



RELEASE

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Moscow

Mosenergo: 1Q 2012 IFRS financial results.

Mosenergo releases interim unaudited consolidated financial statements (prepared in accordance with IFRS) for the three months ended 31 March 2012.

Consolidated Statement of Comprehensive Income Key Figures, (million RUR)	3m 2011	3m 2012
Revenue	60,255	58,026
Variable Costs	(43,653)	(43,831)
Fixed Costs ^[1]	(4,506)	(5,227)
Depreciation of Property, Plant and Equipment	(2,957)	(3,325)
EBITDA ^[2]	12,417	9,309
Net Profit	7,806	5,302

1Q 2012 revenue decreased year-on-year by 3.7% totaling RUR 58,026 million.

The most significant share in total revenue (55.1%) was the heat sales, the share of electricity and capacity sales totaled 43,7% of the total revenue. The decrease of the total revenue was mainly due to the decrease of electricity and capacity sales, which decreased by 7.6% to RUR 25,365 million. The mentioned above is due, respectively, to decline of electricity prices on the day-ahead market, decrease of electricity output and reduction of the "old" capacity sales as a result of changes in the procedure of awarding of the status "must-run generator". Heat sales decreased by 0.6%, to RUR 31,982 million, mainly due to reduction of the heat tariff's heat transmission component.

Variable costs increased by 0.4% up to RUR 43,831 million. Variable costs consisted mainly of fuel expenses, which went up by 2.3% to RUR 28,360 million, which was due to the growth of prices and volumes of usage of reserve fuel. Heat transmission expenses were reduced by 3.7%, to RUR 11,809 million.

In 1Q 2012 fixed costs (excluding depreciation of property, plant and equipment) year-on-year grew by 16.0% totaling RUR 5,227 million. The significant share in the fixed costs (42.6%) is comprised by personnel expenses which grew by 2.2% to RUR 2,227 million. The fixed costs growth was mainly due to the growth of expenses for maintenance and repairs because of operative development of the program of repairs in comparison with 2011.

EBITDA decreased by 25.0%, to RUR 9,309 million year-on-year.

In accordance with IFRS results, 1Q 2012 net profit of Mosenergo decreased by 32.1% to RUR 5,302 million.

1. Excluding depreciation of PP&E.
2. EBITDA = Revenue + Other operating income – Operating costs (including: Cost of materials, Heat transmission, Personnel expenses, Maintenance and repairs expenses, Taxes other than income tax, Other external supplies, Other operating expenses).

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