



## ROSSETI discloses IFRS Financial Results for the 6 months 2020

**28 august 2020, Moscow, Russia** – PJSC ROSSETI (LSE: RSTI) ("Company"), Russia's largest electricity transmission, distribution, and connection grid company, discloses IFRS financial results of ROSSETI Group for six months ended on 30 June 2020.

### Financial results:

- Revenue: RUB 482.3 billion (6M2019: RUB 500.1 billion)
- Adjusted EBITDA<sup>1</sup>: RUB 152.2 billion (6M2019: RUB 159.6 billion)
- Adjusted net profit<sup>2</sup>: RUB 54.8 billion (6M2019: RUB 60.4 billion)

### Key events in the reporting period:

- January – power supply was provided to the Center for construction of large-capacity marine structures, a project of NOVATEK.
- February – AKRA rating agency confirmed the credit rating of ROSSETI on the national scale at the level of AAA (RU), outlook "Stable".
- April - ROSSETI and PJSC "FGC UES" successfully placed joint bonds worth 20 billion rubles at a coupon rate of 6.50% per annum.
- May – the shareholders of the subsidiary – PJSC "FGC UES" at the Annual General Meeting of Shareholders decided to transfer the functions of the sole executive body of the company to the ROSSETI's management company.
- June – the annual General Meeting of Shareholders was held. The shareholders decided to pay a record dividend of 23 billion rubles (including interim dividends for Q1 2019), a new Board of Directors was elected and a new version of the Articles of Association was approved.

### Key events after the reporting period:

- August – the ordinary shares of PJSC ROSSETI were included in the Moscow Exchange's key indices.

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<sup>1</sup>Adjusted EBITDA is calculated as EBITDA (profit or loss before interest expense, taxation and amortization) net of gains on exchange of assets with JSC Far East Energy Management Company in 1H2019.

<sup>2</sup> Adjusted profit for the period is calculated as profit for the period less exchange gains and gains on exchange of assets with JSC Far East Energy Management Company in 1H2019.

## Financial results for the six months ended 30 June 2020

Financial indicator, RUB billion	Six months ended 30 June 2020	Six months ended 30 June 2020	Change %
Revenue	482.3	500.1	(3.6)
Operating expenses	411.7	414.0	(0.6)
Adjusted EBITDA	152.2	159.6	(4.6)
Adjusted net profit	54.8	60.4	(9.3)
Net debt	399.8	422.8 <sup>3</sup>	(23.0)

The main factors that affected the dynamics of financial indicators:

- a general decline in business activity due to restrictive measures on the territory of the Russian Federation aimed at combating the spread of COVID-19, abnormally warm winter period, which led to a reduction in energy consumption;
- a decrease in irregular income, including in the form of penalties, which were taken into account based on writs of execution.

The reduction in operating expenses by RUB 2.3 billion was mainly due to the termination of the function of a guarantor supplier by certain Group's subsidiaries.

Deputy Director General for Economic Affairs and Finance Pavel Grebtsov noted: "Against the background of the macroeconomic situation provoked by the COVID-19 pandemic, ROSSETI Group timely implemented several measures that allowed not only to maintain the necessary level of liquidity, but also to show sustainable financial results. In particular, operating expenses, debt structure, financing schedules of investment projects were optimized, the work on collection of payments for services was intensified."

More detailed information on the consolidated financial statements for the period ending 30 June 2020 can be found on the company's website <https://www.rosseti.ru/eng/>.

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<sup>3</sup> Data as of 31 December 2019.

**Public Joint Stock Company ROSSETI (PJSC ROSSETI)** is one of the largest electric grid companies in the world. The Company manages 2.37 million kilometers of power lines and 517 thous. substations with more than 802 GVA of transformer capacity.

PJSC ROSSETI comprises 34 subsidiaries and dependent companies, including 15 interregional grid companies and one transmission grid company. The controlling shareholder with an 88.04% stake in the Company is the government, represented by the Federal Agency for State Property Management of the Russian Federation.

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 PJSC ROSSETI. You can identify forward-looking statements by terms such as “expect,” “believe,” “anticipate,” “estimate,” “intend,” “will,” “could,” “may” or “might”, the negative of 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 intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, general economic conditions, our competitive environment, risks associated with operating in Russia, rapid technological and market change in our industry, as well as many other risks specifically related to PJSC ROSSETI and its operations.