

Q1 2018 IFRS financial results

Moscow, 16 May 2018 – PJSC ALROSA, the global leader in rough diamond production, announces its IFRS financial results for Q1 2018.

In Q1 2018, the Company's rough diamond sales grew by 43% qoq to 13.4 million carats amid a production decrease of 26% qoq. The growth was due to sales of around 6 million carats from company's stocks.

ALROSA's Q1 2018 revenue rose by 58% qoq to RUB 96 bn, driven by an improved product mix and higher average selling prices.

Q1 2018 EBITDA grew by 78% qoq to RUB 48 bn mainly driven by an upward trend in revenue and cost control initiatives.

The Company's Q1 2018 net profit amounted to RUB 33.2 bn, up 2 times qoq.

Free cash flow rose 3.5 times qoq, reaching RUB 41.1 bn in Q1 2018. ALROSA's net debt for the quarter fell 4.6 times to RUB 18.6 bn on the back of stronger free cash flow and proceeds from the sale of its gas assets.

"ALROSA's excellent financial performance in Q1 2018 is largely due to improved market conditions, which we were able to fully benefit from, and stringent cost control," – said Sergey Ivanov, CEO and Chairman of the Executive Committee at ALROSA.

Press Release

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Reference

ALROSA is the world's largest producer of rough diamonds in carats. ALROSA is engaged in exploration, mining and sales of diamonds. The Company's operations are located in the Republic of Sakha (Yakutia) and the Arkhangelsk Region of Russia. In 2017, the Company produced 39.6 million carats of rough diamonds, 2017 revenue was RUB 275.4 bn.