

# FINANCIAL Performance (MD&A)

In 2018, the total consolidated revenue rose to RUB 3,286.7 mln or by 26.6% year-on-year. Profit for the year increased by 117.5% to RUB 293.1 mln. EBITDA reached RUB 382.3 mln, EBITDA margin amounted to 11.6%.

At the end of 2017, the Company published combined statements. In 2018, PJSC Evropeyskaya Elektrotehnica completed the consolidation of the assets of subsidiaries owned by the Company. This gave it an option to disclose consolidated financial statements in accordance with international standards.

## Financial highlights

Indicator, RUB mln, unless otherwise stated	2018	2017	Change
Consolidated revenue	3,286.7	2,595.3	+26.6%
Gross profit	796.3	467.9	+70.2%
<b>Gross profit margin</b>	<b>24.2%</b>	<b>18.0%</b>	<b>+6.2 p.p.</b>
Operating profit	370.5	306.9	+20.7%
<b>Operating profit margin</b>	<b>11.3%</b>	<b>11.8%</b>	<b>-0.5 p.p.</b>
EBITDA [1]	382.3	361.3	+5.8%
<b>EBITDA margin</b>	<b>11.6%</b>	<b>13.9%</b>	<b>-2.3 p.p.</b>
Profit for period	293.1	134.7	+117.5%
<b>Profit margin for period</b>	<b>8.9%</b>	<b>5.2%</b>	<b>+3.7 p.p.</b>
Investments [2]	407.0	226.4	1.8x
R&D investments [2]	165.0	30.0	5.5x
Free cash flow to equity [2]	49,129	-42,458	-
<b>Return on equity (ROE)</b>	<b>47.4%</b>	<b>35.7%</b>	<b>+11.8 p.p.</b>
Dividends paid	91.9	6.9	12.3x
	<b>31.12.2018</b>	<b>31.12.2017</b>	<b>Change</b>
Assets	1,291.2	1,154.9	+11.8%
Cash and cash equivalents	246.8	209.8	+17.6%
Equity	53.8%	46.9%	+6.9 p.p.
Net working capital [2]	715.4	565.8	+26.4%
Current liquidity ratio	2.6	2.2	+0.4%
Net debt [1]	-153.1	-120.3	-
Net debt/EBITDA	-0.40	-0.33	-

Source: Audited Consolidated Financial Statements of PJSC Evropeyskaya Elektrotehnica for 2018.

## Notes.

[1] Indicators of a non-international financial reporting standard; the calculation procedure is presented below in this release.

[2] Indicators of a non-international financial reporting standard.