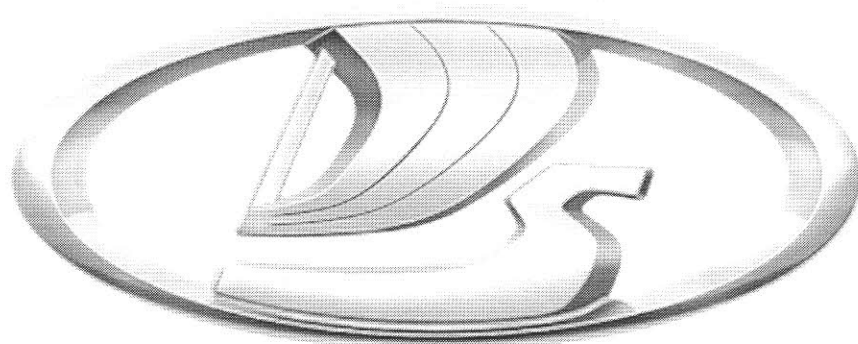


AVTOVAZ GROUP

**INTERNATIONAL FINANCIAL REPORTING STANDARDS
CONSOLIDATED REPORTING PACKAGE**

31 March 2017



AVTOVAZ GROUP
Consolidated Statement of Financial Position
as at 31 March 2017
(In millions of Russian Roubles)



	31 March 2017	31 December 2016
ASSETS		
Current assets:		
Cash and cash equivalents	11,759	17,610
Trade receivables	17,647	15,884
Financial assets	1,046	18
Inventories	22,659	20,600
Other current assets	5,418	8,163
	<u>58,529</u>	<u>62,275</u>
Long-term assets:		
Property, plant and equipment	35,543	35,816
Intangible assets	6,667	6,659
Investments in associates and a joint venture	2,770	2,606
Receivables for jointly-controlled assets	14,708	14,696
Financial assets	1	829
Deferred tax assets	1,326	1,339
	<u>61,015</u>	<u>61,945</u>
Total assets	<u>119,544</u>	<u>124,220</u>
LIABILITIES AND EQUITY		
Current liabilities:		
Trade payables	49,717	46,882
Loans and borrowings	46,296	47,986
Other liabilities and accrued expenses	10,441	11,838
Income tax liability	97	87
Other taxes	5,641	6,467
Provisions	4,673	4,989
Advances received	1,581	1,629
	<u>118,446</u>	<u>119,878</u>
Long-term liabilities:		
Loans and borrowings	55,939	56,194
Provisions	656	628
Deferred tax liabilities	3,224	3,311
Advances received	1,696	1,788
	<u>61,515</u>	<u>61,921</u>
Total liabilities	<u>179,961</u>	<u>181,799</u>
Equity attributable to equity holders of the Company		
Share capital	53,695	39,172
Share premium	26,918	15,300
Shares paid	-	26,141
Currency translation adjustment	468	482
Accumulated losses	(142,127)	(139,336)
	<u>(61,046)</u>	<u>(58,241)</u>
Non-controlling interests	629	662
Total equity	<u>(60,417)</u>	<u>(57,579)</u>
Total liabilities and equity	<u>119,544</u>	<u>124,220</u>

Nicolas Maure
President, PJSC AVTOVAZ

D.G. Blyumin
Director, Accounting and Reporting

AVTOVAZ GROUP
Consolidated Statement of Comprehensive Income
for the three months ended 31 March 2017
(In millions of Russian Roubles)



	Three months ended	
	2017	2016
Sales.....	45,983	38,417
Cost of sales.....	(43,787)	(40,411)
Gross profit/(loss)	2,196	(1,994)
Administrative expenses.....	(1,897)	(2,015)
Distribution costs.....	(819)	(1,922)
Research and development expenses.....	(331)	(591)
Operating margin.....	(851)	(6,522)
Other operating income and expenses.....	(181)	(50)
Operating loss	(1,032)	(6,572)
Net interest income and expenses.....	(2,279)	(2,089)
<i>Interest income</i>	<i>494</i>	<i>208</i>
<i>Interest expenses.....</i>	<i>(2,773)</i>	<i>(2,297)</i>
Other finance income and expenses.....	311	465
Share of profit of associates and a joint venture.....	175	8
Loss before taxation	(2,825)	(8,188)
Income tax benefit/(expenses)	16	(401)
Loss for the period	(2,809)	(8,589)
(Loss)/profit attributable to:		
Equity holders of the Company	(2,791)	(8,603)
Non-controlling interests.....	(18)	14
	(2,809)	(8,589)
Other comprehensive loss to be reclassified to profit or loss in subsequent periods:		
Currency translation adjustment.....	(18)	(56)
Total other comprehensive loss for the period to be reclassified to profit or loss in subsequent periods, net of taxes.....	(18)	(56)
Total comprehensive loss for the period, net of taxes.....	(2,827)	(8,645)
Total comprehensive (loss)/income attributable to:		
Equity holders of the Company	(2,805)	(8,659)
Non-controlling interests.....	(22)	14
Total comprehensive loss for the period, net of taxes.....	(2,827)	(8,645)