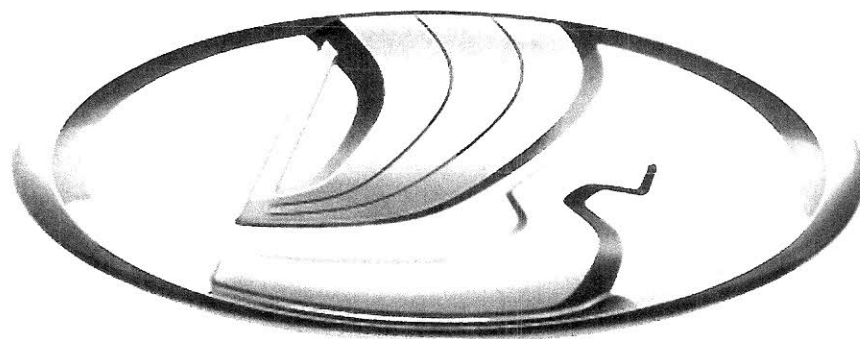


**AVTOVAZ GROUP**

**INTERNATIONAL FINANCIAL REPORTING STANDARDS  
CONSOLIDATED REPORTING PACKAGE**

**31 March 2018**



**AVTOVAZ GROUP**  
**Consolidated statement of financial position**  
**as at 31 March 2018**  
(In millions of Russian rubles)



|   | 31 March 2018   | 31 December 2017 |
|---|-----------------|------------------|
| <b>ASSETS</b>   |                 |                  |
| <b>NON-CURRENT ASSETS</b>   |                 |                  |
| Intangible assets.....  | 6,526           | 6,667            |
| Property, plant and equipment.....                                    | 34,447          | 35,004           |
| Investments in associates and a joint venture.....                    | 1,225           | 1,057            |
| Non-current financial assets.....                                     | -               | 1                |
| Deferred tax assets.....  | 4,138           | 1,423            |
| Receivables for jointly-controlled assets.....                        | 12,336          | 12,932           |
| <b>Total non-current assets.....</b>                                  | <b>58,672</b>   | <b>57,084</b>    |
| <b>CURRENT ASSETS</b>   |                 |                  |
| Inventories.....  | 24,461          | 23,951           |
| Trade receivables.....  | 22,086          | 14,815           |
| Current financial assets.....   | -               | 23               |
| Other current assets.....   | 8,023           | 9,664            |
| Cash and cash equivalents.....  | 5,123           | 8,855            |
| <b>Total current assets.....</b>                                      | <b>59,693</b>   | <b>57,308</b>    |
| <b>TOTAL ASSETS.....</b>  | <b>118,365</b>  | <b>114,392</b>   |
| <b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>                           |                 |                  |
| <b>SHAREHOLDERS' EQUITY</b>   |                 |                  |
| Share capital.....  | 53,695          | 53,695           |
| Share premium.....  | 26,918          | 26,918           |
| Shares paid.....  | 64,800          | -                |
| Translation adjustment.....   | 497             | 506              |
| Accumulated losses.....   | (168,439)       | (149,017)        |
| <b>Shareholders' equity – parent company shareholders' share.....</b> | <b>(22,529)</b> | <b>(67,898)</b>  |
| <b>Shareholders' equity – non-controlling interests' share.....</b>   | <b>696</b>      | <b>659</b>       |
| <b>Total shareholders' equity.....</b>                                | <b>(21,833)</b> | <b>(67,239)</b>  |
| <b>NON-CURRENT LIABILITIES</b>  |                 |                  |
| Deferred tax liabilities.....   | 3               | 2,660            |
| Provisions – long-term.....   | 1,141           | 1,045            |
| Non-current financial liabilities.....                                | 44,108          | 56,571           |
| Advances received.....  | 1,449           | 1,523            |
| Other non-current liabilities.....                                    | 139             | 160              |
| <b>Total non-current liabilities.....</b>                             | <b>46,840</b>   | <b>61,959</b>    |
| <b>CURRENT LIABILITIES</b>  |                 |                  |
| Provisions – short-term.....  | 5,657           | 6,028            |
| Current financial liabilities.....                                    | 33,032          | 36,942           |
| Trade payables.....   | 35,194          | 55,350           |
| Income tax liability.....   | 110             | 80               |
| Other tax liabilities.....  | 7,602           | 6,866            |
| Advances received.....  | 1,362           | 1,878            |
| Other current liabilities.....  | 10,401          | 12,528           |
| <b>Total current liabilities.....</b>                                 | <b>93,358</b>   | <b>119,672</b>   |
| <b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES.....</b>                | <b>118,365</b>  | <b>114,392</b>   |

Nicolas Maure  
President, PJSC AVTOVAZ

Natalia Vassilieva  
Director, Accounting and Reporting – Chief Accountant

26 April 2018

**AVTOVAZ GROUP**  
**Consolidated statement of comprehensive income**  
**for the three months ended 31 March 2018**  
(In millions of Russian rubles)



|  | Three months ended 31 March |                |
|--|-----------------------------|----------------|
|  | 2018                        | 2017           |
| <b>Revenues</b> .....  | 64,756                      | 45,983         |
| Cost of goods and services sold.....   | (59,300)                    | (43,877)       |
| Research and development expenses .....  | (502)                       | (388)          |
| Selling, general and administrative expenses.....  | (3,150)                     | (2,569)        |
| <b>Operating margin</b> .....  | <b>1,804</b>                | <b>(851)</b>   |
| Other operating income and expenses.....   | 297                         | (181)          |
| <i>Other operating income</i> .....  | 409                         | 235            |
| <i>Other operating expenses</i> .....  | (112)                       | (416)          |
| <b>Operating profit/(loss)</b> .....   | <b>2,101</b>                | <b>(1,032)</b> |
| Net interest income and expenses.....  | (1,961)                     | (2,279)        |
| <i>Interest income</i> .....   | 211                         | 494            |
| <i>Interest expenses</i> .....   | (2,172)                     | (2,773)        |
| Other financial income and expenses.....   | (15)                        | 311            |
| <b>Net financial income/(expenses)</b> .....   | <b>(1,976)</b>              | <b>(1,968)</b> |
| <b>Share in net income/(loss) of associates and a joint venture</b> .....  | <b>169</b>                  | <b>175</b>     |
| <b>Profit/(loss) before taxation</b> .....   | <b>294</b>                  | <b>(2,825)</b> |
| Current and deferred taxes.....  | 315                         | 16             |
| <b>Profit/(loss) for the period</b> .....  | <b>609</b>                  | <b>(2,809)</b> |
| <b>Profit/(loss) attributable to:</b>  |                             |                |
| Parent company shareholders' share .....   | 574                         | (2,791)        |
| Non-controlling interests' share .....   | 35                          | (18)           |
|  | <b>609</b>                  | <b>(2,809)</b> |
| <b>Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:</b>   |                             |                |
| Translation adjustment.....  | (7)                         | (18)           |
| <b>Total other comprehensive income/(loss) for the period to be reclassified to profit or loss in subsequent periods, net of taxes</b> ..... | <b>(7)</b>                  | <b>(18)</b>    |
| <b>Total comprehensive income/(loss) for the period, net of taxes</b> .....  | <b>602</b>                  | <b>(2,827)</b> |
| <b>Total comprehensive income/(loss) attributable to:</b>  |                             |                |
| Parent company shareholders' share .....   | 565                         | (2,805)        |
| Non-controlling interests' share .....   | 37                          | (22)           |
| <b>Total comprehensive income/(loss) for the period, net of taxes</b> .....  | <b>602</b>                  | <b>(2,827)</b> |