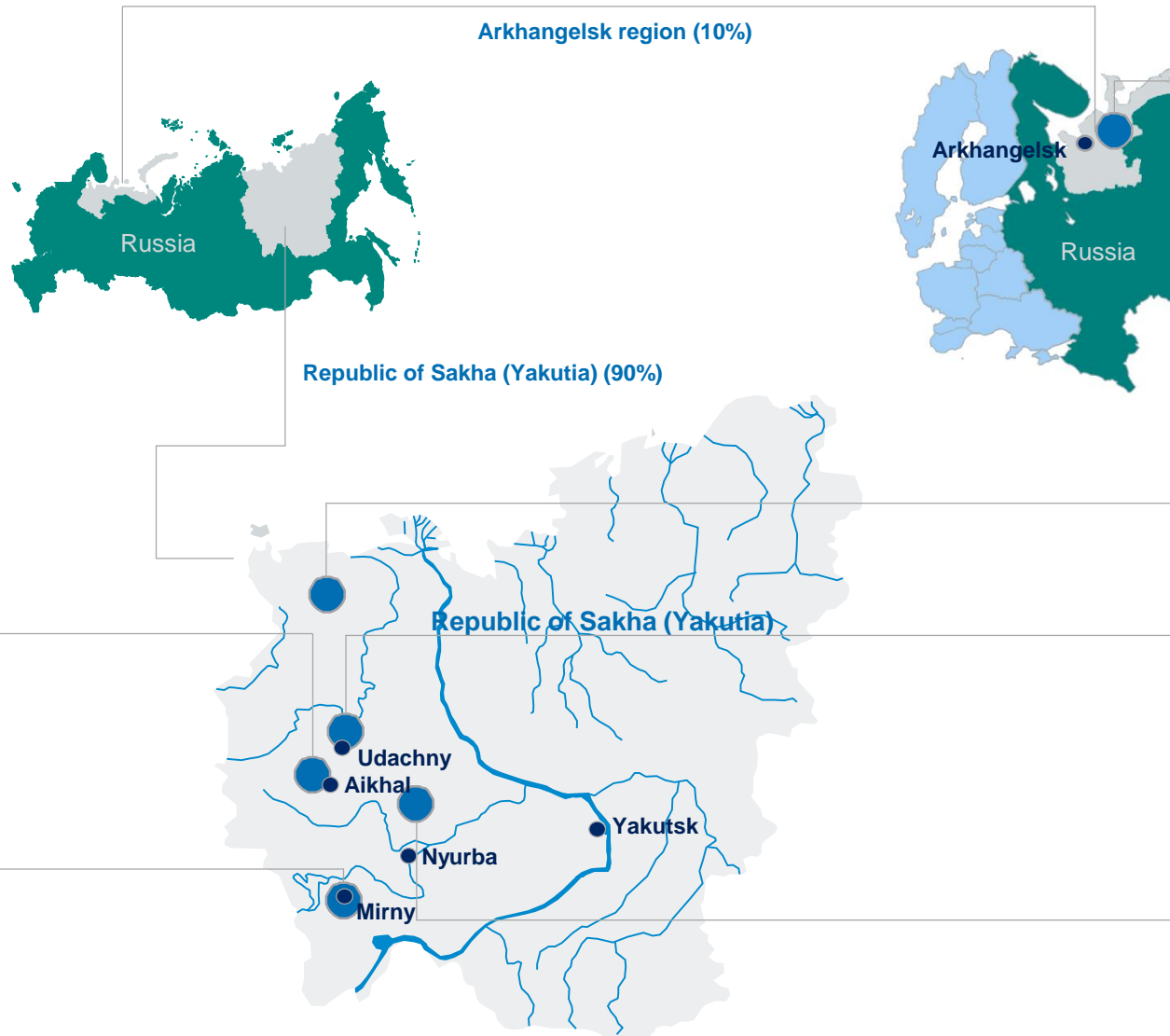


ALROSA's production footprint

Mining methods:

- Underground mining (27%)
- Open-pit mining (71%)
- Alluvial mining (2%)

Percentage in brackets indicates the share of region/division/pipe in Q1 2018 ALROSA diamond production



Aikhal Division (38%)

- Jubilee pipe (32%)
- Aikhal underground mine (5%)
- Komsomolskaya pipe (1%)

Mirny Division (15%)

- International underground mine (14%)
- Mir underground mine (<1%)
- Alluvial deposits (1%)

Lomonosov Division (10%)

- Arkhangelskaya pipe (5%)
- Karpinskogo-1 pipe (5%)

- Almazy Anabara (-)
- Nizhne-Lenskoye (-)

Udachny Division (11%)

- Udachny underground mine (7%)
- Zarnitsa pipe (3%)
- Zapolyarnaya Pipe (-) (Verkhne-Munskoye deposit)
- Alluvial deposits (1%)

Nyurba Division (26%)

- Nyurbinskaya pipe (21%)
- Botuobinskaya pipe (5%)
- Alluvial deposits (-)

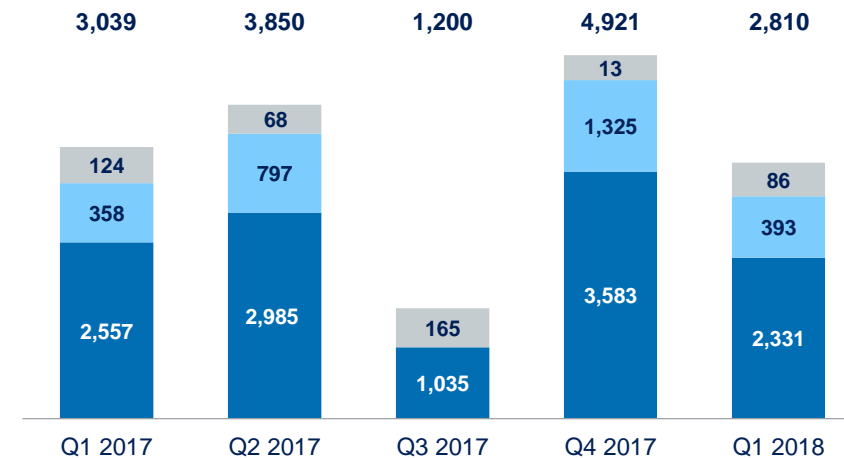
Aikhal Division Q1 2018 operational overview

Q1 2018 diamond production was 2,810 thousand carats, down by 8% y-o-y.

- In Q1 2018, decline in diamond output at the Jubilee pipe by 9% y-o-y resulted from processing of lower grade ore.
- In Q1 2018, diamond production growth at the Aikhal underground mine by 10% y-o-y was driven by increase in ore processing volumes.

Diamond production

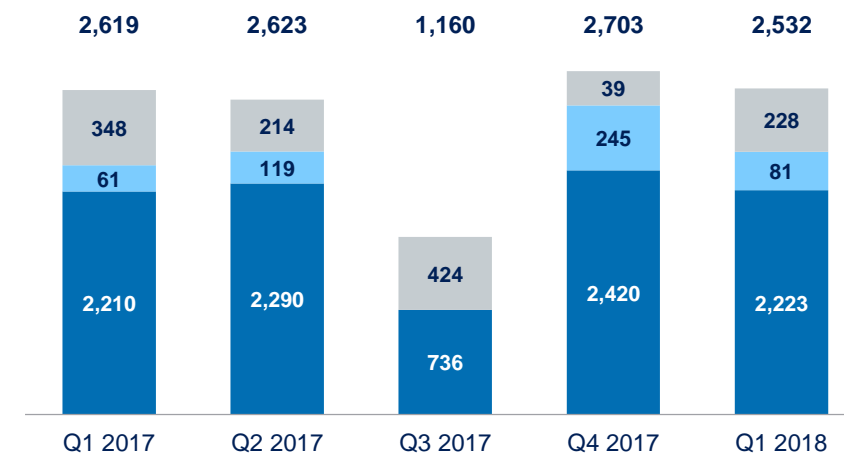
'000 cts



	Y-o-Y change	Q-o-Q change
	(8%)	(43%)
Komsomolskaya pipe	(31%)	6.6x
Aikhal underground mine	10%	(70%)
Jubilee pipe	(9%)	(35%)

Ore processing

'000 t



	Y-o-Y change	Q-o-Q change
	(3%)	(6%)
Komsomolskaya pipe	(34%)	5.8x
Aikhal underground mine	33%	(67%)
Jubilee pipe	1%	(8%)

- In Q1 2018, diamond production decline by 31% y-o-y at the Komsomolskaya pipe was due to decrease in ore processing volumes while grade grew by 6% y-o-y.

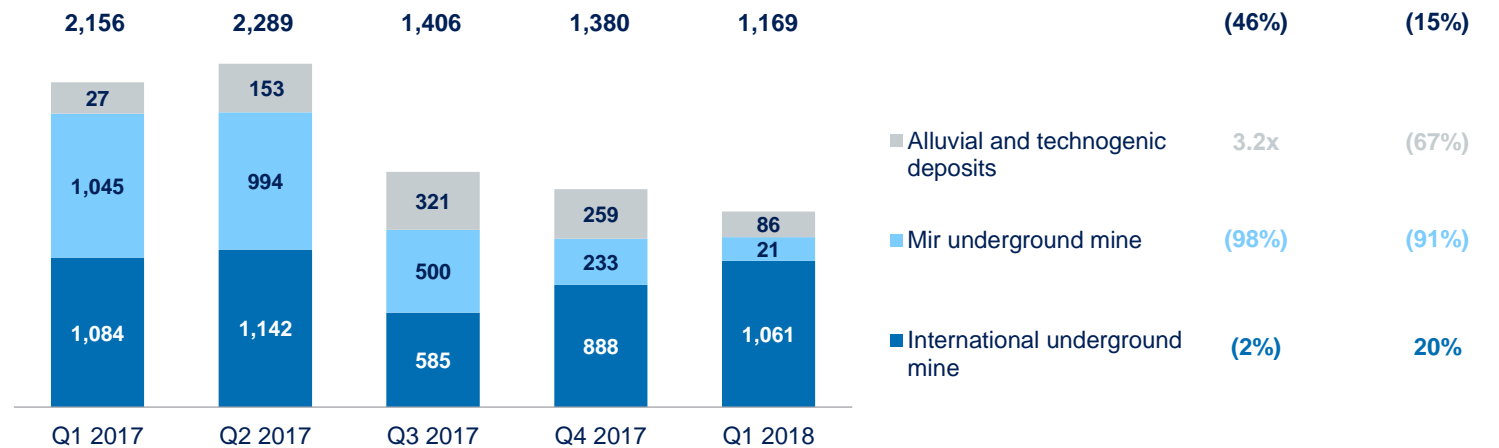
Mirny Division Q1 2018 operational overview

Q1 2018 diamond production was 1,169 thousand carats, down by 46% y-o-y.

- In Q1 2018, decrease in diamond production at the International underground mine by 2% y-o-y was driven by processing of lower grade ore.
- The 98% decline in production y-o-y at the Mir underground mine in Q1 2018 resulted from reduction of ore processing volumes from inventories driven by production suspension in August 2017 as a result of the accident.
- In Q1 2018, growth of diamond production at alluvial and technogenic deposits by 3.2 times y-o-y was due to increase in processing volumes of gravels.

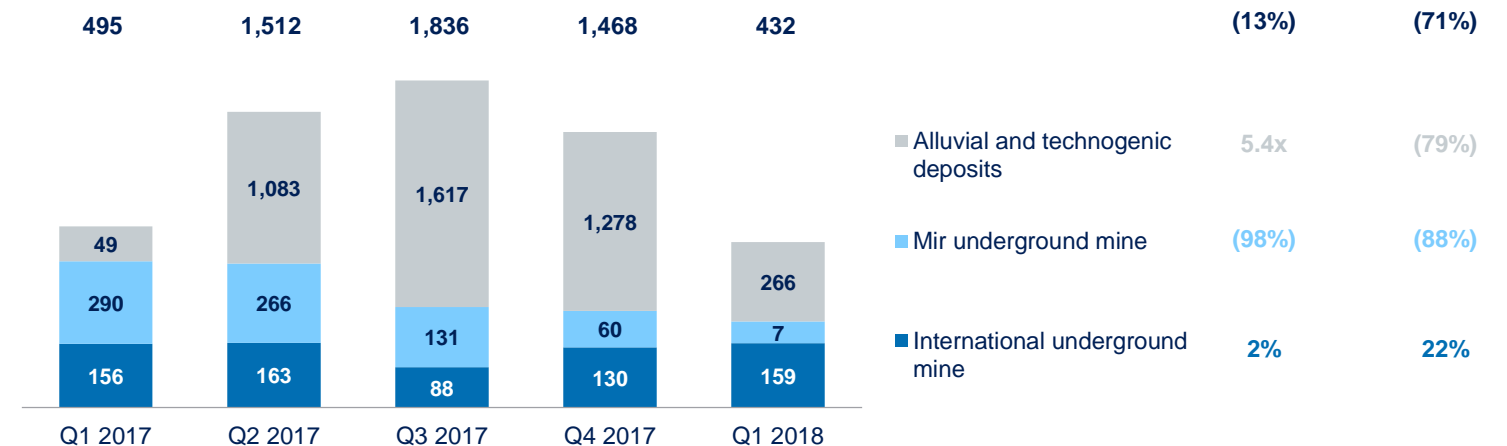
Diamond production

'000 cts



Ore and gravels processing

'000 t



Udachny Division Q1 2018 operational overview

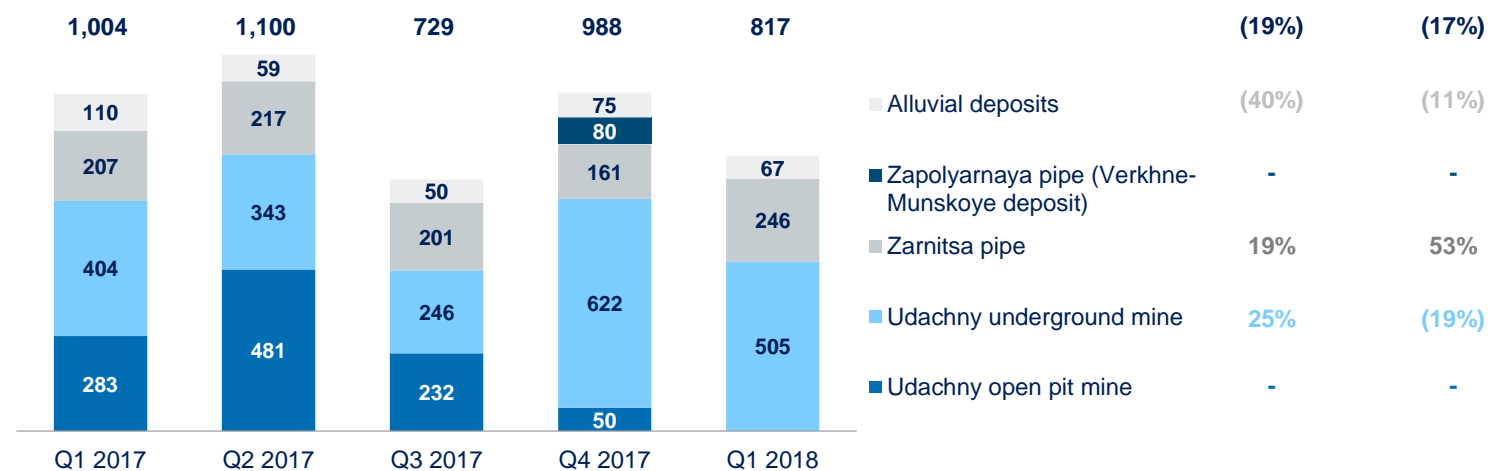
Q1 2018 diamond production was 817 thousand carats, down by 19% y-o-y.

- In Q1 2018, processing of ore from the Udachny open pit was terminated after completion of open-pit mining.
- In Q1 2018, diamond output growth at the Udachny underground mine and Zarnitsa pipe by 25% and by 19% y-o-y respectively was driven by higher ore processing volumes.

- Zapolyarnaya pipe of Verkhne-Munskoye deposit will be put into operation in Q4 2018.
- In Q1 2018, decrease in diamond production at alluvial deposits by 40% y-o-y was due to decrease in processing volumes of gravels.

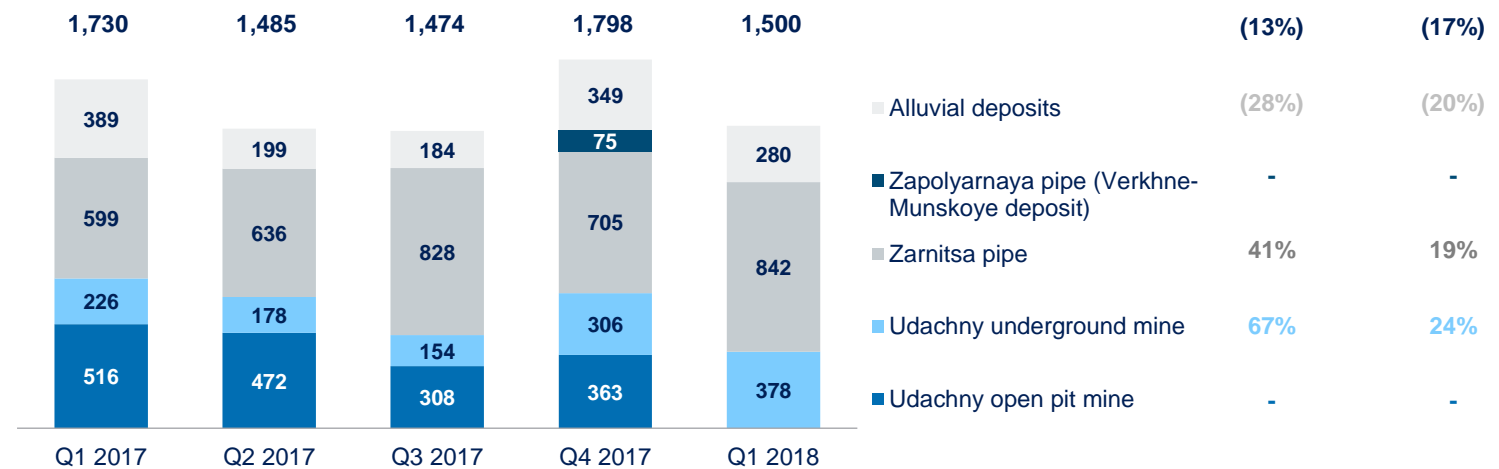
Diamond production

'000 cts



Ore and gravels processed

'000 t



Nyurba Division Q1 2018 operational overview

Q1 2018 diamond production was 1,895 thousand carats, down by 15% y-o-y.

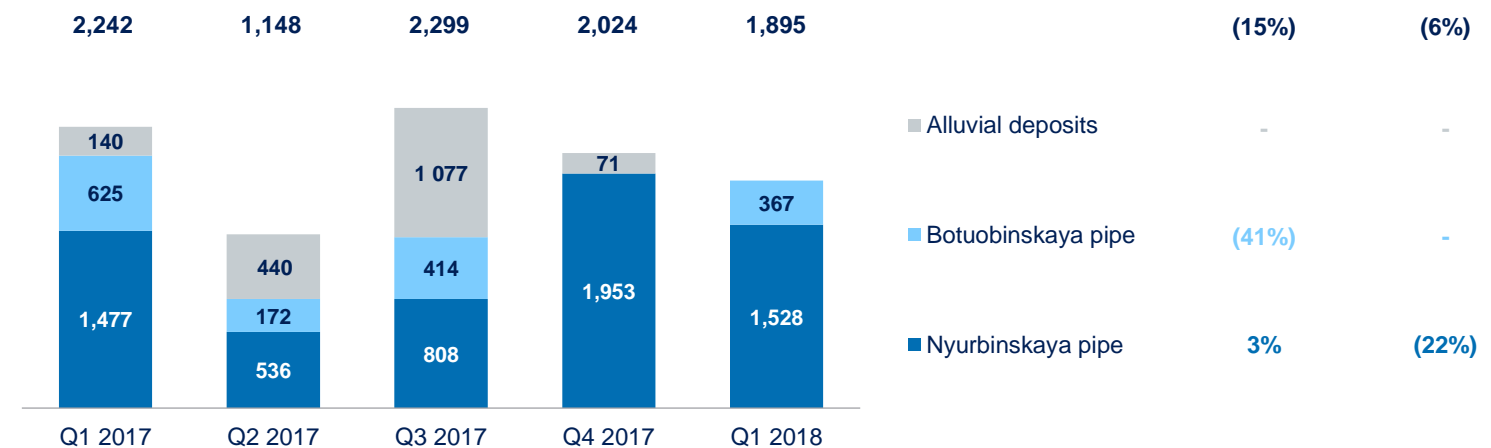
- In Q1 2018, increase in diamond production at Nyurbinskaya pipe by 3% y-o-y was driven by higher ore processing volumes.

- In Q1 2018, decrease in diamond production at Botuobinskaya pipe by 41% y-o-y was due to processing of ore with a relatively lower grade.

- In Q1 2018, there were no gravels processing volumes scheduled for production at alluvial deposits.

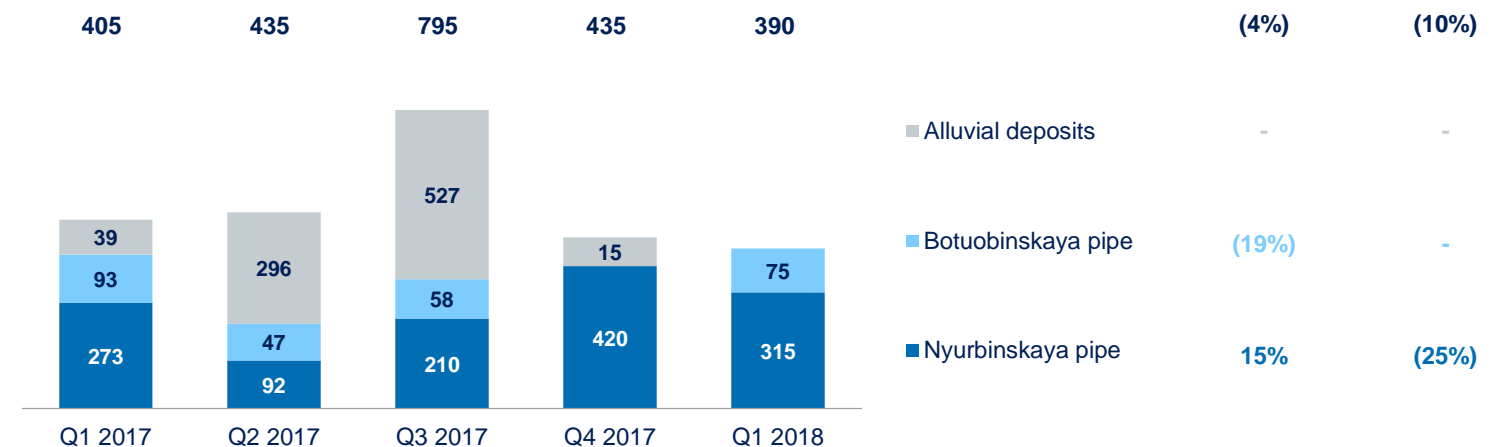
Diamond production

'000 cts



Ore and gravels processed

'000 t



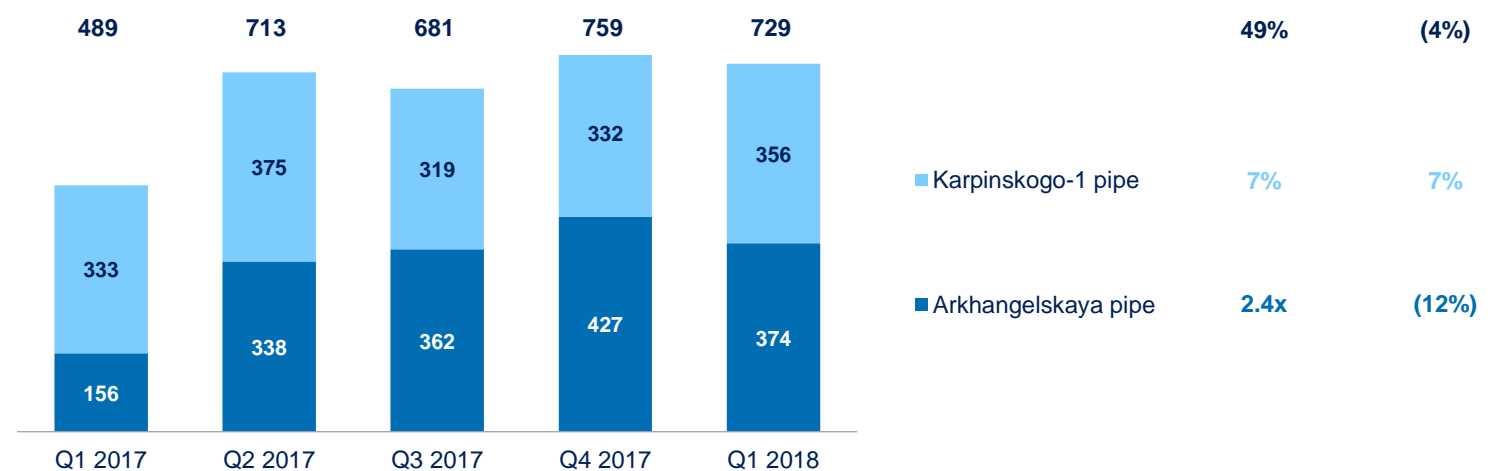
Lomonosov Division (Severalmaz) Q1 2018 operational overview

Q1 2018 diamond production was 729 thousand carats, up by 49% y-o-y.

- In Q1 2018, diamond output growth at Arkhangelskaya pipe and Karpinskogo-1 pipe by 2.4 times and by 7% y-o-y respectively was driven by processing of higher grade ore.

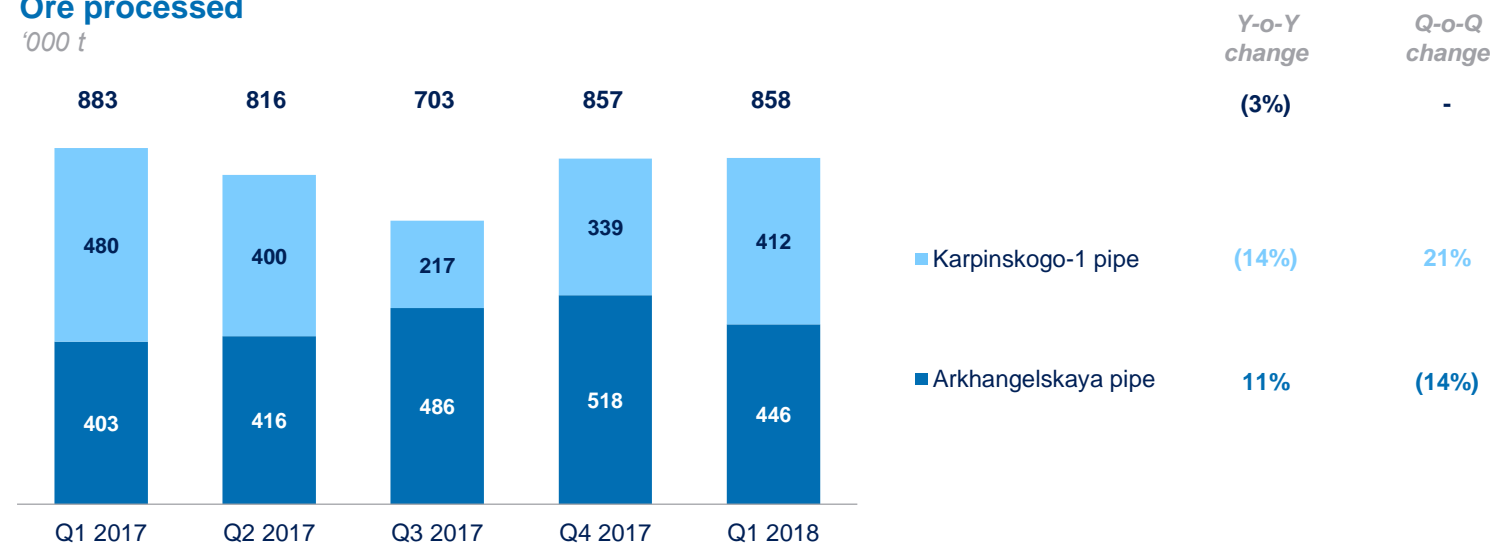
Diamond production

'000 cts



Ore processed

'000 t



Appendix

Diamond production

'000 cts	2015	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
Aikhal Division	12,322	12,228	3,039	3,850	1,200	4,921	13,010	2,810
Jubilee pipe	9,405	9,231	2,557	2,985	1,035	3,583	10,160	2,331
Aikhal underground mine	2,841	2,608	358	797	-	1,325	2,480	393
Komsomolskaya pipe	77	389	124	68	165	13	370	86
Mirny Division	6,908	7,808	2,156	2,289	1,406	1,380	7,231	1,169
International underground mine	4,024	3,948	1,084	1,142	585	888	3,699	1,061
Mir underground mine	2,198	3,191	1,045	994	500	233	2,772	21
Alluvial and technogenic deposits	686	669	27	153	321	259	760	86
Udachny Division	4,297	3,167	1,004	1,100	729	988	3,821	817
Udachnaya pipe	3,514	888	283	481	232	50	1,046	-
Udachnaya underground pipe	413	1,324	404	343	246	622	1,615	505
Zarnitsa pipe	225	734	207	217	201	161	786	246
Zapolyarnaya pipe (Verkhne-Munskoye deposit)	-	-	-	-	-	80	80	-
Alluvial deposits	146	221	110	59	50	75	295	67
Nyurba Division	7,510	6,793	2,242	1,148	2,299	2,024	7,713	1,895
Nyurbinskaya pipe	5,010	5,001	1,477	536	808	1,953	4,774	1,528
Botuobinskaya pipe	773	684	625	172	414	-	1,211	367
Alluvial deposits	1,726	1,108	140	440	1,077	71	1 728	-
Lomonosov Division (Severalmaz)	1,950	2,217	489	713	681	759	2,642	729
Arkhangelskaya pipe	861	1,239	156	338	362	427	1,283	374
Karpinskogo-1 pipe	1,089	978	333	375	319	332	1,359	356
Almazy Anabara and Nizhne-Lenskoye	5,273	5,145	-	1,257	3,940	-	5,197	-
Total	38,260	37,358	8,930	10,357	10,255	10,072	39,614	7,420

Ore and gravels processing

'000 t	2015	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
Aikhal Division	9,141	9,950	2,619	2,623	1,160	2,703	9,105	2,532
Jubilee pipe	8,355	8,450	2,210	2,290	736	2,420	7,656	2,223
Aikhal underground mine	526	486	61	119	-	245	425	81
Komsomolskaya pipe	260	1,014	348	214	424	39	1,025	228
Mirny Division	5,706	4,818	495	1,512	1,836	1,468	5,311	432
International underground mine	485	497	156	163	88	130	537	159
Mir underground mine	647	957	290	266	131	60	747	7
Alluvial and technogenic deposits	4,574	3,364	49	1,083	1,617	1,278	4,027	266
Udachny Division	5,377	5,837	1,730	1,485	1,474	1,798	6,487	1,500
Udachnaya pipe	3,250	1,519	516	472	308	363	1,659	-
Udachnaya underground pipe	262	654	226	178	154	306	864	378
Zarnitsa pipe	993	2,777	599	636	828	705	2,768	842
Zapolyarnaya pipe (Verkhne-Munskoye deposit)	-	-	-	-	-	75	75	-
Alluvial deposits	872	887	389	199	184	349	1,121	280
Nyurba Division	2,040	1,545	405	435	795	435	2,070	390
Nyurbinskaya pipe	979	1,061	273	92	210	420	995	315
Botuobinskaya pipe	135	146	93	47	58	-	198	75
Alluvial deposits	927	338	39	296	527	15	877	-
Lomonosov Division (Severalmaz)	3,988	4,015	883	816	703	857	3,260	858
Arkhangelskaya pipe	1,903	2,338	403	416	486	518	1,823	446
Karpinskogo-1 pipe	2,086	1,677	480	400	217	339	1,436	412
Almazy Anabara and Nizhne-Lenskoye	10,862	11,906	-	3,184	9,716	-	12,900	-
Total	37,114	38,071	6,132	10,055	15,684	7,261	39,132	5,712

cpt	2015	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
Aikhal Division	1.35	1.23	1.16	1.47	1.04	1.82	1.43	1.11
Jubilee pipe	1.13	1.09	1.16	1.30	1.41	1.48	1.33	1.05
Aikhal underground mine	5.40	5.36	5.87	6.70	-	5.41	5.83	4.86
Komsomolskaya pipe	0.30	0.38	0.36	0.32	0.39	0.35	0.36	0.38
Mirny Division	1.21	1.62	4.35	1.51	0.77	0.94	1.36	2.71
International underground mine	8.30	7.96	6.96	7.01	6.63	6.82	6.89	6.67
Mir underground mine	3.40	3.34	3.60	3.74	3.82	3.88	3.71	3.02
Alluvial and technogenic deposits	0.15	0.20	0.56	0.14	0.20	0.20	0.19	0.32
Udachny Division	0.80	0.54	0.58	0.74	0.49	0.55	0.59	0.54
Udachnaya pipe	1.08	0.59	0.55	1.02	0.75	0.14	0.63	-
Udachnaya underground pipe	1.58	2.02	1.79	1.93	1.60	2.03	1.87	1.34
Zarnitsa pipe	0.23	0.26	0.35	0.34	0.24	0.23	0.28	0.29
Zapolyarnaya pipe (Verkhne-Munskoye deposit)	-	-	-	-	-	1.07	1.07	-
Alluvial deposits	0.17	0.25	0.28	0.30	0.27	0.22	0.26	0.24
Nyurba Division	3.68	4.40	5.54	2.64	2.89	4.65	3.73	4.86
Nyurbinskaya pipe	5.12	4.71	5.41	5.83	3.84	4.65	4.80	4.85
Botuobinskaya pipe	5.73	4.68	6.72	3.66	7.13	-	6.12	4.89
Alluvial deposits	1.86	3.28	3.58	1.49	2.04	4.71	1.97	-
Lomonosov Division (Severalmaz)	0.49	0.55	0.55	0.87	0.97	0.89	0.81	0.85
Arkhangelskaya pipe	0.45	0.53	0.39	0.81	0.74	0.82	0.70	0.84
Karpinskogo-1 pipe	0.52	0.58	0.69	0.94	1.47	0.98	0.95	0.86
Almazy Anabara and Nizhne-Lenskoye	0.49	0.43	-	0.39	0.41	-	0.40	-
Total	1.03	0.98	1.46	1.03	0.65	1.39	1.01	1.30

Resources inclusive of reserves according to JORC Code as of July 1, 2016 (1/2)

Deposit	Resource category	Tonnage ('000 t)	Resource grade (cpt)	Contained diamonds ('000 cts)
Udachny division				
Udachnaya pipe	Measured	13,646	1.16	15,812
	Indicated	83,524	1.53	127,801
	Inferred	53,991	1.28	68,978
Zarnitsa pipe	Indicated	27,131	0.25	6,858
	Inferred	46,914	0.65	30,616
Verkhne-Munskoe Deposit	Indicated	17,168	0.57	9,857
	Inferred	2,447	0.49	599
Alluvial deposits	Indicated	1,176	0.63	373
	Inferred			
Aikhal division				
Jubilee pipe	Measured	18,420	0.86	15,815
	Indicated	88,138	0.74	65,401
	Inferred	57,821	0.63	36,352
Aikhal pipe	Measured	4,361	4.97	21,666
	Indicated	690	3.14	2,168
	Inferred	1,716	4.06	6,966
Komsomolskaya pipe	Indicated	3,943	0.38	1,494
	Inferred	12,392	0.28	3,515
Zaria pipe	Indicated	27,347	0.13	3,583
	Inferred			
Mirny division				
Mir pipe	Measured	20,104	3.71	74,521
	Indicated	16,538	3.36	55,525
	Inferred	1,072	3.11	3,339
International pipe	Measured	1,448	8.21	11,888
	Indicated	3,544	8.71	30,848
Alluvial deposits	Measured	17,509	0.39	3,379
	Indicated	22,273	0.21	2,322
	Inferred	440	0.40	88
Solur-Vostochnaya placer	Indicated	5,982	1.97	5,903
	Inferred	959	1.80	865

Resources inclusive of reserves according to JORC Code as of July 1, 2016 (2/2)

Deposit	Resource category	Tonnage ('000 t)	Resource grade (cpt)	Contained diamonds ('000 cts)
Nyurba division				
Nyurbinskaya pipe	Measured	1,432	4,12	5,905
	Indicated	7,095	4,32	30,623
	Inferred	1,217	5,56	6,767
Botuobinskaya pipe	Measured	3,172	5,30	16,827
	Indicated	10,139	5,90	59,814
	Inferred	2,762	5,71	15,778
Maskoye Kimberlite Body	Indicated	1,231	6,03	7,426
	Inferred	1,768	2,99	5,278
Alluvial deposits	Measured	187	7,85	734
	Indicated	6,897	4,67	16,094
	Inferred	4,762	3,01	377
Lomonosov division (Severalmaz)				
Arkhangelskaya pipe	Measured	18,231	0,97	17,764
	Indicated	29,689	1,08	32,184
	Inferred	39,407	1,24	48,941
Karpinsky-1 pipe	Measured	6,971	1,08	7,501
	Indicated	6,915	1,72	11,893
	Inferred	8,615	1,16	9,993
Pionerskaya pipe	Indicated	58,330	0,47	27,530
	Inferred	42,875	0,52	22,502
Lomonosov pipe	Indicated	32,523	0,50	16,230
	Inferred	42,250	0,46	19,530
Almazy Anabara	Indicated	38,160	1,33	25,373
	Inferred	9,366	0,77	3,621
Nizhne-Lenskoye	Indicated	10,793	0,57	3,075
	Inferred	16,068	0,58	4,661
Total for ALROSA Group of Companies	Measured	105,482	1,82	191,811
	Indicated	515,285	1,09	563,291
	Measured + Indicated	620,767	1,22	755,102
	Inferred	330,779	0,83	274,629
	Total	951,546	1,08	1,029,731

Thank you!



Corporate finance
Investor Relations

24 Ozerkovskaya emb.,
Moscow 115184
Russia

Tel.: +7 495 745 58 72
IR@alrosa.ru