

MIRA INFORM REPORT

Report No. :	542635
Report Date :	03.12.2018

IDENTIFICATION DETAILS

Name :	AK ALROSA (PAO)
Formerly Known As :	<ul style="list-style-type: none"> • NPO YAKUTALMAZ • ALMAZY ROSSII-SAKHA JOINT STOCK COMPANY • ZAO ALROSA • ZAO AK ALROSA • OAO AK ALROSA
Registered Office :	Lenina Street 6, Ulus Mirninskiy, The Sakha (Yakutia) Republic 678175 Mirny
Country :	Russia
Financials (as on) :	31.12.2017
Date of Incorporation :	13.08.1992
Com. Reg. No.:	OGRN 1021400967092
Legal Form :	Public Joint Stock Company
Line of Business :	<ul style="list-style-type: none"> • Other mining and quarrying n.e.c. • Wholesale of other intermediate products • Engineering activities and related technical consultancy
No. of Employees :	27,000

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :	A+
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Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
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Payment Behaviour :	Regular
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Russia	A2	A2

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

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RUSSIA - ECONOMIC OVERVIEW

Russia has undergone significant changes since the collapse of the Soviet Union, moving from a centrally planned economy towards a more market-based system. Both economic growth and reform have stalled in recent years, however, and Russia remains a predominantly statist economy with a high concentration of wealth in officials' hands. Economic reforms in the 1990s privatized most industry, with notable exceptions in the energy, transportation, banking, and defense-related sectors. The protection of property rights is still weak, and the state continues to interfere in the free operation of the private sector.

Russia is one of the world's leading producers of oil and natural gas, and is also a top exporter of metals such as steel and primary aluminum. Russia is heavily dependent on the movement of world commodity prices as reliance on commodity exports makes it vulnerable to boom and bust cycles that follow the volatile swings in global prices. The economy, which had averaged 7% growth during the 1998-2008 period as oil prices rose rapidly, has seen diminishing growth rates since then due to the exhaustion of Russia's commodity-based growth model.

A combination of falling oil prices, international sanctions, and structural limitations pushed Russia into a deep recession in 2015, with GDP falling by close to 2.8%. The downturn continued through 2016, with GDP contracting another 0.2%, but was reversed in 2017 as world demand picked up. Government support for import substitution has increased recently in an effort to diversify the economy away from extractive industries.

Source : CIA

SUMMARY

COMPANY NAME	AK ALROSA (PAO)			
ADDRESS	Building	Street	Area	PO Box
	ALROSA	Lenina Street 6	Ulus Mirninskiy, The	678175
	Building		Sakha (Yakutia) Republic, Russia	Mirny
TEL/FAX	Verified Phones: (+7 41136) 30030 / (+7 41136) 30180 / Fax: (+7 41136) 30451			
EMAIL/WEBSITE	Email: info@alrosa.ru / Website: www.alrosa.ru			
ACTIVITY	NACE 0899 - Other mining and quarrying n.e.c.; NACE 4676 -Wholesale of other intermediate products; NACE 7112 - Engineering activities and related technical consultancy;			
PRINCIPAL	Sergey Sergeevich Ivanov		Workforce	
	Chairman and CEO of the Executive Committee		27,000	
LEGAL INFO	Date Of Est.	Reg. No.	Legal Form	Status
	13/08/1992	OGRN	Public Joint Company	Stock Active
		1021400967092		
CAPITAL	CURRENCY	AMOUNT		
	RUBLE (RUB)	12,473,000,000		

IDENTIFICATION

CO. NAME	AK ALROSA (PAO)
TRADEMARK	ALROSA
ALSO KNOWN NAME (S)	Public Joint Stock Company AK ALROSA / Aktsionernaya Kompaniya ALROSA (Publicnoye Aktsionernoye Obshestvo)
FORMER NAME	NPO Yakutalmaz / Almazy Rossii-Sakha Joint Stock Company / ZAO ALROSA / ZAO AK ALROSA / OAO AK ALROSA
BUILDING	ALROSA Building
STREET	Lenina Street 6
AREA	Ulus Mirninskiy, The Sakha (Yakutia) Republic
POSTAL ADDRESS	678175 Mirny
CITY	Mirny
COUNTRY	Russian Federation
TELEPHONE	(+7 41136) 30030 / (+7 41136) 30180 / (+7 495) 620 9250
FAX	(+7 41136) 30451
VERIFIED EMAIL	info@alrosa.ru / ir@alrosa.ru
WEBSITE	www.alrosa.ru
BUSINESS HOURS	DAYS Mon-Fri
	OFFICE HOURS 09:00-18:00
	BREAK TIME 13:00-14:00
REGISTERED ADDRESS	Lenina Street 6, Ulus Mirninskiy, The Sakha (Yakutia) Republic

678175 Mirny
Russian Federation

SENIOR PERSONNEL

MANAGEMENT	NAME	POSITION
	Sergey Sergeevich Ivanov Nationality: Russian Tax Code: INN 770307468762 (son of Sergey Borisovich Ivanov) Supervisory Board	Chairman and CEO of the Executive Committee
	Anton Germanovich Siluanov	Chairman of the Board
	Aysen Nikolaev	First Deputy Chairman
	Sergey Sergeevich Ivanov	Deputy Chairman
	Nikolay Alexandrov	
	Ilya Yelizarov	Member of the Board
	Maria Vladimirovna Gordon	Member of the Board
	Evgenia Vasilevna Grigorieva	Member of the Board
	Kirill Aleksandrovich Dmitriev	Member of the Board
	Dmitriy Vladimirovich Konov	Member of the Board
	Galina Makarova	
	Sergey Vasilevich Mestnikov	Member of the Board
	Alexey Moiseev	Member of the Board
	Aleksey Olegovich Chekunkov	Member of the Board
	Vladimir Solodov	
	Oleg Fedorov	Member of the Board
	Management	Member of the Board

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Sergey Sergeevich Ivanov	Member of the Board
Igor Vitalievich Sobolev	Member of the Board
Sergey Vladimirovich Barsukov	Chief Executive Officer
Yuriy Konstantinovich Okoyomov	First Deputy CEO / Executive Director
Aleksey Nikolaevich Filippovskiy	Deputy CEO
Evgeny Agureev	Deputy CEO
Alexander Matveev	Deputy CEO
Andrey Cherepnov	Chief Financial Officer
Konstantin Viktorovich Garanin	Director of the United Selling Organization of ALROSA
Svetlana Vladimirovna Linnik	Head of Legal Department
Maxim Razdolkin	Chief Engineer
Maksim A. Kadantsev	Chief Geologist
Ms. Polina Alekseevna	Chief Accountant
	Corporate Secretary
	Financial Controller

WORKFORCE	NO. OF EMPLOYEES	SECRETARY PERIOD
	27,000	12.2018
	36,887 (Group)	01.2018

FINANCIAL SUMMARY

REVENUE	31/12/2017 USD 4,628,000,000	30/09/2018 (Quarterly Results) RUBLE 234,193,000,000
NET PROFIT / (LOSS)	31/12/2017 USD 1,349,000,000	30/09/2018 (Quarterly Results) RUBLE 82,491,000,000
NOTES	The following IFRS consolidated financial statements as at 31 December 2017 showed:	

31/12/2017 31/12/2016
(in millions of USD)

ASSETS

Non-current assets		
Goodwill	25	24
Property, plant and equipment	4,107	4,762
Investments in associates and joint ventures	75	67
Deferred tax assets	67	32
Available-for-sale investments	51	23
Long-term accounts receivable	176	35
Total Non-current assets	4,501	4,943
Current assets		
Inventories	1,597	1,625
Prepaid income tax	1	2
Trade and other receivables	515	250
Bank deposits	-	471
Cash and cash equivalents	128	501
Non-current assets held for sale	685	-
Total current assets	2,926	2,849
TOTAL ASSETS	7,427	7,792

EQUITY & LIABILITIES

Equity		
Share capital	398	398
Share premium	433	433
Retained earnings and other reserves	3,803	3,410
Equity attributable to owners of PJSC ALROSA	4,634	4,241
Non-controlling interest	(8)	(6)
Total Equity	4,626	4,235
Liabilities		
Non-Current liabilities		

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Long-term debt	1,019	2,336
Provision for pension obligations	278	329
Other provisions	95	110
Deferred tax liabilities	95	182
Total Non-current Liabilities	1,487	2,957
Current Liabilities		
Short-term loans	603	11
Trade and other payables	386	420
Income tax payable	50	39
Other taxes payable	113	129
Dividends payable	3	1
Liabilities of disposal group classified as held for sale	159	-
Total current liabilities	1,314	600
Total liabilities	2,801	3,557
TOTAL EQUITY & LIABILITIES	7,427	7,792

INCOME STATEMENT

	31/12/2017	31/12/2016
	(in millions of USD)	
Revenue	4,628	4,645
Income from grants	97	43
Cost of sales	(2,295)	(1,929)
Royalty	(21)	(18)
Gross profit	2,409	2,741
General and administrative expenses	(199)	(186)
Selling and marketing expenses	(52)	(50)
Other operating income	265	48
Other operating expenses	(720)	(456)
Operating profit	1,703	2,097
Finance (costs)/income, net	(25)	348
Share of net profit of associates and joint ventures	42	40
Profit before income tax	1,730	2,485
Income tax	(381)	(531)
Profit for the year	1,349	1,954

The following condensed consolidated interim financial statements as at 30 September 2018 showed:

30/09/2018 31/12/2017
(in millions of RUBLE)

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ASSETS

Non-current Assets		
Goodwill	1,439	1,439
Property, plant and Equipment	240,567	236,589
Investments in associates and joint ventures	4,613	4,312
Financial assets at fair value through profit or loss	970	-
Available-for-sale investments	-	2,913
Deferred tax assets	4,466	3,837
Long-term accounts		
Receivable	9,538	10,165
Total Non-current Assets	261,593	259,255
Current Assets		
Inventories	87,013	91,976
Prepaid income tax	388	78
Trade and other receivables	28,383	29,637
Bank deposits	15	-
Cash and cash equivalents	49,403	7,381
Non-current assets held for sale	-	39,454
Total Current Assets	165,202	168,526
Total Assets	426,795	427,781

EQUITY

Share capital	12,473	12,473
Share premium	10,431	10,431
Treasury shares	(264)	-
Retained earnings and other reserves	218,333	243,921
Equity attributable to owners of PJSC ALROSA	240,973	266,825
Non-Controlling Interest	(1,292)	(338)
Total Equity	239,681	266,487

LIABILITIES

Non-current Liabilities		
Long-term debt	63,474	58,694
Provision for pension obligations	14,029	16,017
Other provisions	5,883	5,462
Deferred tax liabilities	3,559	5,466
Government grants	2,356	-
Other long-term liability	468	-
Total Non-current Liabilities	89,769	85,639

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Current Liabilities		
Short-term loans and current		
portion of long-term debt	22,547	34,734
Trade and other payables	22,375	22,259
Income tax payable	2,688	2,853
Other taxes payable	5,347	6,506
Dividends payable	42,888	149
Liabilities of disposal group		
classified as held for sale	-	9,154
Guarantees issued	1,500	-
Total Current Liabilities	97,345	75,655
Total Liabilities	187,114	161,294
Total Equity and		
Liabilities	426,795	427,781

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT
OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED) :

	30/09/2018	30/09/2017
	(in millions of RUBLE)	
Revenue	234,193	211,072
Income from grants	4,094	3,405
Cost of sales	(100,555)	(105,282)
Royalty	(907)	(907)
Gross profit	136,825	108,288
General and administrative		
expenses	(8,554)	(8,986)
Selling and marketing		
expenses	(2,211)	(2,261)
Other operating income	3,458	5,009
Other operating expenses	(16,851)	(26,106)
Operating profit	112,667	75,944
Finance (costs) /		
income, net	(10,817)	(139)
Share of net profit of associates		
and joint ventures	2,781	2,642
Profit before income tax	104,631	78,447
Income tax	(22,140)	(16,587)
Profit for the period	82,491	61,860

FISCAL YEAR-END

31 December.

LEGAL STATUS

INCORPORATION
REGISTRATION NO.

13/08/1992
C.R. NUMBER
OGRN 1021400967092 (issued on: 17/07/2002)

ISSUED BY
Federal Tax

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OTHER REGISTRATION NO.	INN 1433000147 (Tax Code) / KPP 143301001 / OKPO 23308410 (Statistics Code) / OKTMO 98631101001	Service
AUTHORISED CAPITAL	AMOUNT 12,473,000,000	CURRENCY RUBLE
PAID-UP CAPITAL	AMOUNT 12,473,000,000	CURRENCY RUBLE
LEGAL FORM	Public Joint Stock Company	
BUSINESS HISTORY	<p>The Company was incorporated in Russian Federation on 13 August 1992 as a state owned company under the name ZAO ALROSA. The history of Alrosa dates back to 1954, when the first primary deposit of diamonds in the Soviet Union, the kimberlite pipe Zarnitsa, was found. In 1955 the Mir kimberlite pipe and the Udachnaya pipe were discovered. A total of fifteen primary diamond sources were found in 1955.</p> <p>In 1957, a decision was made to begin mining and production operations on alluvial and ore deposits in Yakutia. To manage the facilities construction and subsequent operations, the Yakutalmaz group of companies was established with headquarters in Mirny. The first commercial-grade diamonds were recovered the same year. Two years later, the Soviet Union sold the first shipment of diamonds on the world market.</p> <p>For the most part during the Soviet period, the diamond mining industry developed on the basis of the Mir open-pit mine and adjacent alluvial deposits. In those years its main open-pit mines, processing plants and related energy generating facilities were put into operation. In 1960, the Djomolungma and Chimyan was discovered, and in 1969, the International kimberlite pipe.</p> <p>In 1963, the first sales contracts between the USSR and De Beers group were signed. In 2009 this cooperation was brought to an end as contrary to European Union competition laws in compliance with a decision of the European Commission. Now Alrosa independently distributes its rough diamond production on the world market.</p> <p>Through 1980, rapid development of primary deposits continued in Aikhal township on the basis of the Jubilee pipe and in Udachny town. Today the Udachny open-pit mine is one of the largest open-pit mines in the world.</p> <p>Alrosa closed joint stock company was set up according to Presidential Decree №158C of the President of Russia "On the Establishment of the Almazy Rossii-Sakha Joint Stock Company" signed on 19 February 1992, based on NPO Yakutalmaz, a former USSR state-owned diamond mining company.</p> <p>In 2011, Alrosa was reorganized as an open joint-stock company with</p>	

free float of Alrosa's shares on financial markets.

In July 2007, Verkhne-Munskoye diamond field in Yakutia was discovered with estimated value of about \$3.5 billion.

In August 2009, during the recent financial crisis, Prime Minister of Russian Federation announced the Russian government, via Gokhran, would buy \$1 billion in uncut diamonds from Alrosa. This was to support the Russian diamond mining industry while avoiding saturation in the global diamond market and thus further depression of diamond prices. The diamond mining industry is critical to the Yakutia economy.

On 28 October 2013, the Company carried out the IPO. Alrosa raised \$1.3 billion in share sales.

STATUS

SHAREHOLDERS

Active

NAME

PERCENTAGE

1. Russian Federation represented by the Federal Agency for State Property Management	33.0256%
2. Ministry of Property and Land Relations of the Republic of Sakha (Yakutia)	25.0002%
3. Administration of the municipality "Vilyui Ulus (District)"	1.0006%
4. Administration of the Municipality of Mirninsky District	1.0003%
5. Administration of the municipal entity "Anabar National (Debt-Evenki) ulus"	0.9999%
6. Administration of the municipal formation "Verkhnevilyui Ulus (area)"	0.9999%
7. Administration of the municipal entity "Nyurbinsky district"	0.9999%
8. Administration of the municipal entity "Lensky district"	0.9999%
9. Administration of the municipal formation "Olenek Evenki national area"	0.9999%

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10. Administration of the municipal formation "Suntarsky ulus (district)"	0.9999%
11. Free Float	32.3429%
12. Other legal entities	0.0044%
13. Other physical individuals	1.5955%
14. Joint owners	0.0311%

OPERATION

BANKERS

1. PAO VTB Bank
Leninskaya Sloboda Street 26
Moscow
Russia
Telephone: +(7 800) 200 2326
2. PAO Rosbank
34, Mashi Poryvaevoy street
Moscow, 107078
Russia
3. JSC Alfa-Bank
Moskovskiy Avenue 74, Liter A, Apartment 2H
Frunzenskiy District
Saint Petersburg
Telephone: (+7 495) 755 5858
Fax : (+7 495) 755 5858
4. PAO Sberbank
Vavilova Street 19
117997 Moscow
Russia
Telephone: (+7 495) 957 5731
Fax : (+7 495) 747 4758
5. AO Raiffeisenbank
Troitskaya Street 17/1
Moscow 129090
Russia
Tel: +(7 495) 721 9900
Fax: +(7 495) 721 9901

AUDITORS	AO PricewaterhouseCoopers Audit White Square Business Centre 10 Butyrsky Val Moscow, 125047 Russia Telephone: (+7 495) 967 6000
ACTIVITY CODE (NACE)	0899 - Other mining and quarrying n.e.c.; 4676 -Wholesale of other intermediate products; 7112 - Engineering activities and related technical consultancy;
LINE OF BUSINESS	Subject is engaged in the exploration, mining, manufacture and sale of diamonds. Subject's processing facilities includes: - Five processing plants; - Three dredges; - Two stationary processing plants at alluvial mine sites; - Additional mobile processing plants. As of the end of 2014, ALROSA's mineral processing capacity totals 35.9 million tons of ore per year. Plants 12 (Udachny MPD) and 14 (Aikhal MPD), with capacities of 12 and 10 million tons of ore per year, respectively, are the largest of their kind in ALROSA and worldwide.
IMPORT FROM	ALROSA's 2016 diamond production totalled 37.4 million carats, down by 2% year-on-year as a result of a downward revision in production plans for the alluvial deposits in Q2 and Q3 2016, which is in line with the diamond market environment after 2015.
EXPORT TO	Worldwide. Worldwide, mainly China, India, UAE, South Africa, Belgium, Hong Kong, USA, UK, Canada, Israel and Singapore.
FACILITIES	Owned premises comprising administrative offices located at the heading address as well as Group enterprises operate in seven countries, and across ten regions of Russia. ALROSA carries out prospecting and exploration in dozens of sites in six diamondiferous areas of the Republic of Sakha (Yakutia): - Sredniaya Markha basin; - Muna-Tyung basin; - Daldyn-Alakit - Malaya Botuobia basin; - Lena basin; - Anabar; - as well as in the Russian North-West and in the Republic of Angola. Republic of Angola ALROSA is a co-founder of Catoca Ltd. Mining Co. with the 32.8% share in the authorized capital. Catoca mines rough diamonds in the

Lunda Sul province with high potential of new discoveries of primary diamond deposits.

In 2014, ALROSA and the Angolan national diamond company ENDIAMA E.P. (also owns 32.8% share in Catoca) signed an agreement establishing an exploration joint venture in Angola.

ALROSA's geologists continue working at Catoca kimberlite pipe, one of the largest primary diamond deposits and forth largest by size. As of today, Catoca produces more than 6 million carats of rough diamonds; reserves of the pipe are estimated at 60 million carats.

Catoca Ltd. Mining Co. is also a majority founder of Luemba company (Angola), with the Tchiuzo pipe, another large primary diamond deposit, located on its concession territory. ALROSA's Yakutniiproalmaz institute developed technical design for the development of this pipe and feasibility study for investments. Republic of Botswana

The second priority area for ALROSA is the Republic of Botswana.

Sunland Minerals, a joint venture between ALROSA and British company Botswana Diamonds Plc, operates in this region. Botswana Diamonds has solid years of experience in the country. Currently the companies jointly investigate four areas in order to discover primary diamond deposits and get licenses for their development.

Republic of Zimbabwe

The Republic of Zimbabwe is also of interest for the geological exploration and, possibly, for the establishment of joint diamond-mining enterprises.

In 2012, ALROSA's geological service and Zimbabwean DTZ-OZGEO entered into an agreement on technical cooperation aiming to choose promising areas and assess their resource potential. Today, ALROSA considers the establishment of joint venture with DTZ-OZGEO and cooperation with the state Zimbabwean company ZMDC.

Branches

BRANCH OFFICES

1. Filial AK ALROSA ESO ALROSA
Russia
2. Filial AK ALROSA YAPTA AK ALROSA
Russia
3. Filial AK ALROSA Diamonds ALROSA
Smolnaya Street 12
Moscow 125493

Russia

4. Filial AK ALROSA OK Prometey
Russia

5. Filial AK ALROSA in Vladivostok
Russia

6. Filial Edinaya Sbytovaya Organisatsia ALROSA
1812 Goda Street 14
Moscow
Phone: (+7 499) 148 4672 / 780 0670
Branch Director: Evgeniy Agureev

Representative Offices in Russia

1. Ozerkovskaya nab. 24
Moscow 115184
Tel: (+7 495) 620 9250
Fax: (+7 495) 411 7515

2. Okeansky Prospekt 17
Vladivostok 690091
Russia
Tel: (+7 423) 249 1870

3. Representative Office in Orel
ul. Gorkogo Street 24
Orel 302028
Russia
Tel: (+7 4862) 437 113
Fax: (+7 4862) 437 113

4. Representative Office in Yakutsk
ul. Ammosova, 8
677018, Republic of Sakha (Yakutia)
Russia
Tel: (+7 4112) 423 328
Fax: (+7 4112) 421 815

5. Representative Office in Mumbai
Mumbai, India
Director: Jim Vimadalal
Subsidiaries

RELATED COMPANIES

1. Alrosa Finance S.A.
Luxemburg

2. ALROSA BELGIUM NV

- Belgium
3. ALROSA EAST DMCC (frmly ARCOS EAST DMCC)
UAE
4. ALROSA Hong Kong Limited (frmly Arcos Hong
Kong Ltd)
Hong Kong
5. ALROSA USA INC. (frmly ARCOS USA INC.)
USA
6. ALROSA OVERSEAS S.A. (frmly Sunland Holding
S.A.)
Switzerland
7. HIDROCHICAPA S.A.
Angola
8. Maretiom Investments Ltd.
Cyprus
9. Velarion Investments Ltd.
Cyprus
- 10.AO «Aviakompaniya ALROSA»
Russia
- 11.AO Almazy Anabara
Russia
- 12.AO ALROSA-torg
Russia
- 13.AO Vilyuskaya GES-3
Russia
- 14.AO NPP Burevestnik
Russia
- 15.AO NPF Almaznaya Osen
Russia
- 16.AO Sanatoriy Golubaya Volna
Russia
- 17.AO Sudokhodnaya Kompaniya ALROSA-Lena
Russia

- 18.AO ALROSA-Gaz
Russia
- 19.OAO ALROSA-Yakutia
Russia
- 20.OOO ALROSA-Okhrana (Security)
Russia
- 21.OOO ALROSA-Spetsburenie
Russia
- 22.OOO Brillianty ALROSA (frmly Barnaulskiy
Zavod Kristall
Russia
- 23.OOO Lenskoe Predpryatie Teplovyh I
Elektricheskikh Setei
Russia
- 24.OOO Orel-ALROSA
Russia
- 25.OOO Predpryatie Teplovodosnabzhenia
Russia
- 26.PAO ALROSA-Nyurba
Russia
- 27.PAO Severalmaz
Russia
- Associates
- 28.Sociedade Mineira de Catoca Limitada
Angola
- 29.ZAO GMK Timir
Russia
- 30.OAO Almazniy Mir
Russia

PAYMENT

CREDIT OPINION

We consider it is acceptable to deal with subject for LARGE amounts.

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SPECIAL REMARKS

INTERVIEWED COMMENTS

Ms. Polina Alekseevna (Secretary).
You enquired on: Public Joint Stock Company ALROSA. Please note
that this name applies to an English translation of the subject's name.
Subject's correct registered name is as per heading.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 69.66
UK Pound	1	INR 89.08
Euro	1	INR 79.36
RUB	1	INR 1.06

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	PRI
Report Prepared by :	SYL

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)