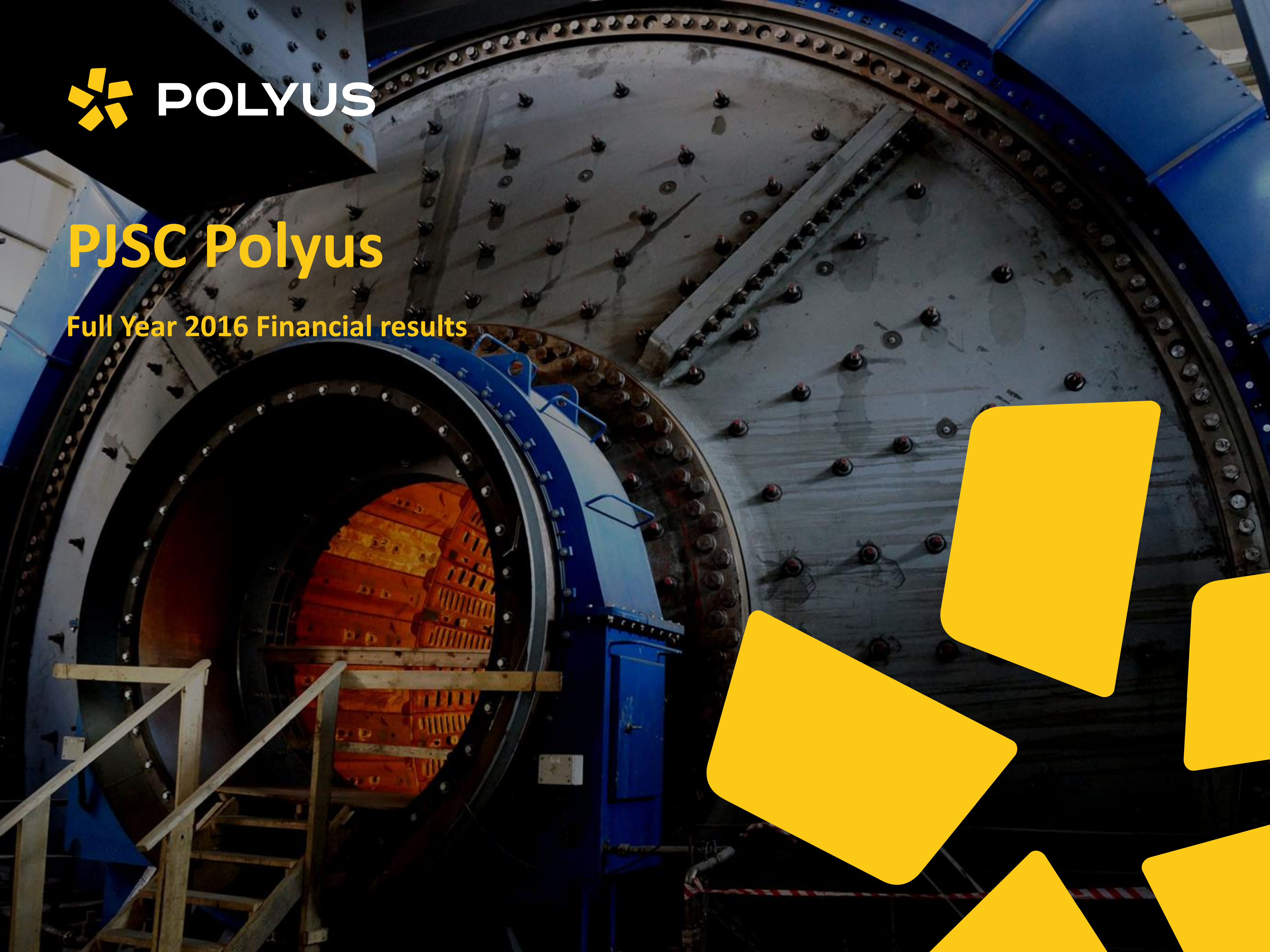

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PJSC Polyus

Full Year 2016 Financial results

2016 key highlights
Sustained growth, cost discipline and further deleveraging

Continued strong top-line performance

- Gold sales increased 8% y-o-y to 1,915 koz driven by progress in the growth projects execution and focus on operational excellence
- Revenue amounted to $2,458 mln, as compared to $2,188 mln in 2015, due to an increase in sales volumes and higher realised gold price

Capitalising on strong portfolio of low cost producing assets

- The Group's TCC and AISC declined 8% y-o-y to $389/oz and 4% y-o-y to $572/oz, respectively. Strong operational performance and efficiency improvement initiatives continued to support the Group's cost profile
- Adjusted EBITDA increased 20% y-o-y to $1,536 mln driven by higher gold sales volumes and realised gold price as well as further decline in TCC. Adjusted EBITDA margin expanded 4 ppts y-o-y to 62%
- Profit for the period totalled $1,445 mln (up 42% y-o-y) partially reflecting the impact of non-cash items, including a foreign exchange gain and gain on derivatives. Adjusted net profit stood largely flat y-o-y at $952 mln, which primarily reflects higher interest expense

Robust cash flow generation and deleveraging

- Net cash inflow from operations increased 7% y-o-y to $1,178 mln
- Capex was $468 mln, up 75% y-o-y, as Natalka and brownfield development projects entered an active phase of investment
- Cash and cash equivalents at the end of 2016 amounted to $1,740 mln
- Net debt increased to $3,241 mln as of the end of 2016 as compared to $364 mln as of the end of 2015 due to substantial increase in borrowings, proceeds from which were used for the share buyback offset by strong FCF generation during the year
- Net debt / adjusted EBITDA stood at 2.1x, declining from 2.3x as of the end of 3Q 2016 reflecting last 12 months EBITDA expansion

Financial results

Financial Results
2016 financial highlights

	2016	2015	Y-o-Y
Gold production, koz	1,968	1,763	12%
Average realised refined gold price excl. SPPP[1], $/oz	1,250	1,159	8%
Average realised refined gold price incl. SPPP, $/oz	1,287	1,225	5%
Total cash cost (TCC), $/oz	389	424	(8%)
All-in-sustaining costs (AISC), $/oz	572	596	(4%)
Revenue, $mln	2,458	2,188	12%
Adjusted EBITDA, $mln	1,536	1,278	20%
Adjusted EBITDA margin, %	62%	58%	4 ppts
Adjusted net profit, $mln	952	937	2%
Net debt, $mln	3,241	364	N.A.
Net debt/Adj. EBITDA, x	2.1	0.3	N.A.
Net operating cash flow, $mln	1,178	1,103	7%
Capex, $mln	468	268	75%
Free cash flow[2], $mln	764	351	118%

[1] Strategic Price Protection Programme. See slide 17 for further details
[2] Free cash flow presented on an unlevered basis

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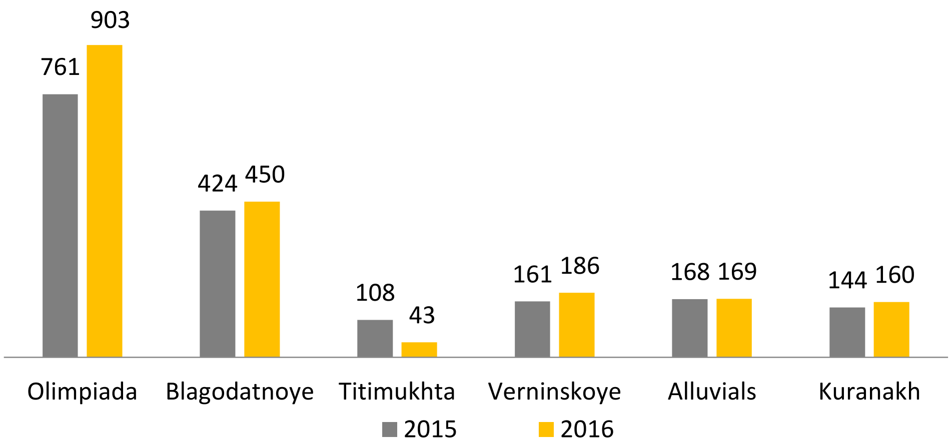
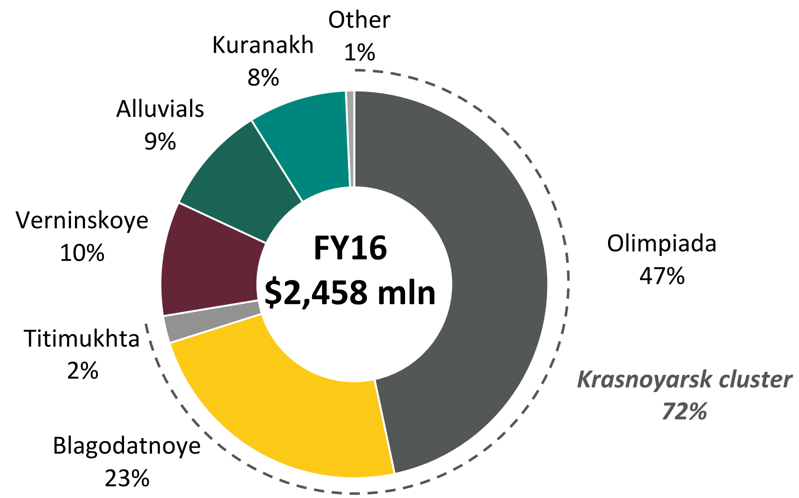
Financial Results
Revenue analysis

Sales by mine dynamics, koz[1]



Revenue breakdown by mine, FY16, %



- In 2016, the Group's revenue from gold sales increased 13% y-o-y to $2,429 mln mainly driven by a higher average realised gold price and increased gold sales volumes
- The average realised refined gold price increased 5% y-o-y to $1,287/oz, while gold sales amounted to 1,915 koz, up 8% y-o-y
- Gold prices went up during the period with the average LBMA price rising 8% y-o-y to $1,251/oz
- The Group's Strategic Price Protection Programme further supported revenue generation, improving the 2016 average selling price by $36/oz (compared to a premium of $65/oz in 2015)

[1] Sales volumes exclude gold produced from the Poputninskoye deposit, where trial mining was launched in 2015.

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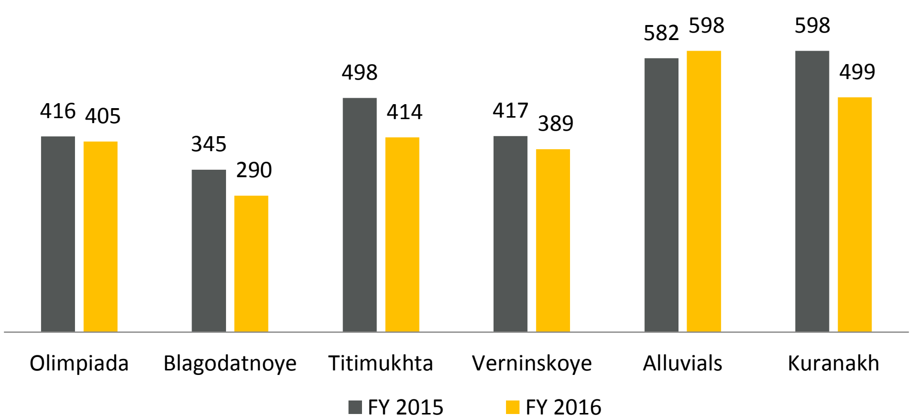
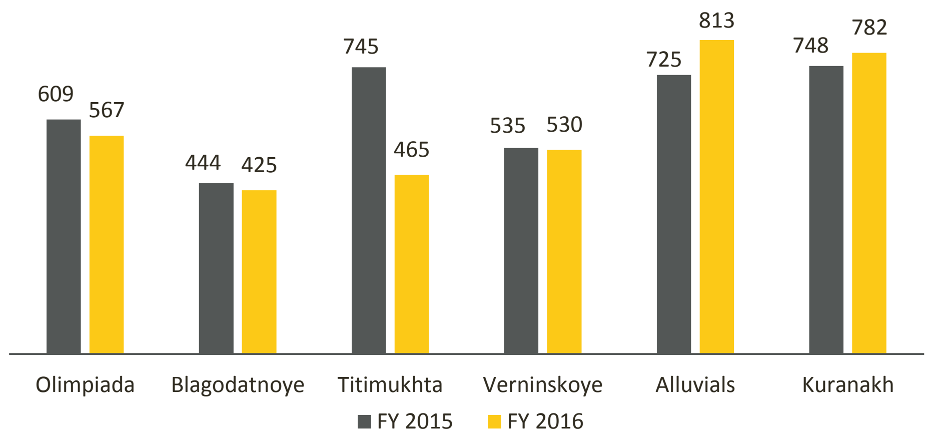
Financial Results
TCC & AISC performance

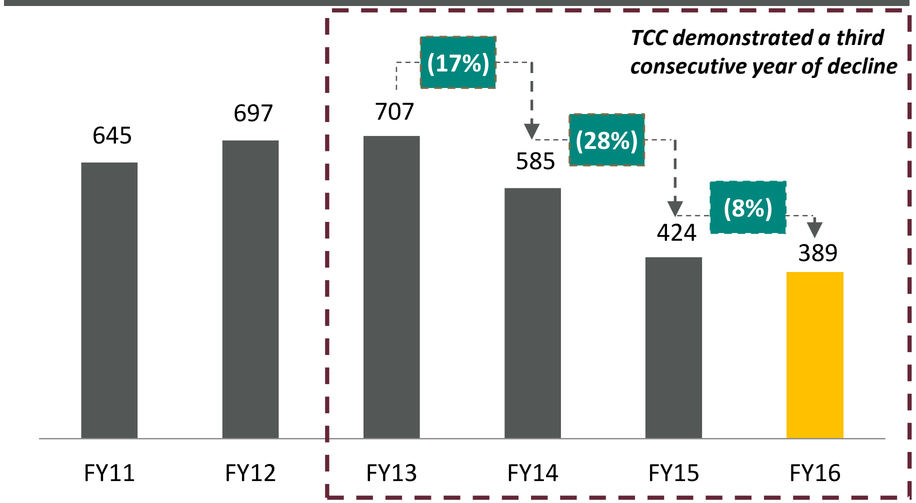
TCC dynamics by mines, $/oz



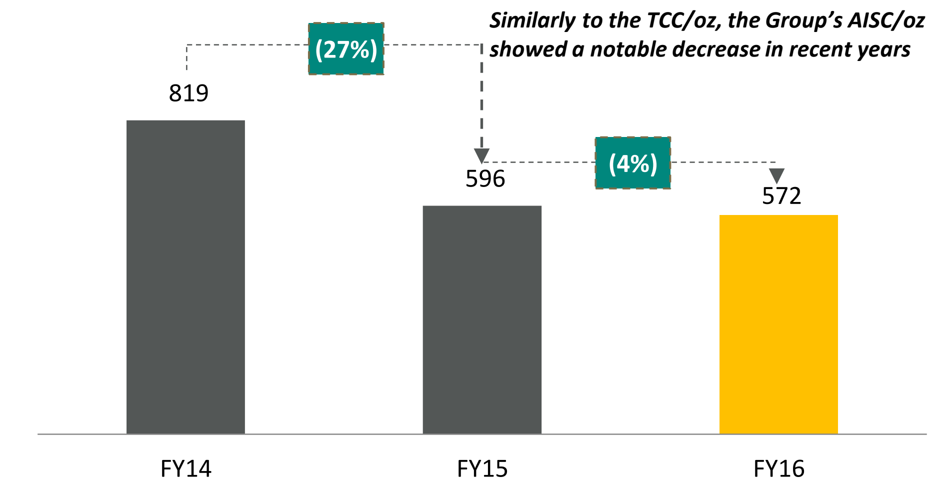
AISC dynamics by mines, $/oz



TCC dynamics in FY11-FY16, $/oz



AISC dynamics in FY14-FY16, $/oz



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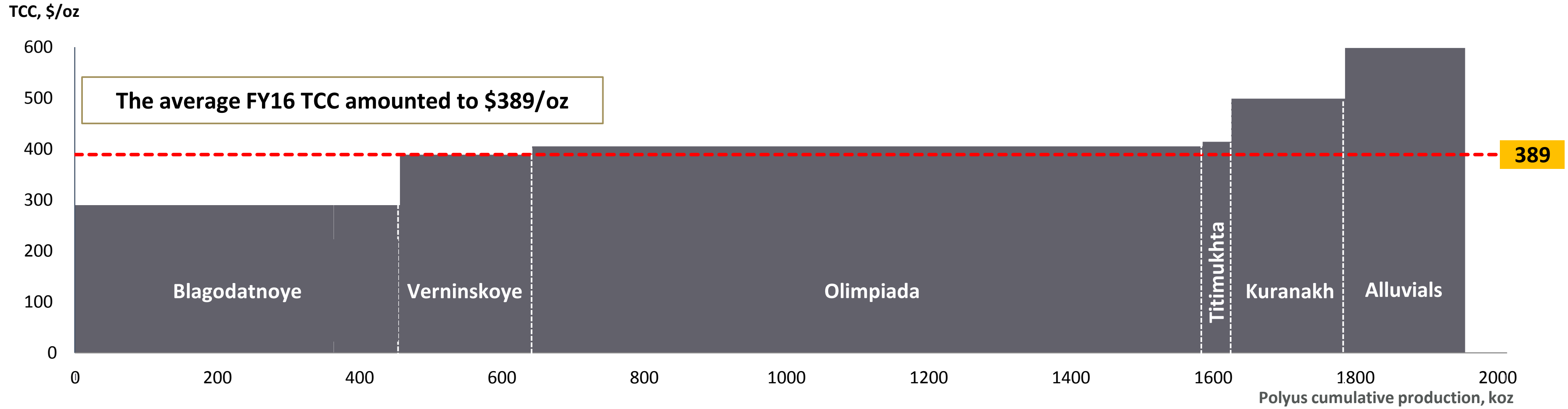
Financial Results
Polyus TCC curve

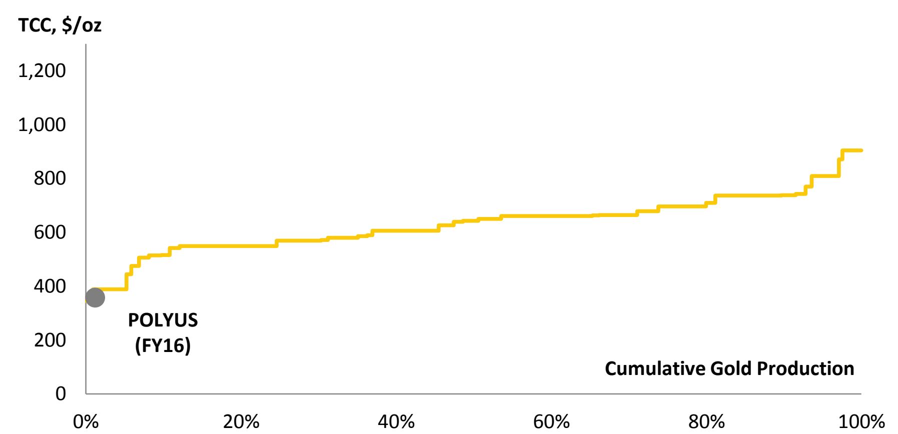
Polyus TCC curve FY16



Highlights

- The Group's TCC declined 8% to $389/oz. This was underpinned by strong operational performance of the Group's assets, efficiency improvement initiatives and rouble devaluation
- TCC at Olimpiada declined 3% y-o-y to $405/oz as negative impact of higher consumables price, greater repair expenses and annual salary indexation was fully offset by rouble weakening
- At Blagodatnoye, TCC declined 16% y-o-y to $290/oz, primarily driven by improvements on the production side including higher grades and higher grinding circuit capacity
- The most visible cost progress was achieved at Kuranakh where TCC decreased 17% y-o-y to $499/oz. This was driven primarily by operational improvements including increased throughput volumes. Moreover, Kuranakh entered the electricity wholesale market
- In 2016 Polyus resided at the 1st decile of the global TCC curve, as per the latest available Metals Focus' estimates

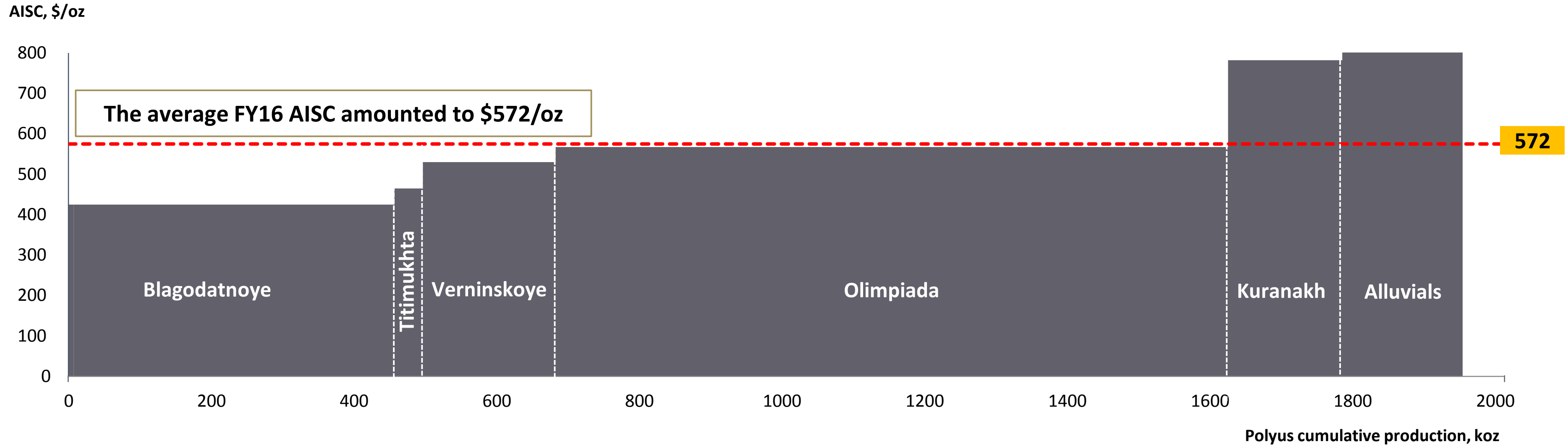
Global TCC curve in 9M 2016[1]



[1] Source: Metals Focus Quarterly Gold Mine Cost Service

Financial Results
Polyus AISC curve

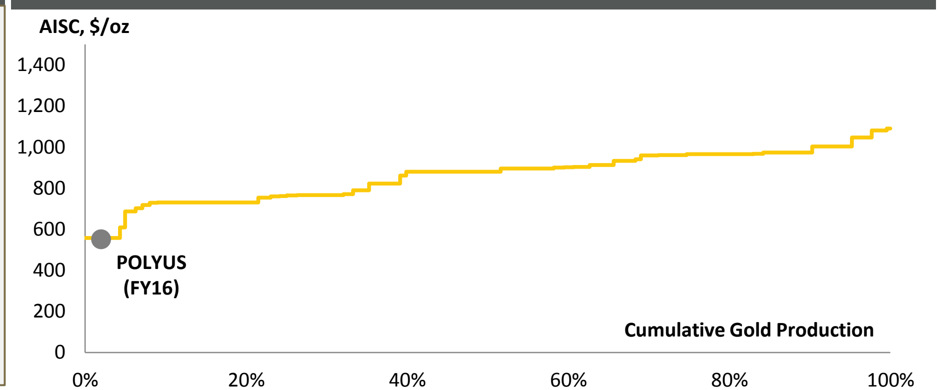
Polyus AISC curve FY16



Highlights

- Similarly to the TCC/oz, the Group's AISC/oz demonstrated a 4% y-o-y decline to $572/oz in 2016. Lower TCC and reduced stripping expenses were the key drivers behind the positive performance
- In terms of individual mine performance, AISC at Titimukhta declined 38% y-o-y to $465/oz. This fully reflects a decision to ceased activities at the mine in line with the completion of the Mill-1 reconfiguration project in September 2016
- In the meantime, at Kuranakh, AISC rose 5% y-o-y to $782/oz on the back of the mining fleet renovation due to the increased mining activity

Global AISC curve in 9M 2016[1]



[1] Source: Metals Focus Quarterly Gold Mine Cost Service

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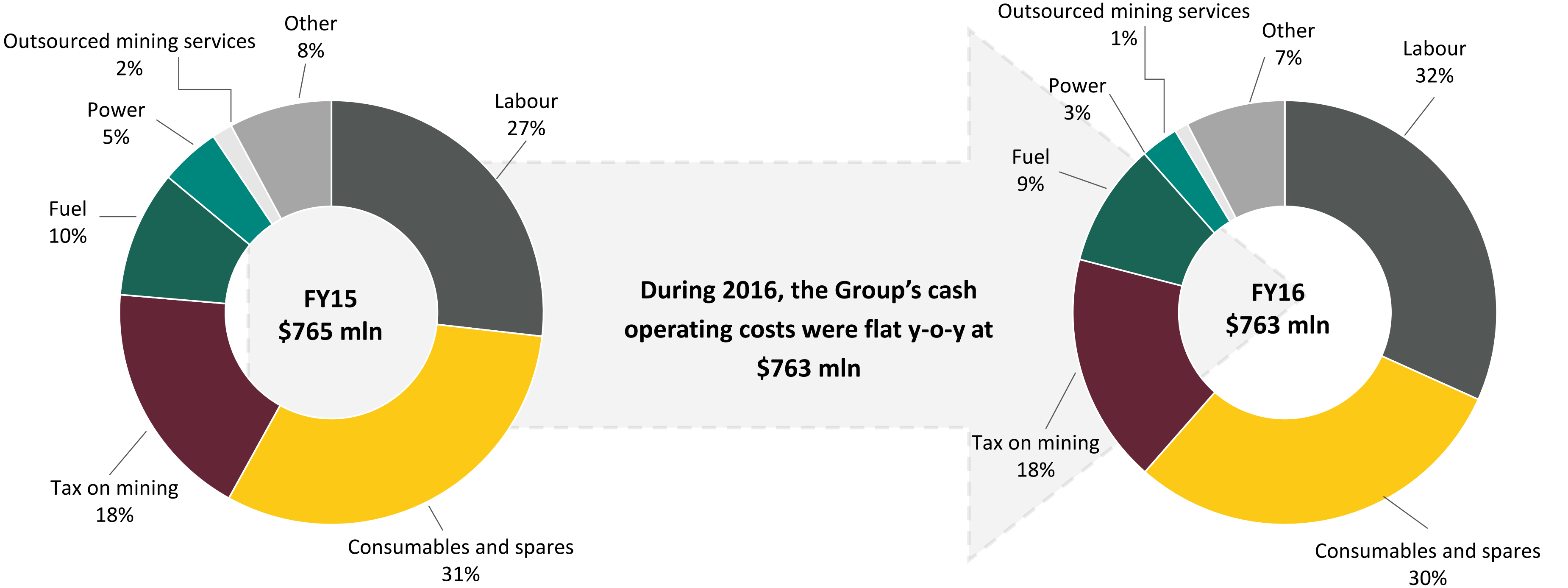
Financial Results
Operating cash costs

The Group’s cash operating costs breakdown by item, FY15/FY16, $ mln



- During 2016, the Group’s cash operating costs were flat y-o-y at $763 mln, despite an increased level of production
- The rouble weakening and operational optimization initiatives, including those implemented as part of the Total Operational Efficiency programme, fully mitigated both cost inflation and increase in variable costs driven by higher production volumes

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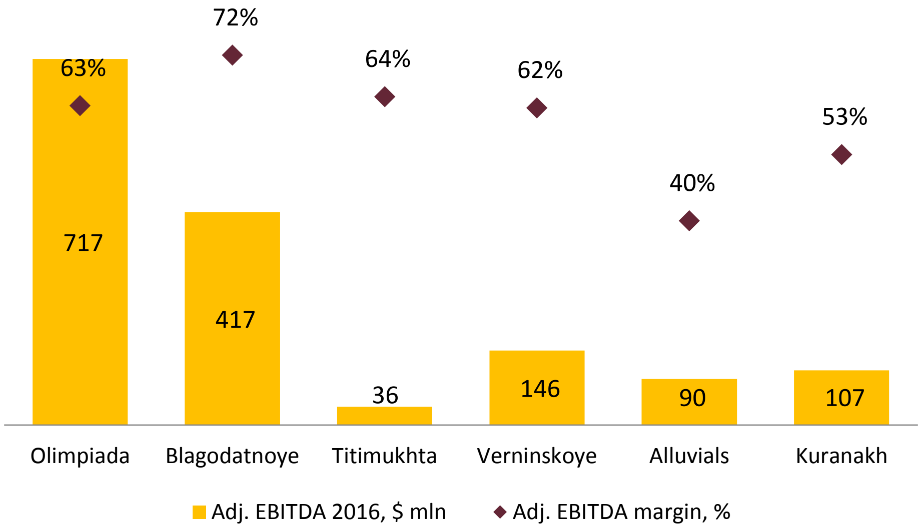
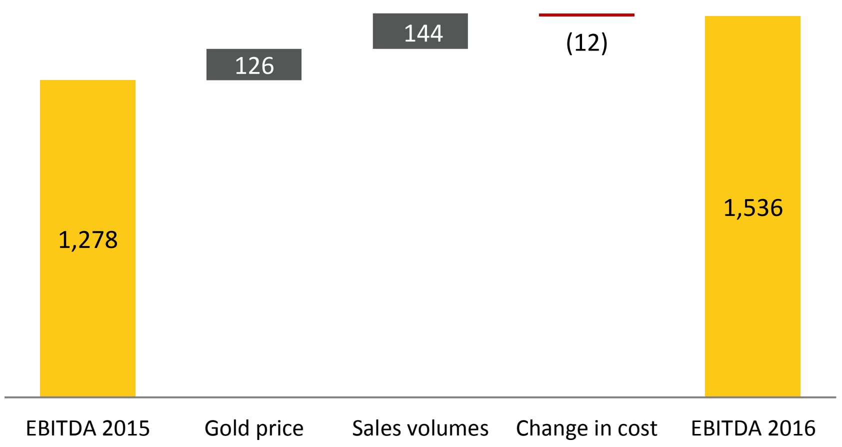
Financial Results
Adjusted EBITDA performance

Adj. EBITDA and adj. EBITDA margin, FY16



Adj. EBITDA bridge, $ mln



- The Group's adjusted EBITDA increased 20% y-o-y to $1,536 mln in 2016, with the adjusted EBITDA margin expanding 4 ppts y-o-y to 62%
- Olimpiada and Blagodatnoye remained the main contributors to the Group's earnings
- EBITDA growth reflects a combination supportive macro environment and the Company's focus on further implementation of operational efficiency improvements and cost control initiatives as well as an increase in production driven by higher ore processing volumes at almost all the Group's assets

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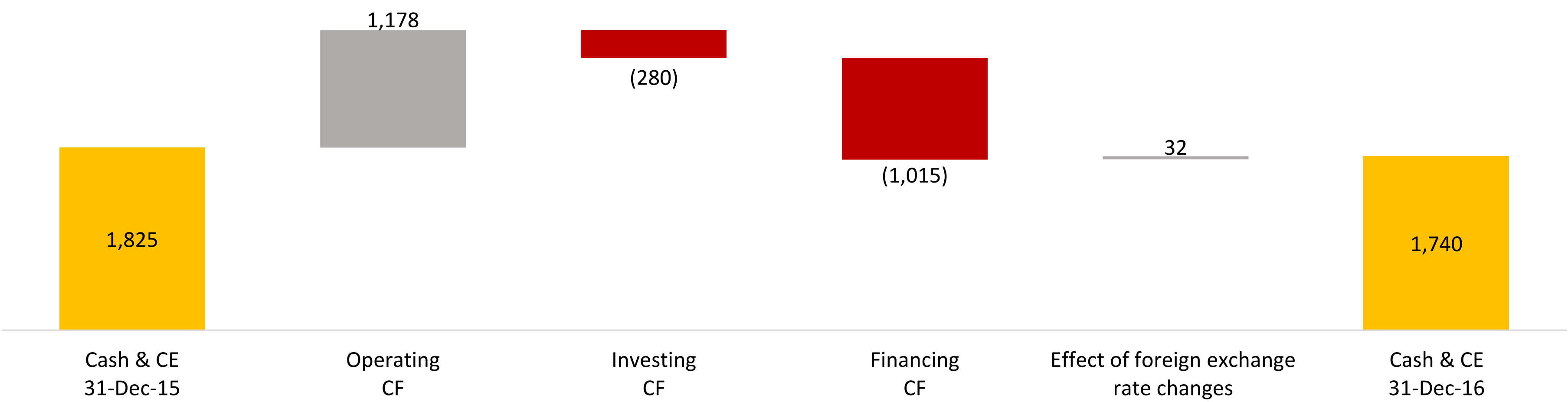
Cash flow dynamics

FY16 cash flow bridge, $ mln



- As of the end of 2016 the Group's cash and CE were $1,740 mln, down 5% from the end of 2015
- In 2016, net operating cash flow went up 7% y-o-y to $1,178 mln driven by increased earnings generation of the Group's business
- Despite a substantially higher capex spending in 2016, the Company posted cash outflow on investing activities at $280 million as opposed to $676 mln of cash outflow in 2015
- The Company's refinancing activity coupled with higher interest payments on the back of increased total debt resulted in a cash outflow on financing activities in amount of $1,015 mln

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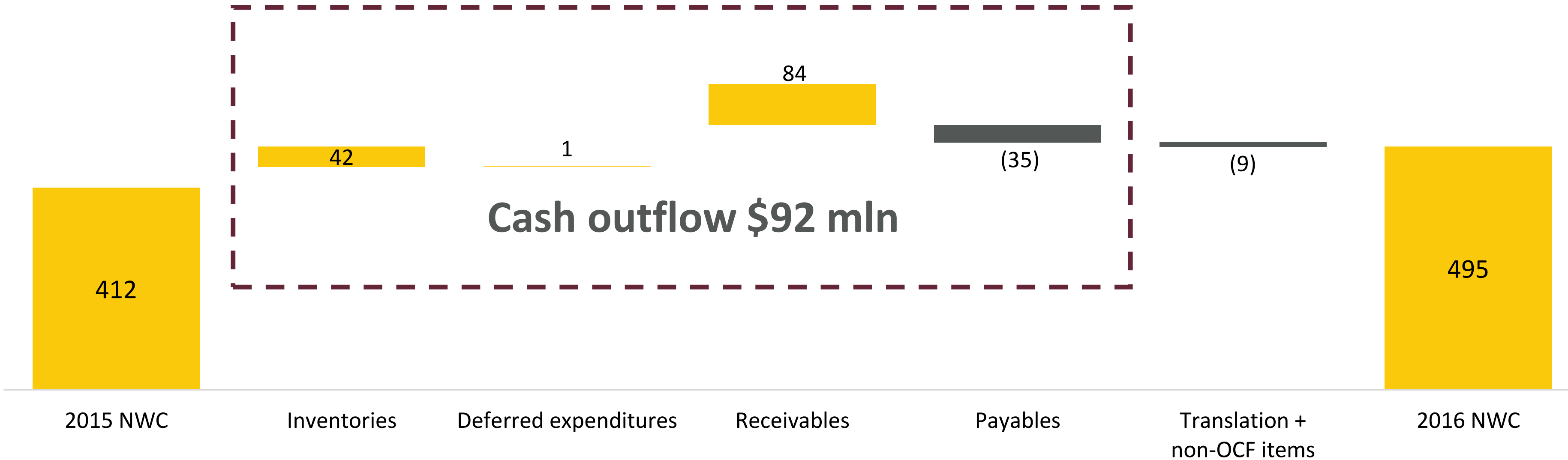
Net working capital dynamics

FY16 net working capital bridge, $ mln



- The Group registered $92 mln of working capital build up in 2016
- This was mainly due to the increased ore stockpiles at Blagodatnoye, Verninskoye and Natalka, higher VAT receivable resulting from active construction works at Natalka and advanced accelerated fuel procurement at Blagodatnoye
- Separately, growth in accounts receivable totalling $36 mln relates to unpaid supply of flotation concentrate to the third parties
- In the meantime, strict working capital control continues to remain a priority for the Group

Capex analysis

Capex breakdown, $ mln

$ mln	2016	2015	Y-o-Y
Natalka	215	113	90%
Olimpiada	80	39	105%
Blagodatnoye	20	13	54%
Verninskoye	24	21	14%
Alluvials	16	5	N.M.
Titimukhta	–	1	(100%)
Kuranakh	33	10	N.M.
Exploration	10	7	43%
Other (including power projects)	70	59	19%
Total	**468**	**268**	**75%**

- In 2016, capex rose 75%, to $468 mln, from $268 mln in 2015 reflecting higher maintenance capex as well as the Natalka and brownfield development projects entering an active phase during the last twelve months
- The Group's main development project, Natalka saw an 90% growth in capex in 2016, to $215 mln, due to the project execution being relaunched in 2H 2015. The Group anticipates commissioning the Natalka project by the end of 2017, followed by a ramp-up period to reach design parameters. Separately, mining at Natalka has been relaunched already in January 2017 (the deposit was previously mined from 2013 through 2014)
- Capex at Olimpiada increased to $80 mln due to the reconfiguration of Mill-1, which was completed in September 2016
- At Blagodatnoye, capex rose to $20 mln, primarily as a result of projects to upgrade and expand the Mill's processing capacity
- Completion of the first stage of the Mill's capacity expansion project at Verninskoye, with throughput capacity reaching 2.5 mtpa on annualised basis, resulted in capex growth to $24 mln
- Capex at Kuranakh increased to $33 mln, largely due to the completion of the first stage of the capacity expansion at Kuranakh Mill
- At Alluvials, capex increased to $16 mln on the back of higher exploration activity as well as the ongoing worn-out equipment replacement programme

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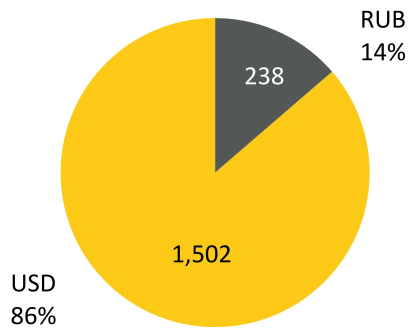
Financial Results

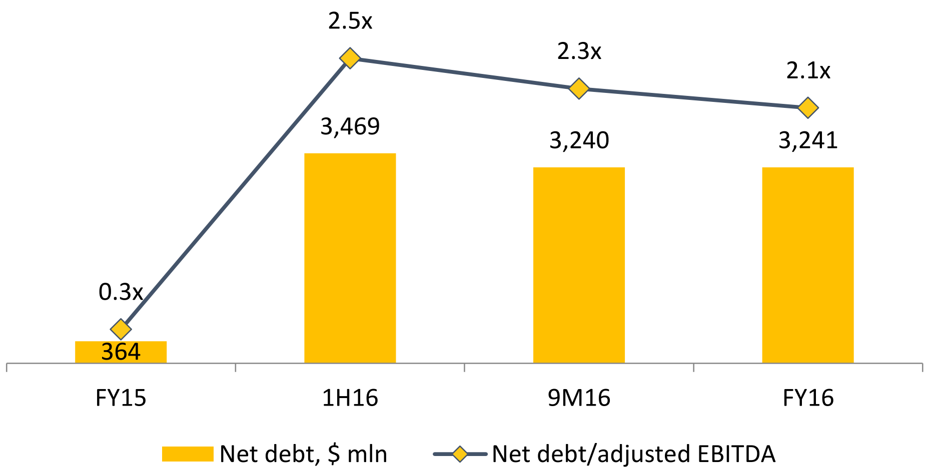
Debt and cash structure

- By the end of 2016, the Group's net debt amounted to $3,241 mln, as opposed to $364 mln as of 31 December 2015 due to conducted share buyback
- The Group remains on a deleveraging path with the net debt/adjusted EBITDA LTM ratio as of the end of 2016 decreasing from the level of 2.5x as of the end of 1H 2016, which reflects last 12 months EBITDA expansion and decline in net debt
- The Group's cash and cash equivalents and bank deposits were $1,740 mln, down 5% from the end of 2015
- The Group's cash position is primarily denominated in USD, as revenue is fully linked to the USD-quoted gold price, while the RUB exchange rate is subject to significant volatility

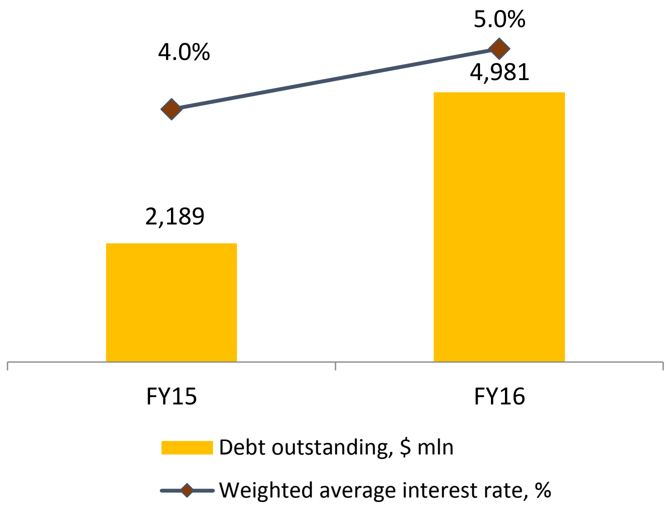
Cash & CE breakdown by currency



Net debt evolution



Debt outstanding and interest rate



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* The debt breakdown is shown before cross currency SWAPs.

Financial Results

Debt maturity profile as of the end of 4Q 2016

- Polyus has very comfortable debt maturity profile and proactively manages upcoming redemptions
- As of the end of 2016, the debt portfolio is represented by $2.5 bln Sberbank loan (2023), Eurobonds (2020 & 2022), local rouble bonds (2021) and other banking facilities. The Company aims to maintain its established position in the public debt markets

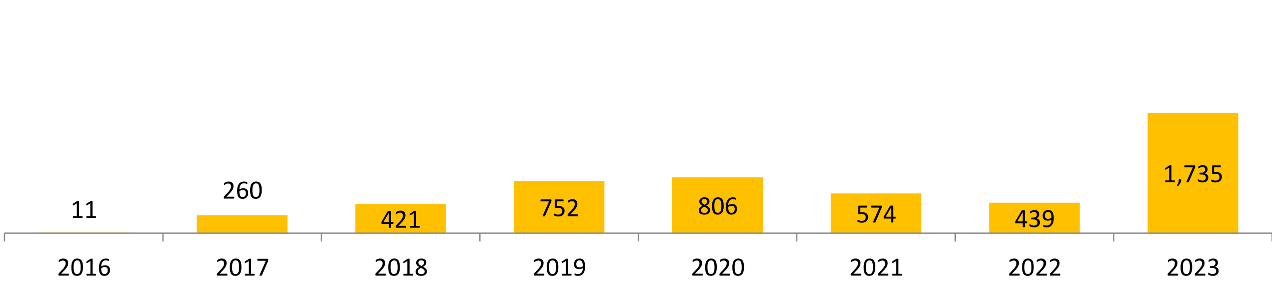
- **On 20 October 2016, PGIL priced an issuance of USD 500 mln notes due 28 March 2022 with a coupon of 4.699% per annum**

- **In the 4Q 2016, the proceeds were spent on repayment short-term loans of $500 mln maturing in 2017-2019**

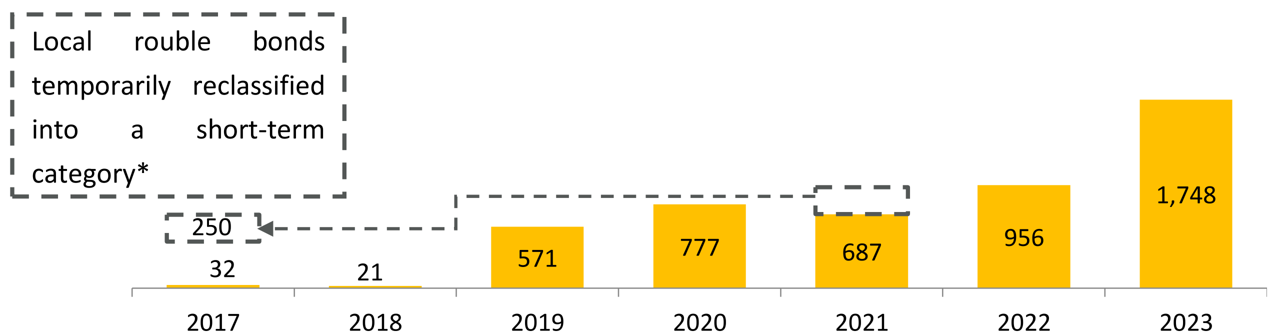
- **The Group refinanced debt of $210 mln maturing in 2018-2019 with the loans with lower interest rates and longer maturities**

- **Loans with c. 3-4 year maturity were swapped from floating rate into fixed rate to benefit from relatively lower swap rates**

Maturity schedule as of 30 September 2016, $ mln[1]



Maturity schedule as of 31 December 2016, $ mln[1]



*** Following the EGM's approval of the merger of LLC Polyus-Invest into PJSC Polyus holders of local rouble bonds became entitled to an early redemption of the bonds**

The bondholders must notify the issuer up to 13 March 2017 to exercise their right

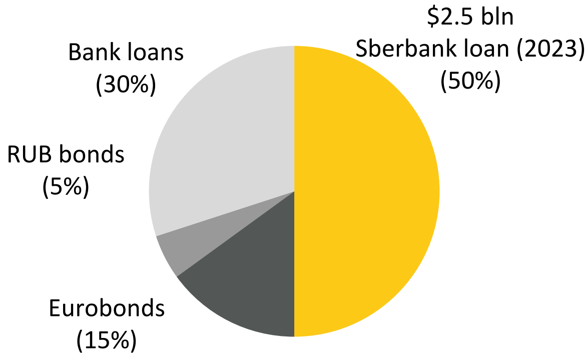
The Group envisages low risk of local rouble bonds early redemption taking into account local rouble bonds market price (trading @ 110 par value as of 13.02.2017)

[1] The sum of repayments does not equal to the total debt per FS due to IFRS adjustments for credit lines commissions

Financial Results
Debt structure evolution

As of 30 September 2016 | **As of 31 December 2016**

Debt breakdown by source



- **On 20 October 2016, PGIL priced an issuance of USD 500 mln notes due 28 March 2022 with a coupon of 4.699% per annum**

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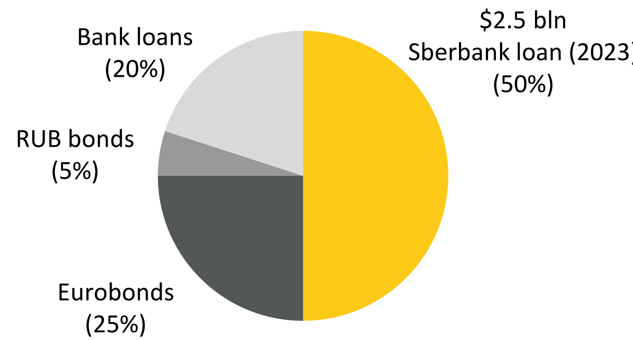
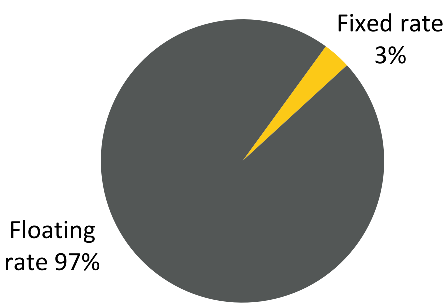
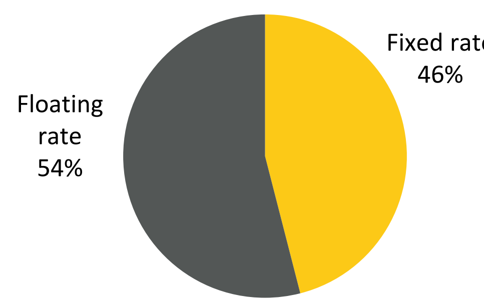


Debt breakdown by interest rates

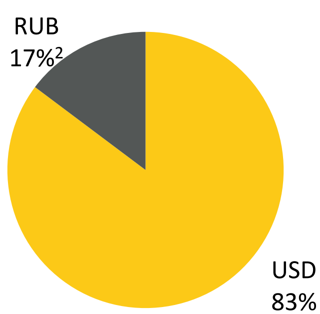


- **Loans with c. 3-4 year maturity were swapped from floating rate into fixed rate to benefit from relatively lower swap rates**

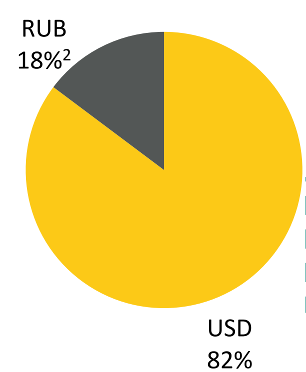


Debt breakdown by currency

Weighted average interest rate @ 4,8%



- **Almost all of the Company's debt is denominated in US$ (rouble-denominated borrowings were converted to $US via cross-currency swaps)**



Weighted average interest rate @ 5,0%

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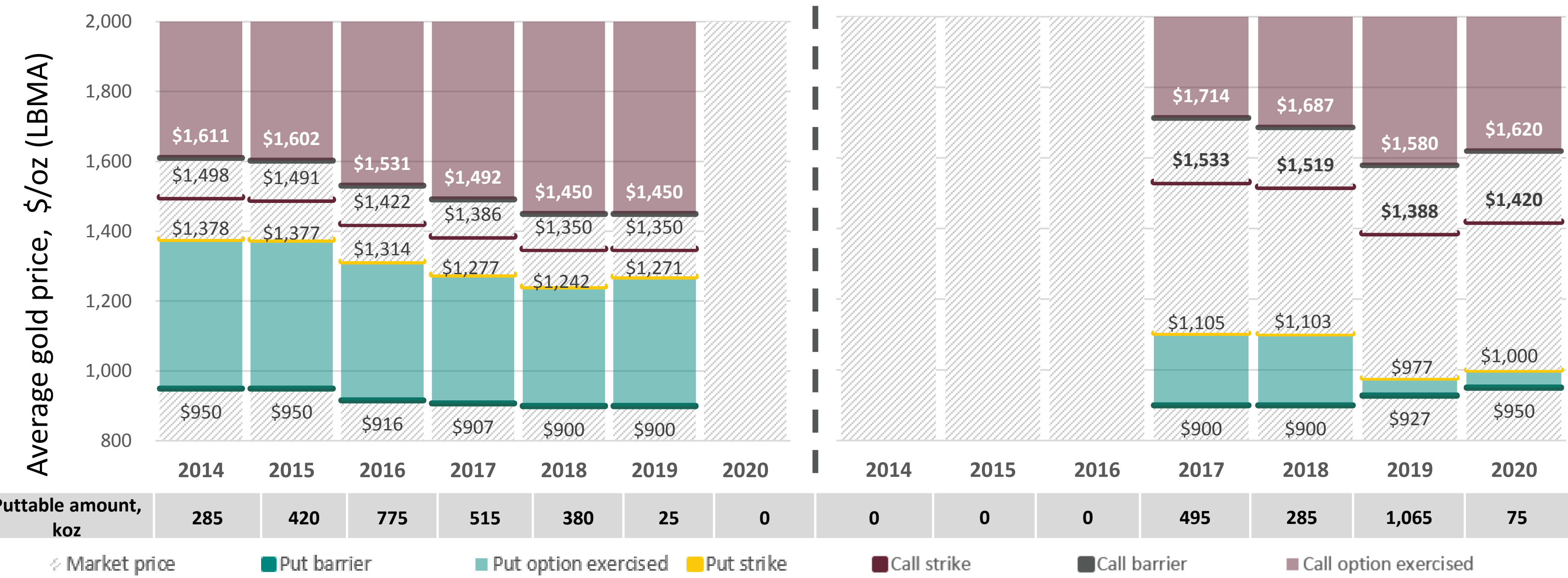
[1] The debt breakdown is shown before cross currency SWAPs. Effectively almost all of the debt is swapped into USD

Financial Results

Strategic Price Protection Programme (SPPP) overview

	Primary part							Secondary part						
	2014	2015	2016	2017	2018	2019	2020	2014	2015	2016	2017	2018	2019	2020
Callable amount, koz	285	420	775	440	380	25	0	0	0	0	495	285	915	300
Puttable amount, koz	285	420	775	515	380	25	0	0	0	0	495	285	1,065	75



- The SPPP comprises of a series of zero cost Asian barrier collar agreements to purchase put options and to sell call options with “knock-out” and “knock-in” barriers
- The 2016 average selling price amounted to $1,287/oz, $36/oz higher than the average afternoon gold LBMA price fixing for the same period
- The programme covered 852.5 koz of gold sold in 2016

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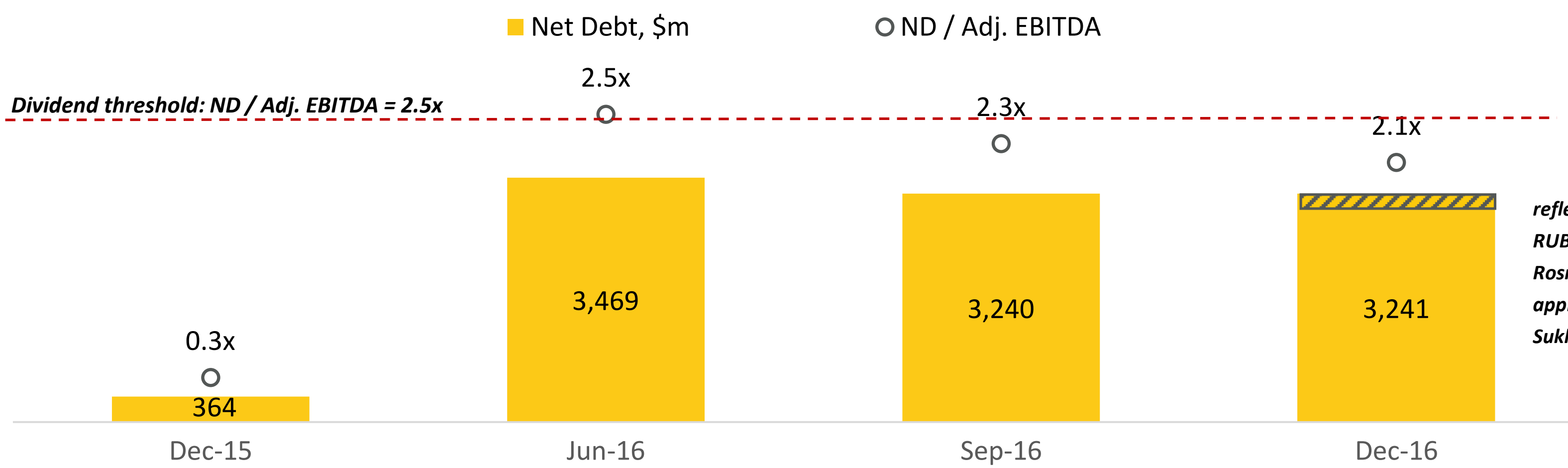
See note 13 to the 2016 financial statements of the Company

New dividend policy

New dividend policy adopted in October'16

- Payout ratio: 30% of adjusted EBITDA if Net Debt/Adjusted EBITDA < 2.5x
- Semi-annual dividend payments
- If Net Debt/Adjusted EBITDA > 2.5x, BoD will exercise discretion on dividends
- First dividend is expected to be recommended by BoD in 1H'17 for 2H'16

Net Debt / Adjusted EBITDA



reflects prepayment of RUB 8.5bn transferred to Rosnedra as part of the application process for the Sukhoi Log auction

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Operating results

Operational Performance
Key highlights

- Sustained growth in refined gold production: 1,968 koz produced in 2016 (+12% y-o-y)
- The growth in output was mainly driven by an increase in volumes of ore processed, which reflects the results of the throughput capacity expansion projects at Olimpiada, Blagodatnoye, Verninskoye and Kuranakh

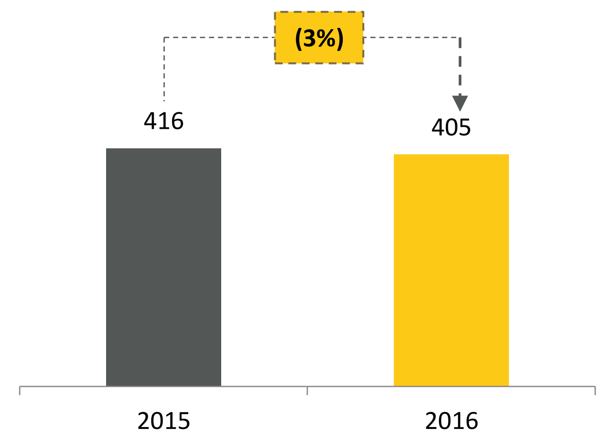
Output by mine, koz	2016	2015	y-o-y change
Olimpiada[1]	816.9	741.1	10%
Blagodatnoye	456.5	424.6	8%
Titimukhta[1]	40.2	102.3	(61%)
Poputninskoye	7.4	2.4	208%
Verninskoye	186.5	161.1	16%
Alluvials	168.5	168.3	0%
Kuranakh	159.7	144.8	10%
Natalka	5.7	-	n.a.
Refined gold	**1,841.1**	**1,744.4**	**6%**
Gold contained in concentrate, koz	126.4	18.9	569%
Total gold produced	**1,967.8**	**1,763.4**	**12%**
Group operations			
Total rock moved, kt	144,780	162,305	(11%)
Stripping ratio, t/t	3.9	6.4	(39%)
Ore mined, kt	29,682	22,012	(35%)
Ore processed, kt	26,445	24,824	7%
Average recovery, %	83.9%	83.7%	0.2 ppts

[1] Including refined gold produced from ore purchased from the 3rd party-owned Veduga mine under an off-take agreement

Operational Performance
Olimpiada

Operations	2016	2015	y-o-y change
Rock moved, kt	51,917	60,317	(13%)
Strip ratio, t/t	4.3	20.7	(79%)
Ore mined, kt	9,782	2,777	252%
Grade in ore mined, g/t	3.37	2.67	26%
Ore processed, kt[1]	11,336	9,506	19%
Grade in ore processed, g/t	3.31	3.18	4%
Recovery, %	81.0%	80.1%	0.9 ppts
Total refined gold output, koz	**816.9**	**741.1**	**10%**
Gold contained in conc., koz	126.4	18.9	569%
Total gold produced, koz	**943.4**	**760.0**	**24.%**

TCC 2015 - 2016, $/oz



Highlights

- In 2016, doré gold output increased 26% y-o-y, achieving a record of 956 koz, driven by higher processed volumes, improved recoveries and an increase in gold contained in concentrate production
- Following the prolonged period of extensive stripping works as part of a pit cutback completed in 1Q 2016, the stripping ratio was reduced by 79% y-o-y to 4.3 t/t, while volumes of ore mined rose significantly, 3.5 times y-o-y to 9.8 mt in 2016
- Processed ore volumes improved further during 2016, up 19% y-o-y to 11.3 mt, despite reduced hourly throughput at Mill-2, and reflected the results of the reconfiguration of Mill-1, which was completed in September 2016 and started processing Olimpiada ores
- The recovery rate increased to 81% in 2016 driven by efficiencies at the pre-sorption cyanidation stage, lower losses in sorption tailings and improved efficiency of the flotation and gravitation circuits at Mills No. 2-3

[1] Including refined gold produced from ore purchased from the 3rd party-owned Veduga mine under an off-take agreement

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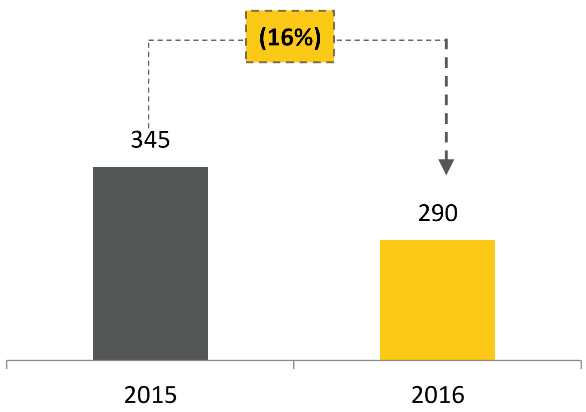
Operational Performance
Blagodatnoye

Operations	2016	2015	y-o-y change
Rock moved, kt	49,021	45,654	7%
Strip ratio, t/t	3.3	5.0	(35%)
Ore mined, kt	11,515	7,628	51%
Grade in ore mined, g/t	2.01	1.97	2%
Ore processed, kt	7,753	7,512	3%
Grade in ore processed, g/t	2.07	1.99	4%
Recovery, %	88.0%	87.9%	0.1 ppts
Gold production, koz	**456.5**	**424.6**	**8%**

TCC 2015 - 2016, $/oz



Highlights

- In 2016, doré gold output increased 8% y-o-y to 455 koz due to the growth of processing volumes and higher grades in ore processed
- Refined gold output amounted to 457 koz, up 8% y-o-y
- The stripping ratio declined to 3.3 in line with the mining plan. Grades in ore mined remained stable throughout the year.
- Ore processed volumes were up 3% y-o-y, to 7.8 mt, reflecting ongoing initiatives to further expand throughput capacity at the Blagodatnoye Mill to 8.0 mtpa
- In 2016, recoveries remained high, at 88%, rising 0.1 ppts y-o-y

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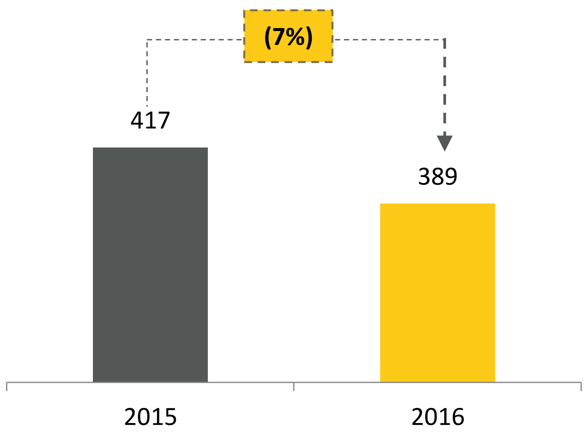
Operational Performance
Verninskoye

Operations	2016	2015	y-o-y change
Rock moved, kt	16,300	16,270	0%
Strip ratio, t/t	3.9	3.1	24%
Ore mined, kt	3,355	3,954	-15%
Grade in ore mined, g/t	2.20	2.09	6%
Ore processed, kt	2,501	2,284	10%
Grade in ore processed, g/t	2.65	2.63	1%
Recovery, %	87.3%	86.1%	1.2 ppts
Gold production, koz	**186.5**	**161.1**	**16%**

TCC 2015 - 2016, $/oz



Highlights

- In 2016, doré gold output increased 12% y-o-y to 186 koz, on the back of ore processed volumes and recovery rates growth
- Refined gold output amounted to 187 koz, up 16% y-o-y
- The stripping ratio increased 24% y-o-y to 3.9 due to the planned reduction of low-grade ore mining and the corresponding growth in stripping works
- Recoveries reached 87.3% following improvements at the flotation circuit due to optimisation of reagents’ and enhancements at the sorption and cyanidation circuits

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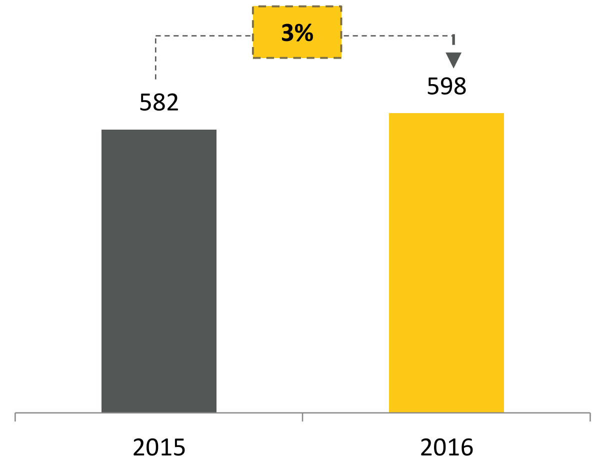
Operational Performance
Alluvials

Operations	2016	2015	y-o-y change
Sands washed, km³	8,611	9,370	(8%)
Average grade, g/t	0.61	0.56	9%
Gold production, koz	**168.5**	**168.3**	**0%**

TCC 2015 - 2016, $/oz



Highlights

- In 2016, Alluvial deposits produced 168 koz of gold in slime, which was flat y-o-y
- Refined gold output totalled 169 koz (flat y-o-y)
- An increased number of hydraulic sluicing sites, which have higher average grades than dredging sites, drove an uptick in Alluvials average grades by 9% y-o-y to 0.61 g/m³
- Volumes of sands washed down increased by 8% y-o-y to 8.6 million m³
- In 2016 the washing season at placer deposits was closed in the beginning of November compared to a slightly longer washing season in 2015

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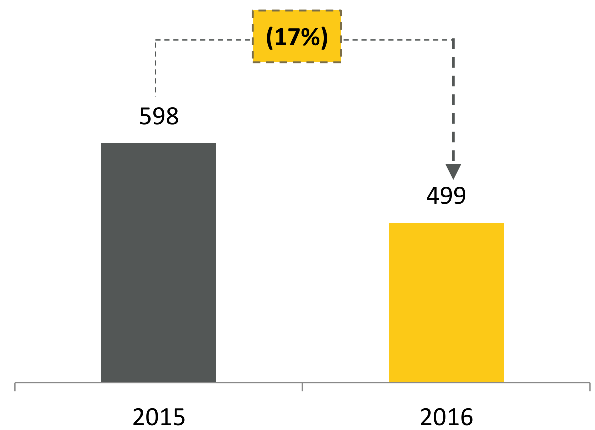
Operational Performance
Kuranakh

Operations	2016	2015	y-o-y change
Rock moved, kt	25,530	24,771	3%
Strip ratio, t/t	5.0	5.2	2%
Ore mined, kt	4,257	3,996	7%
Grade in ore mined, g/t	1.29	1.31	-1%
Ore processed, kt	4,223	3,909	8%
Grade in ore processed, g/t	1.30	1.31	0%
Recovery, %	88.2%	88.2%	-
Gold production, koz	**160**	**145**	**10%**

TCC 2015 - 2016, $/oz



Highlights

- In 2016, doré gold output increased by 8% y-o-y to 158 koz due to higher volumes of ore processed
- Refined gold output amounted to 160 koz, up 11% y-o-y
- Volumes of ore mined increased 7% y-o-y to 4.3 mt in order to provide feed for the expanded processing capacities
- Ore processing efficiency improvement initiatives at the Kuranakh Mill led to a 8% y-o-y increase in ore treatment volumes, to 4.2 mt. This resulted from the enhanced performance of the thickening circuit and improved ore blending
- At the end of 2016 the Company completed the first stage of a development project to further expand throughput capacity at the Kuranakh Mill to 5.0 mtpa, and reached 4.5 mtpa on annualised basis. The Company expects to achieve the Mill's target designed throughput capacity in 2017

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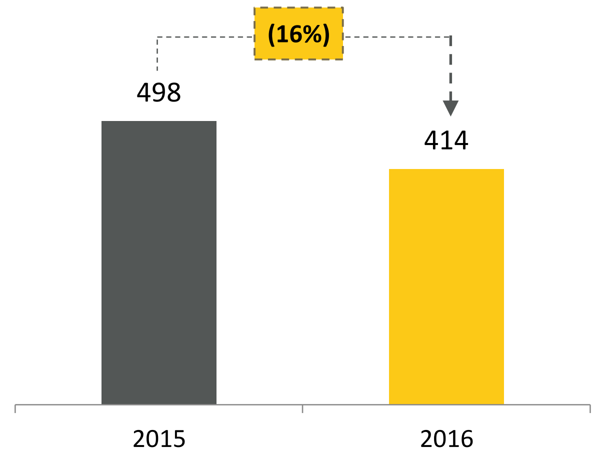
Operational Performance
Titimukhta

Operations	2016	2015	y-o-y change
Rock moved, kt	1,054	14,002	(92%)
Strip ratio, t/t	1.6	3.3	(53%)
Ore mined, kt	412	3,225	-87%
Grade in ore mined, g/t	1.61	1.58	2%
Ore processed, kt	500	1,515	-67%
Grade in ore processed, g/t	2.26	2.43	-7%
Recovery, %	85.2%	87.1%	-2%
Gold production, koz	**40.2**	**102.3**	**-61%**

TCC 2015 - 2016, $/oz



Highlights

- In line with the completion of the Mill-1 reconfiguration project in September 2016, mining and processing activities at Titimukhta have been idled in favour of treating Olimpiada ores

Operational Performance
Natalka

Operations	2016	2015	y-o-y change
Rock moved, kt	421	1,102	(62%)
Strip ratio, t/t	0.6	3.8	(82%)
Ore mined, kt	255	227	12%
Grade in ore mined, g/t	1.20	0.66	81%
Ore processed, kt	45	38	18%
Grade in ore processed, g/t	1.81	1.74	4%
Recovery, %	72.3%	71.1%	1.2 ppts
Gold production, koz	**5.7**	**-**	**n.a.**

Highlights

- The Natalka project, which was put on hold in December 2013, had been revisited and redesigned
- In 2016, processing at the 100 kt pilot plant continued, producing 5.7 koz of doré gold
- The construction of the primary crushing and main conveyor complex, including a 1 km underground tunnel, was completed. Installation of the crushed ore storage and reclaim facility is progressing well
- The Company expects to take delivery of the remainder of the main beneficiation equipment such as gravity concentrators, screening equipment, main conveyors, main slurry pumps and the Carbon in Leach (CIL) equipment in early 2017
- The Company anticipates the commissioning of Natalka by the end of 2017

Appendix

Financial Statements
Balance sheet highlights

Assets, $ mln	2016	2015
Non-current assets	**3,371**	**2,672**
Property, plant and equipment	2,938	2,023
Derivative financial instruments and investments	57	411
Inventories	264	184
Deferred tax assets	75	46
Other	37	8
Current assets	**2,295**	**2,438**
Inventories	369	296
Derivative financial instruments and investments	10	205
Deferred expenditures	10	13
Trade and other receivables	58	23
Advances paid to suppliers an prepaid expenses	19	17
Taxes receivable	89	59
Cash and cash equivalents	1,740	1,825
Total Assets	**5,666**	**5,110**

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Balance sheet highlights (cont.)

Equity and Liabilities, $ mln	2016	2015
Share capital	7	7
Additional paid-in capital	2,288	2,273
Treasury shares	(3,712)	–
Cash flow hedge revaluation reserve	12	123
Translation reserve	(2,720)	(2,623)
Retained earnings	3,617	2,196
Equity attributable to shareholders of the parent company	**(508)**	**1,976**
Non-controlling interest	94	71
Non-current liabilities	**5,482**	**2,845**
Borrowings	4,698	2,151
Derivative financial instruments	456	509
Deferred tax liabilities	182	133
Deferred revenue	76	-
Site restoration, Decommissioning & Environmental obligations	38	32
Other non-current liabilities	32	20
Current liabilities	**598**	**218**
Borrowings	283	38
Trade, other payables and accrued expenses	222	151
Other taxes payable	93	29
Total liabilities	**6,080**	**3,063**
Total Equity and liabilities	**5,666**	**5,110**

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Profit and loss statement highlights

$ mln	**2016**	**2015**	**change y-o-y**
Revenue from gold sales	2,429	2,159	13%
Other revenue	29	29	-
Total revenue	**2,458**	**2,188**	**12%**
Cost of gold sales	(891)	(876)	2%
Other cost of sales	(28)	(25)	12%
Total cost of sales	**(919)**	**(901)**	**2%**
Gross profit	**1,539**	**1,287**	**20%**
SG&A	(151)	(143)	6%
Other (expenses) / incomes, net	(27)	20	N.M.
Operating profit/(loss)	**1,361**	**1,164**	**17%**
Operating profit margin, %	*55%*	*53%*	*2 ppts*
Finance costs, net	(145)	(45)	-195%
Interest income on bank deposits and loans issued	40	69	-42%
Gain/(loss) on derivatives and investments, net	119	(125)	N.A.
Foreign exchange gain/(loss), net	396	149	166%
Profit before income tax	**1,771**	**1,212**	**46%**
Income tax expense	(326)	(191)	71%
Profit for the year	**1,445**	**1,021**	**42%**
Adj. Profit for the period	**952**	**937**	**2%**
Adj. profit margin, %	*39%*	*43%*	*(4) ppts*
Adj. EBITDA	**1,536**	**1,278**	**20%**
Adj. EBITDA margin, %	*62%*	*58%*	*4 ppts*

Financial Statements
Cash flow highlights

$ mln	2016	2015	change y-o-y
Profit before income tax	**1,771**	**1,212**	**46%**
Finance cost, net	145	45	N.A.
Interest income	(40)	(69)	(42%)
(Gain)/loss on derivative financial instruments and investments, net	(119)	125	N.A.
Amortisation and depreciation	148	128	16%
Foreign exchange gain, net	(396)	(149)	166%
Other	22	(17)	N.A.
Movement in working capital	(92)	45	N.A.
Cash flows from operations	1,439	1,320	9%
Income tax paid	(261)	(217)	20%
Net cash from operating activities	**1,178**	**1,103**	**7%**
Purchases of property, plant and equipment	(405)	(326)	24%
Advance paid for the participation in the auction for the Sukhoi Log	(138)	-	N.A.
Proceeds from government grants	76	-	N.A.
Interest received	50	62	(19%)
Increase in bank deposits	-	(74)	N.A.
Proceeds from redemption bank deposits	-	340	N.A.
Payment for currency collars	-	(494)	N.A.
Loans issued	-	(190)	N.A.
Loans repaid	124	-	N.A.
Other	13	6	117%
Net cash utilised in investing activities	**(280)**	**(676)**	-59%
Interest paid	(245)	(124)	98%
Net proceeds on exchange of interest payments under interest and cross currency rate swaps	44	52	(15%)
Payment for buy-back of shares	(3,443)	-	N.A.
Dividends paid to non-controlling interests	(16)	(10)	N.A.
Proceeds from borrowings	3,381	621	N.A.
Repayment of borrowings	(734)	(89)	N.A.
Cash used to increase of ownership is subsidiaries	(3)	(230)	(99%)
Other	1	-	N.A.
Net cash (utilised in) / generated from financing activities	**(1,015)**	**220**	**N.A.**
Net (decrease)/increase in cash	**(117)**	**647**	**(117%)**
Cash at the beginning of the period	**1,825**	**1,213**	**50%**
Foreign exchange differences	32	(35)	(174%)
Cash at the end of the period	**1,740**	**1,825**	**(5%)**

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