

MECHEL REPORTS THE 2Q 2020 FINANCIAL RESULTS

Consolidated revenue – 64.5 bln rubles (-4% compared to 1Q 2020) EBITDA* – 8.9 bln rubles (-33% compared to 1Q 2020) Profit attributable to equity shareholders of Mechel PAO – 47.1 bln rubles

<u>Moscow, Russia – August 19, 2020 – Mechel PAO (MOEX: MTLR, NYSE: MTL)</u>, a leading Russian mining and steel group, announces financial results for the 2Q 2020 and 1H2020.

Mechel PAO's Chief Executive Officer Oleg Korzhov commented:

"Despite a complicated epidemiological situation we saw in the second quarter, our mining and steelmaking facilities did not slow down their operations. Steel production volumes went up by 6% quarter-on-quarter, with coal mined by the Group's facilities up by 7% by this quarter's end. Nevertheless, coronavirus-related restrictions had their impact on the structure of demand for our products, which put pressure on our sales margins.

"For example, our clients' lower needs in rails and shrinking demand for other high value-added products from engineering companies had a significant impact on the dynamics of our steel division's EBITDA. The change in the mining division's supply pattern regarding sale destinations, as the company generated additional volumes to be marketed while the demand structure altered due to tough quarantine measures introduced by several countries, led to a decrease of the division's EBITDA. As a result, consolidated EBITDA in 2Q2020 went down by 33% quarter-on-quarter.

"Despite a financial results decline, which was mainly due to the crisis conditions, we think that these difficulties are temporary, and that our steel's traditional customers will return to normal, as will demand for coal in those regions where steelmakers have not yet come back to their regular capacity utilization.

"For our part, we continue to work on further increasing mining volumes at our mining facilities and mastering production of new promising types of products at our steel plants. In order to attain these goals, we continue to purchase new equipment, machines and upgrading those we already have. In addition, in order to ensure stable supply for our customers, we continue to develop our own logistical facilities. Port Posiet is already working on layout design for the new purchased shiploader, which is the final element of the port's technical upgrade. We also plan to implement several development projects for our ports' maritime and railroad infrastructure, which will enable us to boost their transshipment capacity."

Consolidated Results For The 2Q 2020 and 1H2020

Mln rubles	2Q'20	1Q'20	%	1H' 20	1H' 19	%
Revenue from contracts with external customers	64,536	67,237	-4%	131,773	148,456	-11%
Operating (loss) / profit	(2,260)	7,930	-128%	5,670	22,391	-75%
EBITDA	8,852	13,161	-33%	22,013	30,935	-29%
EBITDA, margin	14%	20%		17%	21%	
Profit / (loss) attributable to equity shareholders of Mechel PAO	47,074	(36,878)		10,196	12,745	-20%

^{*} EBITDA - Adjusted EBITDA. Please find the calculation of the Adjusted EBITDA and other non-IFRS measures used here and hereafter in Attachment A.

Mechel PAO's Chief Financial Officer Nelli Galeeva commented:

"Consolidated EBITDA in 1H2020 totaled 22 billion rubles. Profit attributable to equity shareholders of Mechel PAO amounted to 10.2 billion rubles, which is 2.5 billion rubles, or 20%, less than in 1H2019. Growing foreign exchange losses on foreign currency liabilities due to a weaker ruble in this reporting period had a major impact on this result's dynamics, partly negating the positive effect from the sale of Elga Coal Complex companies.

"The operating cash flow in 2Q2020 went down to 8.3 billion rubles from 16 billion in the previous quarter. This was mostly a result of the decrease in revenue and worse cash turnover due to a global economic situation with the spread of the new coronavirus infection.

"In 2Q2020, the Group's finance costs went down by 1.4 billion rubles quarter on quarter and amounted to 6.4 billion rubles. Over the first six months of 2020, finance costs went down by 3.3 billion rubles, or 19%, year-on-year. This was due to our partial repayment of loans with Gazprombank and VTB Bank using the gain on the Elga Coal Complex sale and the Bank of Russia key interest rate decrease.

"The same factors had their impact on the amount of interest paid, including capitalized interest and lease interest, which went down in 1H2020 by 1.4 billion rubles to 14.5 billion rubles from 15.9 billion in 1H2019.

"As of today, the company's average debt portfolio cost is 5.6% per annum, average paid interest rate amounts to 5.4% per annum.

"As of June 30, 2020, the Group's net debt excluding fines and penalties on overdue amounts went down by 89 billion rubles or by 22% as compared to December 31, 2019, and amounted to 311.5 billion rubles. This was due to net loan settlement totaling 95.3 billion rubles as we repaid loans granted by Gazprombank and VTB Bank with cash received from sale of assets and as debt decreased due to the effect of discontinued operations related to disposal of companies comprising Elga Coal Complex amounted to 9.5 billion rubles, and which effect was partly offset by the ruble's weakening against the US dollar and euro with the effect of 18.5 billion rubles.

"Gain on sale of companies comprising Elga Coal Complex in the Group's IFRS statements amounted to 45.6 billion rubles. It was calculated as the sum of received consideration of 89.0 billion rubles and derecognition of obligations regarding Gazprombank's option for the shares in companies comprising Elga Coal Complex for a total of 49.4 billion rubles, less net assets disposed of as on the disposal date.

"The Net Debt to EBITDA ratio amounted to 6.9 at the end of 1H2020 as compared to 7.5 at the end of 2019. It was primarily due to the overall decrease of net debt due to loan repayment. The ruble's weakening against the US dollar and euro, as well as decreased EBITDA over the past 12 months ended on June 30, 2020, had a negative impact on this figure.

"The debt portfolio's structure has changed and is currently consists of 55% in rubles and the rest in foreign currency (35% in euro and 10% in US dollars). The share of state-controlled banks is 86.5%."

Mining Segment

Revenue from contracts with external customers in 2Q2020 went up by 8% quarter-on-quarter. This was the result of increased sales of all types of metallurgical coals, middlings and iron ore concentrate. The prices in this reporting period remained overall on the level favorable for the company. EBITDA in 2Q2020 went down by 8% quarter-on-quarter as selling and distribution costs grew due to the share of export in the overall volume of goods supplied to third parties, which increased from 65% to 78%.

Revenue from contracts with external customers in 1H2020 went down by 21% year-on-year. The division's EBITDA in 1H2020 declined by 43% year-on-year. This was mostly due to weaker prices for all types of coal products year-on-year.

Mechel Mining Management OOO's Chief Executive Officer Igor Khafizov noted:

"In 2Q2020 the division continued to increase coal mining volumes. Yakutugol Holding Company boosted mining by 23.5%, Southern Kuzbass Coal Company maintained operational results at the previous period's level. The overall growth was 7% quarter-on-quarter. Coal processing volumes

increased by 18%. This enabled us to step up supplies to both third parties and the Group's own facilities, and demonstrate positive revenue dynamics.

"The export market of metallurgical coal has significantly weakened in 2Q2020 due to a worsening epidemiological situation in India, increased supplies to China from Australia and Mongolia, as well as additional measures adopted by Chinese authorities to toughen their customs clearance rules for coal. As a result, in this reporting period average spot price level for premium low-volatile coking coals was at \$118 per tonne, which was 24% lower than average price levels in 1Q2020. Despite that, the average selling prices of our coking coal in 2Q2020 remained at the previous quarter's level. Quarterly contracts with domestic customers and a weaker average quarterly ruble exchange rate contributed to this price stability.

"New machines and equipment continue to arrive at the division's mining facilities in order to maintain positive dynamics of our output volumes. We pay particular attention to the technological infrastructure of our washing plants, as their capacity utilization noticeably grew with the increase of mining volumes. We also continue with the technical upgrade of our coke chemical plants using best available technologies which enable us not only to improve our products' quality, but also to decrease the impact on the environment."

Mln rubles	2Q'20	1Q'20	%	1H' 20	1H' 19	%
Revenue from contracts with external customers	18,292	16,988	8%	35,280	44,933	-21%
Revenue inter-segment	8,364	8,331	0%	16,695	19,731	-15%
EBITDA	6,388	6,952	-8%	13,340	23,282	-43%
EBITDA, margin	24%	27%		26%	36%	

Steel Segment

Revenue from contracts with external customers went down by 4% in 2Q2020 quarter-on-quarter, largely due to Russian Railways' decreased demand for rails, weaker consumer demand for railroad axles, as well as the division's other products due to limits imposed by the spread of the new coronavirus infection. This effect was partly compensated by the growth of prices for key types of rolled products. EBITDA went down by 43% in 2Q2020 as supplies of high value-added products suffered the most.

Revenue from sales to third parties in 1H2020 went down by 7% year-on-year. EBITDA in this reporting period also decreased by 7% compared to the previous six months. Lower prices for construction product range in 1H2020 year-on-year was one of the key contributing factors.

Mechel-Steel Management Company OOO's Chief Executive Officer Andrey Ponomarev noted:

"The division's 2Q2020 financial results reflected the overall weakening of business activity caused by the COVID-19 pandemic. The division's output and sales volumes remained at the previous quarter's level, with product groups redistributed within the sales structure.

"Weaker demand for rails from both Russian Railways and other customers as business activity went down and investment projects were frozen, had a major impact on our results. These same factors reflected in the fall of sales of flat steel, forgings and stampings. Products traditionally intended for the engineering and machine-building industry suffered noticeably from the market situation. For example, clients of Izhstal and Beloretsk Metallurgical Plant cut down on their needs. In this situation, we focus on attracting new clients as well as preserving the existing ones. The pandemic had a marked impact on Mechel Service Global's facilities as well. Many clients cut their workday or stopped operations entirely. The clients' need for metal finishing also went down. As a result, it led to lower average prices and overall profit margins.

"The transformation of the demand structure, which we saw in 2Q2020 and which our facilities were forced to promptly react to, did not allow us to fully exploit the effect from increased pig iron and steel output quarter-on-quarter, after Chelyabinsk Metallurgical Plant launched its overhauled blast furnace and converter. Nevertheless, we expect that demand for our products, primarily high value-added products, will recover in the future periods, and so continue to upgrade and repair our equipment as well as master output of new product types."

Mln rubles	2Q'20	1Q' 20	%	1H' 20	1H' 19	%
Revenue from contracts with external customers	40,256	42,144	-4%	82,400	88,812	-7%
Revenue inter-segment	1,502	1,950	-23%	3,452	3,005	15%
EBITDA	2,565	4,533	-43%	7,098	7,604	-7%
EBITDA, margin	6%	10%		8%	8%	

Power Segment

Mechel Energo OOO's Chief Executive Officer Denis Graf noted:

"The division's 2Q2020 revenue went down quarter-on-quarter. It was expected as the heating period with its higher energy consumption ended. These reasons also had their impact on EBITDA's quarter-on-quarter dynamics. The 1H2020 revenue demonstrated a slight decrease year-on-year as electricity and heat sale volumes went down due to lower demand as average temperatures were higher this year. In 1H2020, EBITDA grew more than five times year-on-year as non-regulated prices for capacity on the wholesale electrical power and capacity market went up, as did sales premium compared to the same period last year."

Mln rubles	2Q'20	1Q'20	%	1H' 20	1H' 19	%
Revenue from contracts with external customers	5,988	8,105	-26%	14,093	14,711	-4%
Revenue inter-segment	3,711	4,298	-14%	8,009	8,028	0%
EBITDA	387	901	-57%	1,288	194	564%
EBITDA, margin	4%	7%		6%	1%	

Alexey Lukashov

Director of Investor Relations

Mechel PAO

Phone: 7-495-221-88-88 Fax: 7-495-221-88-00

alexey.lukashov@mechel.com

Mechel is an international mining and steel company. Its products are marketed in Europe, Asia, North and South America, Africa. Mechel unites producers of coal, iron ore concentrate, steel, rolled products, ferroalloys, heat and electric power. All of its enterprises work in a single production chain, from raw materials to high value-added products.

Some of the information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of Mechel, as defined in the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. We wish to caution you that these statements are only predictions and that actual events or results may differ materially. We do not intend to update these statements. We refer you to the documents Mechel files from time to time with the U.S. Securities and Exchange Commission, including our Form 20-F. These documents contain and identify important factors, including those contained in the section captioned "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in our Form 20-F, that could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, the achievement of anticipated levels of profitability, growth, cost and synergy of our recent acquisitions, the impact of competitive pricing, the ability to obtain necessary regulatory approvals and licenses, the impact of developments in the Russian economic, politic al and legal environment, volatility in stock markets or in the price of our shares or ADRs, financial risk management and the impact of general business and global economic conditions.

Attachments to the Press Release

Attachment A

Non-IFRS financial measures. This press release includes financial information prepared in accordance with International Financial Reporting Standards, or IFRS, as well as other financial measures referred to as non-IFRS. The non-IFRS financial measures should be considered in addition to, but not as a substitute for the information prepared in accordance with IFRS.

Adjusted EBITDA (EBITDA) represents profit (loss) attributable to equity shareholders of Mechel PAO before Depreciation and amortisation, Foreign exchange (gain) loss, net, Finance costs including fines and penalties on overdue loans and borrowings and lease payments, Finance income, Net result on the disposal of non-current assets, Impairment of goodwill and other non-current assets, net, Write-off of trade and other receivables, Allowance for expected credit losses on financial assets, Provision (reversal of provision) for doubtful accounts, Write-off of inventories to net realisable value, (Profit) loss after tax for the period from discontinued operations, Net result on the disposal of subsidiaries, Profit (loss) attributable to non-controlling interests, Income tax expense (benefit), Effect of pension obligations, Other fines and penalties, Gain on restructuring and forgiveness of trade and other payables and write-off of trade and other payables with expired legal term and Other one-off items. Adjusted EBITDA margin is defined as adjusted EBITDA as a percentage of our Revenue. Our adjusted EBITDA may not be similar to EBITDA measures of other companies. Adjusted EBITDA is not a measurement under IFRS and should be considered in addition to, but not as a substitute for the information contained in our interim condensed consolidated statement of profit (loss) and other comprehensive income. We believe that our adjusted EBITDA provides useful information to investors because it is an indicator of the strength and performance of our ongoing business operations, including our ability to fund discretionary spending such as capital expenditures, acquisitions and other investments and our ability to incur and service debt. While depreciation, amortisation and impairment of goodwill and other non-current assets are considered operating expenses under IFRS, these expenses primarily represent the non-cash current period allocation of costs associated with non-current assets acquired or constructed in prior periods. Our adjusted EBITDA calculation is commonly used as one of the bases for investors, analysts and credit rating agencies to evaluate and compare the periodic and future operating performance and value of companies within the metals and mining industry.

Our calculation of Net debt, excluding fines and penalties on overdue amounts** is presented below:

Mln rubles	30.06.2020	31.12.2019
Current loans and borrowings, excluding interest payable, fines and penalties on overdue amounts	292 319	370 206
Interest payable	8 533	9 014
Non-current loans and borrowings	201	7 205
Other non-current financial liabilities	1 950	48 303
Other current financial liabilities	298	147
less Cash and cash equivalents	(4 272)	(3 509)
Net debt, excluding lease liabilities, fines and penalties on overdue amounts	299 029	431 366
Current lease liabilities	7 961	10 353
Non-current lease liabilities	4 497	7 002
Net debt, excluding fines and penalties on overdue amounts	311 487	448 721

EBITDA can be reconciled to our interim condensed consolidated statement of profit (loss) and other comprehensive income as follows:

^{**} Calculations of Net debt could be differ from indicators calculated in accordance with loan agreements upon dependence on definitions in such agreements.

	Consolida	ted Results	MiningSe	egment ***	SteelS	egment***	Power Se	egment***
Mln rubles	6m 2020	6m 2019	6m 2020	6m 2019	6m 2020	6m 2019	6m 2020	6m 2019
Profit (loss) attributable to equity shareholders of Mechel PAO	10,196	12,745	32,580	9,632	(18,037)	6,919	(1,404)	(964)
Add:								
Depreciation and amortisation	6,943	6,266	3,437	3,094	3,267	2,932	240	240
Foreign exchange loss (gain), net	18,939	(13,816)	5,240	(2,741)	13,664	(11,055)	35	(20)
Finance costs including fines and penalties on overdue loans and borrowings and lease payments	14,265	17,534	7,644	10,050	7,031	7,553	255	331
Finance income	(529)	(481)	(944)	(601)	(235)	(263)	(14)	(16)
Net result on the disposal of non-current assets, impairment of goodwill and other non-current								
assets, net, write-off of trade and other receivables, allowance for expected credit losses on								
financial assets, provision (reversal of provision) for doubtful accounts and write-off of								
inventories to net realisable value	6,308	1,340	4,911	470	978	459	416	408
(Profit) loss after tax for the period from discontinued operations	(41,609)	3,313	(41,651)	3,431	-	(31)	-	(87)
Profit (loss) attributable to non-controlling interests	241	689	(44)	385	120	367	165	(64)
Income tax expense (benefit)	4,333	2,129	1,605	(704)	144	213	(254)	(77)
Effect of pension obligations	135	102	116	87	17	14	2	2
Other fines and penalties	2,838	1,184	450	221	191	522	1,847	442
Gain on restructuring and forgiveness of trade and other payables and write-off of trade and								
other payables with expired legal term	(47)	(70)	(4)	(42)	(42)	(26)	-	(1)
EBITDA	22,013	30,935	13,340	23,282	7,098	7,604	1,288	<u>194</u>
EBITDA, margin	17%	21%	26%	36%	8%	8%	6%	<u>1%</u>
, 8.								
, 	Consolida	ted Results	MiningSe	egment ***	Steel S	egment***	Power Se	egment***
Mln rubles	Consolida 2q 2020	ted Results 1q 2020	2q 2020	1q 2020	2q 2020	1q 2020	Power S 6 2q 2020	1q 2020
Mln rubles Profit (loss) attributable to equity shareholders of Mechel PAO				0		0		0
Mln rubles Profit (loss) attributable to equity shareholders of Mechel PAO Add:	2q 2020 <u>47,074</u>	1q 2020 (36,878)	2q 2020 48,100	1q 2020 (15,520)	2q 2020 7,226	1q 2020 (25,263)	2q 2020	1q 2020 201
Mln rubles Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation	2q 2020 47,074 3,325	1q 2020 (36,878) 3,618	2q 2020 48,100	1q 2020 (15,520) 1,692	2q 2020 7,226 1,459	1q 2020 (25,263)	2q 2020 (1,605)	1q 2020 201
Mln rubles Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation Foreign exchange (gain) loss, net	2q 2020 47,074 3,325 (14,271)	1q 2020 (36,878) 3,618 33,210	2q 2020 48,100 1,744 (3,464)	1q 2020 (15,520) 1,692 8,703	2q 2020 7,226 1,459 (10,774)	1q 2020 (25,263) 1,808 24,438	2q 2020 (1,605)	1q 2020 201 118 68
Mln rubles Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation	2q 2020 47,074 3,325 (14,271) 6,447	3,618 33,210 7,818	2q 2020 48,100 1,744 (3,464) 3,339	1q 2020 (15,520) 1,692 8,703 4,305	2q 2020 7,226 1,459 (10,774) 3,525	1q 2020 (25,263) 1,808 24,438 3,507	2q 2020 (1,605) 122 (34) 118	1q 2020 201 118 68 137
Mln rubles Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation Foreign exchange (gain) loss, net Finance costs including fines and penalties on overdue loans and borrowings and lease payments Finance income	2q 2020 47,074 3,325 (14,271)	1q 2020 (36,878) 3,618 33,210	2q 2020 48,100 1,744 (3,464)	1q 2020 (15,520) 1,692 8,703	2q 2020 7,226 1,459 (10,774)	1q 2020 (25,263) 1,808 24,438	2q 2020 (1,605)	1q 2020 201 118 68
Mln rubles Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation Foreign exchange (gain) loss, net Finance costs including fines and penalties on overdue loans and borrowings and lease payments Finance income Net result on the disposal of non-current assets, impairment of goodwill and other non-current	2q 2020 47,074 3,325 (14,271) 6,447	3,618 33,210 7,818	2q 2020 48,100 1,744 (3,464) 3,339	1q 2020 (15,520) 1,692 8,703 4,305	2q 2020 7,226 1,459 (10,774) 3,525	1q 2020 (25,263) 1,808 24,438 3,507	2q 2020 (1,605) 122 (34) 118	1q 2020 201 118 68 137
Mln rubles Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation Foreign exchange (gain) loss, net Finance costs including fines and penalties on overdue loans and borrowings and lease payments Finance income Net result on the disposal of non-current assets, impairment of goodwill and other non-current assets, net, write-off of trade and other receivables, allowance for expected credit losses on	2q 2020 47,074 3,325 (14,271) 6,447	3,618 33,210 7,818	2q 2020 48,100 1,744 (3,464) 3,339	1q 2020 (15,520) 1,692 8,703 4,305	2q 2020 7,226 1,459 (10,774) 3,525	1q 2020 (25,263) 1,808 24,438 3,507	2q 2020 (1,605) 122 (34) 118	1q 2020 201 118 68 137
Mln rubles Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation Foreign exchange (gain) loss, net Finance costs including fines and penalties on overdue loans and borrowings and lease payments Finance income Net result on the disposal of non-current assets, impairment of goodwill and other non-current assets, net, write-off of trade and other receivables, allowance for expected credit losses on financial assets, provision (reversal of provision) for doubtful accounts and write-off of	2q 2020 47,074 3,325 (14,271) 6,447 (177)	3,618 33,210 7,818 (352)	2q 2020 48,100 1,744 (3,464) 3,339 (591)	1q 2020 (15,520) 1,692 8,703 4,305 (353)	2q 2020 7,226 1,459 (10,774) 3,525 (113)	1q 2020 (25,263) 1,808 24,438 3,507 (122)	2q 2020 (1,605) 122 (34) 118 (6)	1q 2020 201 118 68 137
Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation Foreign exchange (gain) loss, net Finance costs including fines and penalties on overdue loans and borrowings and lease payments Finance income Net result on the disposal of non-current assets, impairment of goodwill and other non-current assets, net, write-off of trade and other receivables, allowance for expected credit losses on financial assets, provision (reversal of provision) for doubtful accounts and write-off of inventories to net realisable value	2q 2020 47,074 3,325 (14,271) 6,447 (177)	1q 2020 (36,878) 3,618 33,210 7,818 (352)	2q 2020 48,100 1,744 (3,464) 3,339 (591) 4,616	1q 2020 (15,520) 1,692 8,703 4,305 (353)	2q 2020 7,226 1,459 (10,774) 3,525	1q 2020 (25,263) 1,808 24,438 3,507	2q 2020 (1,605) 122 (34) 118 (6)	1q 2020 201 118 68 137 (8)
Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation Foreign exchange (gain) loss, net Finance costs including fines and penalties on overdue loans and borrowings and lease payments Finance income Net result on the disposal of non-current assets, impairment of goodwill and other non-current assets, net, write-off of trade and other receivables, allowance for expected credit losses on financial assets, provision (reversal of provision) for doubtful accounts and write-off of inventories to net realisable value (Profit) loss after tax for the period from discontinued operations	2q 2020 47,074 3,325 (14,271) 6,447 (177) 5,384 (45,355)	1q 2020 (36,878) 3,618 33,210 7,818 (352) 924 3,746	2q 2020 48,100 1,744 (3,464) 3,339 (591) 4,616 (45,418)	1q 2020 (15,520) 1,692 8,703 4,305 (353) 296 3,767	2q 2020 7,226 1,459 (10,774) 3,525 (113)	1q 2020 (25,263) 1,808 24,438 3,507 (122) 458	2q 2020 (1,605) 122 (34) 118 (6) 248 21	1q 2020 201 118 68 137 (8) 168 (21)
Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation Foreign exchange (gain) loss, net Finance costs including fines and penalties on overdue loans and borrowings and lease payments Finance income Net result on the disposal of non-current assets, impairment of goodwill and other non-current assets, net, write-off of trade and other receivables, allowance for expected credit losses on financial assets, provision (reversal of provision) for doubtful accounts and write-off of inventories to net realisable value (Profit) loss after tax for the period from discontinued operations Profit (loss) attributable to non-controlling interests	2q 2020 47,074 3,325 (14,271) 6,447 (177) 5,384 (45,355) 435	1q 2020 (36,878) 3,618 33,210 7,818 (352) 924 3,746 (194)	2q 2020 48,100 1,744 (3,464) 3,339 (591) 4,616 (45,418) 49	1q 2020 (15,520) 1,692 8,703 4,305 (353) 296 3,767 (92)	2q 2020 7,226 1,459 (10,774) 3,525 (113) 517 - 291	1q 2020 (25,263) 1,808 24,438 3,507 (122) 458 1 (171)	2q 2020 (1,605) 122 (34) 118 (6) 248 21 96	1q 2020 201 118 68 137 (8) 168 (21) 70
Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation Foreign exchange (gain) loss, net Finance costs including fines and penalties on overdue loans and borrowings and lease payments Finance income Net result on the disposal of non-current assets, impairment of goodwill and other non-current assets, net, write-off of trade and other receivables, allowance for expected credit losses on financial assets, provision (reversal of provision) for doubtful accounts and write-off of inventories to net realisable value (Profit) loss after tax for the period from discontinued operations	2q 2020 47,074 3,325 (14,271) 6,447 (177) 5,384 (45,355) 435 3,645	1q 2020 (36,878) 3,618 33,210 7,818 (352) 924 3,746 (194) 688	2q 2020 48,100 1,744 (3,464) 3,339 (591) 4,616 (45,418) 49 (2,313)	1q 2020 (15,520) 1,692 8,703 4,305 (353) 296 3,767 (92) 3,918	2q 2020 7,226 1,459 (10,774) 3,525 (113)	1q 2020 (25,263) 1,808 24,438 3,507 (122) 458	2q 2020 (1,605) 122 (34) 118 (6) 248 21	1q 2020 201 118 68 137 (8) 168 (21)
Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation Foreign exchange (gain) loss, net Finance costs including fines and penalties on overdue loans and borrowings and lease payments Finance income Net result on the disposal of non-current assets, impairment of goodwill and other non-current assets, net, write-off of trade and other receivables, allowance for expected credit losses on financial assets, provision (reversal of provision) for doubtful accounts and write-off of inventories to net realisable value (Profit) loss after tax for the period from discontinued operations Profit (loss) attributable to non-controlling interests	2q 2020 47,074 3,325 (14,271) 6,447 (177) 5,384 (45,355) 435 3,645 100	1q 2020 (36,878) 3,618 33,210 7,818 (352) 924 3,746 (194) 688 35	2q 2020 48,100 1,744 (3,464) 3,339 (591) 4,616 (45,418) 49 (2,313) 93	1q 2020 (15,520) 1,692 8,703 4,305 (353) 296 3,767 (92) 3,918 23	2q 2020 7,226 1,459 (10,774) 3,525 (113) 517 - 291	1q 2020 (25,263) 1,808 24,438 3,507 (122) 458 1 (171) (226) 11	2q 2020 (1,605) 122 (34) 118 (6) 248 21 96 (331)	1q 2020 201 118 68 137 (8) 168 (21) 70 77 1
Mln rubles Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation Foreign exchange (gain) loss, net Finance costs including fines and penalties on overdue loans and borrowings and lease payments Finance income Net result on the disposal of non-current assets, impairment of goodwill and other non-current assets, net, write-off of trade and other receivables, allowance for expected credit losses on financial assets, provision (reversal of provision) for doubtful accounts and write-off of inventories to net realisable value (Profit) loss after tax for the period from discontinued operations Profit (loss) attributable to non-controlling interests Income tax expense (benefit) Effect of pension obligations Other fines and penalties	2q 2020 47,074 3,325 (14,271) 6,447 (177) 5,384 (45,355) 435 3,645	1q 2020 (36,878) 3,618 33,210 7,818 (352) 924 3,746 (194) 688	2q 2020 48,100 1,744 (3,464) 3,339 (591) 4,616 (45,418) 49 (2,313)	1q 2020 (15,520) 1,692 8,703 4,305 (353) 296 3,767 (92) 3,918	2q 2020 7,226 1,459 (10,774) 3,525 (113) 517 - 291 370	1q 2020 (25,263) 1,808 24,438 3,507 (122) 458 1 (171) (226)	2q 2020 (1,605) 122 (34) 118 (6) 248 21 96	1q 2020 201 118 68 137 (8) 168 (21) 70 77
Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation Foreign exchange (gain) loss, net Finance costs including fines and penalties on overdue loans and borrowings and lease payments Finance income Net result on the disposal of non-current assets, impairment of goodwill and other non-current assets, net, write-off of trade and other receivables, allowance for expected credit losses on financial assets, provision (reversal of provision) for doubtful accounts and write-off of inventories to net realisable value (Profit) loss after tax for the period from discontinued operations Profit (loss) attributable to non-controlling interests Income tax expense (benefit) Effect of pension obligations Other fines and penalties Gain on restructuring and forgiveness of trade and other payables and write-off of trade and	2q 2020 47,074 3,325 (14,271) 6,447 (177) 5,384 (45,355) 435 3,645 100 2,265	1q 2020 (36,878) 3,618 33,210 7,818 (352) 924 3,746 (194) 688 35 573	2q 2020 48,100 1,744 (3,464) 3,339 (591) 4,616 (45,418) 49 (2,313) 93 235	1q 2020 (15,520) 1,692 8,703 4,305 (353) 296 3,767 (92) 3,918 23 215	2q 2020 7,226 1,459 (10,774) 3,525 (113) 517 291 370 6 75	1q 2020 (25,263) 1,808 24,438 3,507 (122) 458 1 (171) (226) 11 117	2q 2020 (1,605) 122 (34) 118 (6) 248 21 96 (331)	1q 2020 201 118 68 137 (8) 168 (21) 70 77 1
Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation Foreign exchange (gain) loss, net Finance costs including fines and penalties on overdue loans and borrowings and lease payments Finance income Net result on the disposal of non-current assets, impairment of goodwill and other non-current assets, net, write-off of trade and other receivables, allowance for expected credit losses on financial assets, provision (reversal of provision) for doubtful accounts and write-off of inventories to net realisable value (Profit) loss after tax for the period from discontinued operations Profit (loss) attributable to non-controlling interests Income tax expense (benefit) Effect of pension obligations Other fines and penalties Gain on restructuring and forgiveness of trade and other payables and write-off of trade and other payables with expired legal term	2q 2020 47,074 3,325 (14,271) 6,447 (177) 5,384 (45,355) 435 3,645 100 2,265 (20)	1q 2020 (36,878) 3,618 33,210 7,818 (352) 924 3,746 (194) 688 35 573	2q 2020 48,100 1,744 (3,464) 3,339 (591) 4,616 (45,418) 49 (2,313) 93 235	1q 2020 (15,520) 1,692 8,703 4,305 (353) 296 3,767 (92) 3,918 23 215	2q 2020 7,226 1,459 (10,774) 3,525 (113) 517 291 370 6 75 (17)	1q 2020 (25,263) 1,808 24,438 3,507 (122) 458 1 (171) (226) 11 117	2q 2020 (1,605) 122 (34) 118 (6) 248 21 96 (331) 1 1,757	1q 2020 201 118 68 137 (8) 168 (21) 70 77 1 90
Profit (loss) attributable to equity shareholders of Mechel PAO Add: Depreciation and amortisation Foreign exchange (gain) loss, net Finance costs including fines and penalties on overdue loans and borrowings and lease payments Finance income Net result on the disposal of non-current assets, impairment of goodwill and other non-current assets, net, write-off of trade and other receivables, allowance for expected credit losses on financial assets, provision (reversal of provision) for doubtful accounts and write-off of inventories to net realisable value (Profit) loss after tax for the period from discontinued operations Profit (loss) attributable to non-controlling interests Income tax expense (benefit) Effect of pension obligations Other fines and penalties Gain on restructuring and forgiveness of trade and other payables and write-off of trade and	2q 2020 47,074 3,325 (14,271) 6,447 (177) 5,384 (45,355) 435 3,645 100 2,265	1q 2020 (36,878) 3,618 33,210 7,818 (352) 924 3,746 (194) 688 35 573	2q 2020 48,100 1,744 (3,464) 3,339 (591) 4,616 (45,418) 49 (2,313) 93 235	1q 2020 (15,520) 1,692 8,703 4,305 (353) 296 3,767 (92) 3,918 23 215	2q 2020 7,226 1,459 (10,774) 3,525 (113) 517 291 370 6 75	1q 2020 (25,263) 1,808 24,438 3,507 (122) 458 1 (171) (226) 11 117	2q 2020 (1,605) 122 (34) 118 (6) 248 21 96 (331)	1q 2020 201 118 68 137 (8) 168 (21) 70 77 1

*** including inter-segment operations

Income tax, deferred tax related to the consolidated group of taxpayers are not allocated to segments as they are managed on the group basis.

Attachment B

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME

for the six months ended June 30, 2020

(All amounts are in millions of Russian rubles, unless stated otherwise)

	Six months ended June 30, 2020 (unaudited)	Six months ended June 30, 2019 (unaudited)*
Continuing operations		
Revenue from contracts with customers	131,773	148,456
Cost of sales	(84,870)	(91,695)
Gross profit	46,903	56,761
Selling and distribution expenses	(24,297)	(24,037)
Impairment of goodwill and other non-current assets, net	(3,498)	_
Allowance for expected credit losses on financial assets	(849)	(450)
Taxes other than income taxes	(2,432)	(1,834)
Administrative and other operating expenses	(10,483)	(8,351)
Other operating income.	326	302
Total selling, distribution and operating income and (expenses), net	(41,233)	(34,370)
Operating profit	5,670	22,391
Finance in come	529	481
Finance costs including fines and penalties on overdue loans and borrowings and lease payments	(14,265)	(17,534)
Foreign exchange (loss) gain, net	(18,939)	13,816
Share of profit of associates, net	(10,737)	11
Other income	255	71
Other expenses	(95)	(360)
Total other income and (expense), net	(32,509)	(3,515)
(Loss) profit before tax from continuing operations	(26,839)	18,876
Income tax expense	(4,333)	(2,129)
(Loss) profit for the period from continuing operations	(31,172)	16,747
Discontinued operations		
Profit (loss) after tax for the period from discontinued operations	41,609	(3,313)
Profit for the period	10,437	13,434
Attributable to:		
Equity shareholders of Mechel PAO	10,196	12,745
Non-controlling interests	241	689
Ton tonioning interest		00)
Other comprehensive income		
Other comprehensive income (loss) that may be reclassified to profit or loss in		
subsequent periods, net of income tax	1,442	(839)
Exchange differences on translation of foreign operations	1,442	(839)
Other comprehensive loss not to be reclassified to profit or loss in subsequent		
periods, net of income tax	(127)	(248)
Re-measurement of defined benefit plans	(127)	(248)
Other comprehensive income (loss) for the period, net of tax	1,315	(1,087)
Total comprehensive income for the period, net of tax	11,752	12,347
Attributable to:		
Equity shareholders of Mechel PAO	11,514	11,664
Non-controlling interests.	238	683
Earnings per share		
Weighted average number of common shares	415,251,749	416,270,745
Earnings per share (Russian rubles per share) attributable to common equity	24.55	20.72
shareholders - basic and diluted	24.55	30.62
(Loss) earnings per share from continuing operations (Russian rubles per share) - basic and diluted	(75.65)	38.58
Earnings (loss) per share from discontinued operations (Russian rubles per share) -	(73.03)	30.30
basic and diluted	100.20	(7.96)
		` '

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as of June 30, 2020 (All amounts are in millions of Russian rubles)

Assets Property plant and equipment \$2.585 179.264 Property plant and equipment \$2.585 179.264 Property plant and equipment \$2.585 179.264 Property plant and equipment \$1.384 71.728 Mineral liseneses \$1.3184 71.728 Mineral liseneses \$1.3184 71.728 Mineral liseneses \$1.328 71.365 71		June 30, 2020 (unaudited)	December 31, 2019
Property plant and equipmen 82.585 179.264 Right-of-use assets 13.184 17.728 Mineral licenses 18.847 31.075 Goodwill and other intangible assets 10.371 31.652 Investments in associates 328 321 Other non-current assets 671 3.648 Other non-current assets 250 232 Total non-current assets 40.821 39.773 Income tax receivables 40.821 39.773 Income tax receivables 60.50 15.00 Total current assets 40.821 39.773 Income tax receivables 60.50 15.00 Total assets 40.821 39.773 Income tax receivables 40.821 39.773 Income tax receivables 40.821 30.00 Other current assets 40.821 30.00 Other current famerical assets 40.821 30.00 Other current famerical assets 40.821 30.00 Total current assets 40.00 30.00			
Right-of-sic assests 13,184 17,728 Mineral kicres 18,847 31,055 Goodwill and othe rintagible assets 10,371 31,652 Investments in associates 328 321 Defered tax assets 671 3543 Nor-current financial assets 250 232 Nor-current financial assets 212,6783 246,773 Total non-current assets 62 65 Total and other receivables 62 65 Total and other receivables 7,000 6,082 Other current assets 7,000 6,082 Other current assets 7,000 6,082 Other current assets 9,052 66,032 Other current assets 9,052 66,032 Other current assets 8,06 68,032 Other current assets 1,000 6,032 Other current assets 9,052 66,032 Other current assets 1,000 6,032 Other current assets 1,000 6,032 Other current assets		92 595	170.264
Mineral licenses 18,847 31,055 Goodwill and other intangible assets 10,371 36,682 Investments in associates 328 321 Deferred tax assets 671 3,648 One non-current assets 250 323 Total non-current assets 40,821 39,773 Incentaries 40,821 39,773 Incentaries 40,821 39,773 Incentaries 40,821 39,773 Incentaries 16,609 15,406 Trade and other receivables 16,609 15,406 Other current financial assets 4,521 30,50 Other current financial assets 4,521 30,50 Total arsets 9,533 66,632 Total assets 9,533 66,032 Total assets 19,609 312,600 Total assets 4,163 4,163 Capting and itabilities 4,163 4,163 Capting and itabilities 4,163 4,163 Total assets 4,163 4,163			,
Goodwill and other intangible assets 10,371 31,365 Investments in associates 328 321 Deferred tax assets 671 3,543 Non-current financial assets 250 232 Total non-current assets 212,6783 246,475 Total non-current assets 48,21 39,773 Income tax receivables 62 65 Toda and other receivables 7,005 6882 Other current assets 7,005 6882 Other current financial assets 4272 3,500 Other current assets 9,035 60,332 Other current assets 196,36 312,52 Total assets 196,36 312,52 Equity and Liabilities 84,163 4,163 Equity and Liabilities 4,163 4,163 Common shares 4,163 4,163 Preferred shares 4,163 4,163 Additional paid-in capital. 24,434 24,434 Accumulated other comprehensive income (loss) 4,18 8,48		,	,
Procession is associates			· ·
Deference tax assets. 671 3,648 Other non-current assets. 547 553 Non-current financial assets. 250 232 Total non-current assets. 266 246,473 Inventories. 40,821 39,773 Inventories. 16,909 15,340 Trade and other receivables. 16,909 15,340 Other current financial assets. 42,72 3,503 Cash and cash equi yalents. 42,72 3,503 Cash and cash equi yalents. 42,72 3,503 Total current assets. 96,9523 66,032 Total assets. 196,306 312,505 Equity 8 4,163 4,163 Cash and cash equi yalents. 4,163 4,163 4,163 Total current assets. 96,9523 66,032 66,032 Total current seep depity and liabilities. 4,163 4,163 4,163 4,163 4,163 4,163 4,163 4,163 4,163 4,164 4,163 4,164 1,243 4,444 <th< td=""><td></td><td>· · · · · · · · · · · · · · · · · · ·</td><td>,</td></th<>		· · · · · · · · · · · · · · · · · · ·	,
Non-current financial assetts. 250 232 Total non-current assetts. 266,783 246,473 Inventories. 40,821 39,773 Income tax receivables. 16,909 15,440 Other current sests. 7,005 69,823 Other current financial assets. 4272 3,509 Other current sests. 69,523 66,032 Other current sests. 69,523 66,032 Otal current assets. 4272 3,509 Total assets. 496,306 312,505 Equity 840 840 Septisty and liabilities 4,163 4,163 Equity 4,163 4,163 4,163 Femals 840 840 840 Preferred shares 840 840 840 Treastry shares 840 840 840 Common share. 4,163 4,163 4,163 4,163 4,163 4,163 4,163 4,163 4,163 4,163 4,163 4,163 4,163		671	3,648
Personal assets	Other non-current assets	547	553
Current assets	Non-current financial assets		
Inventorios	Total non-current assets	126,783	246,473
Inventorios	Current assets		
Income tax receivables 6 6 6 6 8 7 0 6 0.82<		40.821	39.773
Other current financial assets. 7,05 6,982 Other current financial assets. 4,272 3,099 Total current assets. 69,523 66,032 Total assets. 95,523 66,032 Equity and liabilities 8 4,163 4,163 Equity 4,163	Income tax receivables		,
Other current financial assets 454 363 Cash and cash equivalents 4,272 35,90 Total assets 196,306 312,505 Equity and liabilities 8 4,163 4,163 Common shares 4,163 4,163 4,163 Preferred shares 840 840 840 Additional paid-in capital 24,434 24,343 Accumulated other comprehasive income (loss) 4118 (848) Accumulated other comprehasive income (loss) 411,874 24,324 Accumulated other comprehasive income (loss) 203,859 245,228 Ponity attributable to equity shareholders of Mechel PAO (233,859) 245,228 Non-controlling interests 201 7,002 Total equity 201 7,002 Vanious and borrowings 201 7,002 Lease liabilities 4,497 7,002 Lease liabilities 4,497 7,002 Chern on-current liabilities 2,528 1,003 Position obligations 5,196 4,333	Trade and other receivables	16,909	15,340
And cash equivalents 4.77 3.50 Total current assets 69,523 66,032 Total assets 196,306 312,505 Equity and liabilities 8 4 Equity 4,163 4,163 4,163 4,163 4,163 6,40 820 840 840 820		,	,
Total assets. 69,523 66,032 Total assets. 196,066 312,505 Equity and liabilities Section of Common States 4,163 4,163 4,163 6,163 6,03 7,00 1,00 9,03 9,00 1,00 9,03 9,00 1,00 9,00 1,00 9,00 1,00 1,00 1,00 1			
Potal assets. 196,306 312,505	•		
Equity and liabilities Equity 4,163 4,103 4,103 4,103	Total current assets	69,523	66,032
Equity 4,163 4,163 4,163 4,163 1,164 <t< td=""><td>Total assets</td><td>196,306</td><td>312,505</td></t<>	Total assets	196,306	312,505
Common shares 4,163 4,163 Preferred shares 840 840 Treasury shares (63) (63) Additional paid-in capital 24,434 24,434 Accumulated other comprehensive income (loss) 418 (848) Accumulated deficit (263,650) (273,754) Equity attributable to equity shareholders of Mechel PAO (233,858) (245,228) Non-controlling interests 11,874 11,631 Total equity (221,984) (233,597) Non-current liabilities 201 7,205 Lease liabilities 201 7,205 Lease liabilities 269 105 Other non-current liabilities 269 105 Pension obligations 5,196 4,933 Provisions 4,497 7,552 13,877 Total on-current liabilities 269 105 Current liabilities 30,814 52,38 Deferred tax liabilities 30,814 381,317 Total on-current liabilities 30,814 381,317	Equity and liabilities		
Preferred shares 840 840 Treasury shares (63) (63) (63) Additional paid-in capital 24,434 24,434 Accumulated other comprehensive income (loss) 418 (848) Accumulated deficit (263,650) (223,288) Equity attributable to equity shareholders of Mechel PAO (233,858) (245,228) Non-controlling interests 11,874 11,631 Total equity 221,984 (233,579) Non-controlling interests 20 (231,984) Post equity 4497 7,002 Lease liabilities 1,950 48,303 Other non-current liabilities 269 105 Pension obligations 5,196 4,933 Provisions 4,364 5,238 Deferred tax liabilities 24,029 86,663 Deferred tax liabilities 303,814 381,317 Total non-current liabilities 303,814 381,317 Taxes and borrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020	Equity		
Treasury shares (63) (63) Additional paid-in capital 24,434 24,434 Accumulated other comprehensive income (loss) 418 (848) Accumulated deficit (263,650) (273,754) Equity attributable to equity shareholders of Mechel PAO (233,858) (245,228) Non-controlling interests 11,87 11,631 Total equity 201 7,205 Lease liabilities 201 7,205 Lease liabilities 1,950 48,303 Other non-current finacial liabilities 269 105 Pension obligations 3,196 4,933 Deferred tax liabilities 30,381 38,663 Deferred tax liabilities 30,381 38,137 Total non-current liabilities 30,381 38,137 Loans and borrowings, including interest payable, fines and penalties on overdue amounts of RUB 1,495 million and RUB 11,11 million as of June 30, 2020		,	,
Additional paid-in capital. 24,434 24,434 Accumulated other comprehensive income (loss) 418 (848) Accumulated deficit (263,650) (273,754) Equity attributable to equity shareholders of Mechel PAO (233,858) (245,228) Non-controlling interests 11,874 11,631 Total equity (221,984) (233,597) Non-current liabilities 201 7,205 Lease liabilities 4,497 7,002 Other non-current financial liabilities 1,950 48,303 Other non-current liabilities 269 105 Pension obligations 5,196 4,933 Provisions. 34,364 5,238 Deferred tax liabilities 7,552 13,877 Total non-current liabilities 30,402 86,663 Current liabilities 303,814 381,317 Tade and borrowings, including interest payable, fines and penalties on overdue amounts of RUB II,495 million and RUB II,111 million as of June 30,2020 303,814 381,317 Trade and other payables 43,057 38,244 Lease li	_		
Accumulated other comprehensive income (loss) 418 (848) Accumulated deficit (263,650) (273,754) Equity attributable to equity shareholders of Mechel PAO (233,858) (245,228) Non-controlling interests 11,874 11,631 Total equity (221,984) (233,597) Non-current liabilities 201 7,205 Lease liabilities 201 7,205 Lease liabilities 1,950 48,303 Other non-current liabilities 269 105 Pension obligations 5,196 4,933 Provisions 24,364 5,238 Deferred tax liabilities 7,552 13,877 Total non-current liabilities 24,029 86,663 Current liabilities 303,814 381,317 Total can do borrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020 303,814 381,317 Trade and other payables 43,057 38,244 43,057 38,244 Lease liabilities 7,961 10,353 10,052 9,1		. ,	` /
Equity attributable to equity shareholders of Mechel PAO (263,650) (273,754) Equity attributable to equity shareholders of Mechel PAO (233,858) (245,228) Non-controlling interests. 11,874 11,631 Total equity. (221,984) (233,597) Non-current liabilities 201 7,002 Lease liabilities 4,497 7,002 Lease liabilities 1,950 48,303 Other non-current financial liabilities 2,69 1,05 Pension obligations 5,196 4,933 Provisions. 4,364 5,238 Deferred tax liabilities 24,029 86,633 Current liabilities 24,029 86,663 Current liabilities 303,814 381,317 Total non-current liabilities 303,814 381,317 Lease liabilities 303,814 381,317 Trade and oberrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020 303,814 381,317 Trade and other payables 43,057 38,244 24,249 <th< td=""><td></td><td>· · · · · · · · · · · · · · · · · · ·</td><td></td></th<>		· · · · · · · · · · · · · · · · · · ·	
Equity attributable to equity shareholders of Mechel PAO (233,858) (245,228) Non-controlling interests. 11,874 11,631 Total equity. (221,984) (233,857) Non-current liabilities Loans and borrowings. 201 7,205 Lease liabilities 4,497 7,002 Current current financial liabilities 1,950 48,303 Other non-current liabilities 269 105 Pension obligations 5,196 4,933 Provisions. 4,364 5,238 Provisions. 4,364 5,238 Deferred tax liabilities 7,552 13,877 Total non-current liabilities 303,814 381,317 Loans and borrowings, including interest payable, fines and penalties on overdue amounts of RUB I1,495 million and RUB I1,111 million as of June 30, 2020 303,814 381,317 Trade and other payables 43,057 38,244 Lease liabilities 7,961 10,353 Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919	* '		
Non-controlling interests. 11,874 11,631 Total equity. (221,984) (233,597) Non-current liabilities 201 7,205 Lease liabilities 4,497 7,002 Other non-current financial liabilities 1,950 48,303 Other non-current liabilities 269 105 Pension obligations 5,196 4,933 Provisions. 4,364 5,238 Deferred tax liabilities 24,029 86,663 Current liabilities 24,029 86,663 Current liabilities 303,814 381,317 Loans and borrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020 303,814 381,317 Trade and other payables 303,814 381,317 38,244 Lease liabilities 7,961 10,353 Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other curre			
Total equity (221,984) (233,597) Non-current liabilities 201 7,205 Lease liabilities 4,497 7,002 Other non-current financial liabilities 1,950 48,003 Other non-current liabilities 269 105 Pension obligations 5,196 4,933 Provisions 4,364 5,238 Deferred tax liabilities 7,552 13,877 Total non-current liabilities 24,029 86,663 Current liabilities 303,814 381,317 Trade and obrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020 303,814 381,317 Trade and other payables 43,057 38,244 Lease liabilities 7,961 10,353 Income tax pay able 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 6,638 5,816 Other current liabiliti			
Non-current liabilities 201 7,205 Lease liabilities 4,497 7,002 Other non-current financial liabilities 1,950 48,303 Other non-current liabilities 269 105 Pension obligations 5,196 4,333 Provisions 4,364 5,238 Deferred tax liabilities 7,552 13,877 Total non-current liabilities 24,029 86,663 Current liabilities 303,814 381,317 Loans and borrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020 303,814 381,317 Trade and other payables 43,057 38,244 Lease liabilities 7,961 10,353 Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 6,638 5,816 Pension obligations 6,936 4,558 Total current liabilitie			
Loans and borrowings 201 7,205 Lease liabilities 4,497 7,002 Other non-current financial liabilities 1,950 48,303 Other non-current liabilities 269 105 Pension obligations 5,196 4,933 Provisions 4,364 5,238 Deferred tax liabilities 7,552 13,877 Total non-current liabilities 24,029 86,663 Current liabilities 303,814 381,317 Tade and borrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020 303,814 381,317 Trade and other payables 303,814 381,317 38,244 Lease liabilities 7,961 10,353 10,353 10,353 10,353 10,353 10,352 9,161 10,352 9,161 10,352 9,161 10,352 9,161 10,352 9,161 10,352 9,161 10,352 9,161 10,252 9,161 10,252 9,161 10,252 9,161 10,252 9,161 <th< td=""><td>Total equity</td><td>(221,984)</td><td>(233,397)</td></th<>	Total equity	(221,984)	(233,397)
Lease liabilities 4,497 7,002 Other non-current financial liabilities 1,950 48,303 Other non-current liabilities 269 105 Pension obligations 5,196 4,933 Provisions 4,364 5,238 Deferred tax liabilities 7,552 13,877 Total non-current liabilities 24,029 86,663 Current liabilities 24,029 86,663 Cural od becember 31, 2019, respectively 303,814 381,317 Trade and other payables 43,057 38,244 Lease liabilities 7,961 10,353 Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 <td>Non-current liabilities</td> <td></td> <td></td>	Non-current liabilities		
Other non-current financial liabilities 1,950 48,303 Other non-current liabilities 269 105 Pension obligations 5,196 4,933 Provisions 4,364 5,238 Deferred tax liabilities 7,552 13,877 Total non-current liabilities 24,029 86,663 Current liabilities 8 8 Loans and borrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020 303,814 381,317 Trade and other payables 43,057 38,244 Lease liabilities 7,961 10,353 Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290<	Loans and borrowings	201	7,205
Other non-current liabilities 269 105 Pension obligations 5,196 4,933 Provisions 4,364 5,238 Deferred tax liabilities 7,552 13,877 Total non-current liabilities 24,029 86,663 Current liabilities 8 8 Loans and borrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020 303,814 381,317 Trade and othere payables 43,057 38,244 Lease liabilities 7,961 10,353 Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102		,	,
Pension obligations 5,196 4,933 Provisions 4,364 5,238 Deferred tax liabilities 7,552 13,877 Total non-current liabilities 24,029 86,663 Current liabilities 24,029 86,663 Current liabilities 303,814 381,317 Loans and borrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020 303,814 381,317 Trade and othere payables 43,057 38,244 Lease liabilities 7,961 10,353 Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102			,
Provisions 4,364 5,238 Deferred tax liabilities 7,552 13,877 Total non-current liabilities 24,029 86,663 Current liabilities 24,029 86,663 Loans and borrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020 and December 31, 2019, respectively 303,814 381,317 Trade and other payables 43,057 38,244 Lease liabilities 7,961 10,353 Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102			
Deferred tax liabilities 7,552 13,877 Total non-current liabilities 24,029 86,663 Current liabilities Loans and borrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020 and December 31, 2019, respectively 303,814 381,317 Trade and other payables 43,057 38,244 Lease liabilities 7,961 10,353 Income tax pay able 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102			
Current liabilities 24,029 86,663 Current liabilities Loans and borrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020 and December 31, 2019, respectively. 303,814 381,317 Trade and other payables 43,057 38,244 Lease liabilities 7,961 10,353 Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102			· ·
Loans and borrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020 303,814 381,317 Trade and other payables 43,057 38,244 Lease liabilities 7,961 10,353 Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102			
Loans and borrowings, including interest payable, fines and penalties on overdue amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020 303,814 381,317 Trade and other payables 43,057 38,244 Lease liabilities 7,961 10,353 Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102	G AN LINE		
amounts of RUB 11,495 million and RÜB 11,111 million as of June 30, 2020 303,814 381,317 Trade and other payables 43,057 38,244 Lease liabilities 7,961 10,353 Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102			
Trade and other payables 43,057 38,244 Lease liabilities 7,961 10,353 Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102	amounts of RUB 11,495 million and RUB 11,111 million as of June 30, 2020	202.014	201.215
Lease liabilities 7,961 10,353 Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102		· ·	,
Income tax payable 10,052 9,161 Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102	1 7	,	,
Taxes and similar charges payable other than income tax 14,919 9,228 Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102		,	,
Advances received and other current liabilities 6,638 5,816 Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102			· ·
Other current financial liabilities 298 147 Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102	• . •	· ·	,
Pension obligations 586 615 Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102		,	,
Provisions 6,936 4,558 Total current liabilities 394,261 459,439 Total liabilities 418,290 546,102			
Total liabilities	· · · · · · · · · · · · · · · · · · ·	6,936	4,558
	Total current liabilities	394,261	459,439
Total equity and liabilities	Total liabilities	418,290	546,102
	Total equity and liabilities	196,306	312,505

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended June 30, 2020

(All amounts are in millions of Russian rubles)

Cash from from operating activities (31,172) 16,747 Profit (oss) after tax for the period from discontinued operations 41,609 (3,313) Profit (oss) after tax for the period from discontinued operations 10,437 13,434 Adjustments to reconcile profit to net each provided by operating activities 20,316 (14,630) Deprecation and anortisation 5,146 (16,722) Concept aching the seguin, net 3,146 (16,722) Concept albeit and payables, net 3,23 385 Write-off of invent-ories to net realisable value 1,870 221 Impairment of goodwill and other non-current assets, net and loss on write-off of manuscruent assets 3,659 216 Finance income 15,773 19,988 1,980 220 Finance income 25,250 2,773 2,980 2,773 2,980 2,773 Chin on sake of the discontinued operations 25,251 2,277 2,277 2,21 2,277 2,277 2,277 2,277 2,277 2,277 2,277 2,277 2,277 2,277 2,277 2,277 2,277 <		Six months ended June 30, 2020 (unaudited)	Six months ended June 30, 2019 (unaudited)
Profit for the period from discontinued operations			
Profit for the period. 19.437 3.434 3.434 3.435 3.			,
Adjustments to reconcile profit to net cash provided by operating activities 20.316 (1.630)		,	
Depreciation and amortisation		10,437	10,404
Portigin exchange loss (gain), net		7.475	7.183
Changes in allowance for expected credit loses and write-off of trade and other receivables and payables, net			,
receivables and payables, net. 823 883 Write-off of investories to net realisable value 1,870 62 Impairment of goodwill and other non-current assets, net and loss on write-off on non-current assets 3,659 2,16 Finance income (529) (490) Finance costs including fines and penalties on overdue loans and borrowings and lease pay ments. 15,973 19,989 Provisions for legal claims, taxes and other provisions 2,541 2,775 Cain on sale of the discontinued operations 200 2 Changes in working capital items 2 2 20 Changes in working capital items 2 2 2,10 Inventories. (3,503) (2,190) 1,745 2,231 Advances received 760 (275) 2 2,31 Advances received 760 (275) 2 2,31 Net cash provided by operating activities 2 2 2 2,60 Cash Hows from investing activities 2 1 5 2 2 1,76 2 2 1 5 <td></td> <td>3,146</td> <td>(1,672)</td>		3,146	(1,672)
Write off of inventories to net realisable value 1,870 621 Inpariment of goodwill and other non-current assets 3,659 216 Finance income (529) (490) Finance costs including fines and penalties on overdue loans and borrowings and lease payments. 15,973 19,989 Provisions for legal claims, taxes and other provisions 2,541 2,775 Gain on sale of the discontinued operations (2,561) 222 Other. 200 (2,061) (3,503) Inventories. (3,503) (2,190) Trade and other receivables. (3,603) (2,190) Trade and other provisions. (3,503) (2,190) Trade and other provisions. (3,503) (2,190) Trade and other provisions. (3,503) (2,190) Trade and other provisions. (3,603) (2,190) Trade and other provisions. (2,100) (1,165) Trade and other provisions. (2,100) (1,455) Accompany and other provisions. (2,100) (1,455) Net cash provided by operating activities. (2,100) (2,100		022	205
Impairment of goodwill and other non-current assets, net and loss on write-off of non-current assets on occurrent assets on occurrent assets on occurrent assets on overdue loans and borrowings and lease payments. 15,973 19,089 7070 15,073 19,089 7070 15,073 19,089 7070 15,073 19,089 7070 15,073 19,089 7070 15,073 15,073 19,089 7070 15,073 15,073 19,089 7070 15,073 15,073 19,089 10,000 15,000			
non-current assets 3,659 216 Finance conts including fines and penalties on overdue loans and borrowings and lease payments 15,973 19,989 Provisions for legal claims, taxes and other provisions 2,541 2,775 Gain on sale of the discontinued operations 45,580 — Other. 222 204 Changes in working capital items Trade and other receivables (3,003) (2,190) Inventories. (3,003) (2,190) Inventories. (3,003) (2,190) Inventories. 760 (275) Inventories. (210) 1,407 Taxes payable and other liabilities. 7,433 2,275 Other assets. (210) 1,407 Income tax paid. (285) (1,165) Net cash provided by operating activities. 21 56 Cash lows from investing activities. 21 56 Royalty and other proceeds associated with disposal of subsidiaries. 21 56 Froceast from disposals of property, plant and equipment. 6 207 Proceeds from disposal		1,670	021
Finance costs including fines and penalties on overdue loans and borrowings and lease payments 2,541 2,775 2,641 2,775 2,641 2,775 2,641 2,775 2,641 2,775 2,641 2,775 2,764 2,775 2,764 2,775 2,764 2,775 2,764 2,775 2,764 2,775 2,764 2,775 2,7		3,659	216
Elease payments	Finance income	(529)	(490)
Provisions for legal claims, taxes and other provisions			
Gain on sale of the discontinued operations (45,580) — Outpot Other (2061) (3,952) Changes in working capital items (2,061) (3,952) Trade and other receivables (3,503) (2,190) Inventories (3,503) (2,190) Trade and other payables 1,745 2,231 Advances received 760 (275) Taxes payable and other liabilities (210) 1,475 Income tax paid (285) (1,165) Net cash provided by operating activities 24,232 26,796 Cash flows from investing activities 21 56 Royalty and other proceeds associated with disposal of subsidiaries - 17 Proceeds from disposal of the discontinued operations, net of cash disposed 88,979 - Proceeds from disposals of property, plant and equipment 6 207 Purchases of property, plant and equipment and equipment of cash disposed (41) (92) Vectash flows from financing activities 88,976 (2,086) Proceeds from disposal of the discontinued operations, net of cash disposed 12,2	lease payments	,	· · · · · · · · · · · · · · · · · · ·
Other 2222 204 Changes in working capital items 2 Trade and other receivables (2,061) (3,952) Inventories (3,503) (2,190) Trade and other payables 760 (275) Advances received 760 (275) Taxes payable and other liabilities 2,133 2,275 Other assets (210) 1,407 Income tax paid 24,232 26,796 Net cash provided by operating activities 24,232 26,796 Interest received 21 56 Royalty and other proceeds associated with disposal of subsidiaries 21 56 Royalty and other proceeds associated with disposal of subsidiaries 39 310 Proceeds from disposal of the discontinued operations, net of cash disposed 88,979 - Proceeds from disposal of property, plant and equipment 6 207 Proceeds from disposal of property, plant and equipment and equipment and equipment and equipment and equipment and equipment from francing arrangement of RUB 17 million and RUB 15 million for the six months ended June 30, 2020 and 2019, respectively. 12,292 7,130	Coin on sale of the discontinued expertions	· ·	2,775
Changes in working capital items (2.061) (3.953) (2.190) Inventories. (3.503) (2.190) Inventories. (3.503) (2.190) Trade and other prayables. (7.60) (275) Taxes payable and other liabilities. 7.433 2.725 Other assets. (210) 1.467 Income tax paid. (285) (1.165) Cash flows from investing activities. 21 5 Cay. (297) 21 6 Proceeds from disposal of the discontinued operations, net of cash disposed. 88,979 2 <			204
Trade and other receivables		222	201
Inventories	9 9 1	(2.051)	(2.052)
Trade and other pay ables			. , ,
Advances received. 760 (275) Taxes payable and other liabilities 7,433 2,725 Other assets. (210) 1,407 Income tax paid. (285) (1,165) Net eash provided by operating activities. 24,232 26,796 Cash flows from investing activities. 21 56 Royalty and other proceeds associated with disposal of subsidiaries. - 17 Proceeds from loans issued and other investments. 39 310 Proceeds from disposals of property, plant and equipment. (30,078) 2,584 Interest paid, capitalised. (41) (92) Vet cash provided by (used in) investing activities. 85,926 2,086) Vet cash provided by (used in) investing activities. 85,926 2,086) Vet cash provided by (used in) investing activities. 85,926 2,086) Vet cash provided by (used in) investing activities. 12,929 7,130 Proceeds from loans and borrowings, including proceeds from factoring arrangement of RUB 17 million and RUB 156 million for the six months ended June 30, 2020 and 2019, respectively. (108,247) (11,67) Dividendes paid to non-contr		* ' '	. , ,
Taxas pay able and other liabilities	* *	,	,
Cash flows from financing activities Cash flows from financing activities Cash flows from investing activities Cash flows from disposal of the discontinued operations, net of cash disposed Sas.979 Cash flows from disposal of the discontinued operations, net of cash disposed Sas.979 Cash flows from disposal of the discontinued operations Cash flows from disposal of the discontinued operations Cash flows from disposal of property, plant and equipment Cash flows from disposal of property, plant and equipment Cash flows from financing activities Cash flows from loans and borrowings, including proceeds from factoring arrangement of RUB 17 million and RUB 156 million for the six months ended June 30, 2020 and 2019, respectively 12,929 7,130			` '
Cash flows from investing activities 24,232 26,796 Cash flows from investing activities 21 56 Interest received 21 17 Royally and other proceeds associated with disposal of subsidiaries 2 – 17 Proceeds from disposal of the discontinued operations, net of cash disposed 88,979 2 – 6 Proceeds from disposal of the discontinued operations, net of cash disposed 88,979 6 207 Proceeds from disposals of property, plant and equipment (3,078) (2,584) Interest paid, capitalised (41) (92) Net cash provided by (used in) investing activities 85,926 (2,086) Cash flows from financing activities 85,926 (2,086) Proceeds from loans and borrowings, including proceeds from factoring arrangement of RUB I7 million and RUB 156 million for the six months ended June 30, 2020 and 2019, respectively. 12,929 7,130 Repayment of loans and borrowings, including payments from factoring arrangement of RUB 180 million and RUB 2,066 million for the six months ended June 30, 2020, and 2019, respectively. (108,247) (11,767) Dividends paid to non-controlling interests (3) (6) Interest paid, including fines and penalties <t< td=""><td>Other assets</td><td>(210)</td><td>1,407</td></t<>	Other assets	(210)	1,407
Cash flows from investing activities 24,232 26,796 Cash flows from investing activities 21 56 Interest received 21 17 Royally and other proceeds associated with disposal of subsidiaries 2 – 17 Proceeds from disposal of the discontinued operations, net of cash disposed 88,979 2 – 6 Proceeds from disposal of the discontinued operations, net of cash disposed 88,979 6 207 Proceeds from disposals of property, plant and equipment (3,078) (2,584) Interest paid, capitalised (41) (92) Net cash provided by (used in) investing activities 85,926 (2,086) Cash flows from financing activities 85,926 (2,086) Proceeds from loans and borrowings, including proceeds from factoring arrangement of RUB I7 million and RUB 156 million for the six months ended June 30, 2020 and 2019, respectively. 12,929 7,130 Repayment of loans and borrowings, including payments from factoring arrangement of RUB 180 million and RUB 2,066 million for the six months ended June 30, 2020, and 2019, respectively. (108,247) (11,767) Dividends paid to non-controlling interests (3) (6) Interest paid, including fines and penalties <t< td=""><td>Income tax naid</td><td>(285)</td><td>(1.165)</td></t<>	Income tax naid	(285)	(1.165)
Cash flows from investing activities 1	-		
Section Common			
Royalty and other proceeds associated with disposal of subsidiaries 39 310 Proceeds from loans issued and other investments 38,979		21	56
Proceeds from disposal of the discontinued operations, net of cash disposed		_	
Proceeds from disposals of property, plant and equipment	Proceeds from loans issued and other investments	39	310
Purchases of property, plant and equipment		88,979	_
Interest paid, capitalised. (41) (92) Net cash provided by (used in) investing activities 85,926 (2,086) Cash flows from financing activities 85,926 (2,086) Proceeds from loans and borrowings, including proceeds from factoring arrangement of RUB 156 million for the six months ended June 30, 2020 and 2019, respectively. 12,929 7,130 Repay ment of loans and borrowings, including payments from factoring arrangement of RUB 180 million and RUB 2,066 million for the six months ended June 30, 2020, and 2019, respectively. (108,247) (11,767) Dividends paid to non-controlling interests (3) (6) Interest paid, including fines and penalties. (14,473) (15,811) Repay ment of lease liabilities and leaseback transactions. 548 87 Deferred payments for acquisition of assets. (327) (52) Deferred payments for acquisition of assets. (327) (52) Deferred consideration paid for the acquisition of subsidiaries in prior periods. (110,391) (21,613) Net cash used in financing activities. (30) (608) Changes in allowance for expected credit losses on cash and cash equivalents. (30) (16) Net (decrease) increase in cash and cas			
Net cash provided by (used in) investing activities 85,926 (2,086) Cash flows from financing activities 85,926 (2,086) Proceeds from loans and borrowings, including proceeds from factoring arrangement of RUB 170 million and RUB 156 million for the six months ended June 30, 2020 and 2019, respectively. 12,929 7,130 Repayment of loans and borrowings, including payments from factoring arrangement of RUB 180 million and RUB 2,066 million for the six months ended June 30, 2020, and 2019, respectively. (108,247) (11,767) Dividends paid to non-controlling interests. (3) (6) Interest paid, including fines and penalties. (14,473) (15,811) Repay ment of lease liabilities. (818) (833) Effect of sale and leaseback transactions. 548 87 Deferred payments for acquisition of assets. (327) (52) Deferred consideration paid for the acquisition of subsidiaries in prior periods. - (361) Net cash used in financing activities. (110,391) (21,613) Foreign exchange gain on cash and cash equivalents, net. (575) (608) Changes in allowance for expected credit losses on cash and cash equivalents. (30) (16) Net (decrease) incr		* ' '	* *
Cash flows from financing activitiesProceeds from loans and borrowings, including proceeds from factoring arrangement of RUB 17 million and RUB 156 million for the six months ended June 30, 2020 and 2019, respectively	Net cash provided by (used in) investing activities		
Proceeds from loans and borrowings, including proceeds from factoring arrangement of RUB 17 million and RUB 156 million for the six months ended June 30, 2020 and 2019, respectively		05,720	(2,000)
Repayment of loans and borrowings, including payments from factoring arrangement of RUB 180 million and RUB 2,066 million for the six months ended June 30, 2020, and 2019, respectively	Proceeds from loans and borrowings, including proceeds from factoring arrangement of RUB 17 million and RUB 156 million for the six months ended June 30, 2020 and	12,020	7 120
of RUB 180 million and RUB 2,066 million for the six months ended June 30, 2020, and 2019, respectively (108,247) (11,767) Dividends paid to non-controlling interests (3) (6) Interest paid, including fines and penalties (14,473) (15,811) Repayment of lease liabilities (818) (833) Effect of sale and leaseback transactions 548 87 Deferred payments for acquisition of assets (327) (52) Deferred consideration paid for the acquisition of subsidiaries in prior periods - (361) Net cash used in financing activities (110,391) (21,613) Foreign exchange gain on cash and cash equivalents, net (575) (608) Changes in allowance for expected credit losses on cash and cash equivalents (30) (16) Net (decrease) increase in cash and cash equivalents (838) 2,473 Cash and cash equivalents at beginning of period 3,509 1,803 Cash and cash equivalents, net of overdrafts at beginning of period 2,867 380 Cash and cash equivalents at end of period 4,272 3,772		12,729	7,130
Dividends paid to non-controlling interests (3) (6) Interest paid, including fines and penalties (14,473) (15,811) Repayment of lease liabilities (818) (833) Effect of sale and leaseback transactions 548 87 Deferred payments for acquisition of assets (327) (52) Deferred consideration paid for the acquisition of subsidiaries in prior periods - (361) Net cash used in financing activities (110,391) (21,613) Foreign exchange gain on cash and cash equivalents, net (575) (608) Changes in allowance for expected credit losses on cash and cash equivalents (30) (16) Net (decrease) increase in cash and cash equivalents (838) 2,473 Cash and cash equivalents at beginning of period 3,509 1,803 Cash and cash equivalents, net of overdrafts at beginning of period 2,867 380 Cash and cash equivalents at end of period 4,272 3,772	of RUB 180 million and RUB 2,066 million for the six months ended June 30, 2020,	(108.247)	(11.767)
Interest paid, including fines and penalties (14,473) (15,811) Repay ment of lease liabilities (818) (833) Effect of sale and leaseback transactions 548 87 Deferred pay ments for acquisition of assets (327) (52) Deferred consideration paid for the acquisition of subsidiaries in prior periods 7 (361) Net cash used in financing activities (110,391) (21,613) Foreign exchange gain on cash and cash equivalents, net (575) (608) Changes in allowance for expected credit losses on cash and cash equivalents (30) (16) Net (decrease) increase in cash and cash equivalents (838) (2,473) Cash and cash equivalents at beginning of period 3,509 1,803 Cash and cash equivalents, net of overdrafts at beginning of period 2,867 380 Cash and cash equivalents at end of period 4,272 3,772		` ′′	(6)
Effect of sale and leaseback transactions		(14,473)	(15,811)
Deferred payments for acquisition of assets		, ,	` , '
Deferred consideration paid for the acquisition of subsidiaries in prior periods-(361)Net cash used in financing activities(110,391)(21,613)Foreign exchange gain on cash and cash equivalents, net(575)(608)Changes in allowance for expected credit losses on cash and cash equivalents(30)(16)Net (decrease) increase in cash and cash equivalents(838)2,473Cash and cash equivalents at beginning of period3,5091,803Cash and cash equivalents, net of overdrafts at beginning of period2,867380Cash and cash equivalents at end of period4,2723,772			
Net cash used in financing activities.(110,391)(21,613)Foreign exchange gain on cash and cash equivalents, net(575)(608)Changes in allowance for expected credit losses on cash and cash equivalents(30)(16)Net (decrease) increase in cash and cash equivalents(838)2,473Cash and cash equivalents at beginning of period3,5091,803Cash and cash equivalents, net of overdrafts at beginning of period2,867380Cash and cash equivalents at end of period4,2723,772		(327)	
Foreign exchange gain on cash and cash equivalents, net	Deterred consideration paid for the acquisition of substituties in prior periods		(501)
Changes in allowance for expected credit losses on cash and cash equivalents.(30)(16)Net (decrease) increase in cash and cash equivalents.(838)2,473Cash and cash equivalents at beginning of period.3,5091,803Cash and cash equivalents, net of overdrafts at beginning of period.2,867380Cash and cash equivalents at end of period.4,2723,772	S .	(110,391)	(21,613)
Net (decrease) increase in cash and cash equivalents(838)2,473Cash and cash equivalents at beginning of period3,5091,803Cash and cash equivalents, net of overdrafts at beginning of period2,867380Cash and cash equivalents at end of period4,2723,772		, ,	, ,
Cash and cash equivalents at beginning of period3,5091,803Cash and cash equivalents, net of overdrafts at beginning of period2,867380Cash and cash equivalents at end of period4,2723,772			
Cash and cash equivalents, net of overdrafts at beginning of period2,867380Cash and cash equivalents at end of period4,2723,772	Net (decrease) increase in cash and cash equivalents	(838)	2,4/3
Cash and cash equivalents at end of period			1,803
	Cash and cash equivalents, net of overdrafts at beginning of period	2,867	380
Cash and cash equivalents, net of overdrafts at end of period	Cash and cash equivalents at end of period	4,272	3,772
	Cash and cash equivalents, net of overdrafts at end of period	2,029	2,853

*There were certain reclassifications to conform with the current period presentation. These interim condensed consolidated financial statements were prepared by Mechel PAO in accordance with IFRS and have not been audited by the independent auditor. If these interim condensed consolidated financial statements are audited in the future, the audit could reveal differences in our consolidated financial results and we cannot assure that any such differences would not be material.