

ALROSA prepaid \$600 mln of bank loans

On 28 February 2017, ALROSA prepaid \$600 mln of bank loans received from VTB Bank in 2012 and extended in 2014 until October 2018.

The bank loans were repaid with cash from the Company's operations. As a result, ALROSA reduced its loans and borrowings from \$2.3 bln to \$1.7 bln, while its average interest rate decreased from 6.6% to 6.3%.

ALROSA believes that the established long-term partnership with the companies of VTB Group (cooperation on the raising of debt financing can be cited as just one example thereof) will continue going forward.

"As part of the conservative liquidity management policy, ALROSA prepaid long-term bank loans in the total amount of \$600 mln, which allowed us to reduce the average cost of debt and ensure a comfortable debt repayment schedule", – commented Igor Kulichik, CFO, Vice President of ALROSA.

Press Release

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Reference

ALROSA is the world's largest producer of rough diamonds in carats. ALROSA is engaged in exploration, mining and sales of diamonds. The Company's operations are located in the Republic of Sakha (Yakutia) and the Arkhangelsk Region of Russia. In 2016, the Company produced 37.4 mln carats of rough diamonds, 2016 revenue from sales of rough diamonds was \$4.3 bln.