



SOLLERS IFRS RESULTS 2017

03.05.2018

- 1. 2017 SOLLERS STRATEGIC DEVELOPMENTS**
2. RUSSIAN AUTOMOTIVE MARKET OVERVIEW
3. SOLLERS OPERATING AND FINANCIAL PERFORMANCE IN 2017
4. SOLLERS' JOINT VENTURES' RESULTS

3 | 2017 SOLLERS STRATEGIC DEVELOPMENTS



JUNE

MAZDA SOLLERS JV starts assembly of new Mazda CX-5 in Vladivostok



JULY

Adil Shirinov is appointed CEO and President of Ford Sollers JV



JULY

UAZ presents pilot version of UAZ Cargo with hybrid power unit



OCTOBER

UAZ launches sales of new UAZ PROFI in the most popular segment of LCV



DECEMBER

Ford Sollers JV: retail sales up 18% in 2017 vs. 12% growth of total Russian market



DECEMBER

UAZ export sales: 46% growth in 2017 to 5.1 k units (2016: 3.5 k units)



JANUARY

Ford Sollers JV launches new Ford Explorer for Russian market



FEBRUARY

Elena Frolova is appointed Deputy General Director for Finance and Economics of SOLLERS Group



FEBRUARY

MAZDA SOLLERS JV launches production of new crossover Mazda CX-9



NEW MODELS

- **UAZ PROFI** – new light commercial vehicle based on UAZ Patriot platform in the **mass segment of LCV**
 - Combines the **comfort** of passenger car and the **payload of commercial vehicle**
 - Competitive price positioning will support the new segment penetration
 - Start of sales in October 2017
- Price: from RUB 724 k
 - New engine: ZMZ-PRO – up to 160HP
 - Increased payload and wheel base: 1 500 kg & 5.9 m
 - Strengthened frame and suspension
 - Improved manoeuvrability & extra choice of comfort options



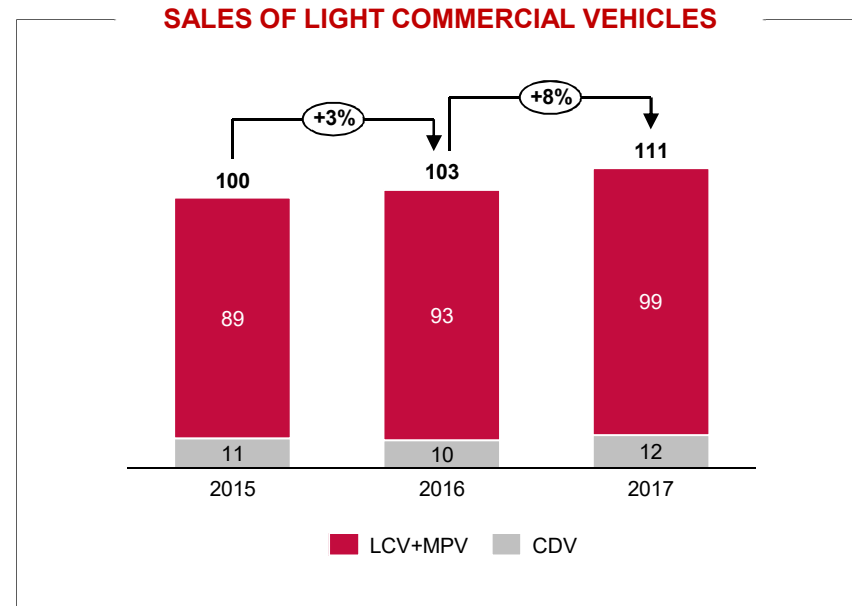
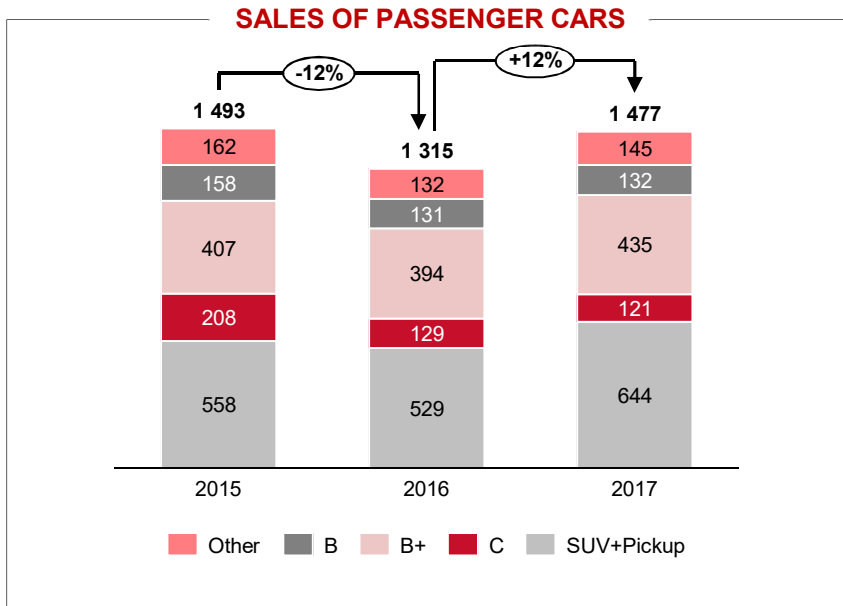
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7 | 2015 – 2017 RUSSIAN AUTOMOTIVE MARKET, K UNITS*

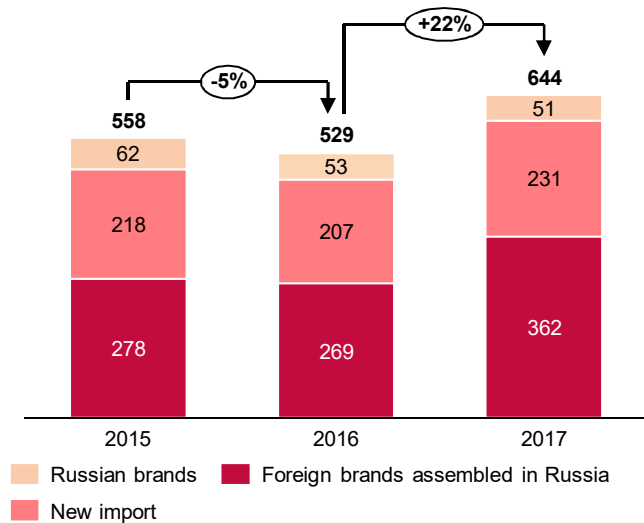


HIGHLIGHTS

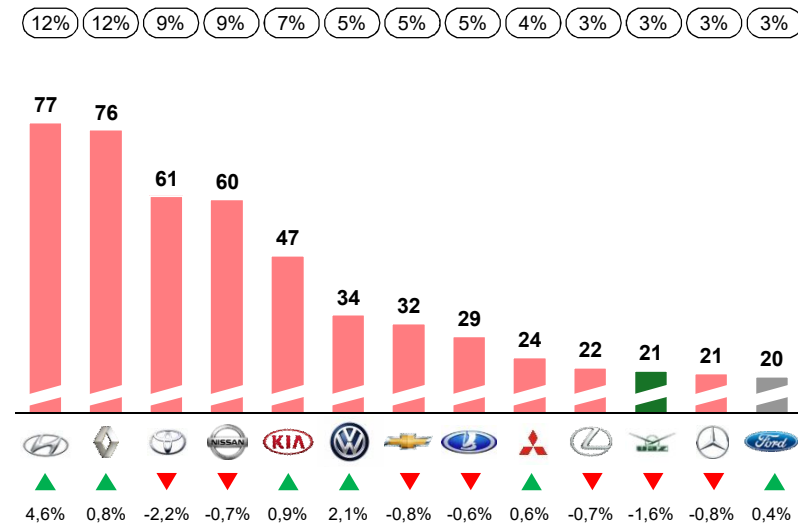
- Sales of new passenger cars and LCVs in Russia increased by 12% in 2017
- Growth in all main market segments, the overall passenger car market went up by 12% in 2017
- The largest SUV+Pickup segment grew by 22% in 2017 mainly due to crossovers
- B+ segment also grew by 11%
- The growth in light commercial vehicles is due to sales of GAZ and Ford vehicles (7% and 71% growth respectively in 2017)

8 | 2015 – 2017 NEW SUV + PICKUP

NEW SUV+PICKUP MARKET 2015 – 2017, K UNITS*



2017 KEY PLAYERS (RETAIL SALES), K UNITS



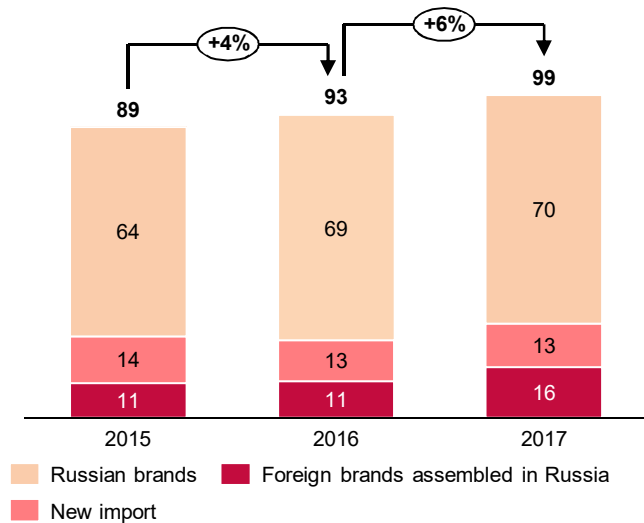
MAJOR MARKET TRENDS IN 2017

- The market for SUVs and Pickups outperformed the overall market: +22% vs. 12% growth of total passenger car sales
- The growth due to mass SUV models like recently launched Hyundai Creta, Kia Sportage, Renault Kaptur and new Volkswagen Tiguan
- Ford improved its position on SUV segment due to successful sales of Ford Kuga and Ford Explorer

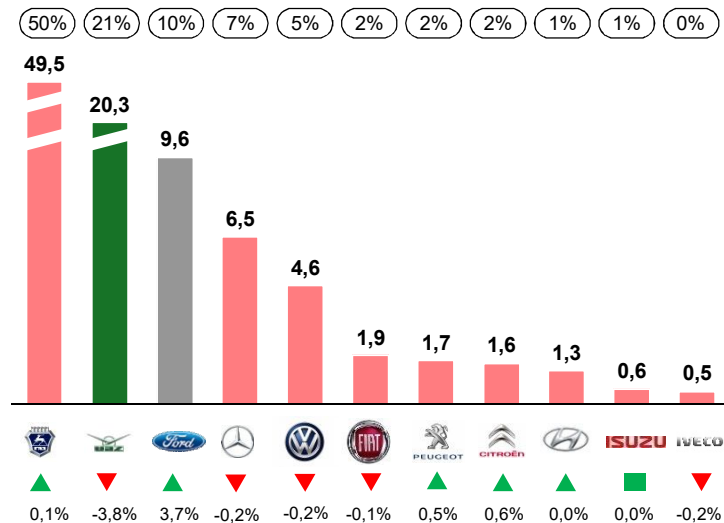
* Source - AEB

9 | 2015 – 2017 NEW LCV+MPV MARKET

NEW LCV+MPV MARKET 2015 – 2017, K UNITS*



2017 KEY PLAYERS (RETAIL SALES), K UNITS



MAJOR MARKET TRENDS IN 2017

- UAZ is #2 player on LCV+MPV market with 21% market share
- The market share is expected to increase due to the launch of UAZ PROFI in October 2017. The model is positioned in the mass segment of light commercial vehicles
- Ford Transit sales increased by 67% in 2017, the brand managed to increase its market share to 10% and became #3 player on the LCV+MPV market

* Source - AEB

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SOLLERS CONSOLIDATED WHOLESALLES

<i>k units</i>	2016	2017	Change
UAZ	51,1	46,5	-9,0%
UAZ Hunter	4,1	2,3	-43,9%
UAZ Patriot	19,2	15,5	-19,2%
UAZ commercial vehicles - old model range	23,3	22,0	-5,6%
UAZ commercial vehicles - new model range	4,5	6,8	51,1%

SOLLERS JVS WHOLESALLES

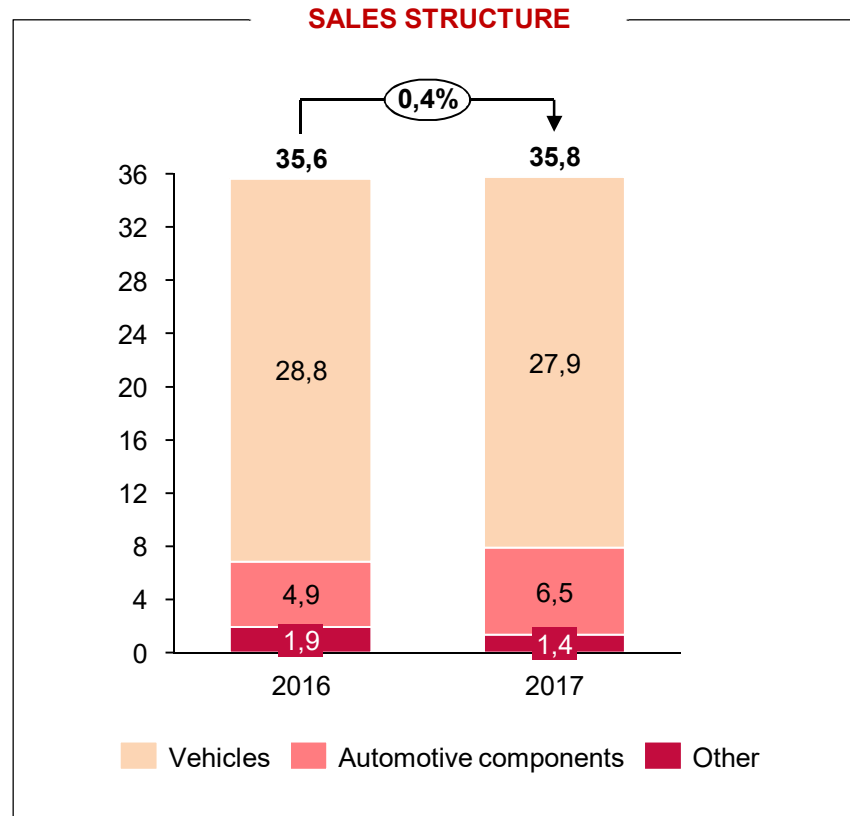
<i>k units</i>	2016	2017	Change
MAZDA SOLLERS JV	24,1	24,1	0,0%
FORD SOLLERS JV	44,5	54,0	21,3%

HIGHLIGHTS

The decrease in UAZ sales volumes is due to customers' adaptation to the reduction in state direct support

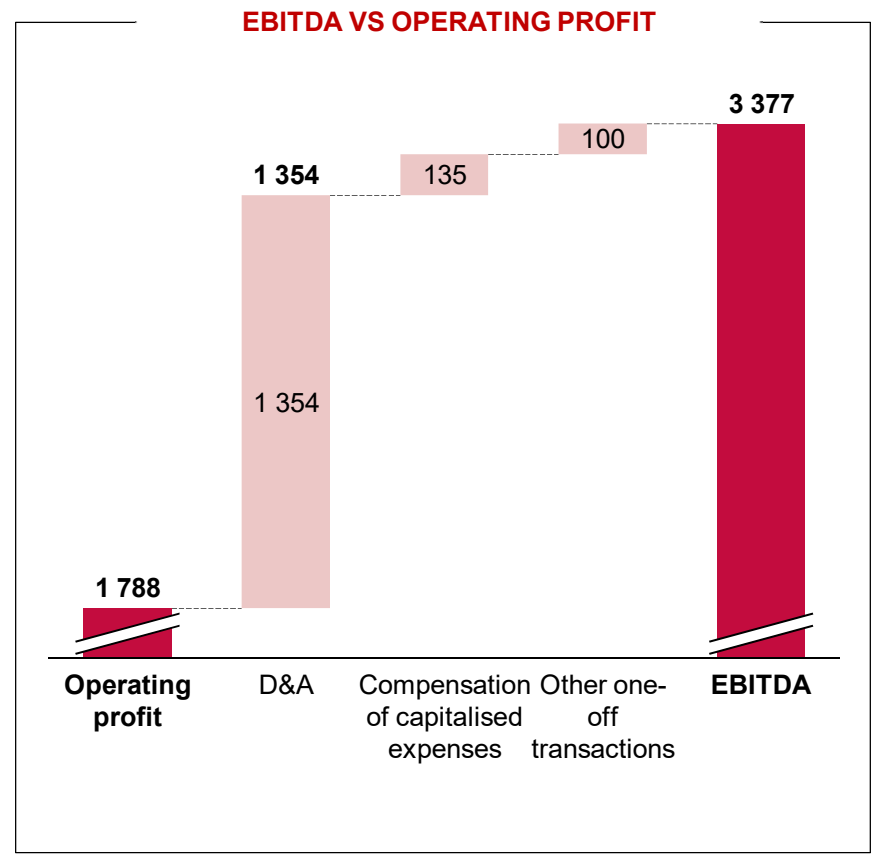
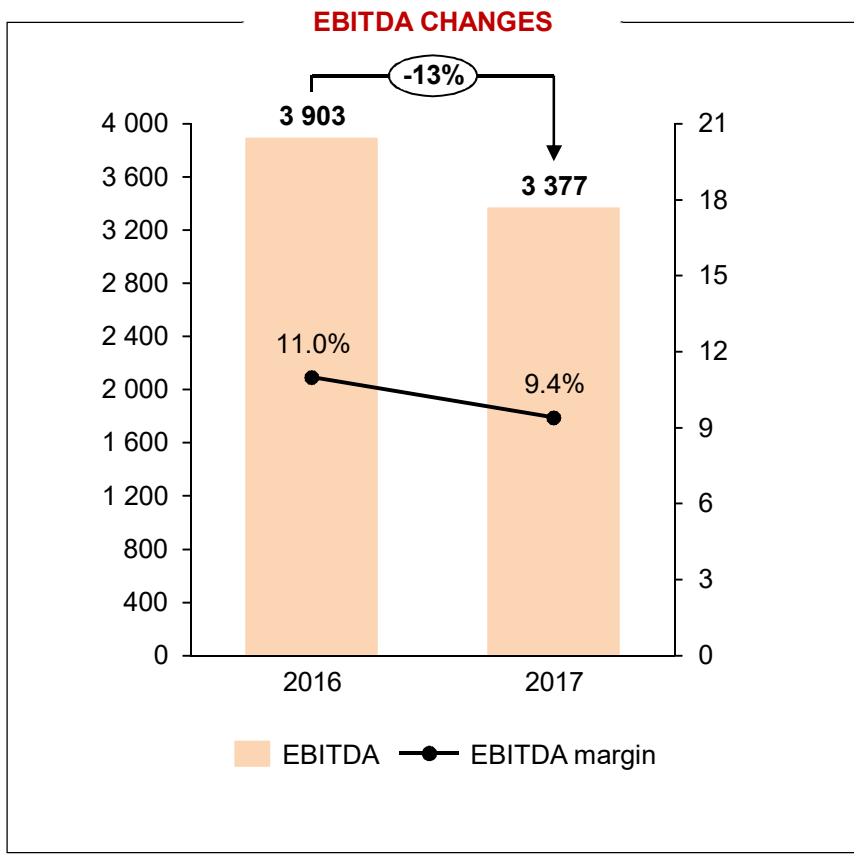


<i>RUB mln</i>	2016	2017	Change
Revenue	35 621	35 764	0,4%
EBITDA	3 903	3 377	-13,5%
EBITDA margin	11,0%	9,4%	-1,5%
Operating profit	2 269	1 788	-21,2%
Operating margin	6,4%	5,0%	-1,4%
Financial instrument recognition/ revaluation and change in fair value*	(1 319)	(261)	1 058
Share of result of JVs	1 026	412	-614
Net profit	1 601	999	-37,6%
Net debt as of 31.12.2016/ 31.12.2017	4 740	7 609	60,5%



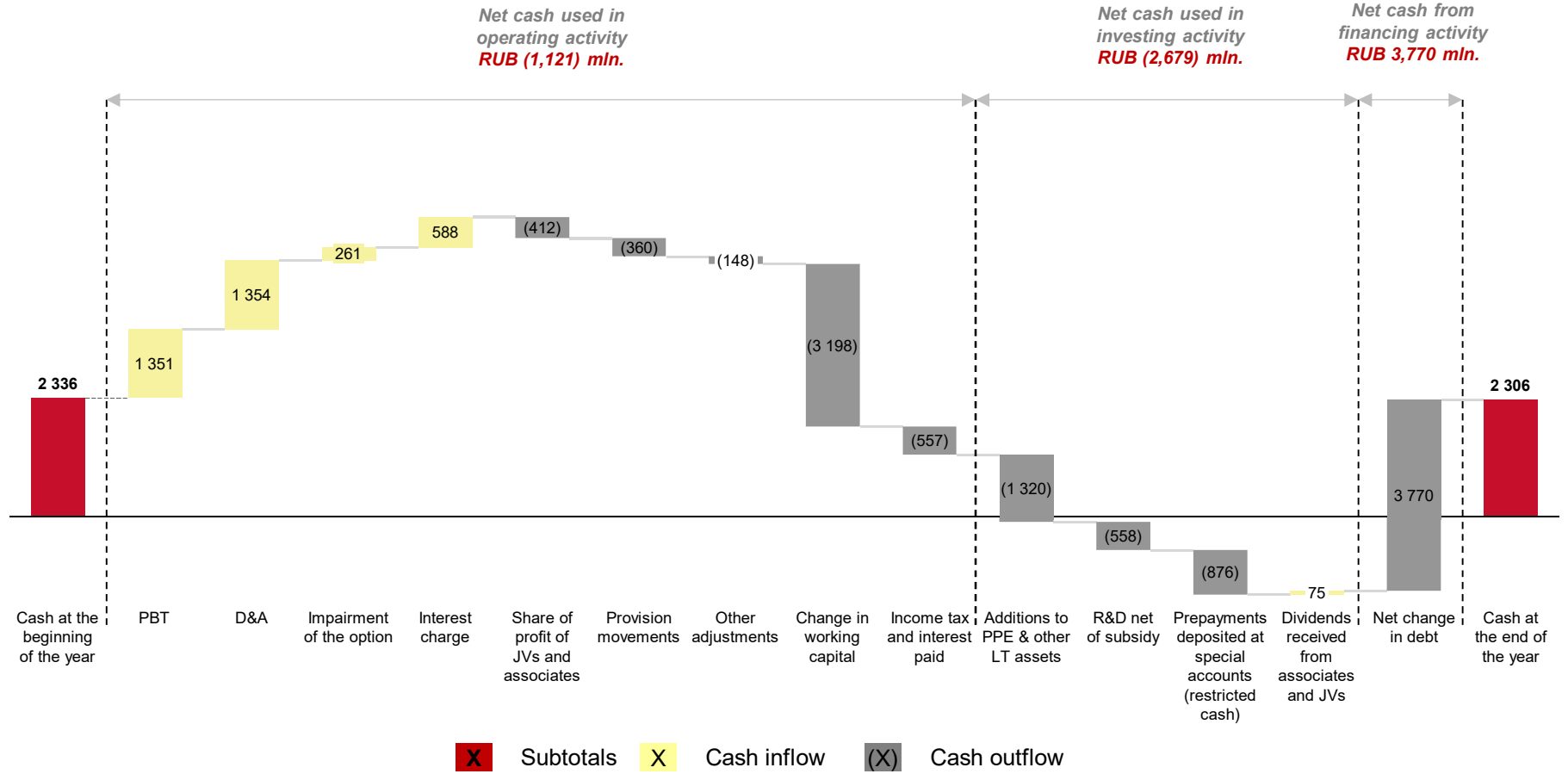
The growth in the Group's revenue of 0,4% due to the change in UAZ product mix and export sales growth

14 | EBITDA CHANGES, RUB MLN



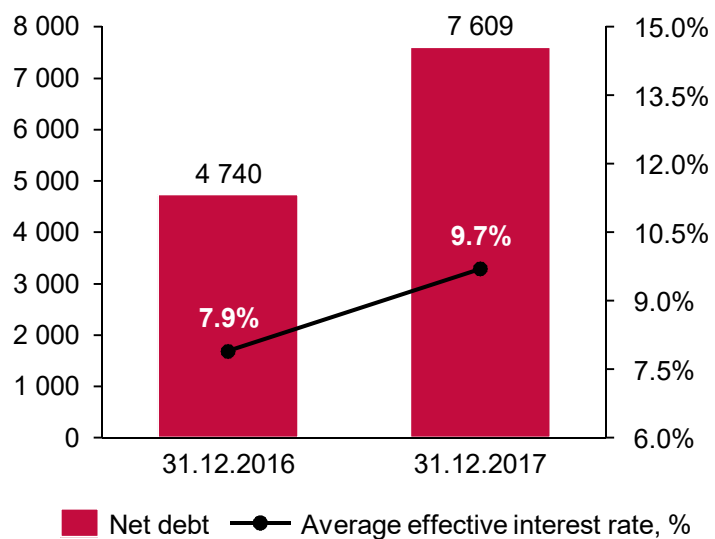


15 | CASH FLOW, RUB MLN



Other adjustments include profit/ loss on the sale of property, plant and equipment, investments and other non-current assets

NET DEBT POSITION AND EFFECTIVE INTEREST RATE



NET DEBT STRUCTURE

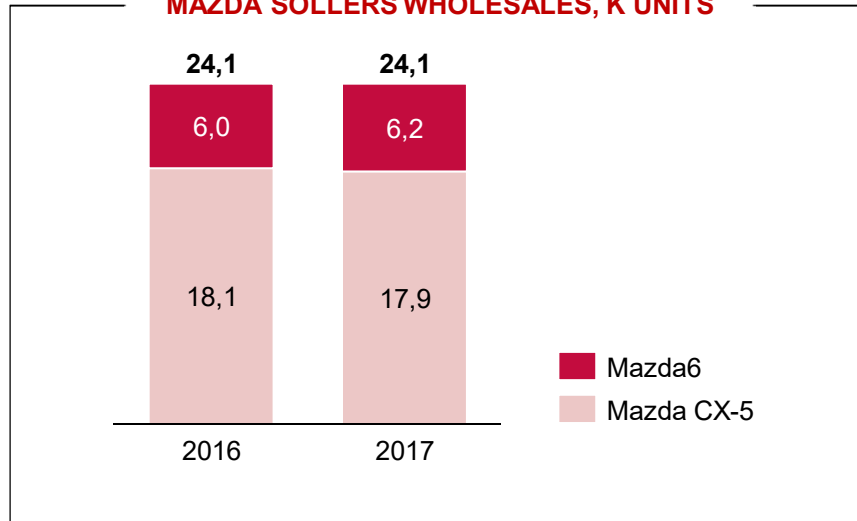
<i>RUB mln</i>	31.12.2016	31.12.2017	Change
Long-term debt	3 420	2 830	-17,3%
Short-term debt	3 656	7 961	117,8%
Total debt	7 076	10 791	52,5%
Cash at the end of the period	2 336	2 306	-1,3%
Restricted cash	-	876	n/a
Net debt	7 076	7 609	7,5%

- Average effective interest rate increased as a result of the lower share of subsidised debt in the Group's loan portfolio as of December 31, 2017. The government subsidy is applied to the credit lines commenced before 2015
- Liquidity reserves up to RUB 7.1 bln. including cash of RUB 3.1 bln. and available credit facilities of RUB 4.0 bln.

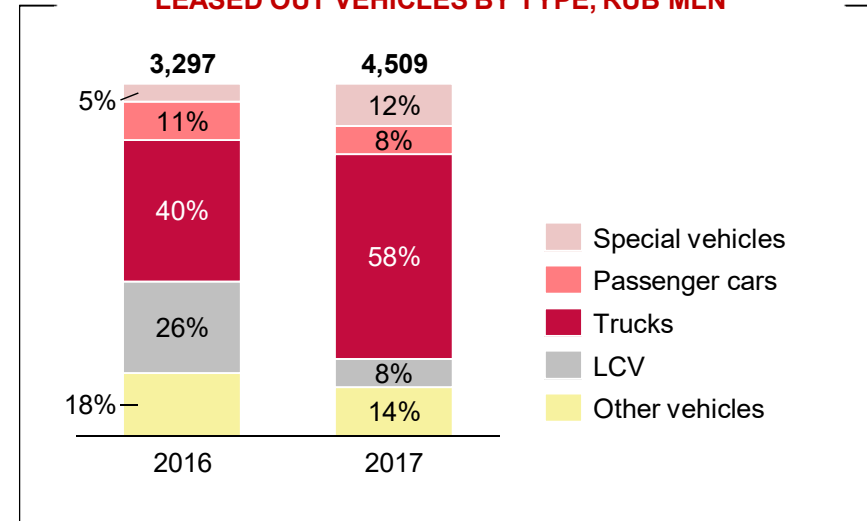
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18 | MAZDA SOLLERS JV AND SOLLERS-FINANCE JV PERFORMANCE

MAZDA SOLLERS WHOLESALAS, K UNITS



LEASED OUT VEHICLES BY TYPE, RUB MLN



MAZDA SOLLERS JV FINANCIAL RESULTS*

RUB mln	2016	2017
Revenue	26 355	27 490
Operating profit	2 070	662
Operating margin	8%	2%
Net profit	1 725	604
Net profit margin	7%	2%
Debt as of 31.12.2016/31.12.2017	1 432	-

SOLLERS-FINANCE JV FINANCIAL RESULTS**

RUB mln	2016	2017
Revenue	645	907
Operating profit	351	322
Operating margin	54%	36%
Net profit	263	259
Net profit margin	41%	29%
Leasing portfolio as of 31.12.2016/31.12.2017	2 633	4 101

* MAZDA SOLLERS JV 2016 net profit included subsidies related to the prior periods

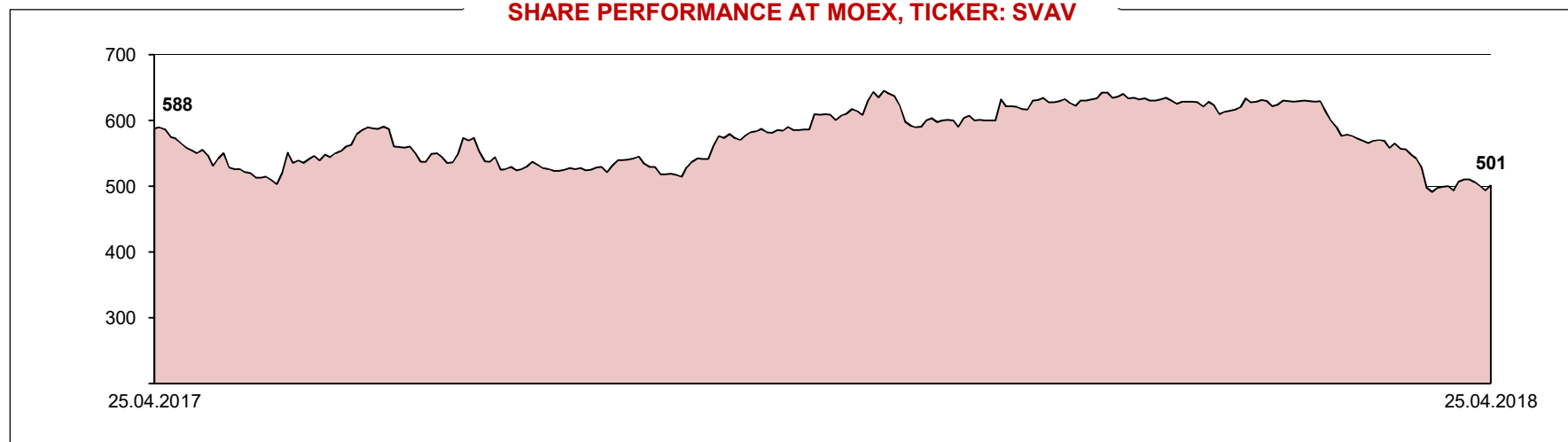
** SOLLERS-FINANCE JV leasing portfolio adjusted for provisions


BREAKDOWN OF JVS' CONTRIBUTION TO THE SHARE OF PROFIT OF JVS

<i>RUB mln</i>	Current SOLLERS' stake	2016	2017	Change
MAZDA SOLLERS JV	50%	862	302	65%
SOLLERS-BUSSAN JV	50%	32	(20)	-163%
SOLLERS-FINANCE JV	50%	132	130	-1%
TOTAL CONTRIBUTION		1 026	412	60%

The results of **Ford Sollers JV** are not presented due to impairment of the investment and recognition of the option in SOLLERS' consolidates financial statement

SHARE PERFORMANCE AT MOEX, TICKER: SVAV



STOCK EXCHANGE DATA AT 25.04.2018

Market capitalisation, RUB mln.	17 169
Shares, mln.	34,27
Price at 25.04.2018, RUB	501
Security List	I