EBITDA

In 2017, EBITDA increased by 2% (or USD 96 million) to USD 3,995 million with the EBITDA margin amounting to 44% (down from 47% in 2016). Increase in metal prices was almost offset by lower sales volume in 2017 owing to accumulation of stock in 2017 and release of temporary metal stock in 2016 as well as increased cash costs on the back of the Russian rouble appreciation against US Dollar and one-off increase in social expenses.

USD million	2017	2016	Change,%
Operating profit	**3,123**	**3,281**	**(5%)**
Depreciation and amortisation	645	557	16%
Impairment of non-financial assets	227	61	4x
EBITDA	**3,995**	**3,899**	**2%**
EBITDA margin	**44%**	**47%**	**(3 p.p.)**

Net Profit

Before Non-Cash Write-Offs and Foreign Exchange Differences

USD million	2017	2016	Change,%
Net profit	**2,123**	**2,531**	**(16%)**
Impairment of non-financial assets	227	214	6%
Foreign exchange gain	(159)	(491)	(68%)
(Gain)/loss from disposal of subsidiaries and assets classified as held for sale	(20)	4	n.a.
Net profit before non-cash write-offs and foreign exchange differences	**2,171**	**2,258**	**(4%)**

Statement of Cash Flows

USD million	2017	2016	Change,%
Cash generated from operations before changes in working capital and income tax	**4,103**	**3,958**	**4%**
Movements in working capital	(1,670)	83	n.a.
Income tax paid	(670)	(530)	26%
Net cash generated from operating activities	**1,763**	**3,511**	**(50%)**
Capital expenditure	(2,002)	(1,714)	17%
Other investing activities	66	(206)	(132%)
Net cash used in investing activities	**(1,936)**	**(1,920)**	**1%**
Net cash used in financing activities	**(2,237)**	**(2,399)**	**(7%)**
Effects of foreign exchange differences on balances of cash and cash equivalents	(63)	35	n.a.
Net decrease in cash and cash equivalents	**(2,473)**	**(773)**	**3x**

In 2017, net cash generated from operating activities decreased by 50% y-o-y to USD 1.8 billion primarily driven by the increase in working capital in 2017 following the optimisation of trade financing terms, partial payment of payables due to Rostec and increase of metal stock.

Reconciliation of the net working capital changes between the balance sheet and cash flow statement is presented below.