

**ROSSETI discloses IFRS Financial Results for the 9 months 2020**

**27 November 2020, Moscow, Russia** – PJSC ROSSETI (LSE: RSTI), Russia’s largest electricity transmission, distribution, and connection grid company, discloses interim condensed unaudited consolidated financial results under the International Financial Reporting Standards (IFRS) for the three and nine months ended on 30 September 2020.

The statements cover PJSC ROSSETI and its subsidiaries (the “Group”).

**Financial results:**

- Revenue: RUB 719.3 billion (9M 2019: RUB 734.2 billion)
- Adjusted EBITDA<sup>1</sup>: RUB 228.3 billion (9M 2019: RUB 236.6 billion)
- Adjusted net profit<sup>2</sup>: RUB 82.0 billion (9M 2019: RUB 89.6 billion)

**Key events in the reporting period:**

- April – PJSC ROSSETI successfully placed 5-year bonds worth RUB 10 billion at a coupon rate of 6.5% per annum.
- May – the functions of the sole executive body of PJSC FGC UES were transferred to PJSC ROSSETI.
- June – the annual General Meeting of Shareholders decided to pay a dividend of RUB 23 billion (including interim dividends for Q1 2019).
- August – the ordinary shares in PJSC ROSSETI were included in the Moscow Exchange’s key indices.

**Key events after the reporting date:**

- October – ROSSETI Urals, a subsidiary of PJSC ROSSETI, signed the first long-term regulatory agreement in the electric power industry with the region.
- October – the Company commissioned the 330 kV Belgorod substation and the digital Bryansk power distribution zone.
- November – the Company launched the 110 kV digital Gorod substation, the first in the North Caucasus Federal District.

**Financial results for the nine months ended 30 September 2020**

Financial indicator, RUB billion	Nine months ended 30 September 2020	Nine months ended 30 September 2019	Change %
Revenue	719.3	734.2	(2.0)
Operating expenses	614.5	609.1	0.9
Adjusted EBITDA	228.3	236.6	(3.5)
Adjusted net profit	82.0	89.6	(8.4)
Net debt	421.0	422.8 <sup>3</sup>	(0.4)

<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 DVEUK (only for 9M 2019).

<sup>2</sup> Adjusted profit is calculated as profit for the period less losses from impairment of fixed assets and gains on exchange of assets with JSC DVEUK (only for 9M 2019), including corresponding amounts for deferred income tax.

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

The main factors that affected the dynamics of financial indicators:

– Change in the revenue mainly due to the termination of the guaranteeing supplier function by certain subsidiaries of the Group along with a decrease in energy consumption as a result of a slow recovery of business activity due to lockdown restrictions;

– Higher operating expenses driven mainly by the commissioning of new capacities (higher amortization costs) under the Company's investment programme, as well as measures to ensure uninterrupted power supply to consumers during the COVID-19 pandemic;

Deputy Director General for Economic Affairs and Finance Pavel Grebtsov noted, "Despite the challenging macroeconomic situation this year, ROSSETI has demonstrated stable financial and operating performance and has delivered on its operational objectives. These achievements were driven by our stable position and timely measures, including those aimed at enhancing internal process efficiency, improving liquidity management, and intensifying service payment collection. Overall, the Group was able to mitigate the negative impact of COVID-19 and demonstrate robust results."

More detailed information on the IFRS consolidated financial statements for the period ended 30 September 2020 can be found on the Company's website <https://www.rosseti.ru/eng/investors/reports/fin-inf/>.

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**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 thousand substations with more than 802 GVA of transformer capacity.

PJSC ROSSETI comprises 35 subsidiaries and dependent companies, including 16 distribution 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.