

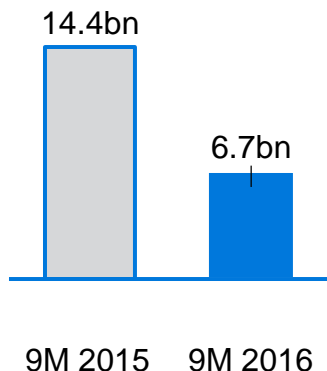
# ЮНУ ПРО

## Unipro 9M 2016 results

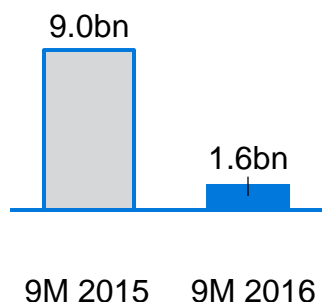
Moscow, 10.11.2016

# 9M 2016 results<sup>1</sup>

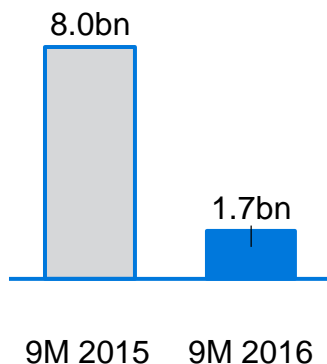
**EBITDA<sup>2</sup>**



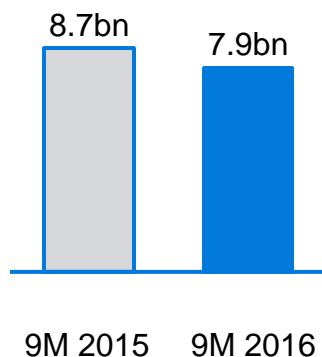
**EBIT<sup>2</sup>**



**Underlying net income<sup>2</sup>**



**Capex**



- Stable underlying business
- Prior to write-offs due to accident, EBITDA would have exceeded 2015 levels, reaching RUB 17.3bn
- Earnings decline mainly due to reduction of the carrying amount of Berezovskaya unit 3 by RUB 10.6bn caused by the accident in February 2016
- CAPEX includes prepayment for boiler repair parts of Berezovskaya unit 3

# Berezovskaya unit 3 update

## Repair

### Current status

- Damage estimate: 50% of boiler, 25% of building, 25% of auxiliary equipment
- Repair project approved by Unipro PJSC's Board of Directors
- Project costs at least RUB 25bn
- Recommissioning not before mid 2018



### Next steps

- Completion of boiler house reinforcement and dismantling works
- Preparation of boiler dismantling works
- Order of boiler repair parts
- First boiler equipment delivery package

## Insurance

### Insurance coverage

- Business interruption: coverage of up to 12 months, including a waiting period of 90 days
- Property damage: coverage of up to a pre-defined maximum amount



### Proceeds

- First insurance compensation was received in Q4 2016 in the amount of RUB 5.7bn
- Significant additional insurance payments are expected in 1H 2017

# Market environment and regulation

## European zone

Day ahead market price +5.2% YoY, mainly due to:

- Yearly gas tariff indexation in July 2015 by +7.5%;
- A hot summer and a number of unplanned outages at nuclear power plants in Q3

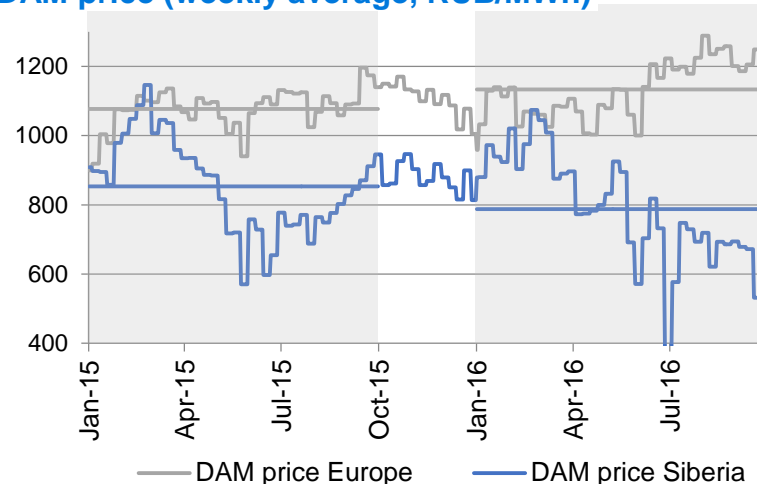
## Siberian zone

- Day ahead market price -7.7% YoY due to high hydro generation

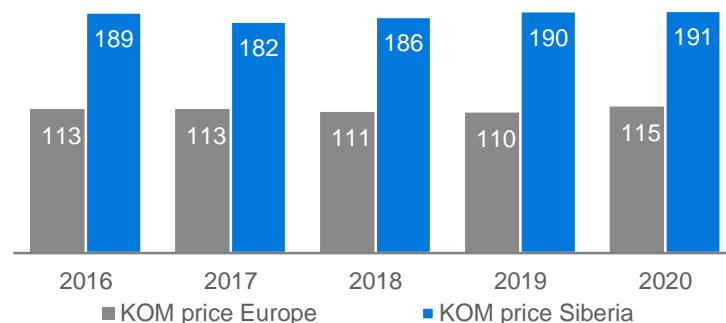
## Regulation

- Yearly gas tariff indexation was paused in 2016
- KOM price for 2020 in Europe +4.3% to 2019 due to the decommissioning of generation equipment
- KOM price for 2020 in Siberia is unchanged from 2019 prices

DAM price (weekly average, RUB/MWh)



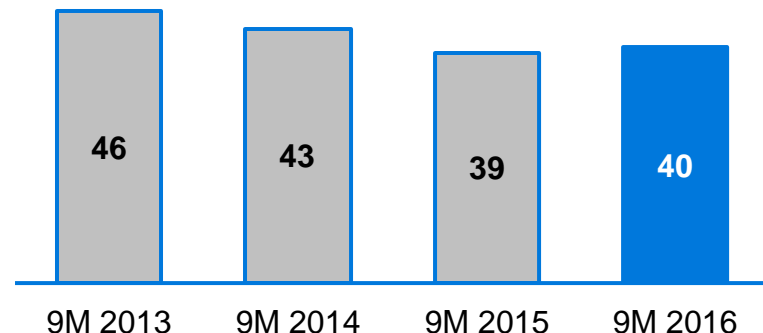
KOM price (real prices, kRUB/MW)



# Operational development

## Electric power generation<sup>1</sup>

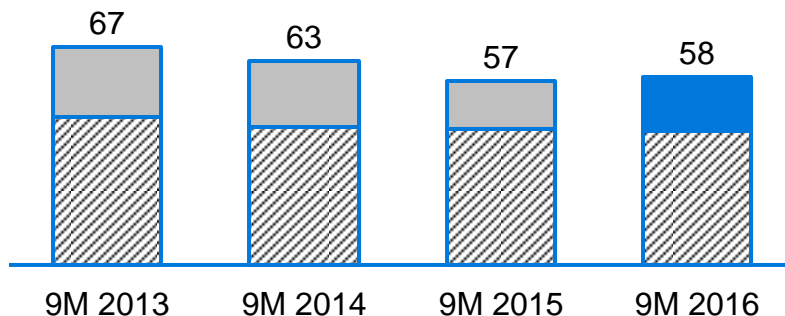
TWh



## Load factor<sup>1</sup>

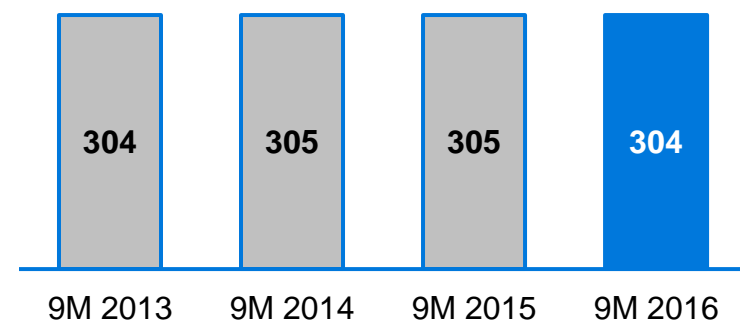
%

Unipro PJSC Market average



## Efficiency

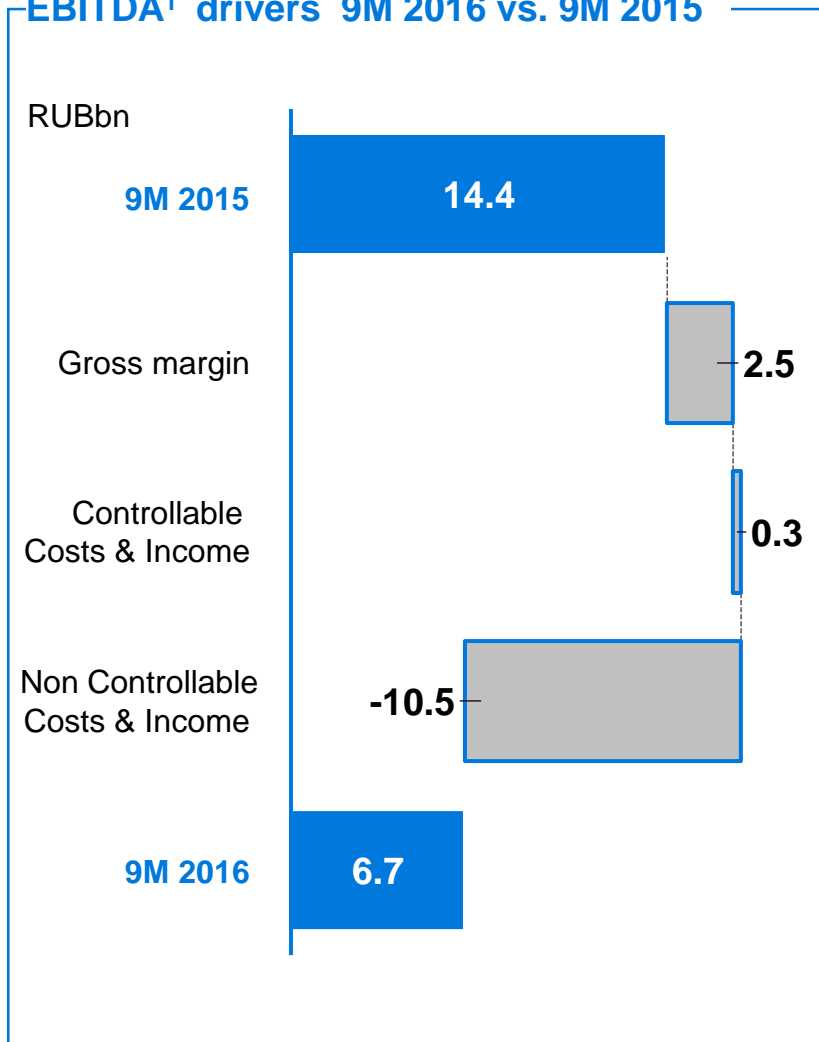
Gfe/kWh – Fuel equivalent grams per 1 kWh



- Power generation<sup>1</sup> increased by 3% mainly because of Surgutskaya-2's higher load factor relative to the previous year (due to last year's outage)
- Unipro PJSC's load factor<sup>1</sup> increased, while market average remains stable
- Strict control of fuel expenses

# Earnings development

## EBITDA<sup>1</sup> drivers 9M 2016 vs. 9M 2015



### Gross margin: +11.2% to RUB 27.3bn

- One month earnings contribution from newly commissioned Berezovskaya unit 3
- Higher power production of Surgutskaya-2 unit 4 due to last year's outage
- Increase of capacity payments under CSA mainly due to higher state bonds yield

### Controllable costs: -3.7% to RUB 8.4bn

- RUB +0.7bn due to repair costs of Berezovskaya unit 3 in 2016
- RUB -1.0bn due to one-time effects in 2015: penalties for CoD delay of Berezovskaya unit 3, maintenance costs and insurance proceeds at Surgutskaya-2 and others

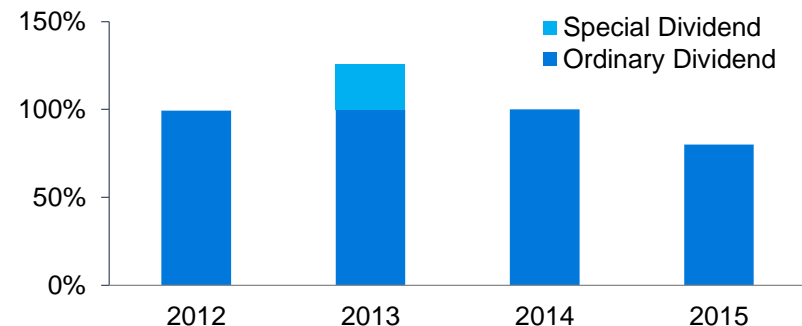
### Non Controllable costs: Significant increase due to one-off effect

- Reduction of the carrying amount of Berezovskaya unit 3 by RUB 10.6bn

# First time interim dividend payment announced

- Formal dividend policy of Unipro PJSC continues to be based on net income
- Going forward, there is an ambition to have two dividend payouts per year
- Besides net income, dividend payments will also consider the expected free cash flow available
- Unipro PJSC's Board of Directors recommends payment for 9 months 2016 in the amount of RUB 7.3bn<sup>2</sup>

Historical payout ratios<sup>1</sup>



Dividend RUBbn	18.3	23.9	17.5	12.4
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Expected timing for future payouts

Reference period	Expected payout
Q1-Q3 2016	Dec 2016 / Jan 2017
Q4 2016-Q1 2017	Jun 2017 / Jul 2017
Q2 2016-Q3 2017	Dec 2017 / Jan 2018



# Reporting calendar & contacts

## Reporting calendar

Date	Event
March 16, 2017	Publication of IFRS financial statements of Unipro Group for 2016
March 21, 2017	Publication of RAS financial statements of Unipro PJSC for 2016
April 21, 2017	Publication of RAS financial statements of Unipro PJSC for 3 months of 2017
May 10, 2017	Publication of IFRS financial results of Unipro Group for 3 months of 2017
July 21, 2017	Publication of RAS financial statements of Unipro PJSC for 6 months of 2017
August 08, 2017	Publication of IFRS financial information of Unipro Group for 6 months of 2017
October 23, 2017	Publication of RAS financial statements of Unipro PJSC for 9 months of 2017
November 07, 2017	Publication of IFRS financial results of Unipro Group for 9 months of 2017

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