



PhosAgro Reports 1Q 2020 Financial Results: Higher Sales Volumes and Effective Working Capital Management Bring Free Cash Flow to Over RUB 18 Billion

Moscow – PhosAgro (“PhosAgro” or “the Company”) (Moscow Exchange, LSE: PHOR), one of the world’s leading vertically integrated phosphate-based fertilizer producers, today announces its consolidated IFRS financial results for the first quarter (1Q) of 2020.

1Q 2020 highlights

Revenue for 1Q 2020 decreased by 11.4% year-on-year to RUB 64.1 billion (USD 965 million) due a correction in fertilizer prices during the previous year. Revenue increased 20.5% vs 4Q 2019, mainly due to higher sales volumes and a recovery in prices at the beginning of the year as a result of seasonal demand.

EBITDA decreased 25.3% year-on-year to RUB 18.5 billion (USD 279 million), while EBITDA margin remained at a robust 29%. EBITDA was up more than 50% from 4Q 2019 due to higher sales volumes, while the margin increased by 8 percentage points thanks to a seasonal rise in fertilizer prices while raw materials prices remained low.

Free cash flow in 1Q 2020 remained unchanged year-on-year at around RUB 18.3 billion (USD 275 million) thanks to improved working capital management and lower inventories.

Net profit adjusted for exchange rate differences amounted to RUB 14.4 billion (USD 216 million), an increase of 6.0% year-on-year and up 68.8% quarter-on-quarter.

As of 31 March 2020, net debt amounted to RUB 152.1 billion (USD 2.0 billion), and the net debt/EBITDA ratio at the end of 1Q 2020 was 2.2x, increasing as a result of the depreciation of the rouble against the US dollar in March.

Financial and operational highlights

Financial highlights					
RUB million or %	1Q 2020	1Q 2019	Chng, % y/y	4Q 2019	Chng, % q/q
Revenue	64,058	72,287	(11.4%)	53,142	20.5%
EBITDA*	18,502	24,778	(25.3%)	11,186	65.4%
EBITDA margin	28.9%	34.3%	(5 pp)	21.0%	8 pp
Net (loss)/profit	(15,588)	21,139	-	12,679	-
Adj net income**	14,355	13,540	6.0%	8,506	68.8%
Free cash flow	18,253	18,775	(2.8%)	(4,292)	-
	31.03.2020	31.12.2019			
Net debt, USD mln	1,957	2,126			
Net debt, RUB mln	152,142	131,583			

ND/LTM EBITDA	2.2x	1.7x			
Sales, ths tonnes	1Q 2020	1Q 2019	Chng, % y/y	4Q 2019	Chng, % q/q
Phosphate-based fertilizers	2,087	1,929	8.2%	1,739	20.0%
Nitrogen fertilizers	703	617	13.9%	537	30.9%
Total sales	2,790	2,546	9.6%	2,276	22.6%

RUB/USD rates: average 1Q 2020: 66.4; average 1Q 2019: 66.1; as of 31 March 2020: 77.7; as of 31 March 2019: 64.7

*EBITDA is calculated as operating profit adjusted for depreciation and amortisation.

**Net profit as reported minus FX gain or loss.

Commenting on the Company's financial results, PhosAgro CEO Andrey Guryev said:

"First and foremost, I want to stress once again that our absolute priority is always the health of PhosAgro's employees and the sustainable operations of our continuous cycle production facilities in order to support domestic and international food security.

"Since the very start of the coronavirus pandemic, the Company had been implementing measures to protect the health of our employees and minimise operational risks facing our business. Among the comprehensive measures taken I would highlight health monitoring and contactless temperature checks for employees and contractors, additional disinfection of and supply of antiseptics to industrial premises, introduction of obligatory mask wearing at production sites, procurement of essential hospital equipment and testing kits for the cities where we operate, transition of personnel not involved in continuous production processes to remote working, as well as direct financial support to company employees. These measures have had an impact. At present all production assets are operating uninterrupted and at full capacity.

"Turning to the Company's financial results, I would note that global market conditions in the first quarter of this year were favourable for fertilizer producers. The seasonal recovery in demand in our primary sales markets contributed to an increase in fertilizer prices from their lows at the end of 2019 and enabled us to increase sales volumes in key markets; the share of our priority Russian market increased to nearly 40% of the Company's total revenue.

"Higher sales volumes combined with a recovery in prices contributed to quarter-on-quarter EBITDA growth of more than 50%, while working capital optimisation as a result of lower inventories made it possible to reach free cash flow of more than RUB 18 billion.

"This robust growth in financial metrics meant we were able to continue implementing our long-term investment programme without taking on additional external financing, while the amount we invested was fully in line with our annual plan and did not exceed 50% of EBITDA for the quarter.

"The Company's debt increased in the first quarter, although this was due to the devaluation of the rouble against the US dollar. At the same time, our successful placement of Eurobonds at the beginning of the year with a record low coupon rate enabled us not only to reduce our total cost of borrowings but also to cover all short-term debt refinancing needs.

"With regards to the distribution of profits, the Board of Directors, in light of the Company's strong financial results, has recommended that a General Meeting of Shareholders approve a dividend of RUB 78 per share, which represents 55% of free cash flow for 1Q 2020 and is in line with the Company's dividend policy."

1Q 2020 market conditions

Since the beginning of the year, the market for phosphate-based fertilizers has enjoyed a steady increase in prices (by an average of USD 40–50 per tonne from their low point), reaching highs of more than USD 300 per tonne (FOB Tampa/Baltic) by mid-March. The price increase was driven by:

- Production cutbacks announced at the end of 2019 in Morocco and the United States aimed at stabilising the market;
- DAP/MAP production cuts in China, as well as reduced exports, due to quarantine measures related to COVID-19. According to preliminary expert estimates, DAP/MAP production in China in 1Q 2020 decreased by 1.9 million tonnes (25%) year-on-year and by 0.8 million tonnes (12%) from 4Q 2019.
- The growth in seasonal demand in Russia contributed to a reduction in exports on the part of Russian producers of phosphate-based fertilizers.

However, as the COVID-19 pandemic developed and production recovered at capacities that had previously been shut down, global DAP/MAP prices stabilised, and prices decreased slightly in early April.

The average price for DAP in 1Q 2020 was USD 296 per tonne (FOB Tampa) compared with USD 284 per tonne in 4Q 2019 and USD 400 per tonne in 1Q 2019. The average price for MAP in 1Q 2020 was USD 298 per tonne (FOB Baltic) compared with USD 273 per tonne the previous quarter and USD 396 per tonne in 1Q 2019.

Global prices for sulphur remained at a consistently low level of USD 30–50 per tonne (FOB Black Sea) as a result of large stockpiles in China due to decreased production of phosphate-based fertilizers by a number of major producers.

The prices for phosphate raw materials in 1Q 2020 ranged from USD 68 to USD 90 per tonne (FOB Morocco), meaning there were no significant changes from 4Q 2019, and prices remained an average of USD 20 per tonne lower than in 1Q 2019 due to the weaker pricing environment for phosphate-based fertilizers over the past year.

Prices for prilled urea remained stable in Q1 2020 at around USD 220 per tonne (FOB Baltic). The growth of seasonal demand in Europe, Central America and Russia was the determining factor in the urea market. The lack of large-scale urea exports from China also helped keep prices stable in the global market as a whole.

The average price for commercial ammonia in 1Q 2020 was USD 222 per tonne (FOB Black Sea (Yuzhny)), down from USD 226 per tonne in 4Q 2019 and USD 272 per tonne in 1Q 2019. The year-on-year decrease in prices in 1Q 2020 was attributable to an increase in the export supply of ammonia from Russia and South-east Asia coupled with a decrease in global energy prices and a drop in import demand from Europe (due to an increase in domestic production).

1Q 2020 financial performance

In 1Q 2020, PhosAgro's revenue decreased 11.4% year-on-year to RUB 64.1 billion (USD 965 million), mainly because of the 26% and 11% corrections in prices for phosphate-based and nitrogen-based fertilizers, respectively. At the same time, a 9.6% increase in fertilizer sales volumes in 1Q 2020 helped limit the impact of lower prices.

The domestic market accounted for the majority of fertilizer sales in the first quarter, as the recovery in seasonal demand was more dynamic than for export markets. As a result, the share of the Russian market in the Company's revenue increased to 36%, up from 25% a year earlier. A significant increase in purchases for spring field work can be attributed to the large increase in

agricultural production last year, which was the result of the introduction of sound government policies in the agricultural sector and support from fertilizer producers.

Gross profit in 1Q 2020 decreased 20.4% year-on-year and amounted to RUB 27.5 billion (USD 414 million). Gross profit margin was 43%. Gross profit and gross profit margin in the phosphate-based and nitrogen-based fertilizer segments saw the following changes:

- Gross profit in the phosphate-based fertilizer segment decreased 22.5% year-on-year to RUB 21.3 billion (USD 321 million). At the same time, gross profit margin decreased to 43%, down from 48% in 1Q 2019. This change is attributed to lower fertilizer prices, which reached a low point at the end of last year.
- Gross profit in the nitrogen-based fertilizer segment decreased by 11.3% year-on-year to RUB 5.9 billion (USD 88 million). At the same time, gross profit margin decreased to 54%, down from 58% in 1Q 2019, which is also attributable to the correction in prices for nitrogen-based fertilizers.

The Company's EBITDA in 1Q 2020 decreased by 25.3% year-on-year to RUB 18.5 billion (USD 279 million).

Despite the fact that prices for phosphate-based and nitrogen-based fertilizers were lower year-on-year, EBITDA margin remained robust at 29%. The Company was able to maintain a high EBITDA margin thanks to improved operational efficiency at its production sites, lower prices for key inputs, higher sales volumes and lower inventories.

Net profit adjusted for non-cash FX items in 1Q 2020 increased by 6.0% year-on-year to RUB 14.4 billion (USD 216 million).

Free cash flow remained unchanged year-on-year, while increasing significantly versus 4Q 2019 to RUB 18.3 billion (USD 275 million). This was attributable to the significant rise in sales in the Russian market and the sale of fertilizers stockpiled during the low season. An additional factor driving this growth was the decrease in prices for the Company's main feedstocks, which reduced the cost of sales.

Capex in 1Q 2020 amounted to RUB 8.8 billion (USD 132 million), or 47% of EBITDA for the reporting period. The Company primarily invested in the development of its resource base in Kirovsk, the construction of new and upgrades to existing sulphuric acid and phosphoric acid production facilities in Cherepovets and Balakovo, as well as the comprehensive development of the Volkhov production site.

As of 31 March 2020, the net debt/EBITDA ratio was 2.2x. The increase during the first three months of the year was due to the devaluation of the rouble against the US dollar in March 2020, as a large part of the Company's loan portfolio is denominated in US dollars. Net debt as of 31 March 2020 amounted to RUB 152.1 billion (USD 2.0 billion).

Cost of sales					
RUB million or %	1Q 2020	1Q 2019	Chng, % y/y	4Q 2019	Chng, % q/q
Amortisation	(6,226)	(5,709)	9.1%	(5,242)	18.8%
Materials and services	(10,778)	(10,633)	1.4%	(9,964)	8.2%
<i>Phosphate rock transport</i>	<i>(2,260)</i>	<i>(2,370)</i>	<i>(4.6%)</i>	<i>(1,956)</i>	<i>15.5%</i>
<i>Repair expenses</i>	<i>(2,416)</i>	<i>(2,413)</i>	<i>0.1%</i>	<i>(2,363)</i>	<i>2.2%</i>
<i>Drilling and blasting costs</i>	<i>(769)</i>	<i>(555)</i>	<i>38.6%</i>	<i>(678)</i>	<i>13.4%</i>
<i>Other materials and services</i>	<i>(5,333)</i>	<i>(5,295)</i>	<i>0.7%</i>	<i>(4,967)</i>	<i>7.4%</i>

Raw materials	(10,036)	(12,275)	(18.2%)	(9,450)	6.2%
<i>Ammonia</i>	(1,191)	(1,357)	(12.2%)	(1,173)	1.5%
<i>Sulphur and sulph. acid</i>	(1,195)	(3,346)	(64.3%)	(1,313)	(9.0%)
<i>Potassium</i>	(3,206)	(2,716)	18.0%	(2,964)	8.2%
<i>Natural gas</i>	(3,797)	(3,649)	4.1%	(2,972)	27.8%
<i>Ammonium sulphate</i>	(647)	(1,207)	(46.4%)	(1,028)	(37.1%)
Salaries and social contributions	(3,587)	(3,307)	8.5%	(3,170)	13.2%
Electricity	(1,706)	(1,687)	1.1%	(1,439)	18.6%
Fuel	(1,144)	(1,513)	(24.4%)	(1,119)	2.2%
Products for resale	(3,083)	(2,612)	18.0%	(1,216)	153.5%
Total	(36,560)	(37,736)	(3.1%)	(31,600)	15.7%

Despite an increase in fertilizer production, the cost of sales decreased by 3.1% year-on-year to RUB 36.6 billion (USD 551 million). This decrease was mainly attributable to lower expenses related to sulphur and sulphuric acid as a result of a decline in global prices and lower purchase volumes of sulphuric acid from third parties following the commissioning of a sulphuric acid production line. Ammonium sulphate costs also decline following the launch of a new production line for this product.

Compared with 4Q 2019, expenses rose by 15.7% due to a significant increase in fertilizer production following the completion of upgrades to key production equipment at the plants in Cherepovets and Balakovo.

- The cost of materials and services rose by 1.4% year-on-year to RUB 10.8 billion (USD 162 million). This was attributed to an increase in drilling and blasting costs of 38.6% year-on-year to RUB 769 million (USD 12 million), which was due to an uptick in mining activities.
- The 4.6% decrease in the cost of transporting phosphate rock to RUB 2.3 billion (USD 34 million) helped limit the increase in phosphate rock-related costs. This decrease was the result of an increase in the Company's own rolling stock, but the impact was limited due to a 3.5% increase in tariffs and an increase in shipments of phosphate rock to fertilizer production sites.
- Expenses for raw materials decreased 18.2% year-on-year to RUB 10.0 billion (USD 151 million) due to:
 - A reduction in ammonia costs of 12.2% to RUB 1.2 billion (USD 18 million) due to global price reductions. This was partially offset, however, by increased sales of ammonium nitrate and urea.
 - A reduction in expenses for sulphur and sulphuric acid of 64.3% to RUB 1.2 billion (USD 18 million) as a result of a global decrease in prices for sulphur and sulphuric acid, as well as the launch of a new sulphuric acid production line for test production, which enabled the Company to reduce its purchases of sulphuric acid from third parties.
 - A 46.4% decrease in expenses for ammonium sulphate to RUB 0.6 billion (USD 10 million) mainly due to a global reduction in prices for this feedstock, the launch of a new ammonium sulphate production line, and a decrease in the production of sulphate-based fertilizer brands.
 - The decrease in raw material costs was limited by an 18.0% increase in potash costs to RUB 3.2 billion (USD 48 million), mainly due to higher production of fertilizer grades with high potash content. However, a decline in potash prices worldwide partially offset the impact of this factor.

Administrative and selling expenses					
RUB million or %	1Q 2020	1Q 2019	Chng, % y/y	4Q 2019	Chng, % q/q

Administrative expenses	(4,652)	(3,903)	19.2%	(4,658)	(0.1%)
<i>Salaries and social contributions</i>	<i>(3,082)</i>	<i>(2,299)</i>	<i>34.1%</i>	<i>(2,365)</i>	<i>30.3%</i>
<i>Professional services</i>	<i>(419)</i>	<i>(457)</i>	<i>(8.3%)</i>	<i>(696)</i>	<i>(39.8%)</i>
<i>Amortisation</i>	<i>(336)</i>	<i>(361)</i>	<i>(6.9%)</i>	<i>(342)</i>	<i>(1.8%)</i>
<i>Other</i>	<i>(815)</i>	<i>(786)</i>	<i>3.7%</i>	<i>(1,255)</i>	<i>(35.1%)</i>
Selling and marketing expenses	(9,720)	(10,341)	(6.0%)	(10,234)	(5.9%)
<i>Russian Railways' tariffs and operators' fees</i>	<i>(2,986)</i>	<i>(3,091)</i>	<i>(3.4%)</i>	<i>(2,614)</i>	<i>14.2%</i>
<i>Freight, port and stevedoring expenses</i>	<i>(4,510)</i>	<i>(5,324)</i>	<i>(15.3%)</i>	<i>(5,530)</i>	<i>(18.4%)</i>
<i>Salaries and social contributions</i>	<i>(869)</i>	<i>(531)</i>	<i>63.7%</i>	<i>(709)</i>	<i>22.6%</i>
<i>Materials and services</i>	<i>(609)</i>	<i>(462)</i>	<i>31.8%</i>	<i>(619)</i>	<i>(1.6%)</i>
<i>Customs duties</i>	<i>(354)</i>	<i>(700)</i>	<i>(49.4%)</i>	<i>(458)</i>	<i>(22.7%)</i>
<i>Amortisation</i>	<i>(392)</i>	<i>(233)</i>	<i>68.2%</i>	<i>(394)</i>	<i>(0.5%)</i>

In 1Q 2020, administrative expenses increased 19.2% year-on-year to RUB 4.7 billion (USD 70 million), mainly as a result of a 34.1% increase in wages and social contributions to RUB 3.1 billion (USD 46 million) due to a rise in headcount and bonus payments.

In 1Q 2020, selling expenses decreased 6.0% year-on-year to RUB 9.7 billion (USD 146 million), primarily due to:

- A decline in freight, port and stevedoring expenses of 15.3% to RUB 4.5 billion (USD 70 million) due to a 9% decrease in freight tariffs and lower export sales in favour of the domestic market.
- A 49.4% decrease in spending on customs duties to RUB 1.9 billion (USD 5 million) due to changes in the terms of delivery to export markets.

Market outlook

At the moment, the Company does not see significant disruptions in sales in connection with the introduction of quarantine measures, as fertilizers are classified as essential goods in many countries. However, currency fluctuations in key fertilizer sales markets, price volatility in markets for major agricultural crops and supply chain disruptions in light of ongoing complications caused by the COVID-19 situation throughout the world may continue to have a negative impact on demand and prices for mineral fertilizers.

Since the beginning of April, downward trends have been observed in all fertilizer markets, which is attributed to the off-season period in a number of key regions, including Europe, Latin America, the United States and Russia. An additional negative factor will be the expected increase in supply from China, where production rebounded following the lifting of quarantine measures, which, combined with export support measures and low energy prices, will see more Chinese fertilizers in global markets.

Factors that will help stabilise prices in the near future may include an increase in seasonal demand in two main fertilizer markets – India and Brazil – along with continued measures to ensure that fertilizers remain affordable relative to major agricultural products.

Conference call and webcast:

PhosAgro will hold a conference call and webcast today at 16:00 London time (18:00 in Moscow; 11:00 in New York).

The call will be held in English, with simultaneous translation into Russian on a separate line.

Webcast links:

English: <https://webcasts.eqs.com/phosagro20200514/en>

Russian: <https://webcasts.eqs.com/phosagro20200514/ru>

Participant dial-in numbers:

Russian Federation Toll	+7 495 705 9270
Russian Federation Toll-Free	8 108 002 796 5011
United Kingdom Toll	+44 (0)330 336 9401
United Kingdom Toll-Free	0800 279 4827
United States Toll-Free	+1 929-477-0443
United States Toll	800-776-0420

Conference ID numbers:

English conference ID: 883721#

Russian conference ID: 845830#

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About PhosAgro

PhosAgro (www.phosagro.ru) is one of the world's leading vertically integrated phosphate-based fertilizer producers in terms of production volumes of phosphate-based fertilizers and high-grade phosphate rock with a P₂O₅ content of 39% and higher. PhosAgro's environmentally friendly fertilizers stand out for their high efficiency, and they do not lead to the contamination of soils with heavy metals.

The Company is the largest phosphate-based fertilizer producer in Europe (by total combined capacity for DAP/MAP/NP/NPK/NPS), the largest producer of high-grade phosphate rock with a P₂O₅ content of 39%, a top-three producer of MAP/DAP globally, one of the leading producers of feed phosphates (MCP) in Europe, and the only producer in Russia, and Russia's only producer of nepheline concentrate (according to the RAFP).

PhosAgro's main products include phosphate rock, 39 grades of fertilizers, feed phosphates, ammonia, and sodium tripolyphosphate, which are used by customers in 100 countries spanning all

of the world's inhabited continents. The Company's priority markets outside of Russia and the CIS are Latin America, Europe and Asia.

PhosAgro's shares are traded on the Moscow Exchange, and global depositary receipts (GDRs) for shares trade on the London Stock Exchange (under the ticker PHOR). Since 1 June 2016, the Company's GDRs have been included in the MSCI Russia and MSCI Emerging Markets indexes. More information about PhosAgro can be found on the website: www.phosagro.ru.

*Consolidated Interim Condensed Statement of Profit or Loss and Other Comprehensive Income
for the three months ended 31 March 2020 (unaudited)*

	Three months ended 31 March	
	2020	2019
	RUB million	RUB million
Revenues	64,058	72,287
Cost of sales	(36,560)	(37,736)
Gross profit	27,498	34,551
Administrative expenses	(4,652)	(3,903)
Selling expenses	(9,720)	(10,341)
Taxes, other than income tax, net	(874)	(730)
Other expenses, net	(704)	(1,102)
Operating profit	11,548	18,475
Finance income	301	885
Finance costs	(1,474)	(1,204)
Foreign exchange (loss)/gain, net	(29,943)	7,620
(Loss)/profit before tax	(19,568)	25,776
Income tax benefit/(expense)	3,980	(4,616)
(Loss)/profit for the period	(15,588)	21,160
Attributable to:		
Non-controlling interests ^	(1)	8
Shareholders of the Parent	(15,587)	21,152
Other comprehensive income/(loss)		
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation difference	2,586	(611)
Other comprehensive income/(loss) for the period	2,586	(611)
Total comprehensive (loss)/income for the period	(13,002)	20,549
Attributable to:		
Non-controlling interests ^	(1)	8
Shareholders of the Parent	(13,001)	20,541
Basic and diluted (loss)/earnings per share (in RUB)	(120)	163

*Consolidated Interim Condensed Statement of Financial Position
as at 31 March 2020 (unaudited)*

	31 March 2020 RUB million	31 December 2019 RUB million
Assets		
Property, plant and equipment	199,860	199,459
Advances issued for property, plant and equipment	14,835	13,006
Right-of-use assets	7,748	6,891
Catalysts	2,282	2,376
Intangible assets	1,506	1,567
Investments in associates	553	519
Deferred tax assets	11,757	8,214
Other non-current assets	1,748	1,636
Non-current assets	240,289	233,668
Other current investments	215	251
Inventories	26,766	29,405
Trade and other receivables	31,524	31,061
Cash and cash equivalents	20,879	8,236
Current assets	79,384	68,953
Total assets	319,673	302,621
Equity		
Share capital	372	372
Share premium	7,494	7,494
Retained earnings	89,251	111,054
Actuarial losses	(689)	(689)
Foreign currency translation reserve	9,822	7,236
Equity attributable to shareholders of the Parent	106,250	125,467
Equity attributable to non-controlling interests	169	170
Total equity	106,419	125,637
Liabilities		
Loans and borrowings	148,312	96,736
Lease liabilities	5,052	4,701
Defined benefit obligations	887	857
Deferred tax liabilities	9,376	10,278
Non-current liabilities	163,627	112,572
Loans and borrowings	17,901	36,839
Lease liabilities	1,756	1,543
Trade and other payables	29,970	26,030
Current liabilities	49,627	64,412
Total equity and liabilities	319,673	302,621

*Consolidated Interim Condensed Statement of Cash Flows
for the three months ended 31 March 2020 (unaudited)*

	Three months ended 31 March	
	2020	2019
	RUB million	RUB million
<i>Cash flows from operating activities</i>		
Operating profit	11,548	18,475
<i>Adjustments for:</i>		
Depreciation and amortisation	6,954	6,303
Loss on disposal of property, plant and equipment and intangible assets	7	448
Operating profit before changes in working capital and provisions	18,509	25,226
Decrease in inventories and catalysts	3,244	3,599
Decrease/(increase) in trade and other receivables	2,541	(2,246)
Increase in trade and other payables	3,752	3,482
Cash flows from operations before income taxes and interest paid	28,046	30,061
Income tax paid	(537)	(2,450)
Finance costs paid	(483)	(114)
Cash flows from operating activities	27,026	27,497
<i>Cash flows from investing activities</i>		
Acquisition of property, plant and equipment and intangible assets	(8,752)	(8,617)
Repayment of loans issued, net	79	64
Proceeds from disposal of property, plant and equipment	4	10
Finance income received	175	93
Other payments	(279)	(272)
Cash flows used in investing activities	(8,773)	(8,722)
<i>Cash flows from financing activities</i>		
Proceeds from borrowings	39,210	10,943
Repayment of borrowings	(41,059)	(4,634)
Dividends paid to shareholders of the Parent	(6,216)	(9,324)
Leases paid	(522)	(1,102)
Proceeds from settlement of derivatives, net	-	340
Cash flows used in financing activities	(8,587)	(3,777)
Net increase in cash and cash equivalents	9,666	14,998
Cash and cash equivalents at 1 January	8,236	9,320
Effect of exchange rates fluctuations	2,977	(923)
Cash and cash equivalents at 31 March	20,879	23,395