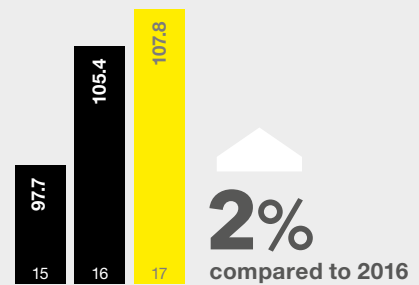


SUSTAINING OUR SOLID PERFORMANCE

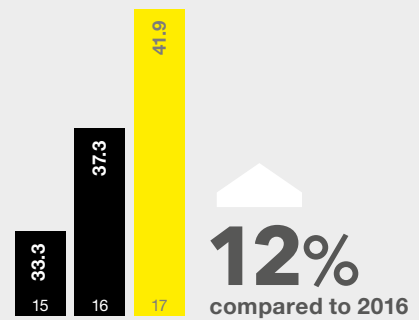
Our effective integrated business model allows SUEK to ensure sustainable results in all market conditions. In 2017, the improved market environment, along with our focus on increased high-quality coal production, enabled us to achieve record operational performance and significantly improve our financial results. While constantly committed to the responsible development of our business, we also continued to pay special attention to health and safety and environmental protection.

...THROUGH HIGH-QUALITY COAL PRODUCTION...

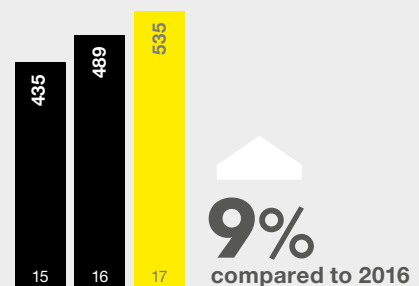
Production (million tonnes)



Coal washed (million tonnes)

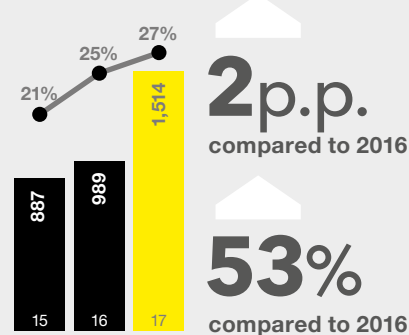


Productivity of mining production workers (tonnes per man-month)

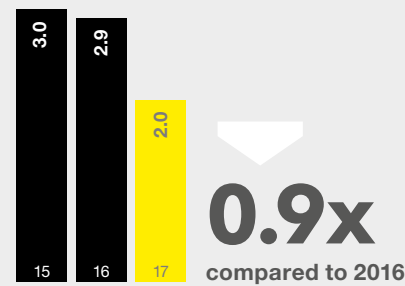


WE ACHIEVED A STRONG FINANCIAL PERFORMANCE...

EBITDA margin (%)
EBITDA (\$ m)



Net debt/EBITDA (ratio)



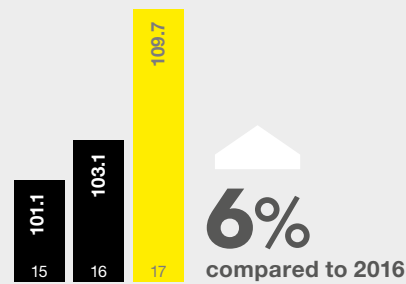
Transfer to higher-capacity longwalls

The transfer to a 400 m wide longwall in the Yalvskogo mine led to a new world production record. This successful pilot will now be transferred to other mines.

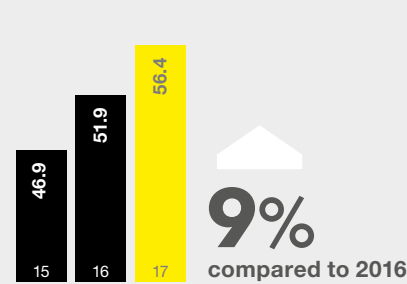


...AND INCREASING SALES WITH A FOCUS ON PREMIUM MARKETS

Total sales volumes
(million tonnes)

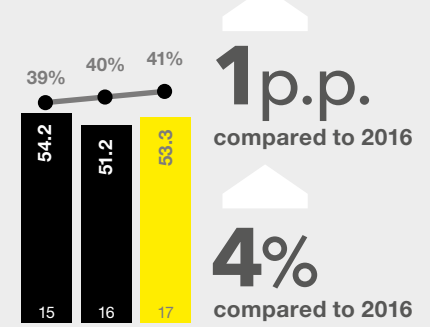


International sales volumes
(million tonnes)



Share of the Russian market
(%)

Sales to the Russian market
(million tonnes)



Over \$100m investments committed during the Year of Ecology

In 2017, during the Year of Ecology in Russia SUEK concluded agreements with the governments of all regions where we operate, committing to invest over \$100m in environmental activities over the next several years.

WE CONTRIBUTED LARGELY TO COMMUNITY DEVELOPMENT

\$310m

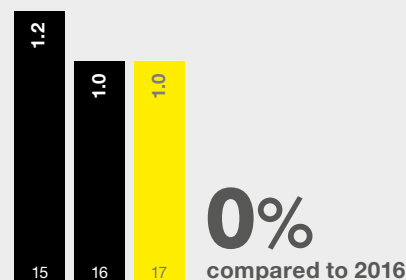
paid in taxes to local, regional and federal budget in 2017

\$22m

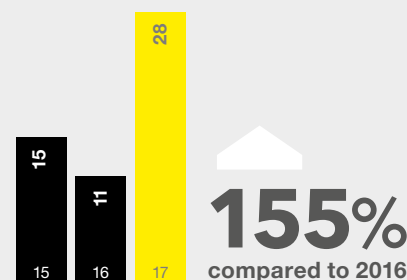
spent on social initiatives in 2017

OUR PRODUCTION RECORDS DID NOT COMPROMISE SAFETY OR THE ENVIRONMENT

Lost time injury frequency rate¹ (LTIFR)



Investment in environmental activities
(\$m)



MOODY'S

Moody's rating:
Ba3 positive

On 27 September 2017, Moody's Investors Service changed its outlook on SUEK's credit rating from stable to positive. A Ba3 rating was confirmed.

1. The LTIFR indicator was adjusted in 2016 due to the inclusion of the logistics block entities in the perimeter of the calculation.