

DEUTSCHE BANK ACCESS CEEMEA CONFERENCE

JANUARY 2018



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AT A GLANCE



ETALON GROUP AT A GLANCE

Etalon Group is one of Russia's largest development and construction corporations. The Company focuses on residential real estate for the middle class in the Moscow metropolitan area and St Petersburg.

KEY FACTS

30

YEARS

of experience in
construction &
development

52

CITIES

in Russia are
covered by
the sales
network

5.8

MLN SQM

commissioned
since inception

5TH

employees

35

PROJECTS

among which 21 are
under construction or
ready to launch in near
future, and a total of
2.82 mln sqm of NSA

ETLN

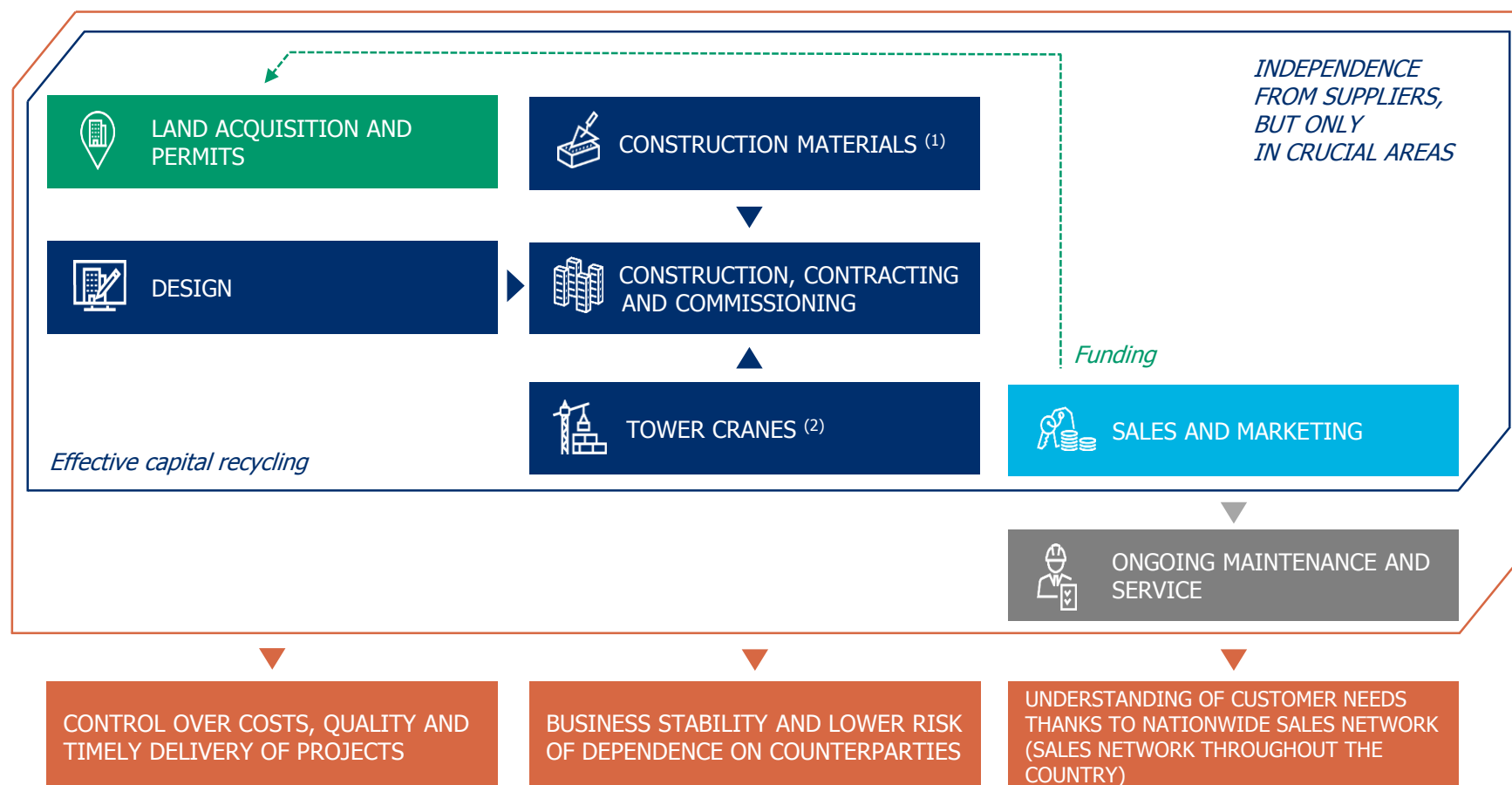
LSE ticker

GDRs listed on the
London Stock
Exchange since 2011

STRATEGIC VERTICAL INTEGRATION



ETALON OPERATES IN EVERY STAGE OF THE PROPERTY DEVELOPMENT PROCESS, WHICH MEANS CONTROL OVER COSTS, QUALITY AND TIMING



⁽¹⁾ Brick plant and concrete products plant

⁽²⁾ 62 tower cranes (Liebherr and Wolff). Data as of 31.12.2017

BOARD OF DIRECTORS REPRESENTS INTERESTS OF ALL INVESTOR GROUPS



FOUNDING SHAREHOLDERS



DMITRY ZARENKOV

Chairman of the Board of Directors

EXPERIENCE AND AWARDS

- 20 years of experience in construction industry
 - Honoured builder of Russia⁽¹⁾; Certificate of Honour of the Ministry of Regional Development
- EDUCATION**
- Institute of Aeronautical Instrumentation, St Petersburg University of Architecture & Civil Engineering, St Petersburg University of Internal Affairs
 - PhD in Engineering



VIACHESLAV ZARENKOV

President, CEO and Founding shareholder

EXPERIENCE AND AWARDS

- 47 years of experience in construction industry
 - Honoured builder of Russia⁽¹⁾
- EDUCATION**
- Institute of Civil Engineering, St Petersburg University of Internal Affairs
 - PhD in Economics, PhD in Technical Sciences, PhD in Architecture, Professor

EXECUTIVE DIRECTORS



DMITRY KASHINSKIY

First Vice President and COO

EXPERIENCE AND AWARDS

- Over 15 years of experience in construction industry
 - Worked at Barkli and AFI Development (Russia), where he served as CEO
- EDUCATION**
- Moscow Aviation Institute



KIRILL BAGACHENKO

Deputy CEO and Vice President

EXPERIENCE AND AWARDS

- 12 years' experience in corporate finance and asset management
 - Previously held position of senior equity portfolio manager at TKB BNP Paribas Investment Partners
 - In 2013 voted one of the top-3 portfolio managers in Russia by Thomson Reuters Extel Survey
- EDUCATION**
- St Petersburg State University of Economics and Finance

NON-EXECUTIVE DIRECTORS



MICHAEL JOHN CALVEY

Senior partner at Baring Vostok

EXPERIENCE AND AWARDS

- Member of the board of Europlan, Volga Gas, Gallery Media Group
 - Worked at EBRD, Salomon Brothers, Sovlink Corporation
 - Ex-Member of the board of CTC Media, Golden Telecom, Burren Energy
- EDUCATION**
- University of Oklahoma and London School of Economics



ALEXEI KALININ

Partner at Baring Vostok

EXPERIENCE AND AWARDS

- With Baring Vostok since 1999
 - Worked at Alfa-Bank and Alfa Capital
 - Chairman of the Board of Directors at Volga Gas, member of the board at Samarenergo and other companies
- EDUCATION**
- Moscow Power Engineering University
 - PhD in Engineering

INDEPENDENT NON-EXECUTIVE DIRECTORS



BORIS SVETLICHNY

Independent Non-Executive Director

EXPERIENCE AND AWARDS

- Over 27 years of experience in finance and senior management with international and Russian companies
 - Recent experience included CFO position at Orange in Russia, VP for Finance at Vimpelcom and CFO at Golden Telecom
- EDUCATION**
- University of Massachusetts (BBA in Accounting), Carnegie-Mellon University (MBA)



MARTIN COCKER

Independent Non-Executive Director

EXPERIENCE AND AWARDS

- Over 20 years of experience in audit, 7 years - in construction industry
 - Runs his own development business in Portugal
 - Worked at Deloitte & Touche, KPMG and Ernst & Young in Russia, Kazakhstan and UK
- EDUCATION**
- University of Keele



CHARALAMPOS AVGOUSTI

Independent Non-Executive Director

EXPERIENCE AND AWARDS

- 10 years of legal experience in the real estate, corporate and banking sectors
 - Founder and Managing Director of Ch. Avgousti & Partners LLC (Advocates & legal consultants)
 - Board member at Cyprus Telecommunication Authority (CYTA), member of the Advisory council of Limassol for the Central Cooperative Bank
- EDUCATION**
- Northumbria University Newcastle (LLM in International Commercial Law), Democritus University of Thrace



MARIOS THEODOSIOU

Independent Non-Executive Director

EXPERIENCE AND AWARDS

- Experienced professional in marketing and strategy, affiliated with American Marketing Association (AMA) and Academy of International Business
 - Member of the Working Group on Economic Matters for Cyprus talks
 - In 2015 won Excellence in Global Marketing Research Award from AMA
- EDUCATION**
- University of Cyprus; University of Wales, Cardiff (PhD, International Marketing and Strategy)

⁽¹⁾ Title granted by President of Russia

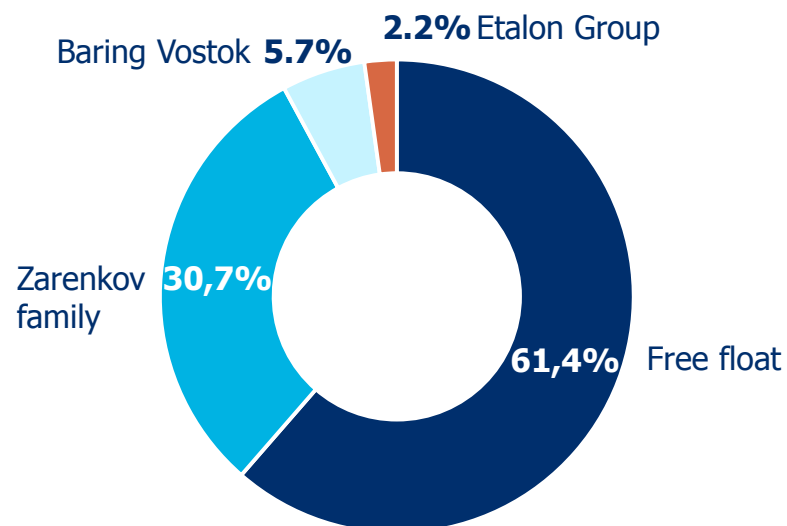
CORPORATE GOVERNANCE AND SHAREHOLDING STRUCTURE



CORPORATE GOVERNANCE STRUCTURE



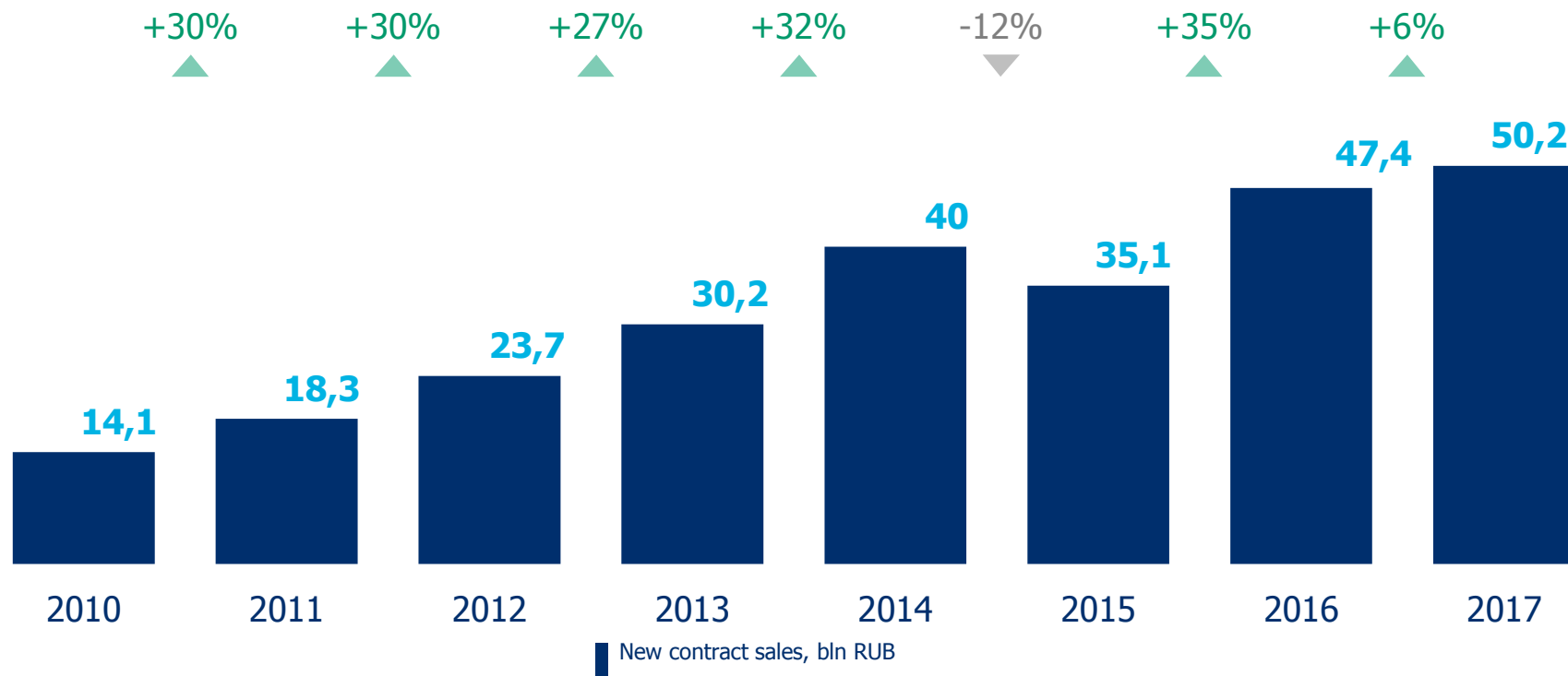
SHAREHOLDER STRUCTURE⁽¹⁾



Source:
Company data

⁽¹⁾ As of 1 December 2017

NEW SALES HAVE MORE THAN TRIPLED IN THE 6 YEARS POST-IPO



- > FY 2017 operating results set a new record in Etalon Group's history
- > New sales CAGR of 20% since pre-IPO year of 2010

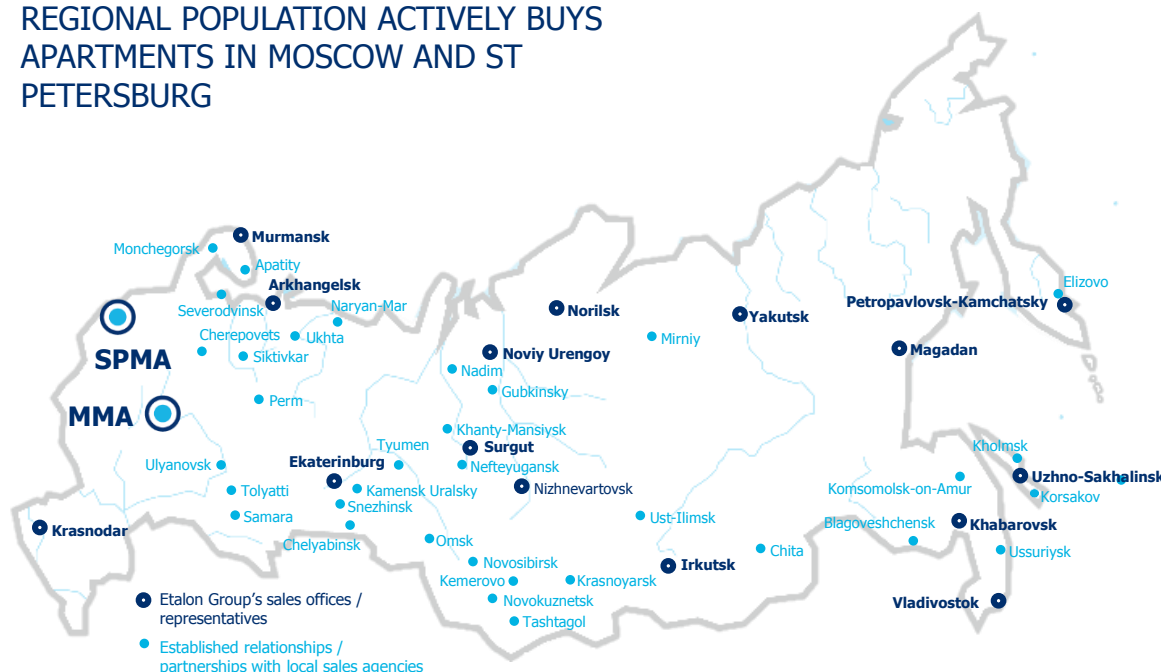
POWERFUL SALES NETWORK ACROSS THE COUNTRY



NATIONWIDE SALES & MARKETING
NETWORK SUPPORTS SUSTAINABLE
CONTRACT SALES

REGIONAL POPULATION ACTIVELY BUYS
APARTMENTS IN MOSCOW AND ST
PETERSBURG

ETALON GROUP'S REGIONAL
SALES GEOGRAPHY⁽¹⁾



REGION	SHARE OF TOTAL CONTRACTS
Leningrad region	2.7%
Yamalo-Nenets AD	1.6%
Khanty-Mansi AD	1.6%
Murmansk region	1.5%
Krasnoyarskiy krai	1.4%
Khabarovskiy krai	1.4%
Krasnodarskiy krai	1.1%
Yakutia	1.0%
Other Russian regions	24.3%
Foreigners	1.2%
TOTAL	37.8%

THE GROUP'S FLATS ARE SOLD IN 14 OF
RUSSIA'S 15 MOST AFFLUENT REGIONS

REGIONAL INCOME PER CAPITA TO RUSSIA AVERAGE⁽²⁾

Nenets AD	2.2x	
Moscow	1.9x	
Yamalo-Nenets AD	1.9x	
Chukotka	1.8x	
Sakhalin region	1.6x	
Magadan region	1.5x	
Khanty-Mansi AD	1.4x	
Moscow region	1.3x	
Kamchatskiy krai	1.3x	
St Petersburg	1.3x	
Yakutia	1.2x	
Khabarovskiy krai	1.2x	
Murmansk region	1.2x	
Sverdlovsk region	1.1x	
Krasnodarskiy krai	1.1x	
Russia average		

■ Etalon Group's target regions

- > Etalon Group's sales force focuses on regions with the highest per capita income levels
- > Key markets: St Petersburg and MMA
- > 52 cities covered with eight sales offices in St Petersburg and 22 more sales offices nationwide
- > External professional marketing and sales service agents engaged nationwide

⁽¹⁾ Source: Company data for 4Q 2017

⁽²⁾ Average monthly cash income per capita, Rosstat's preliminary estimates for 10M 2017

OPERATING RESULTS

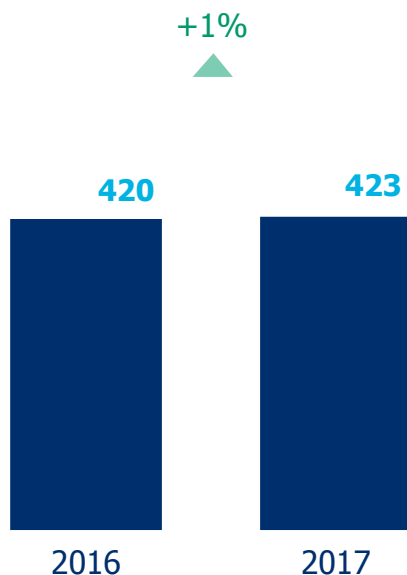


FY 2017 OPERATING RESULTS

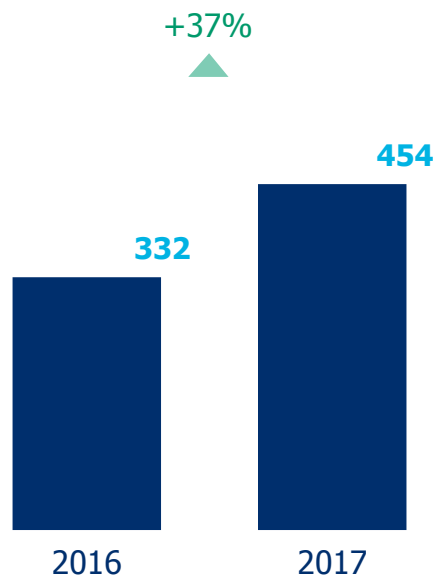


DELIVERIES ARE PRECISELY IN LINE
WITH THE GUIDANCE FOR 2017

DELIVERIES
ths sqm



TRANSFERS
ths sqm



2017 DELIVERIES BREAKDOWN
ths sqm

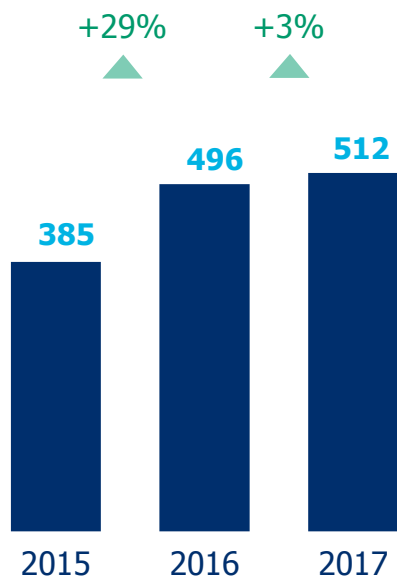
PROJECT	NSA, ths sqm
Landyshi	92
Emerald Hills	88
Moscow Gates	78
Golden Star	77
Etalon City	63
Samotsvety	25
TOTAL	423

FY 2017 OPERATING RESULTS

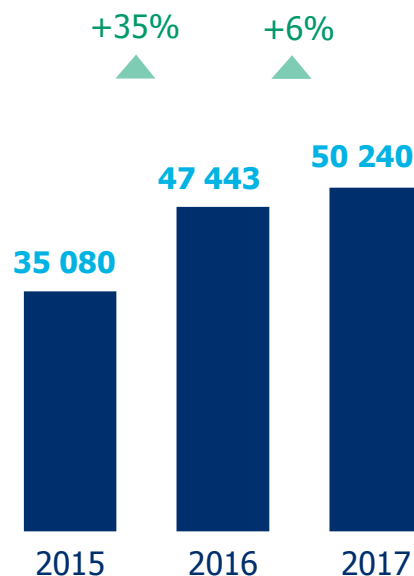


2017 OPERATING RESULTS BEAT
THE RECORDS SET IN 2016

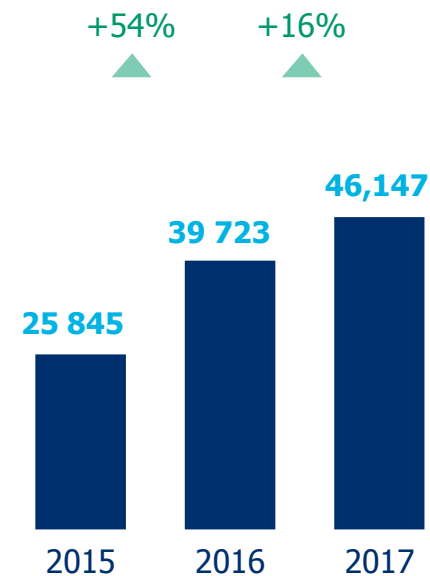
NEW CONTRACT SALES
ths sqm



NEW CONTRACT SALES
mln RUB



CASH COLLECTIONS
mln RUB



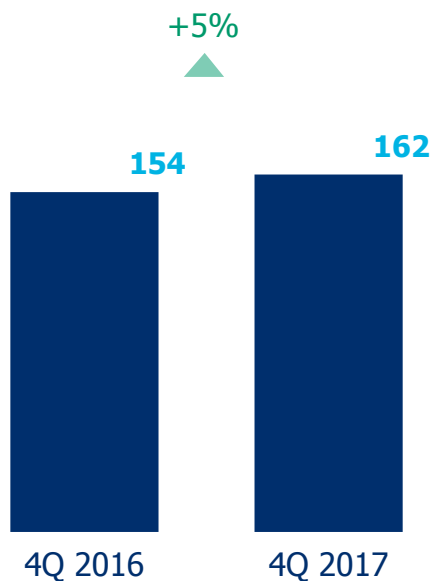
> The overall number of contracts reached 9,916 in FY 2017, up 3% compared to FY 2016

4Q 2017 OPERATING RESULTS

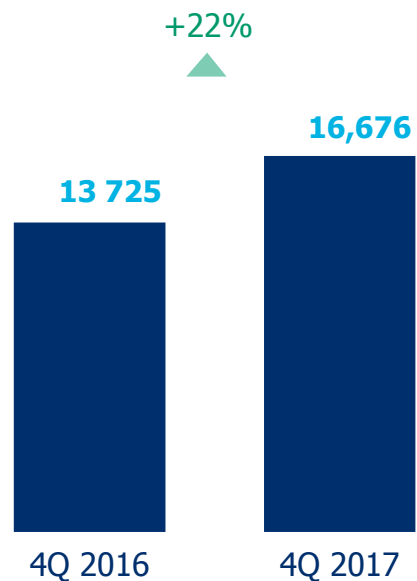


NEW CONTRACT SALES RAMPED
UP TO RUB 16.7 BLN, +22% Y-O-Y

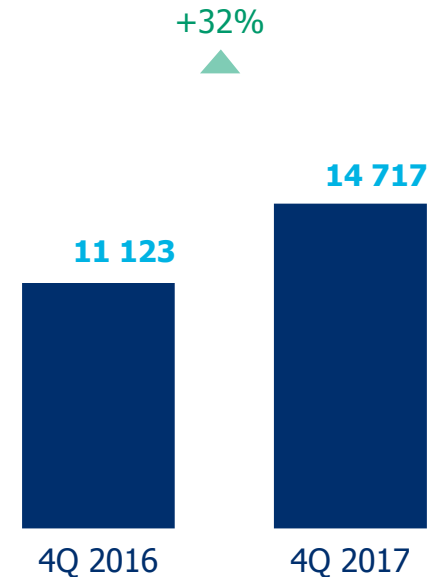
NEW CONTRACT SALES
ths sqm



NEW CONTRACT SALES
mln RUB



CASH COLLECTIONS
mln RUB



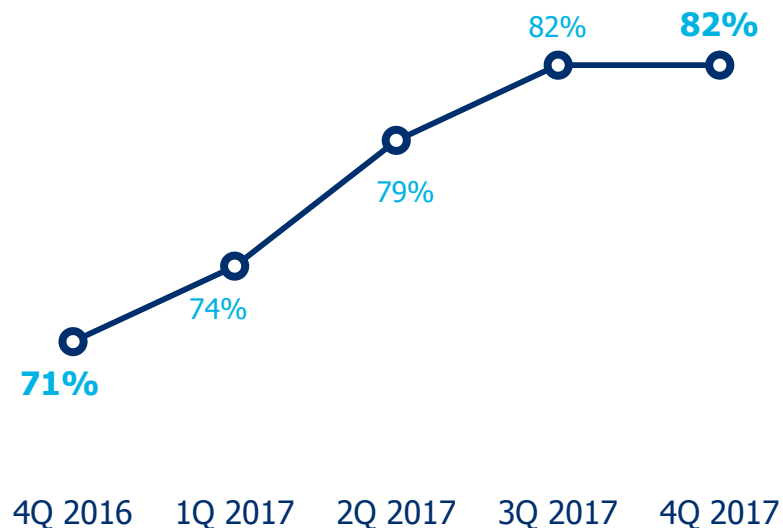
> In 4Q 2017, the overall number of contracts increased by 6% year-on-year to 3,182

4Q 2017 OPERATING RESULTS

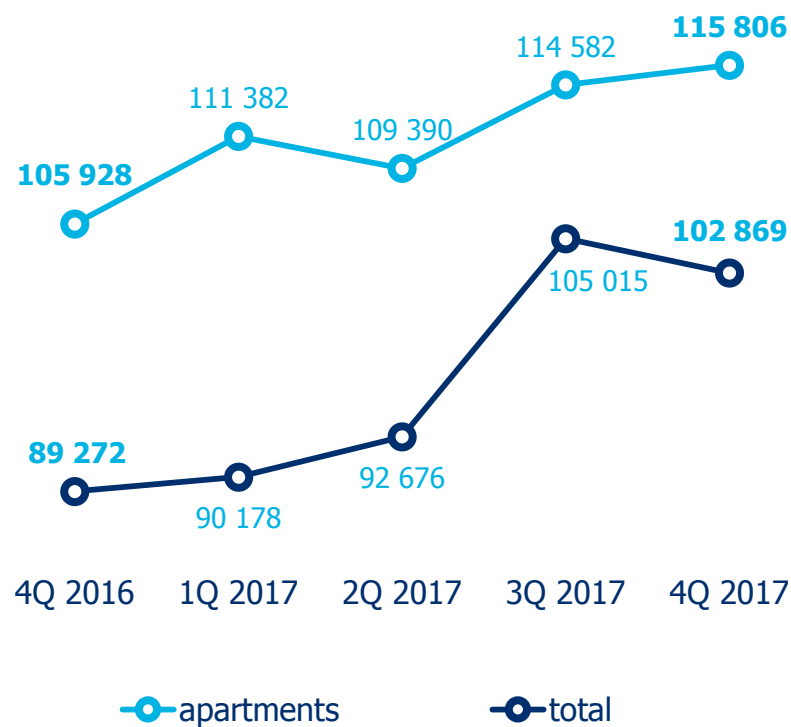


HIGH AVERAGE DOWN-PAYMENT IN 4Q 2017
SUPPORTED HEALTHY GROWTH IN CASH
COLLECTIONS

AVERAGE DOWN-PAYMENT
%



AVERAGE PRICE
RUB/sqm

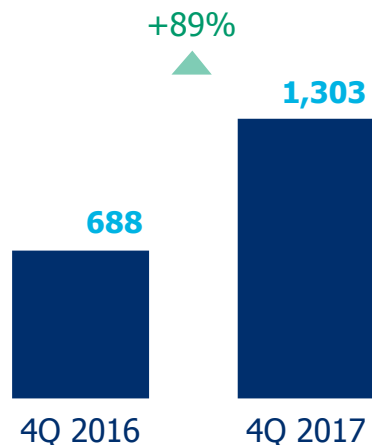


MORTGAGE SALES



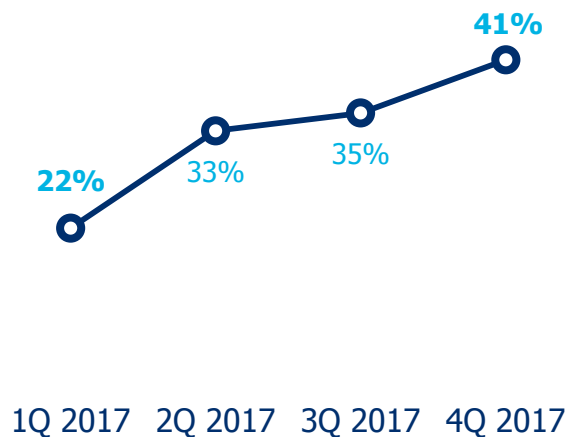
CONTINUING REDUCTION IN AVERAGE MORTGAGE RATES IS DRIVING UP THE SHARE OF MORTGAGE SALES

NUMBER OF MORTGAGE CONTRACTS SIGNED



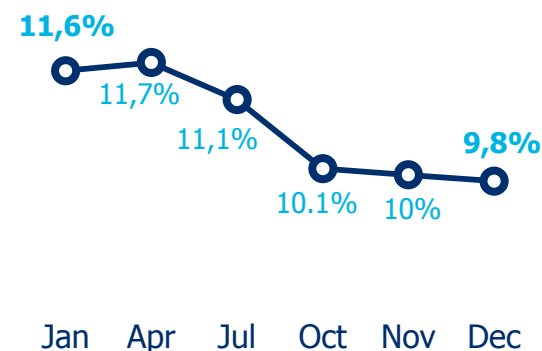
- > Etalon Group offers various mortgage programmes through major banks, including Sberbank, VTB Group, Gazprombank, Raiffeisenbank and Absolut Bank

SHARE OF MORTGAGE SALES 2017 YTD



- > Joint programmes established with 25 banks and special mortgage agencies to offer flexible financing options:
 - > minimum down payment: 10 – 20%
 - > maturity: 1 – 30 years
 - > interest rate: from 7.5%

AVERAGE MORTGAGE RATE IN RUSSIA⁽¹⁾ 2017 YTD



Source:
Company data

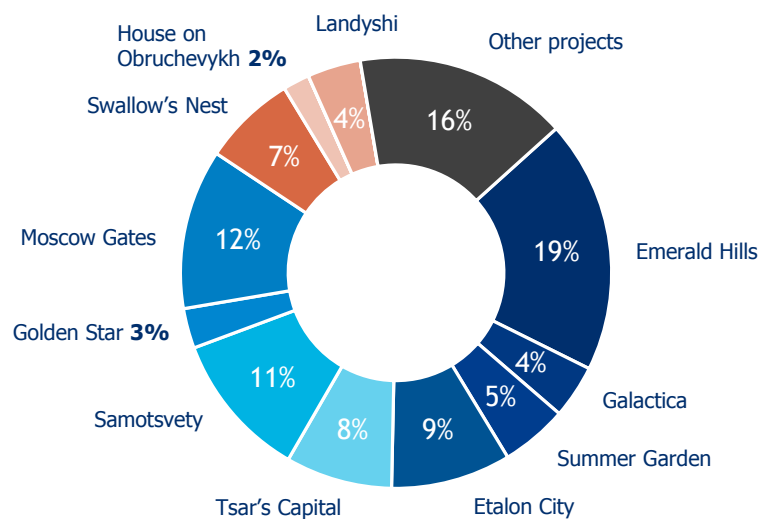
⁽¹⁾ Weighted average interest rate on mortgage loans given to Russia residents during the month for acquisition of apartments on the primary market, based on CBR data

SALES PORTFOLIO

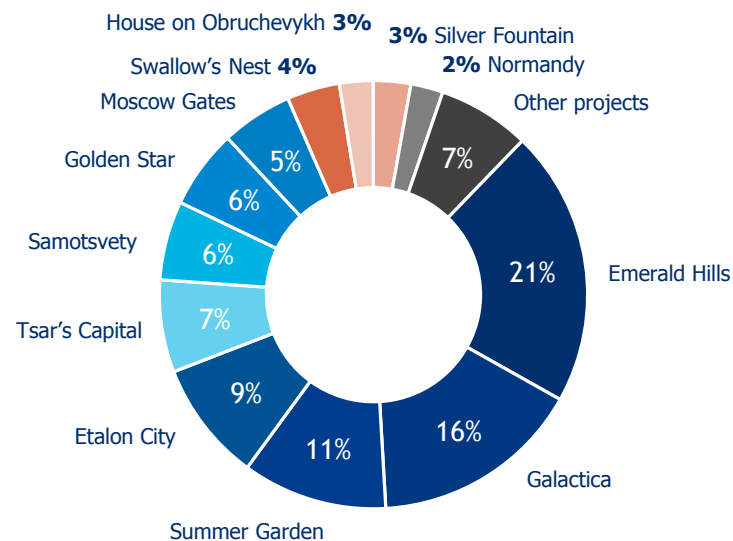


GROWING SHARE OF HIGH-END PROJECTS CONTRIBUTED
TO DIVERSIFICATION OF ETALON'S SALES PORTFOLIO
AND SUPPORTED NEW SALES

4Q 2016 NEW CONTRACT SALES BY PROJECT
sqm



4Q 2017 NEW CONTRACT SALES BY PROJECT
sqm



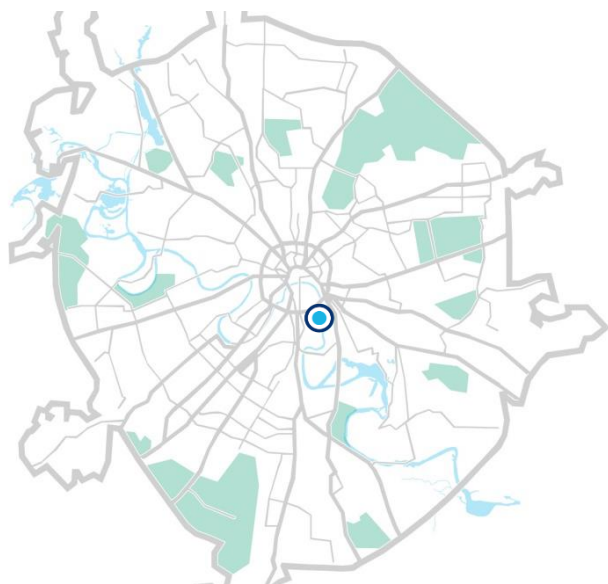
- > Share of projects in prime locations increased to 65% in 4Q 2017 compared to 43% in 4Q 2016
- > With 482 contracts for apartments signed in 4Q 2017, the Galactica project accounted for 16% of total contracted NSA in the last quarter of 2017
- > 38% of sales arose from regional sales network

Source:
Company data

NEW PROJECT ACQUIRED IN MOSCOW IN 2017

PROJECT ON LETNIKOVSKAYA STREET

Central administrative district of Moscow



The project is situated in the city centre on Letnikovskaya Street. This is a well-established and prestigious neighbourhood, with modern residential and entertainment infrastructure, as well as cultural sites, all located nearby. The area also benefits from its close proximity to a business district that is home to the headquarters of several financial institutions and international companies. The project will have excellent transport accessibility: Red Square is just a 10-minute drive from the project, and Paveletskiy railway station is located at the northern end of Letnikovskaya street.



Total NSA
75 ths sqm⁽¹⁾

Planned launch
2018

Income from sales
RUB **15.8** bln⁽¹⁾

Source:
Company data

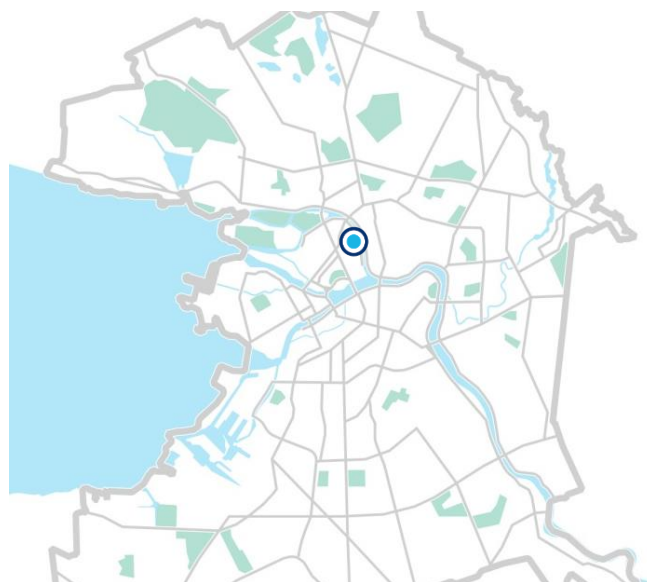
⁽¹⁾ Based on management estimates

NEW PROJECT ACQUIRED IN ST PETERSBURG IN 2017



BOTANICA

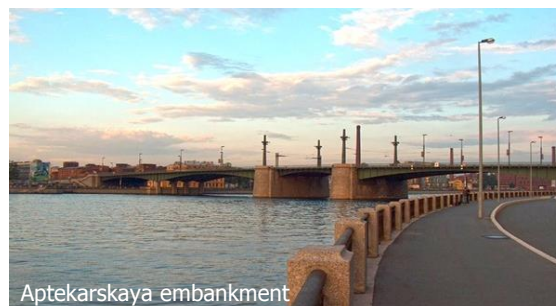
Petrogradskiy district of St Petersburg



This new business-class project is situated on Aptekarskiy prospekt in the prestigious Petrogradskiy district of St Petersburg. This is a well-established central neighbourhood, with extensive residential, business and entertainment infrastructure, as well as cultural sites, all located nearby. The project is in close proximity to the picturesque Aptekarskaya embankment, the St Petersburg Botanical Garden and a number of historic venues. The project will have excellent transport access to major transport routes, including Bolshoy prospekt and Aptekarskaya and Vyborgskaya embankments.



The St Petersburg Botanical Garden



Aptekarskaya embankment



A-class business centre Lukoil City

Total NSA
47 ths sqm⁽¹⁾

Launched
October 2017

Income from sales
RUB **6.2** bln⁽¹⁾

Source:
Company data

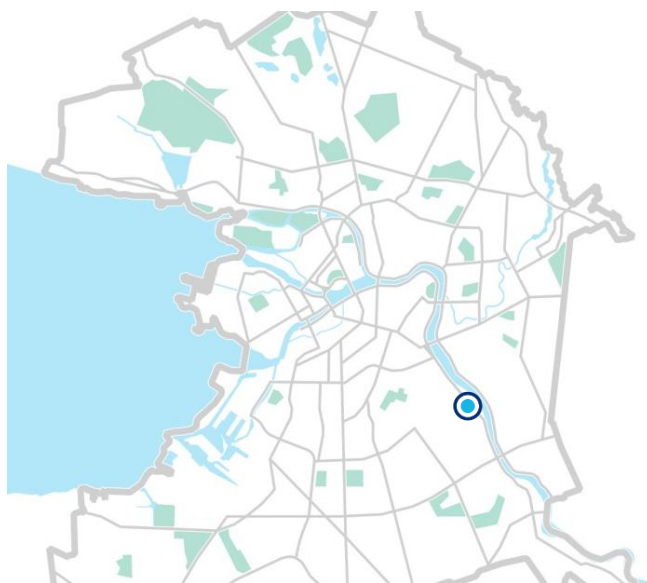
⁽¹⁾ Based on management estimates

NEW PROJECT ACQUIRED IN ST PETERSBURG IN 2017



PROJECT ON OBUKHOVSKOY OBORONY PROSPEKT

Nevskiy district of St Petersburg



The hallmark of this new project is its direct access to the Neva River, which will give residents a view of the water from their apartment windows. Two parks are also situated nearby. The site is located in a district with well-developed residential and transport infrastructure. It is just a five-minute walk from the Elizarovskaya metro station, while the historical centre can be reached in 15 minutes by car. Proximity to the Alexandr Nevsky, Voldarsky and Vantoviy bridges, as well as to Obvodny canal, provides easy access to major transport routes.



Established green neighbourhood



Vantoviy bridge



Fountain park

Total NSA
76 ths sqm⁽¹⁾

Planned launch
2018

Income from sales
RUB **8.1** bln⁽¹⁾

Source:
Company data

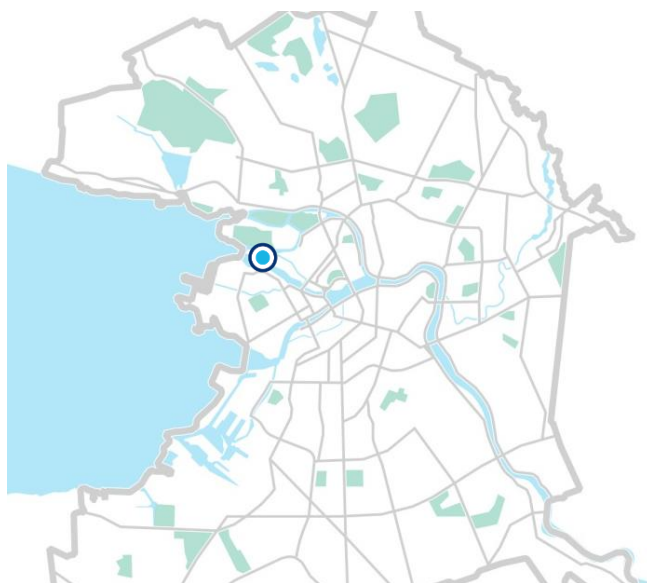
⁽¹⁾ Based on management estimates

NEW PROJECT ACQUIRED IN ST PETERSBURG IN 2017

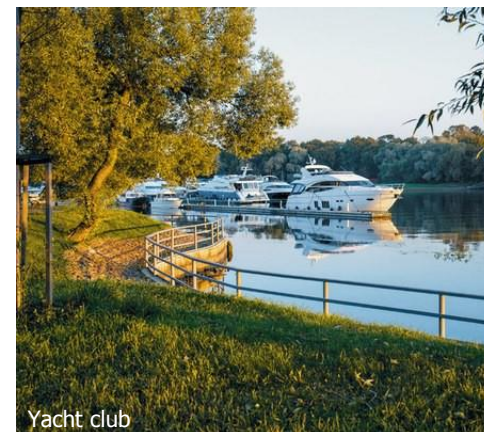


PROJECT ON PETROVSKIY ISLAND

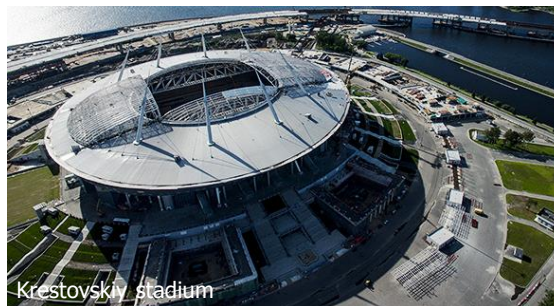
Petrogradskiy district of St Petersburg



The project will be built in one of the most prestigious locations in St Petersburg. It benefits from direct access to a long embankment and close proximity to parks, which will provide for excellent views of the Neva river and green areas. Various recreation areas, including a yacht club, upscale restaurants, Petrovskiy Park and parks on Krestovskiy Island, as well as stadiums and sports facilities, are located nearby. Krestovskiy island is just 10-minute walk from the complex and the city center can be reached by car in 15 minutes.



Yacht club



Krestovskiy stadium



Krestovskiy park

Total NSA
77 ths sqm⁽¹⁾

Planned launch
2018

Income from sales
RUB **11** bln⁽¹⁾

Source:
Company data

⁽¹⁾ Based on management estimates

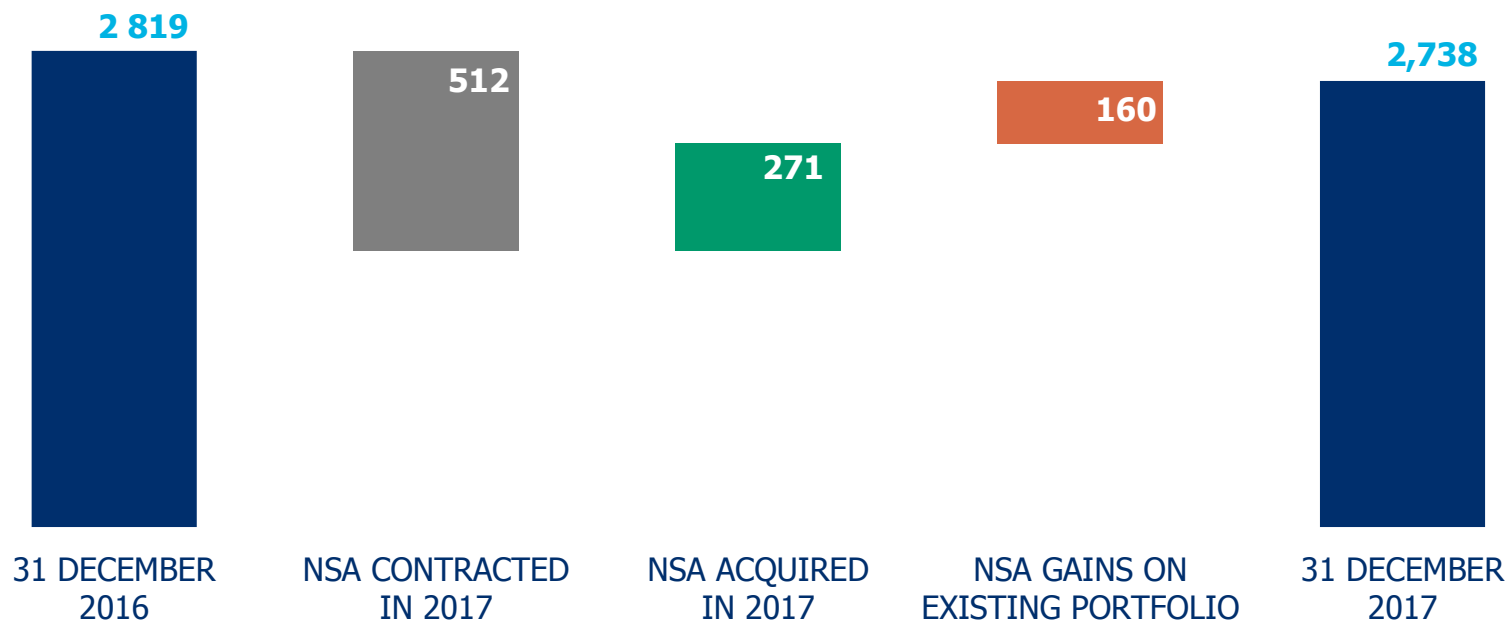
LAND BANK DEVELOPMENTS



WITH NEW ACQUISITIONS AND GAINS ON EXISTING PROJECTS, ETALON'S LAND BANK REMAINS SUFFICIENT FOR EXECUTION OF THE GROUP'S STRATEGY

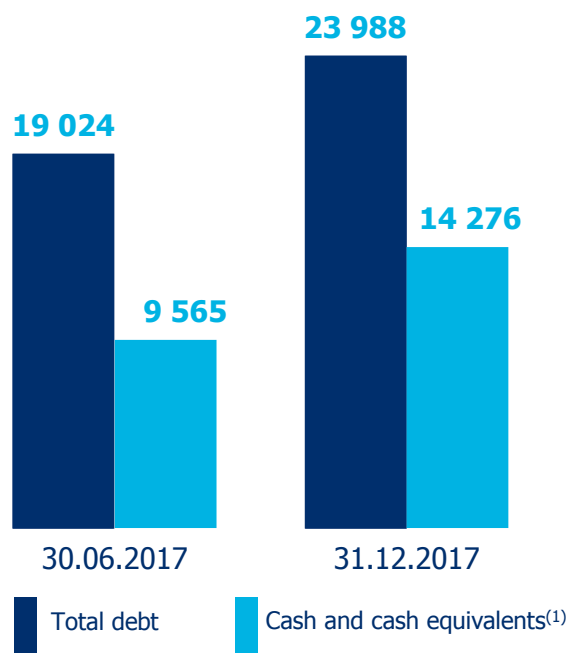
UNSOLD NSA

thb sqm

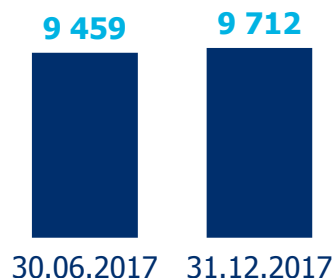


MAINTAINING STRONG BALANCE SHEET

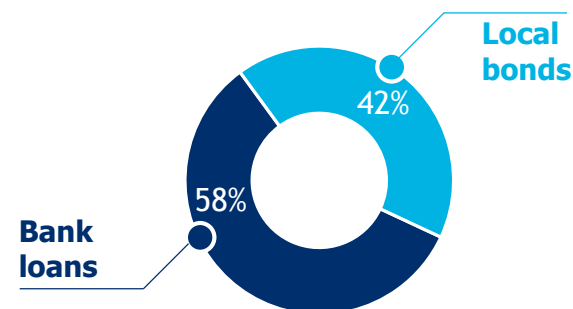
STRONG LIQUIDITY POSITION mln RUB



NET DEBT mln RUB



BALANCED GROSS DEBT COMPOSITION⁽²⁾



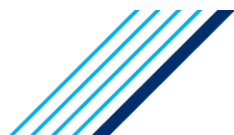
- > 100% of debt denominated in RUB
- > Average cost of borrowings declined from 12.71% at the end of 2016 to 10.29% at the end of FY 2017
- > In September, Etalon Group subsidiary Etalon LenSpetsSMU placed bonds in the amount of RUB 5 bln with a five-year term and a coupon rate of 8.95%, which is the lowest ever in Etalon Group's history of public borrowings. Demand exceeded the offering amount by 4.8 times

Source:
Company data

⁽¹⁾ Including bank deposits in ST Investments

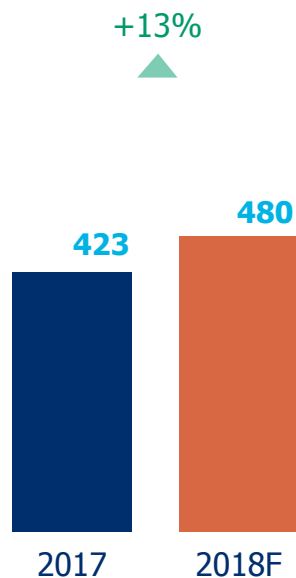
⁽²⁾ As of 31.12.2017

GUIDANCE FOR 2018

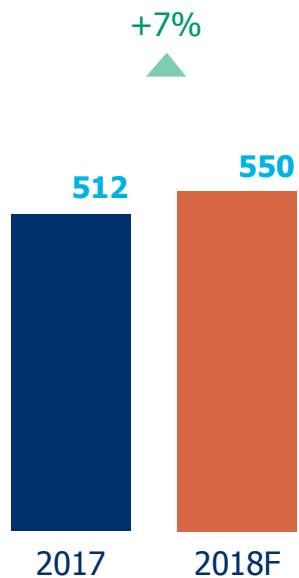


SOLID GROWTH EXPECTED ACROSS KEY
OPERATING METRICS IN 2018

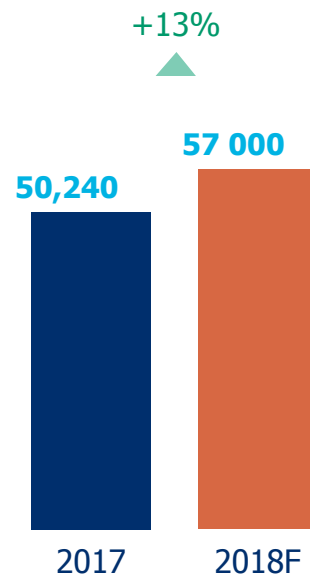
DELIVERIES
ths sqm



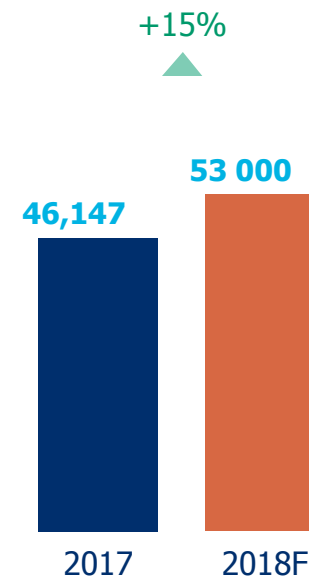
NEW CONTRACT SALES
ths sqm



NEW CONTRACT SALES
mln RUB



CASH COLLECTIONS
mln RUB



Source:
Company data

MARKET OVERVIEW



SUPPLY AND DEMAND

FACTORS AFFECTING **SUPPLY**

▼ Renovation programme in Moscow

- > **Positive impact in the short term** due to decreasing supply of apartments from the state-owned “Administration for Civil Engineering” (all apartments available on the open market will be used in the next 3 years for relocation purposes under the renovation programme), and moderate impact expected in the long term

▼ Amendments to Law 214 regulating residential development industry

- > **Considerable positive impact in the long term** due to withdrawal of smaller players who do not comply with the requirements of the amended law 214

▼ Further industry consolidation among top industry players

- > **Positive impact** due to decreasing supply triggered by market consolidation among top players and withdrawal of smaller developers who do not comply with the requirements of the amended law 214

FACTORS AFFECTING **DEMAND**

▼ Decrease in real disposable income in recent years

- > **Moderately negative impact in the short term** due to a downswing in consumer confidence; however impact is partially offset by rapid growth of real income recorded up to 2014

▲ Significant decrease in mortgage rates

- > **Considerable positive impact** due to increasingly accessible mortgages for income groups who previously could not afford mortgage payments. Up to 1.5 mln new households within Etalon Group’s target markets who could not afford mortgage financing now will be able to buy housing, with interest rates declining to 7%⁽¹⁾

▲ Macro recovery and subsequent real disposable income growth

- > Macro recovery and growth of real disposable income **is likely to provide further stimulus for potential buyers** of residential real estate

⁽¹⁾ Source: MACON Realty Group estimates based on Rosstat income distribution data, saving rates, households consumption patterns; AHML data; MinEc data and other open sources

RENOVATION PROGRAMME

RENOVATION PROGRAMME⁽¹⁾

- > **Over 5,000 buildings** are already included in the programme
- > **Over RUB 3,500 bln** is expected to be spent **within the next 15 years** to implement the whole programme
- > Construction of new housing stock in the first 7-8 years for **relocation purposes only**, without admitting private developers to the programme
- > **In the first three years**, Moscow authorities are planning to spend **RUB 300 bln** on the renovation programme
- > For relocation at the first stage of the programme, Moscow authorities plan to use **250 ths sqm of apartments belonging to the "Administration for Civil Engineering"** that were previously due to be sold on the open market
- > The renovation programme has a **social focus**, and the intent is to implement it in such a way that there is **no negative effect on the market**
- > **Height restrictions of 9-14 floors** for newly constructed complexes

BENEFITS FOR REAL ESTATE DEVELOPERS

- > Lack of completed housing stock for the first stage of renovation means that the city authorities might be forced to buy from existing supply, in addition to apartments belonging to the "Administration for Civil Engineering", resulting in **reduction of current supply**
- > In case of supportive measures from city council and willingness to admit private companies to renovation, the top players will have the option to participate in the programme rather than buy plots from private landlords, resulting in **lower land acquisition costs**
- > Assuming the current pace of financing by Moscow authorities, implementation of the programme may take over 30 years
- > On the back of the renovation programme, customers have shifted interest from the secondary market to the primary market, which has resulted in a **short-term boost in demand**

⁽¹⁾ Based on information available at mos.ru, and from the interview with Deputy Mayor of Moscow M. Khusnullin published in Vedomosti on 9 August 2017

FEDERAL LAW 214



FINANCIAL AND OPERATING EXCELLENCE CREATE
AN OPPORTUNITY TO CAPITALISE ON INDUSTRY
CONSOLIDATION

AMENDMENTS TO FEDERAL LAW 214

ENHANCED REQUIREMENTS TO CAPITAL SUFFICIENCY AND USE OF FUNDS

Changes	Relevance for Etalon
<ul style="list-style-type: none"> > Compensation fund contribution equal to 1.2% of value of equity participation contract > Own funds worth 10% of the entire project must be deposited in a mandated bank before being able to raise funds through equity participation agreements 	Unlike small players, Etalon's strong balance sheet enables the Company to easily comply with new requirements
<ul style="list-style-type: none"> > Developer's borrowing activities are limited to housing construction activities only > No bonds, only equity issuance allowed 	Additional financing needs can be met through borrowings from a parent company, including bank loans, or debt securities that can be issued either by a parent company or affiliated companies
<ul style="list-style-type: none"> > Advances associated with design and construction are limited to 30% of total project value > SG&A to be capped at 10% of construction costs 	Current values for Etalon Group companies are in line with the new requirements of the amended law

ENHANCED TRANSPARENCY REQUIREMENTS

Changes	Relevance for Etalon
<ul style="list-style-type: none"> > Audited annual financial reporting > Disclosure of interim unaudited financial results 	Established IFRS reporting system and semi-annual audit

ENHANCED TRACK RECORD REQUIREMENTS

Changes	Relevance for Etalon
<ul style="list-style-type: none"> > Developer must have at least a 3-year track record, and a minimum of 10 ths sqm of area commissioned 	30 years of experience Over 5.5 mln sqm commissioned

OTHER REQUIREMENTS

Changes	Relevance for Etalon
<ul style="list-style-type: none"> > Developer may undertake only one construction project approved by authorities at a time 	Establishing SPEs to enable simultaneous implementation of projects

BENEFITS FOR TOP PLAYERS:

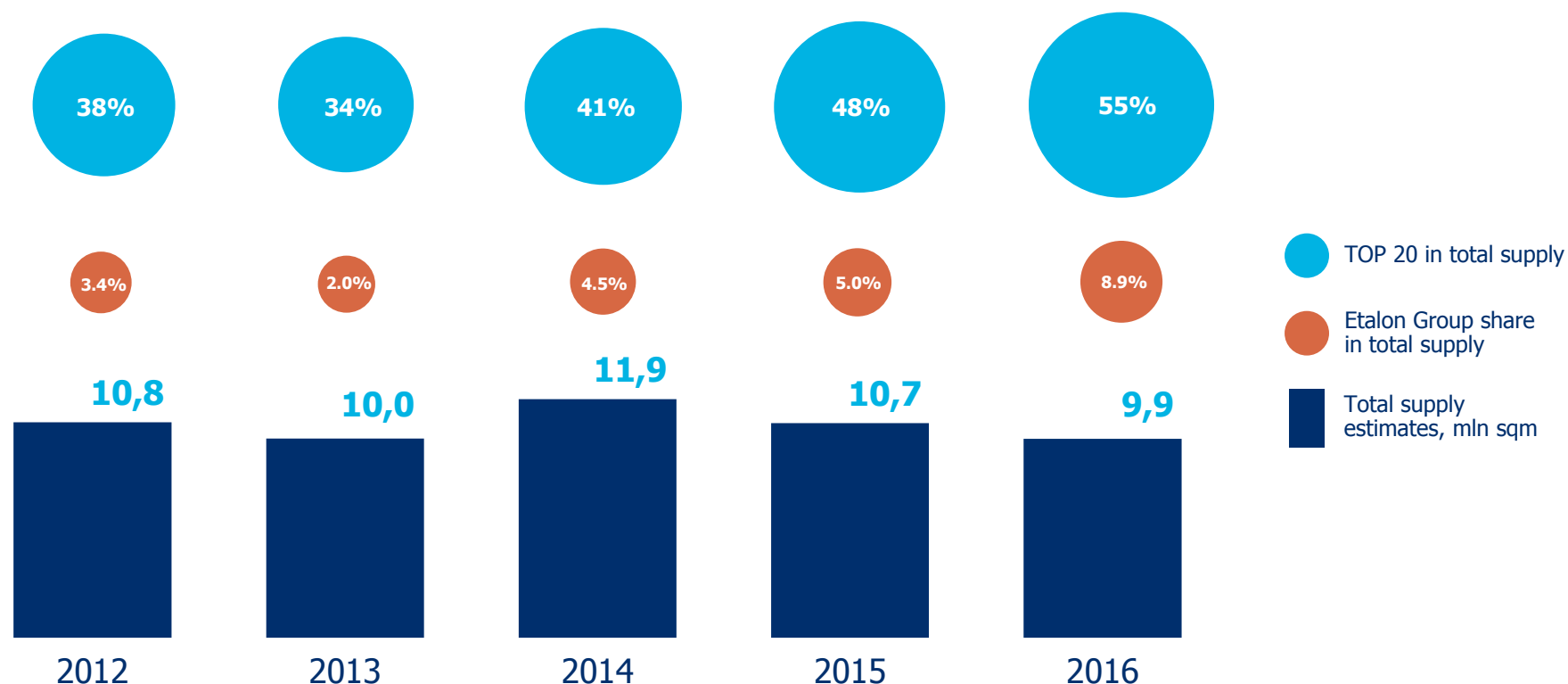
- > Major developers with sustainable cash positions have less potential exposure to negative effects of the amendments, creating conditions for **further industry consolidation**
- > Land owners may be forced to sell plots, as their ability to raise capital and undertake development activities is doubtful. This will further **ease competition** and potentially **make attractive new projects available for sale** and even with more appealing price

RESIDENTIAL REAL ESTATE SUPPLY



ETALON IS WELL-POSITIONED
TO GROW MARKET SHARE IN
CORE MARKETS

TOTAL SUPPLY IN ST PETERSBURG AND MMA⁽¹⁾



Source:
Knight Frank, IRN, Company data

⁽¹⁾ Moscow, New Moscow and Moscow region within 30 km from Moscow Ring Road

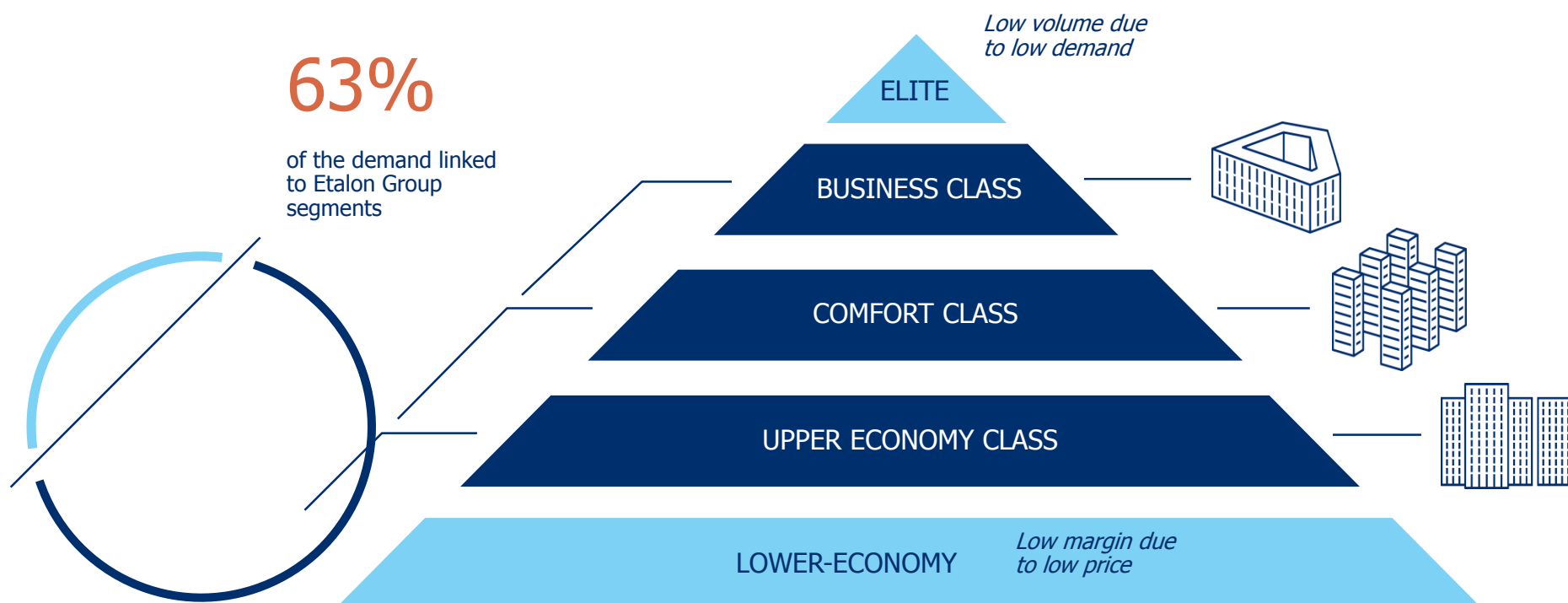
RESIDENTIAL REAL ESTATE DEMAND



ETALON GROUP REMAINS
FOCUSED ON THE SEGMENTS
WITH HIGHEST DEMAND

RESIDENTIAL REAL ESTATE DEMAND BREAKDOWN

ETALON GROUP SEGMENTS



Source: MACON Realty Group estimates based on Rosstat income distribution data, saving rates, households consumption patterns; AHML data; MinEc data and other open sources

FINANCIAL RESULTS

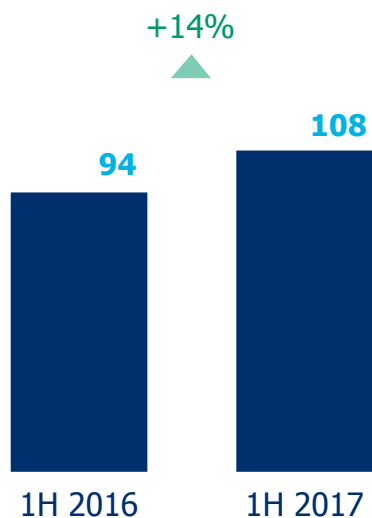


1H 2017 RESIDENTIAL DEVELOPMENT SEGMENT ANALYSIS

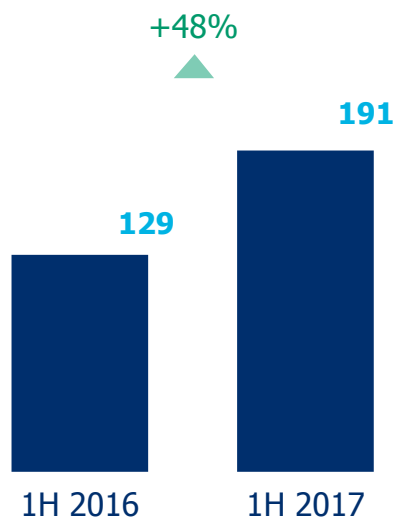


GROWTH IN DELIVERIES COUPLED WITH SALES OF COMPLETED REAL ESTATE ENABLED STRONG REVENUE RECOGNITION

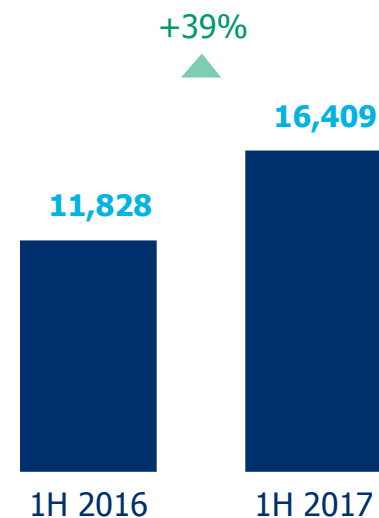
DELIVERIES
ths sqm



TRANSFERS
ths sqm



RESIDENTIAL REAL ESTATE
DEVELOPMENT REVENUE
mln RUB

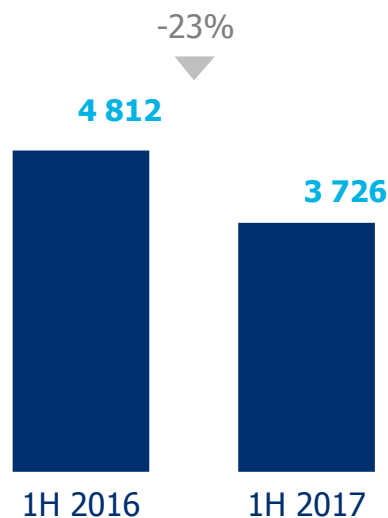


1H 2017 REVENUE ANALYSIS

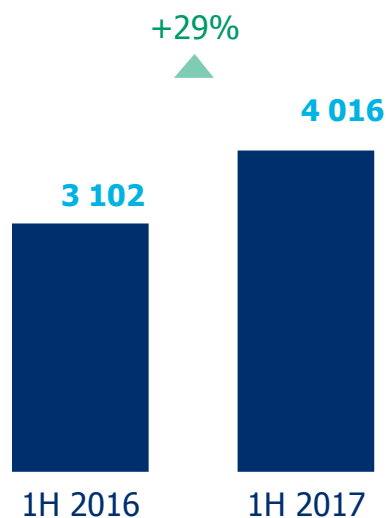


CONSOLIDATED REVENUE INCREASED
BY 22% Y-O-Y TO RUB 24.2 BLN

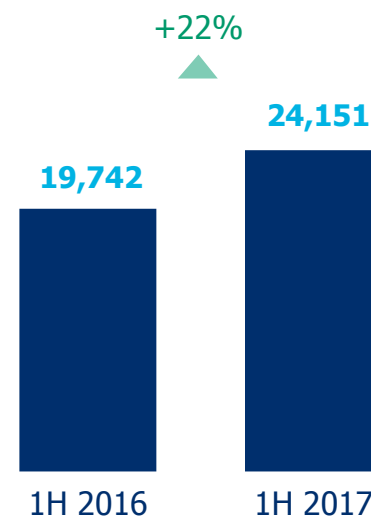
CONSTRUCTION SERVICES REVENUE FROM THIRD PARTIES mln RUB



OTHER REVENUE EXTERNAL⁽¹⁾ mln RUB



TOTAL REVENUE mln RUB



Source:
IFRS financial statements

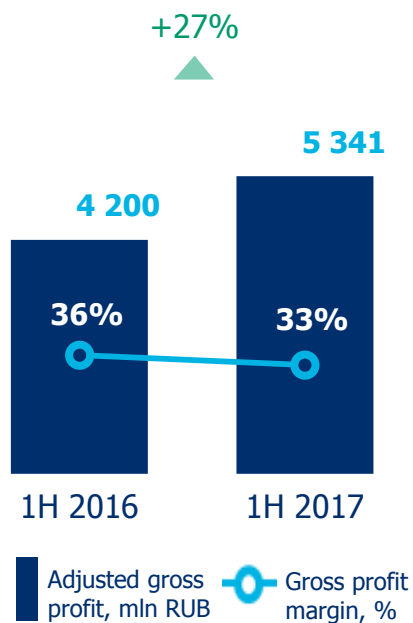
⁽¹⁾ Including revenue from selling construction materials, maintenance services, etc.

PROFITABILITY ANALYSIS

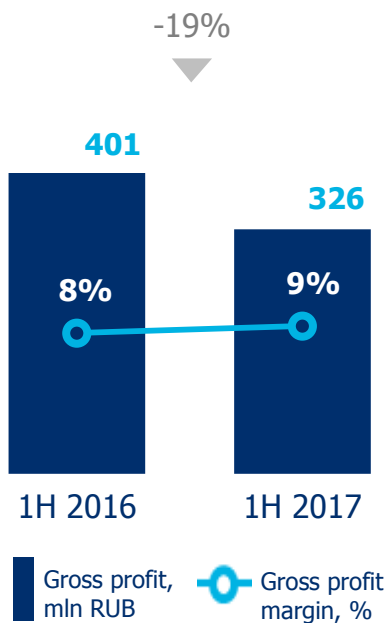


HEALTHY PROFITABILITY
LEVELS MAINTAINED

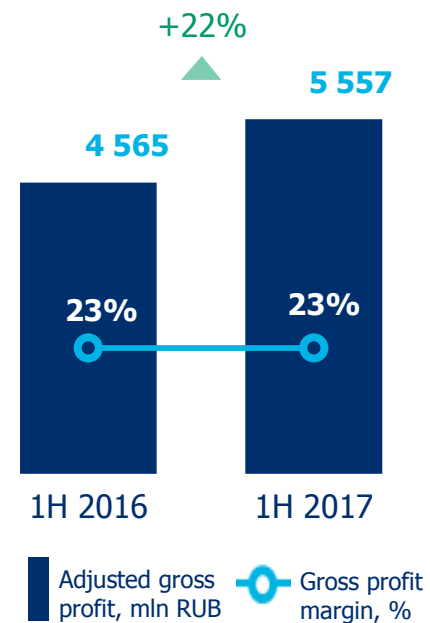
RESIDENTIAL REAL ESTATE DEVELOPMENT ADJUSTED GROSS PROFIT⁽¹⁾



CONSTRUCTION SERVICES GROSS PROFIT



CONSOLIDATED ADJUSTED GROSS PROFIT⁽¹⁾



Source:
IFRS financial statements

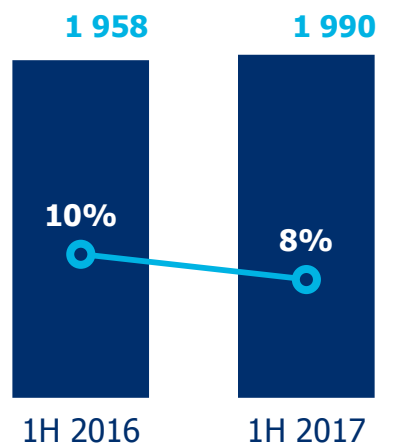
⁽¹⁾ Adjusted for interest in cost of sales

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES



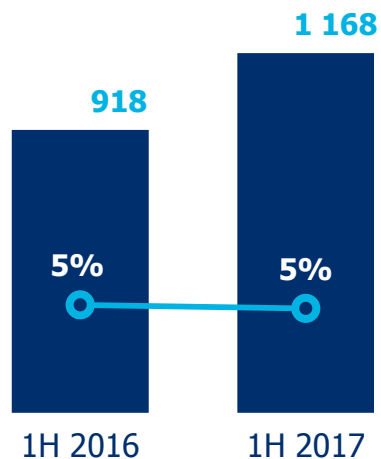
STRICT COST CONTROLS
KEPT SG&A AND OTHER
EXPENSES NEARLY FLAT

GENERAL AND ADMINISTRATIVE EXPENSES



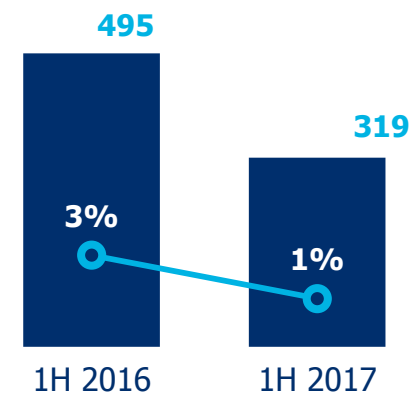
■ G&A, mln RUB
● G&A as % of revenue

SELLING EXPENSES



■ Selling expenses, mln RUB
● Selling expenses as % of revenue

OTHER EXPENSES



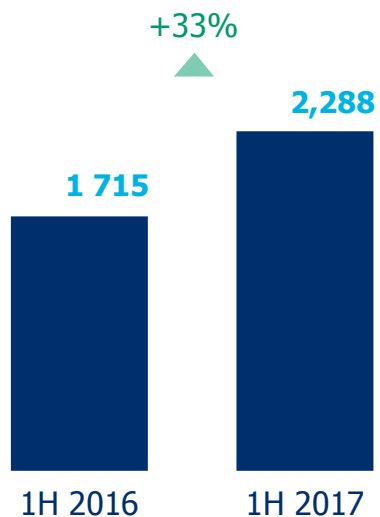
■ Other expenses, mln RUB
● Other expenses as % of revenue

EBITDA AND NET INCOME ANALYSIS

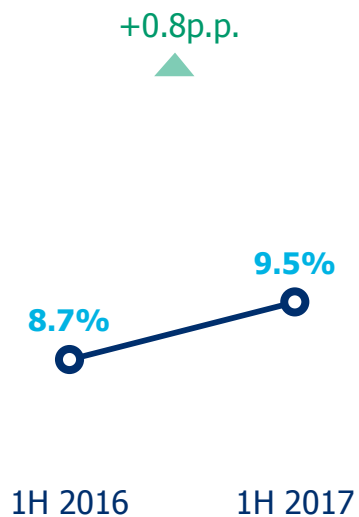


EBITDA INCREASED BY 33% Y-O-Y,
WITH EBITDA MARGIN UP BY 80 BPS

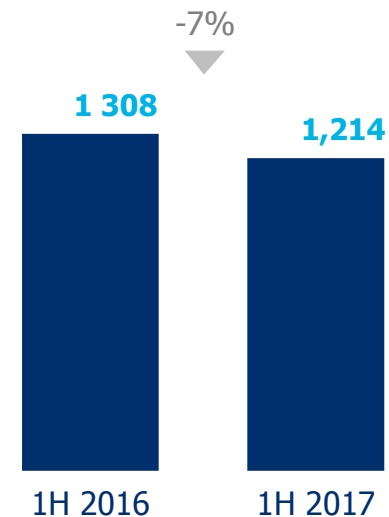
EBITDA
mln RUB



EBITDA MARGIN
%



NET INCOME
mln RUB

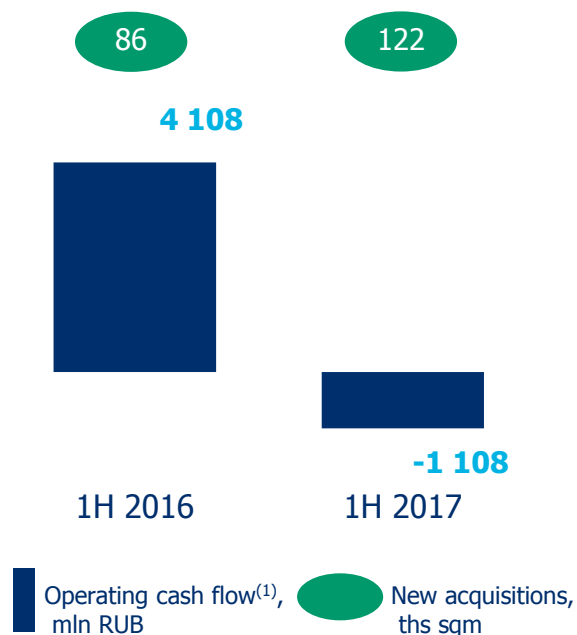


OPERATING CASH FLOW ANALYSIS



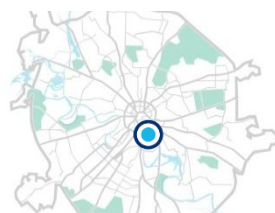
SLIGHTLY NEGATIVE CASH FLOW IN 1H 2017 DUE TO ACQUISITION OF TWO HIGH-END PROJECTS IN MOSCOW AND ST PETERSBURG

OPERATING CASH FLOW⁽¹⁾



HIGHT-END PROJECTS ACQUIRED IN 1H 2017

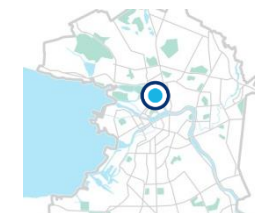
PROJECT ON LETNIKOVSKAYA STREET



Location: Moscow
 Total NSA: 75 ths sqm
 Income from sales: RUB 15.8 bln⁽²⁾
 Planned launch: 2018

The project is situated in the city centre on Letnikovskaya Street. This is a well-established and prestigious neighbourhood, with modern residential and entertainment infrastructure, as well as cultural sites, all located nearby. The area also benefits from its close proximity to a business district that is home to the headquarters of several financial institutions and international companies. The project will have excellent transport accessibility: Red Square is just a 10-minute drive.

PROJECT ON APTEKARSKIY PROSPEKT



Location: St Petersburg
 Total NSA: 47 ths sqm
 Income from sales: RUB 6.2 bln⁽²⁾
 Launched: October 2017

This new business class project is in the prestigious Petrogradskiy district of St Petersburg. This is a well-established central neighbourhood, with extensive residential, business and entertainment infrastructure. The project is in close proximity to the picturesque Aptekarskaya embankment, the St Petersburg Botanical Garden and a number of historic venues. The project will have excellent transport access to major transport routes, including Bolshoy prospekt, Aptekarskaya and Vyborgskaya embankments.

Source: IFRS financial statements

⁽¹⁾ Operating cash flow less interest paid

⁽²⁾ Based on management estimates

NEW MOTIVATION POLICY



NEW MOTIVATION PROGRAMME

ETALON GROUP'S NEW MOTIVATION POLICY AIMS TO:

1

Encourage development breakthroughs in accordance with Etalon Group's new strategy

3

Align interests of shareholders and management through long-term GDR based incentive programme tied to net profit and market capitalisation, and will be a key part of overall top management remuneration packages

2

Shift focus from operating to financial KPIs (net income, dividends and market capitalisation)

4

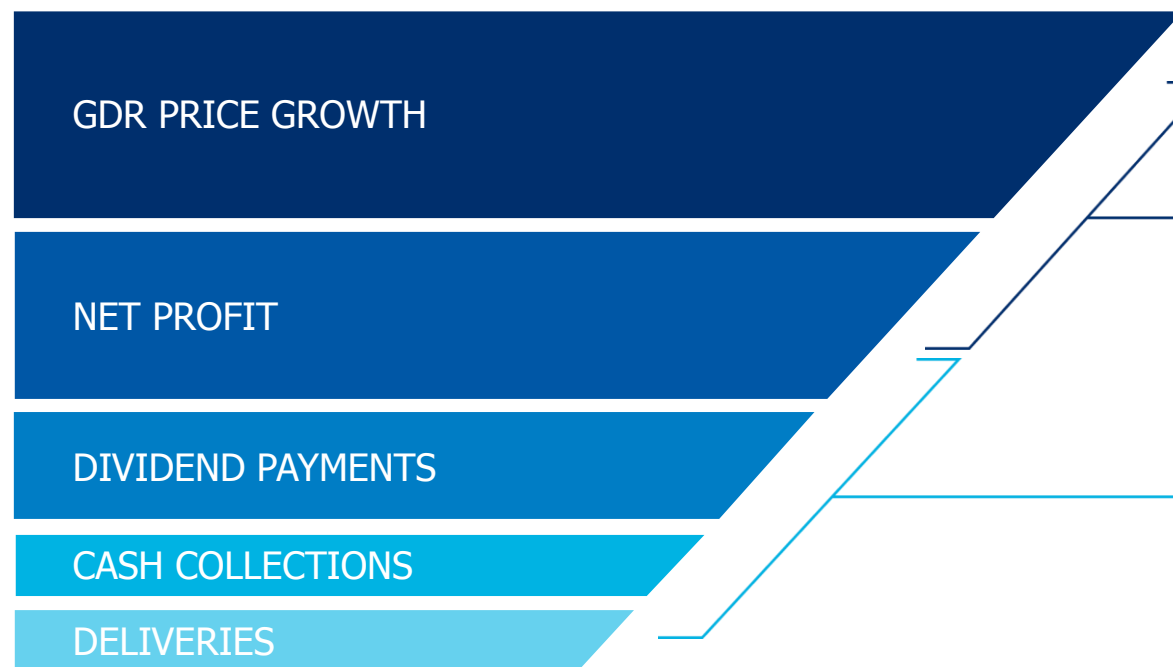
Strengthen motivation to achieve targets by decreasing fixed part and increasing variable part tied to KPIs

TOP MANAGEMENT KPIs



BALANCED REMUNERATION
SYSTEM WITH A FOCUS ON
FINANCIAL PERFORMANCE

KPI WEIGHTING



FORM OF REMUNERATION

PAYMENTS IN GDRs
WITH VESTING
PERIOD



PAYMENTS
IN CASH

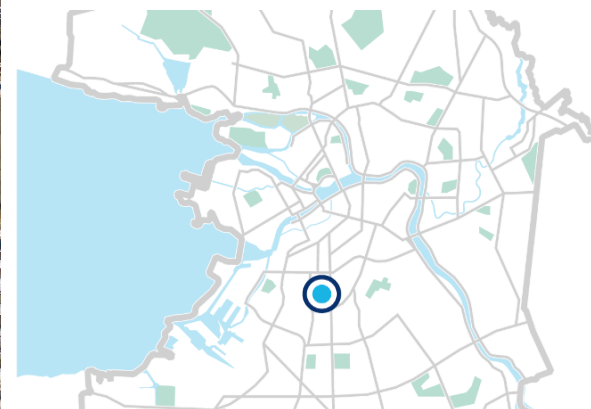
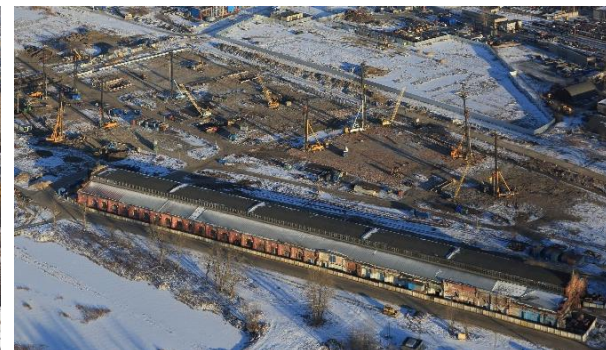


SELECTED PROJECTS



JANUARY 2018

DECEMBER 2016



Total NSA
841 ths sqm

Open Market Value⁽¹⁾
RUB 15,174 mln

Income from sales⁽¹⁾
RUB 69,618 mln

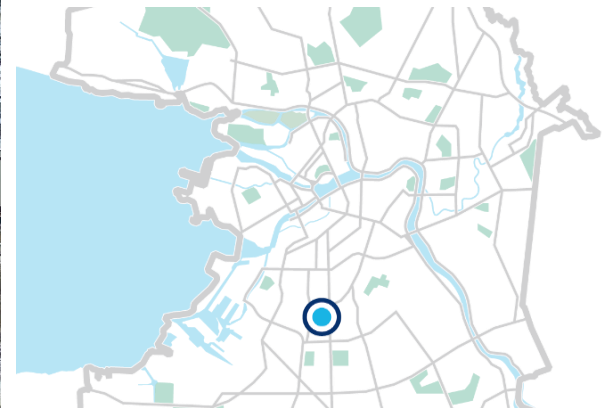
St Petersburg

⁽¹⁾ JLL estimate as of 31.12.2016

MOSCOW GATES

JANUARY 2018

DECEMBER 2016



Total NSA
235 ths sqm

Open Market Value⁽¹⁾
RUB 8,004 mln

Income from sales⁽¹⁾
RUB 21,642 mln

St Petersburg

⁽¹⁾ JLL estimate as of 31.12.2016

JANUARY 2018

DECEMBER 2016



Total NSA
213 ths sqm

Open Market Value⁽¹⁾
RUB 5,903 mln

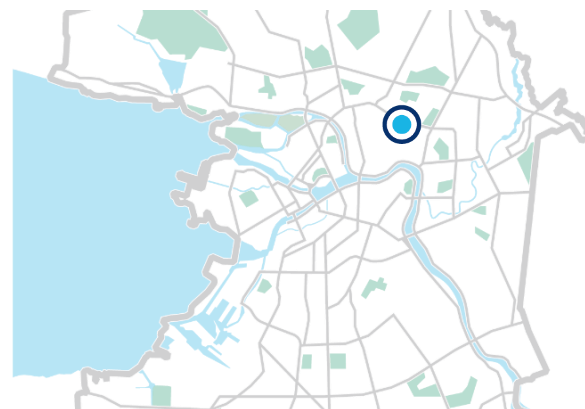
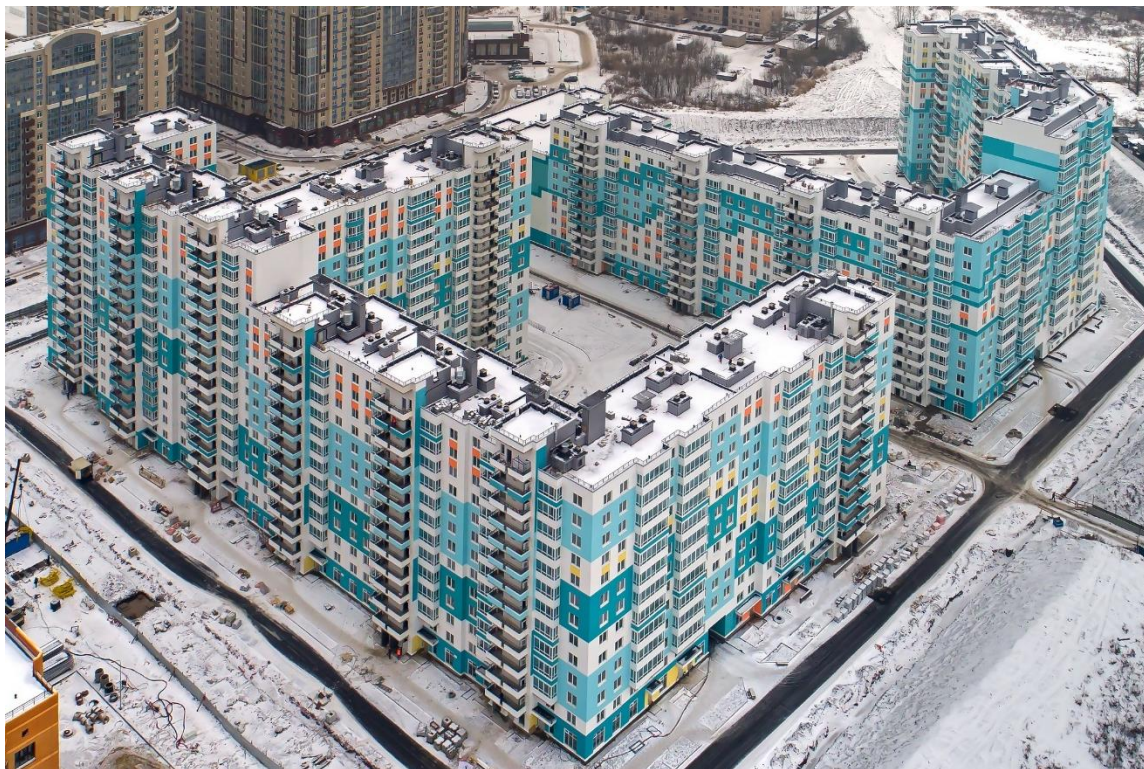
Income from sales⁽¹⁾
RUB 18,252 mln

St Petersburg

⁽¹⁾ JLL estimate as of 31.12.2016

JANUARY 2018

DECEMBER 2016



Total NSA
92 ths sqm

Open Market Value⁽¹⁾
RUB 1,806 mln

Income from sales⁽¹⁾
RUB 7,551 mln

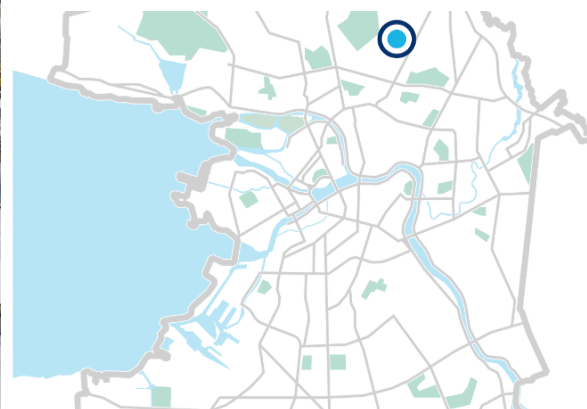
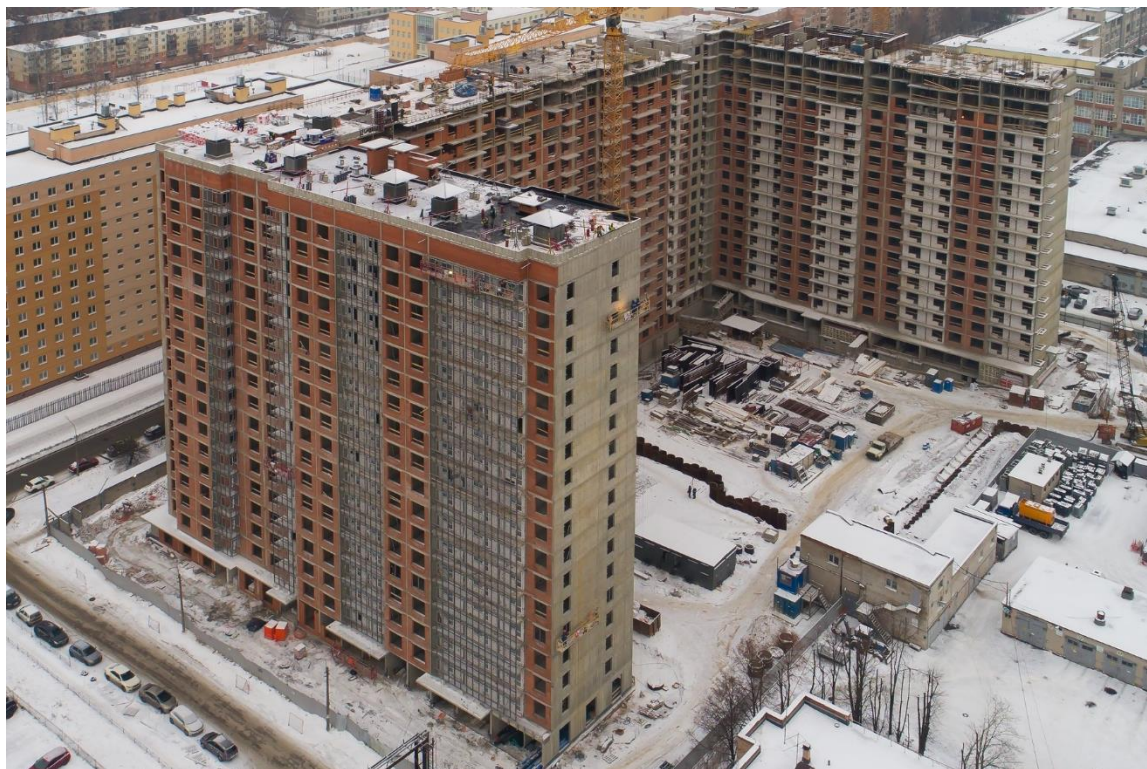
St Petersburg

⁽¹⁾ JLL estimate as of 31.12.2016

HOUSE ON OBRUCHEVYKH STREET

JANUARY 2018

DECEMBER 2016



Total NSA
42 ths sqm

Open Market Value⁽¹⁾
RUB 1,949 mln

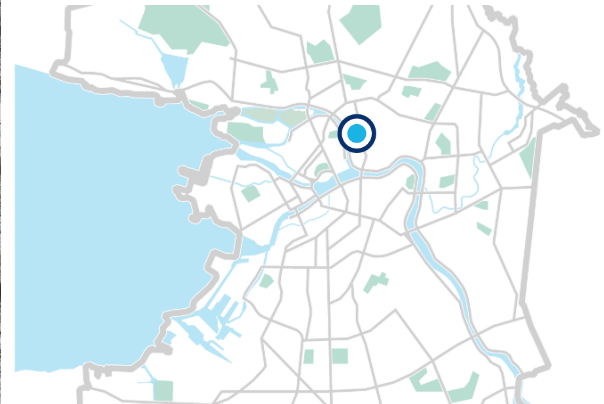
Income from sales⁽¹⁾
RUB 5,153 mln

St Petersburg

⁽¹⁾ JLL estimate as of 31.12.2016

JANUARY 2018

VISUALISATION



Total NSA
14 ths sqm

Open Market Value⁽¹⁾
RUB 719 mln

Income from sales⁽¹⁾
RUB 1,800 mln

St Petersburg

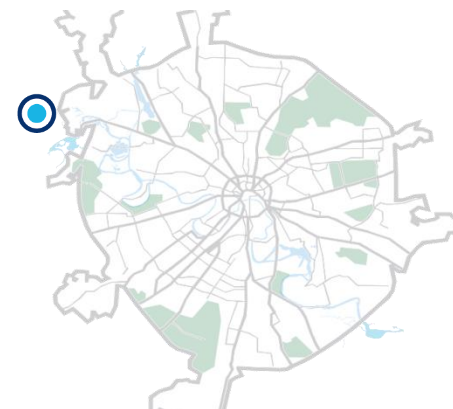
⁽¹⁾ JLL estimate as of 31.12.2016

EMERALD HILLS

JANUARY 2018



DECEMBER 2016



Total NSA
856 ths sqm

Open Market Value⁽¹⁾
RUB 18,415 mln

Income from sales⁽¹⁾
RUB 65,149 mln

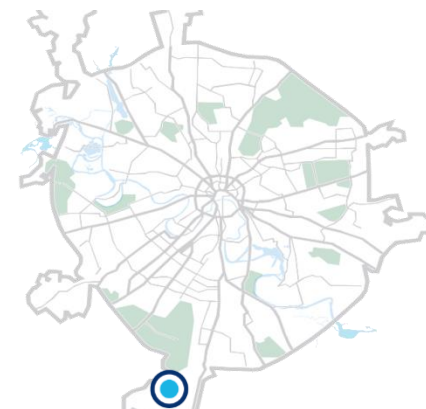
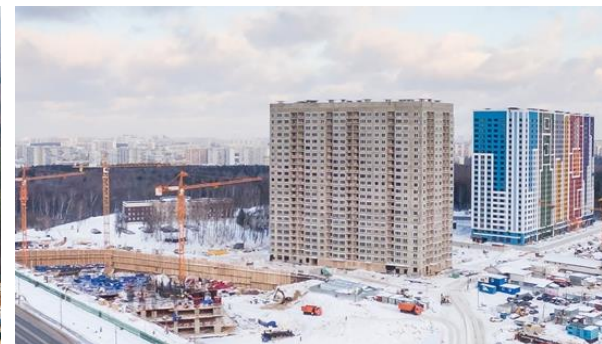
Moscow region

⁽¹⁾ JLL estimate as of 31.12.2016

ETALON CITY

JANUARY 2018

DECEMBER 2016



Total NSA
365 ths sqm

Open Market Value⁽¹⁾
RUB 7,512 mln

Income from sales⁽¹⁾
RUB 27,827 mln

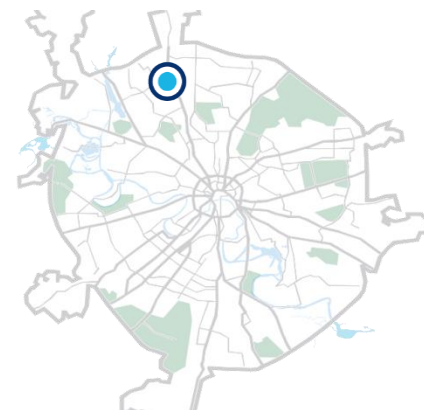
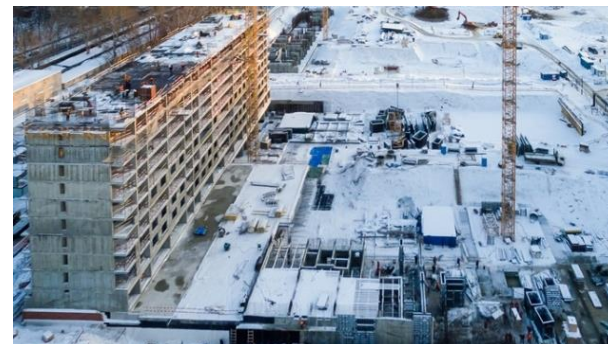
Moscow

⁽¹⁾ JLL estimate as of 31.12.2016

SUMMER GARDEN

JANUARY 2018

DECEMBER 2016



Total NSA
283 ths sqm

Open Market Value⁽¹⁾
RUB 6,880 mln

Income from sales⁽¹⁾
RUB 29,328 mln

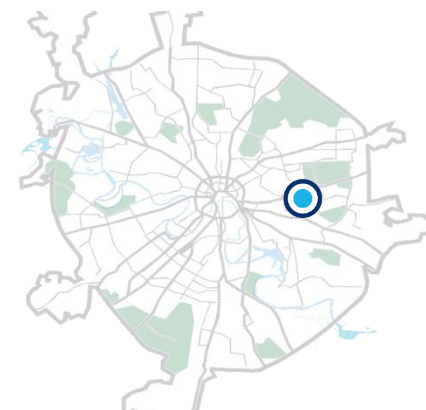
Moscow

⁽¹⁾ JLL estimate as of 31.12.2016

GOLDEN STAR

JANUARY 2018

DECEMBER 2016



Total NSA
85 ths sqm

Open Market Value⁽¹⁾
RUB 3,005 mln

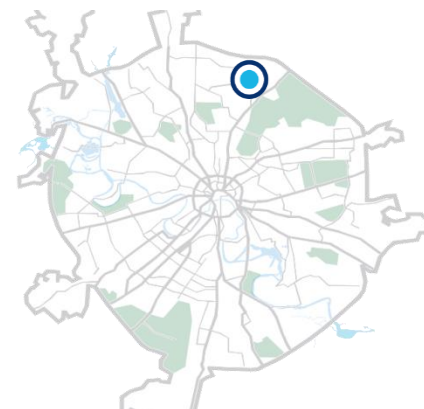
Income from sales⁽¹⁾
RUB 10,054 mln

Moscow

⁽¹⁾ JLL estimate as of 31.12.2016

JANUARY 2018

VISUALISATION



Total NSA
92 ths sqm

Open Market Value⁽¹⁾
RUB 3,727 mln

Income from sales⁽¹⁾
RUB 10,221 mln

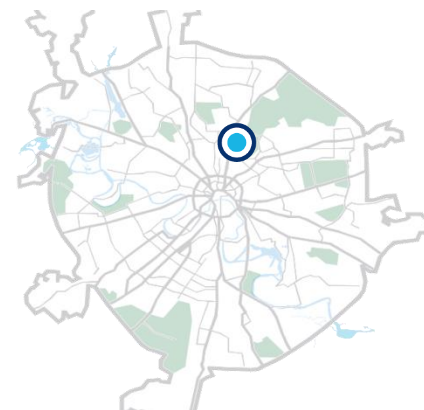
Moscow

⁽¹⁾ JLL estimate as of 31.12.2016

SILVER FOUNTAIN

JANUARY 2018

VISUALISATION



Total NSA
183 ths sqm

Open Market Value⁽¹⁾
RUB 9,573 mln

Income from sales⁽¹⁾
RUB 25,085 mln

Moscow

⁽¹⁾ JLL estimate as of 31.12.2016

APPENDIX



AT A GLANCE

PRESENCE IN RUSSIA'S LARGEST MARKETS

- > Focus on middle class residential real estate in Moscow metropolitan area (MMA) and St Petersburg metropolitan area (SPMA)
- > 11% CAGR for deliveries over 2010-2017⁽¹⁾

STRONG DELIVERY TRACK RECORD

- > Over 30 years of construction & development experience
- > 5.8 mln sqm commissioned

TRUE VERTICAL INTEGRATION

- > Strategic vertical integration in key value-added segments of property development enables the Company to control costs, quality and timing
- > 5 ths employees
- > Country-wide sales network covering 52 cities

DIVERSIFIED PROJECTS PORTFOLIO

- > Land bank of 2.82 mln sqm⁽²⁾
- > Land bank sufficient until 2021
- > Projects well diversified by locations within both SPMA and MMA

LIQUIDITY AND CREDIT RATINGS

- > Secure liquidity position supported by pre-sales cash collections model
- > Low leverage: 1.2x net debt / LTM EBITDA⁽³⁾
- > Credit rating by S&P: B+/B⁽⁴⁾

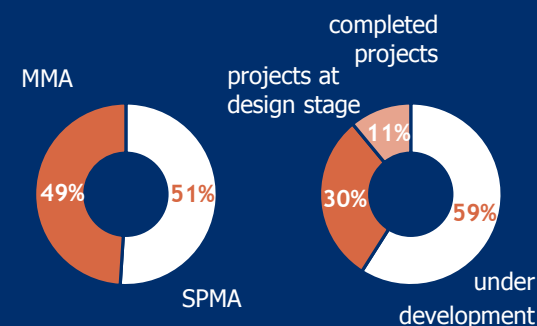
CORPORATE GOVERNANCE

- > 10 BoD members, 7 NEDs
- > Board of Directors consists of professionals with broad range of experience and expertise, ensuring that the interests of all groups of shareholders are appropriately represented
- > Monthly visual updates on projects, quarterly trading updates and semi-annual financial reporting
- > Official guidance on deliveries and new contract sales
- > Dividend policy aims to pay out 40% to 70% of IFRS net profit semi-annually

LSE ticker	ETLN:LI
Current share price	3.19 (17.01.2018)
Market Capitalisation	USD 932 mln

Portfolio valuation (by JLL) ⁽²⁾	RUB 115,818 mln (31.12.2016)
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PORTFOLIO COMPOSITION⁽²⁾



⁽¹⁾ Company operating results

⁽²⁾ JLL land bank valuation report as of 31.12.2016

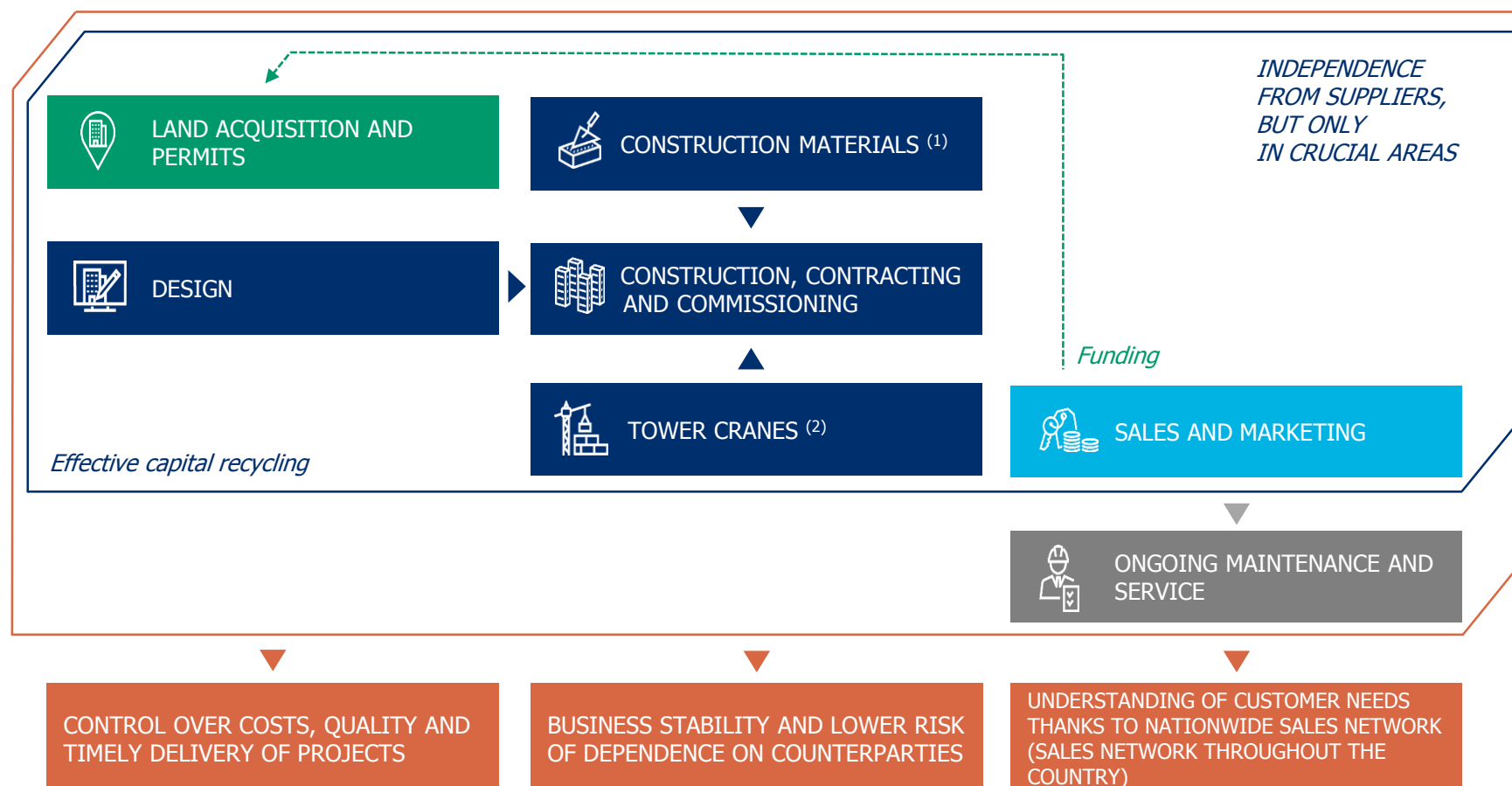
⁽³⁾ IFRS financial statements for 6M ended 30.06.2017

⁽⁴⁾ 'B+' long-term & 'B' short-term corporate credit ratings of Etalon LenSpetsSMU (last reconfirmed on 05.07.2017)

STRATEGIC VERTICAL INTEGRATION



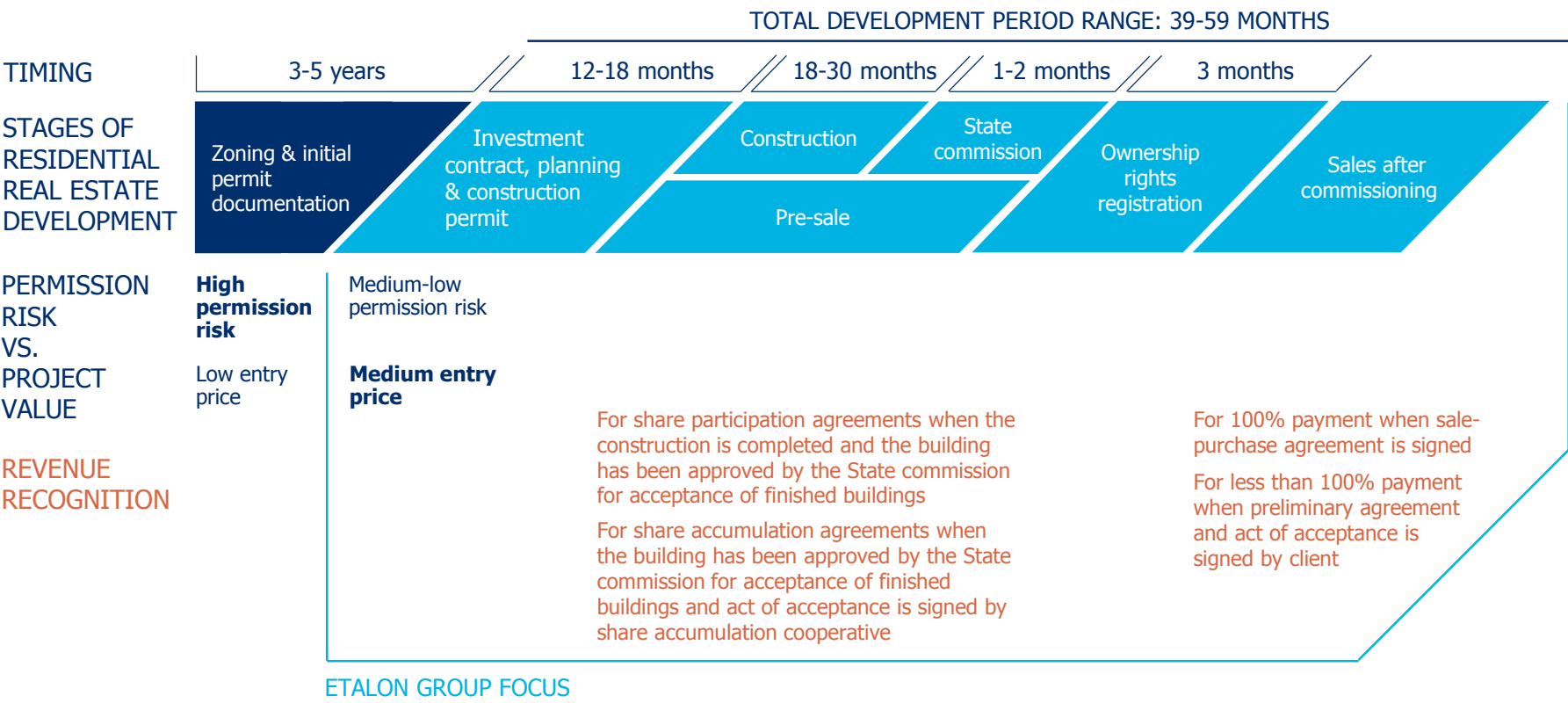
ETALON OPERATES AT EVERY STAGE OF THE DEVELOPMENT PROCESS, WHICH MEANS CONTROL OVER COSTS, QUALITY AND TIMING



⁽¹⁾ Brick plant and concrete products plant

⁽²⁾ 62 tower cranes (Liebherr and Wolff). Data as of 31.12.2017

RESIDENTIAL DEVELOPMENT SCHEME

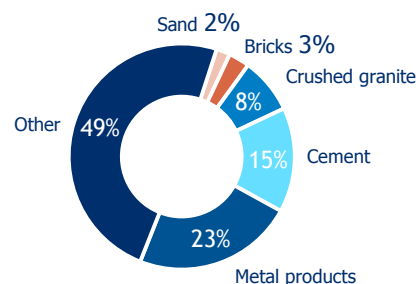


Source:
Company data

TYPICAL PROJECT COST STRUCTURE

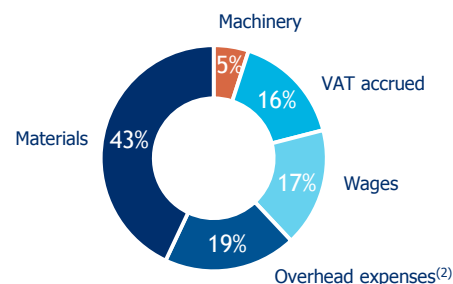
MATERIALS COST STRUCTURE⁽¹⁾

RUB 12,000-18,000 per sqm of NSA



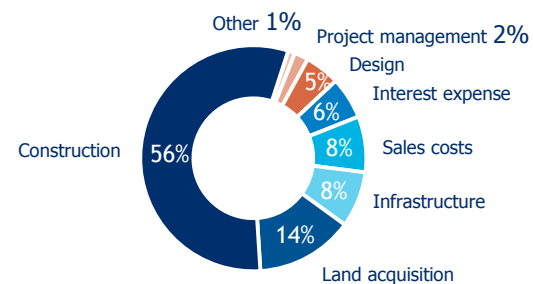
CONSTRUCTION COST STRUCTURE⁽¹⁾

RUB 29,000-39,000 per sqm of NSA



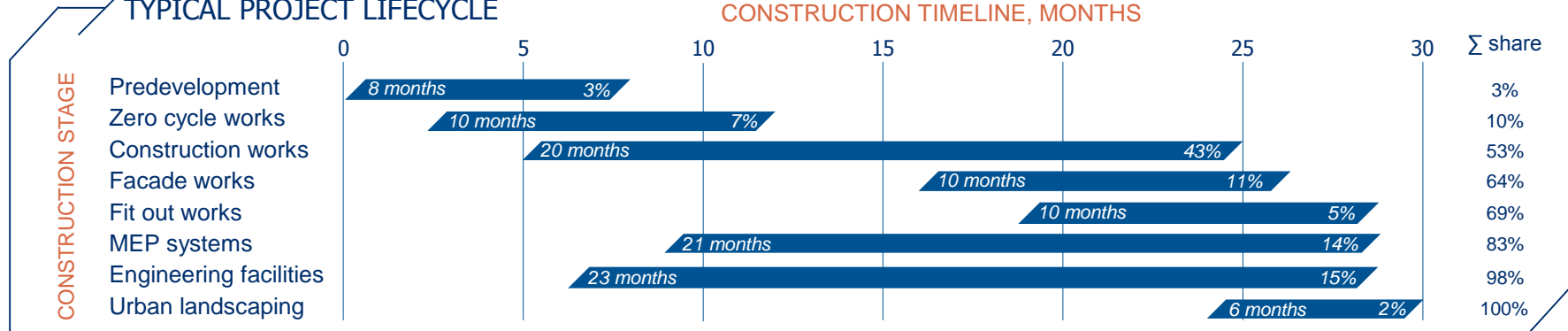
TOTAL COST STRUCTURE⁽¹⁾

RUB 59,000-72,000 per sqm of NSA



TYPICAL PROJECT LIFECYCLE

CONSTRUCTION TIMELINE, MONTHS



⁽¹⁾ Source: Company estimates for typical project based on current portfolio average. Actual breakdown per project is subject to significant variation due to a number of factors.

⁽²⁾ Including payroll tax

INDUSTRIAL CONSTRUCTION PROJECTS

NISSAN PLANT

2012-2014



- Etalon Group is a long-time partner of Nissan in Russia, having acted as the general contractor for design and construction of the test track and new car storage areas in 2008
- In 2014 Etalon Group delivered 66 ths sqm of new factory space, including expansion of existing assembly lines, warehouse and office facilities

FORD MOTOR COMPANY

2007-2012



Expansion of existing production facilities, including a 25 ths sqm logistics area for finished goods, renovation of warehouse and overhaul of utility systems

⁽¹⁾ Expected date of completion

EXPOFORUM

2011-2015



- The largest commercial construction project in St Petersburg in recent years
- Overall size of the complex is over 200 ths sqm
- 2 main exhibition halls, 3 exhibition pavilions, 2 hotels, 3 helicopter pads, parking and utilities infrastructure
- Capacity for up to 10 ths delegates

UNIPRES

2014-2016



- General contractor agreement for the construction of a 12,313 sqm manufacturing facility and a 3,588 sqm administrative building
- Turnkey project involving the full construction cycle

ZVEZDA-REDUKTOR

2015-2016



- Overhaul of production lines and the renovation of administrative and service buildings for Zvezda-Reduktor, a subsidiary of Zvezda, Russia's largest manufacturer of compact, high-RPM Diesel engines
- Contract covers a total area of 9,854 sqm

STATE HERMITAGE MUSEUM

2015-2018⁽¹⁾



- Construction of part of the Restoration and Storage Centre of the State Hermitage Museum in St Petersburg
- Contract is worth RUB 1.6 billion

INCOME STATEMENT

MLN RUB	2014	2015	2016	1H 2015	1H 2016	1H 2017
Revenue	51,481	42,404	49,022	18,148	19,742	24,151
Cost of sales	(35,685)	(29,405)	(36,813)	(12,584)	(15,685)	(19,296)
Gross profit	15,796	12,999	12,209	5,564	4,057	4,855
General and administrative expenses	(4,178)	(4,348)	(4,454)	(2,021)	(1,958)	(1,990)
Selling expenses	(1,474)	(1,411)	(1,984)	(619)	(918)	(1,168)
Other expenses, net	(913)	(991)	(753)	(341)	(495)	(319)
Results from operating activities	9,231	6,249	5,018	2,583	686	1,378
Finance income	1,717	1,686	1,857	998	891	760
Finance costs	(553)	(504)	(319)	(593)	(152)	(397)
Net finance income	1,164	1,182	1,538	405	739	363
Profit before income tax	10,395	7,431	6,556	2,988	1,425	1,741
Income tax expense	(2,026)	(2,002)	(1,654)	(795)	(117)	(527)
Profit for the period	8,369	5,429	4,902	2,193	1,308	1,214
<i>Profit attributable to:</i>						
Owners of the Company	8,345	5,399	4,902	2,188	1,307	1,210
Non-controlling interest	24	30	-	5	1	4
Profit for the period	8,369	5,429	4,902	2,193	1,308	1,214

Source:
IFRS financial statements for 1H15, 1H16, 1H17, 2014, 2015, 2016

BALANCE SHEET

MLN RUB	2014	2015	2016	1H 2015	1H 2016	1H 2017
ASSETS						
Non-current assets						
PP&E	2,503	2,479	2,889	2,349	2,433	2,927
Investment property	808	538	561	618	482	354
Other long-term investments	1,036	578	545	684	556	630
Trade and other receivables	2,521	3,303	5,063	2,164	3,801	5,633
Deferred tax assets	885	1,159	1,414	1,040	1,412	1,617
Other non-current assets	10	5	-	10	2	-
TOTAL NON-CURRENT ASSETS	7,763	8,062	10,472	6,865	8,686	11,161
Current assets						
Inventories	57,525	67,722	71,261	61,131	69,237	77,924
Trade and other receivables	15,075	18,227	21,409	15,926	20,340	26,468
Short-term investments	1,221	733	793	2,122	830	754
Cash and cash equivalents	14,631	11,532	10,206	10,042	15,770	9,392
Other current assets	66	7	-	66	7	-
TOTAL CURRENT ASSETS	88,517	98,221	103,669	89,287	106,184	114,538
TOTAL ASSETS	96,280	106,283	114,141	96,152	114,870	125,699
EQUITY AND LIABILITIES						
Equity						
Share capital	14,983	14,999	15,070	14,983	14,999	14,603
Retained earnings	36,537	39,697	43,052	37,011	40,068	44,263
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	51,520	54,696	58,122	51,994	55,067	58,866
Non-controlling interest	351	147	28	170	83	-
TOTAL EQUITY	51,871	54,843	58,150	52,164	55,150	58,866
Non-current liabilities						
Loans and borrowings	12,411	13,138	12,415	13,375	12,950	14,973
Trade and other payables	2,854	923	859	4,024	610	3,270
Provision	114	117	107	112	109	99
Deferred tax liabilities	1,456	1,810	1,557	1,249	1,096	1,173
TOTAL NON-CURRENT LIABILITIES	16,835	15,988	14,938	18,760	14,765	19,515
Current liabilities						
Loans and borrowings	3,880	6,276	5,639	5,141	8,720	4,051
Trade and other payables	21,460	25,630	33,666	18,451	34,375	41,773
Provisions	2,234	3,546	1,748	1,636	1,860	1,494
TOTAL CURRENT LIABILITIES	27,574	35,452	41,053	25,228	44,955	47,318
TOTAL EQUITY AND LIABILITIES	96,280	106,283	114,141	96,152	114,870	125,699

Source:
IFRS financial statements for 1H15, 1H16, 1H17, 2014, 2015, 2016

CASHFLOW STATEMENT

MLN RUB	2014	2015	2016	1H 2015	1H 2016	1H 2017
OPERATING ACTIVITIES						
Profit for the period	8,369	5,429	4,902	2,193	1,308	1,214
<i>Adjustments for:</i>						
Depreciation	417	406	434	213	240	172
Loss/(gain) on disposal of PP&E	(52)	(65)	(52)	20	(7)	(51)
Gain on disposal of investment property	-	-	(267)	-	-	(27)
Impairment gain/(loss) on investment property	280	215	(41)	166	27	-
Impairment loss on inventories	466	514	430	30	290	312
Finance income, net	(1,164)	(1,182)	(1,538)	(405)	(739)	(363)
Income tax expense	2,026	2,002	1,654	795	117	527
CASH FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL	10,342	7,319	5,522	3,012	1,236	1,784
Change in inventories	(6,890)	(8,255)	(1,780)	(2,418)	(502)	(3,884)
Change in accounts receivables	(1,427)	(3,899)	(3,746)	(366)	(2,381)	(5,831)
Change in accounts payable	1,184	2,369	7,812	(1,461)	8,519	8,175
Change in provisions	594	1,315	(1,808)	(600)	(1,694)	(262)
Change in other current assets	(59)	-	-	-	-	-
Income tax paid	(1,645)	(2,146)	(1,960)	(1,605)	(1,070)	(1,090)
Interest paid	(1,588)	(2,516)	(2,603)	(1,180)	(1,278)	(1,094)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	511	(5,813)	1,437	(4,618)	2,830	(2,202)
INVESTING ACTIVITIES						
Proceeds from disposal of non-current assets	66	188	93	29	45	221
Proceeds from disposal of investment property	-	-	-	-	-	224
Interest received	823	1,311	1,153	802	580	410
Acquisition of PP&E	(653)	(369)	(711)	(95)	(218)	(365)
Loans given	(178)	(123)	(435)	(4)	(41)	(27)
Loans repaid	174	66	25	21	18	317
Disposal of subsidiaries, net of cash disposed of	7	-	-	(3)	(1)	-
(Acquisition)/disposal of other investments	3,038	1,155	242	(598)	(113)	(337)
NET CASH FROM /(USED IN) INVESTING ACTIVITIES	3,277	2,228	367	152	270	443
FINANCING ACTIVITIES						
Acquisition of non-controlling interest	(83)	(20)	(94)	(66)	(38)	(30)
Proceeds from borrowings	10,763	9,480	9,016	4,707	5,882	4,671
Repayments of borrowings	(8,498)	(6,281)	(10,404)	(2,323)	(3,635)	(3,678)
Acquisition of own shares	16	16	-	-	-	-
Dividends paid	(1,124)	(2,452)	(1,504)	(1,834)	(961)	-
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	1,074	743	(2,986)	484	1,248	963
Net increase/(decrease) in cash and cash equivalents	4,862	(2,842)	(1,182)	(3,982)	4,348	(796)
Effect of FX rate fluctuations	1,630	(257)	(144)	(607)	(110)	(18)
Cash & cash equivalents at the end of the period	14,631	11,532	10,206	10,042	15,770	9,392

Source:
IFRS financial statements for 1H15, 1H16, 1H17, 2014, 2015, 2016

EBITDA CALCULATION

MLN RUB	2014	2015	2016	1H 2015	1H 2016	1H 2017
Comprehensive income	8,369	5,429	4,902	2,193	1,308	1,214
Income tax expense	2,026	2,002	1,654	795	117	527
Interest expense on loans and finance lease	295	19	12	15	6	2
Net foreign exchange loss	-	138	78	438	51	22
Interest income on bank deposits	(729)	(1,089)	(839)	(686)	(437)	(278)
Interest income on loans and receivables	(94)	(222)	(314)	(116)	(143)	(132)
Net foreign exchange gain	(814)	-	-	-	-	-
Bank fees and commissions	117	95	133	49	65	59
Interest in cost of sales	1,024	897	1,241	272	508	702
DEPRECIATION:	417	406	434	213	240	172
Depreciation in cost of goods sold (Note 13 PP&E)	271	284	321	167	183	132
Depreciation to selling expenses (Note 13 PP& E)	4	6	4	3	2	4
Depreciation to general and administrative expenses (Note 13 PP&E)	94	63	62	19	29	26
Depreciation to investment property (Note 14 Investment property)	48	48	42	24	24	10
Depreciation to other non-current assets	-	5	5	-	2	-
EBITDA	10,611	7,675	7,301	3,173	1,715	2,288

Source:
IFRS financial statements for 1H15, 1H16, 1H17, 2014, 2015, 2016

WORKING CAPITAL CALCULATION

MLN RUB	2014	2015	2016	1H 2015	1H 2016	1H 2017
Total inventory	57,525	67,722	71,261	61,131	69,237	77,924
CURRENT PART						
+Trade and other receivables	15,074	18,227	21,409	15,926	20,340	26,468
- Trade and other payables	21,460	25,630	33,666	18,451	34,375	41,773
- Provisions	2,234	3,546	1,748	1,636	1,860	1,494
NON-CURRENT PART						
+Trade and other receivables	2,521	3,303	5,063	2,164	3,801	5,633
- Trade and other payables	2,854	923	859	4,024	610	3,270
- Provisions	114	117	107	112	109	99
ADJUSTMENTS						
- Cumulative borrowing costs capitalised during the period (Note 11 Finance income and finance costs)	5,416	7,977	10,602	6,636	9,278	11,686
+ Cumulative borrowing costs that have been included into the cost of sales (Note 11 Finance income and finance costs)	2,313	3,210	4,451	2,585	3,718	5,153
- Income tax receivable (Note 18 Trade and other receivables)	159	358	412	467	302	235
+ Income tax payable (Note 25 Trade and other payables)	380	125	399	10	100	246
WORKING CAPITAL	45,576	54,036	55,189	50,490	50,662	56,867

FCF CALCULATION

MLN RUB	2014	2015	2016	1H 2015	2H 2015	1H 2016	2H 2016	1H 2017
Comprehensive income	8,369	5,429	4,902	2,193	3,236	1,308	3,594	1,214
ADJUSTMENTS FOR								
Depreciation	417	406	434	213	193	240	194	172
Loss/(gain) on disposable PP&E	(52)	(65)	(52)	20	(85)	(7)	(45)	(51)
Gain on disposal of investment property	-	-	-	-	-	-	-	(27)
Impairment loss on investment property	280	215	(41)	166	49	27	(68)	-
Impairment loss on inventory	466	514	430	30	484	290	140	312
Loss on disposal of subsidiaries	-	-	-	-	-	-	-	-
Finance income, net	(1,164)	(1,182)	(1,538)	(405)	(777)	(739)	(799)	(363)
Income tax expense	2,026	2,002	1,654	795	1,207	117	1,537	527
Income tax paid	(1,645)	(2,146)	(1,960)	(1,605)	(541)	(1,070)	(890)	(1,090)
Interest paid	(1,588)	(2,516)	(2,603)	(1,180)	(1,336)	(1,278)	(1,325)	(1,094)
(Increase)/decrease in working capital:	(6,598)	(8,470)	478	(4,845)	(3,625)	3,942	(3,462)	(1,802)
Change in inventories	(6,890)	(8,255)	(1,780)	(2,418)	(5,837)	(502)	(1,278)	(3,884)
Change in accounts receivable	(1,427)	(3,958)	(3,746)	(366)	(3,592)	(2,381)	(1,365)	(5,831)
Change in accounts payable	1,184	2,369	7,812	(1,461)	3,830	8,519	(705)	8,175
Change in provisions	594	1,315	(1,808)	(600)	1,915	(1,694)	(114)	(262)
Change in other current assets	(59)	59	-	-	59	-	-	-
(Increase)/decrease in invested capital based on CF statement:	(587)	(181)	(618)	(66)	(115)	(173)	(445)	80
Acquisition of PP&E	(653)	(369)	(711)	(95)	(274)	(218)	(493)	(365)
Proceeds from disposal of non-current assets	66	188	93	29	159	45	48	445
FCF	(76)	(5,994)	1,086	(4,684)	(1,310)	2,657	(1,569)	(2,122)

Source:
IFRS financial statements for 1H15, 1H16, 1H17, 2014, 2015, 2016



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