

# **MOSENERGO**

## **1Q 2012 IFRS Results**

July, 2012

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## Operational Highlights<sup>1</sup>

	1Q 2011	1Q 2012	Change
Electricity Output, mn kWh	20,527	19,938	-2.9%
Electricity Sales, mn kWh	21,804	21,533	-1.2%
Heat Output, thous Gcal	30,705	30,868	+0.5%
Fuel Rate on Electricity, g/kWh	212.1	217.0	+2.3%
Fuel Rate on Heat, kg/Gcal	164.3	164.7	+0.2%

## The average temperature for the period<sup>1</sup>

	1Q 2011	1Q 2012	Change
The average temperature for the period	-6.8 °C	-7.2 °C	-0.4 °C

## Financial Highlights, mn RUR

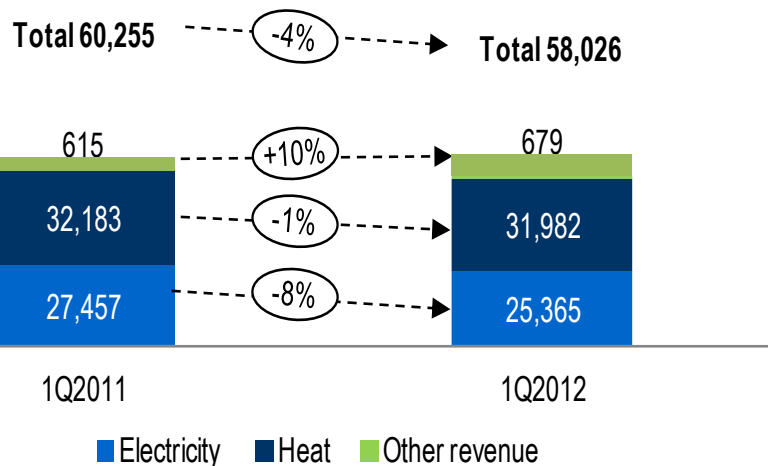
	1Q 2011	1Q 2012	Change
Revenue	60,255	58,026	-3.7%
Variable Costs	(43,653)	(43,831)	+0.4%
Fixed Costs <sup>2</sup>	(4,506)	(5,227)	+16.0%
EBITDA <sup>3</sup>	12,417	9,309	-25.0%
Depreciation of PP&E	(2,957)	(3,325)	+12.4%
Operating Profit	9,460	5,984	-36.7%
Profit for the period	7,806	5,302	-32.1%

<sup>1</sup> Mosenergo Management Report Data

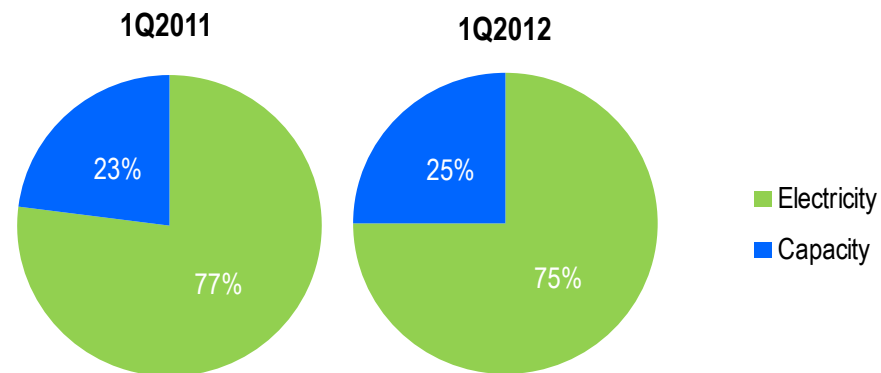
<sup>2</sup> Excluding depreciation of PP&E

<sup>3</sup> 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)

## Revenue, mn RUR



## Electricity and Capacity Revenue Structure <sup>1</sup>



## Prices and Tariffs <sup>1</sup>

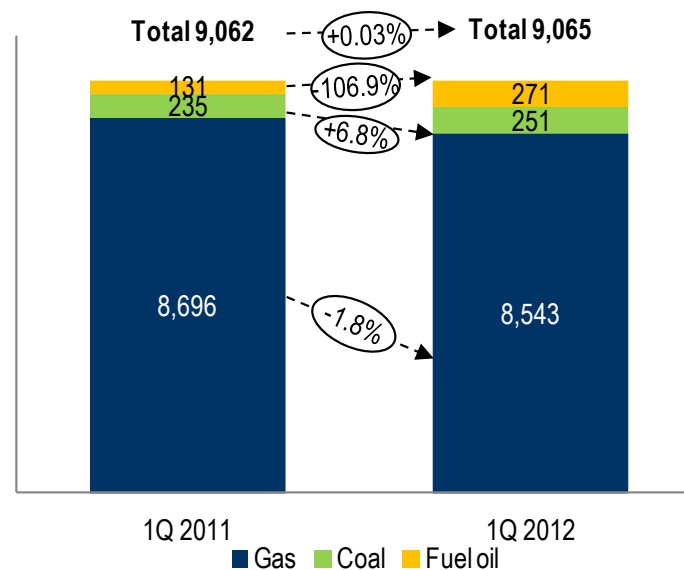
	1Q 2011	1Q 2012	Change
Average Electricity Price, RUR/MWh	974	878	-9.9%
Average Heat Tariff, RUR/Gcal	1,049	1,047	-0.2%
Average price for new capacity, RUR/MW per month	535,740	539,038	+0.6%
Average price for old capacity, RUR/MW per month	131,845	135,853	+3.0%

<sup>1</sup> Mosenergo Management Report Data

### Variable Costs Structure, mn RUR

Variable Costs	1Q2011	1Q2012	Change
<u>Cost of materials, incl.:</u>	31,391	32,022	+2.0%
<i>Fuel expenses</i>	27,731	28,360	+2.3%
<i>Purchased heat and electricity</i>	3,193	3,308	+3.6%
<i>Water usage expenses</i>	245	270	+10.2%
<i>Other materials expenses</i>	222	84	-62.2%
<u>Heat transmission</u>	12,262	11,809	-3.7%
<b>Total VC</b>	<b>43,653</b>	<b>43,831</b>	<b>+0.4%</b>

### Fuel Rate, th.tons of Reference Fuel <sup>1</sup>



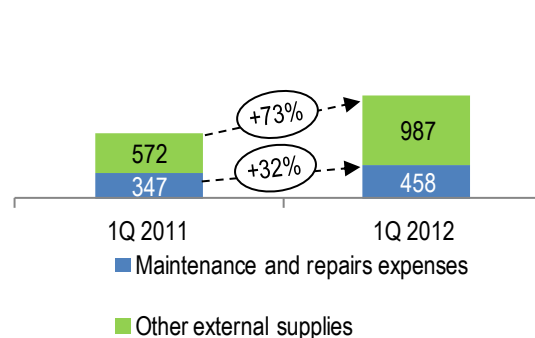
<sup>1</sup> Management Report Data

## Fixed Costs Structure, mn RUR

Fixed Costs	1Q2011	1Q2012	Change
<u>Personnel expenses, incl.:</u>	2,180	2,227	+2.2%
<i>Wages and salaries</i>	1,593	1,666	+4.6%
<i>Payroll tax</i>	518	481	-7.1%
<i>Termination benefits</i>	4	2	-50.0%
<i>Other</i>	65	78	+20.0%
<u>Maintenance and repairs expenses</u>	347	458	+32.0%
<u>Taxes other than income tax</u>	639	515	-19.4%
<u>Other external suppliers</u>	572	987	+72.6%
<u>Other operating expenses</u>	768	1,040	+35.4%
<b>Total FC</b>	<b>4,506</b>	<b>5,227</b>	<b>+16.0%</b>

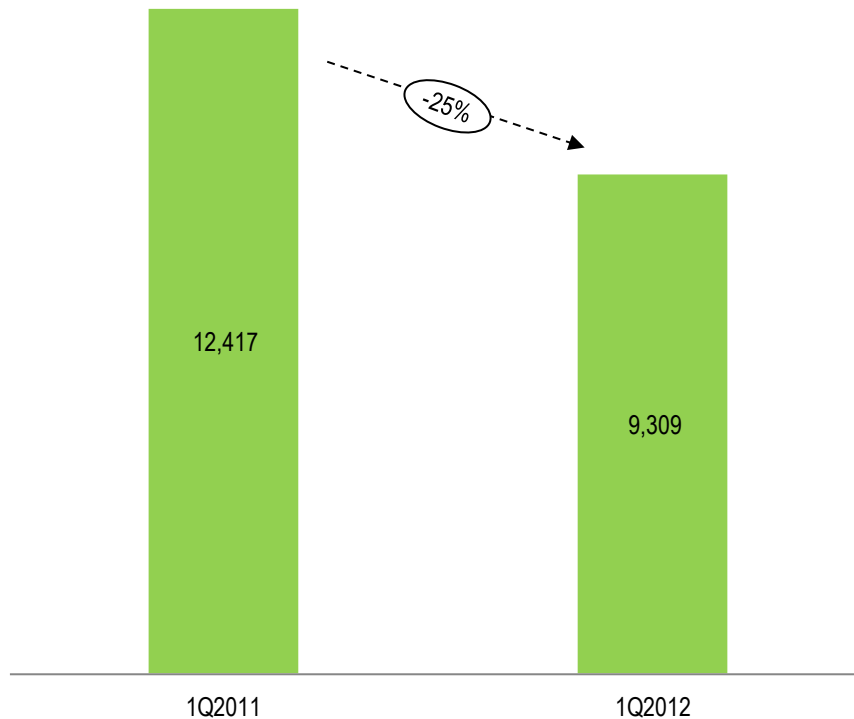
## Other operating expenses, mn RUR

Other operating expenses	1Q2011	1Q2012	Change
Trade and other receivables impairment loss	302	548	+81.5%
Rent payments	152	182	+19.7%
Fines and penalties from business contracts	(20)	76	+480.0%
Legal, consulting and data processing services	141	71	-49.6%
Insurance expenses	66	56	-15.2%
Software expenses	27	28	3.7%
Loss on disposal of property, plant and equipment	40	15	-62.5%
Environmental payments	9	12	+33.3%
Bank services	9	9	0.0%
Other miscellaneous	42	43	+2.4%
<b>Total operating expenses</b>	<b>768</b>	<b>1,040</b>	<b>+35.4%</b>



The increase of maintenance and repairs expenses was due to transfer to outsourcing and an addition of new installed capacity. These factors led to increased costs, recognized as "Maintenance & repairs" and "Other external supplies".

EBITDA, mn RUR



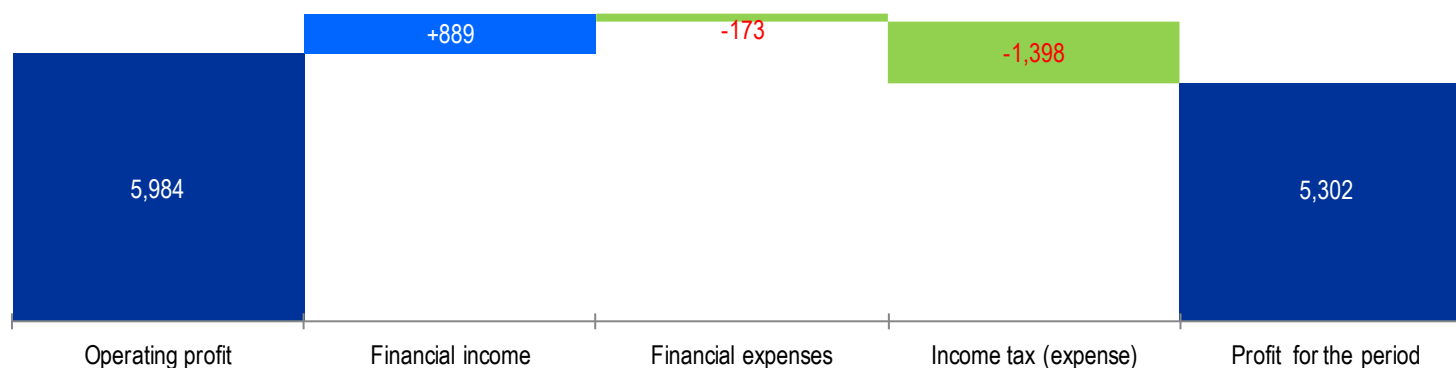
EBITDA Downside Factors

- Reduction of electricity prices at the day-ahead market.
- Increase of maintenance and repairs expenses and other production process related services due to installed capacity growth.
- Increase of price and reserve fuel usage.

## Operating Profit Composition, mn RUR

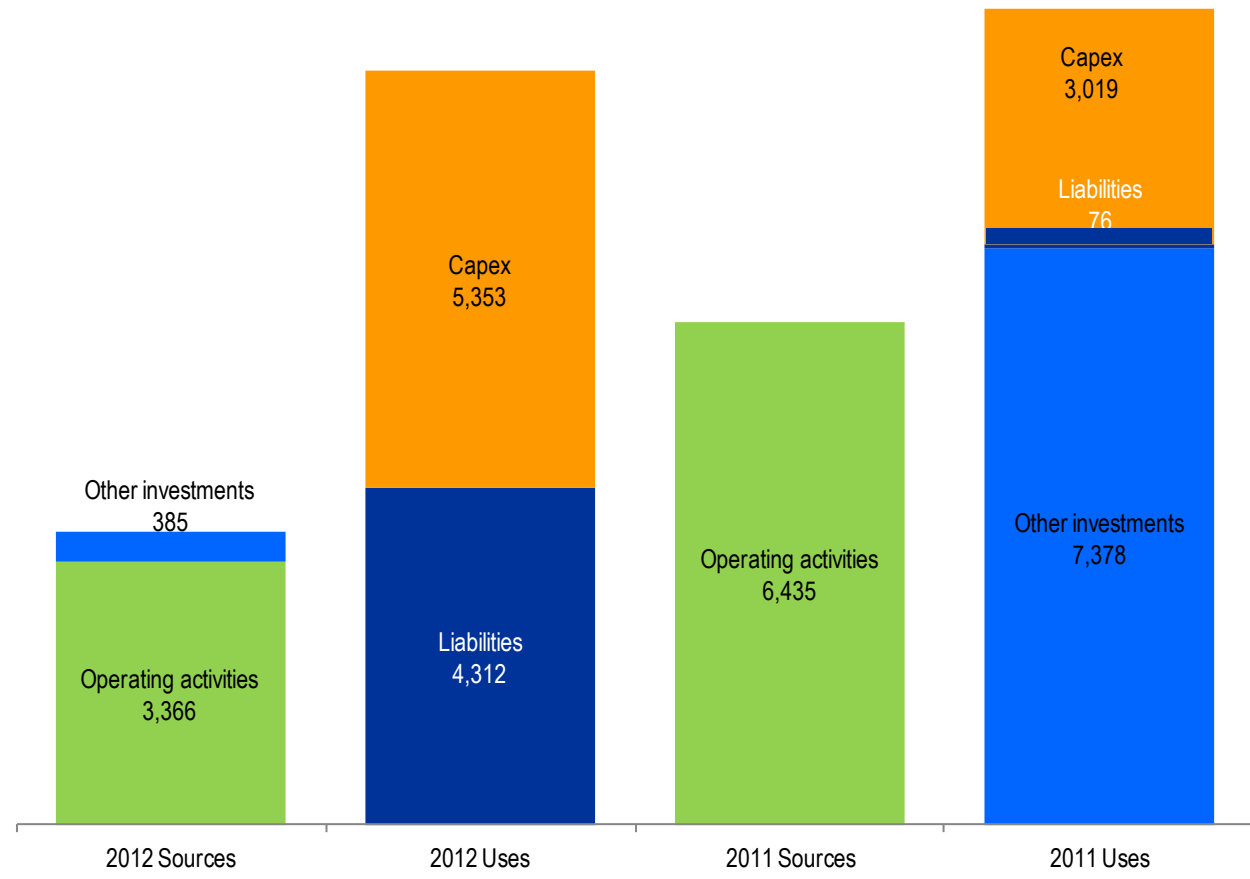
	1Q 2011	1Q 2012	Change
Revenue	60,255	58,026	-3.7%
Other operating income	321	341	+6.2%
Variable costs	(43,653)	(43,831)	+0.4%
Fixed costs	(4,506)	(5,227)	+16.0%
Depreciation of PP&E	(2,957)	(3,325)	+12.4%
<b>Operating profit for the year</b>	<b>9,460</b>	<b>5,984</b>	<b>-36.7%</b>

## Total Comprehensive Income Bridge, mn RUR

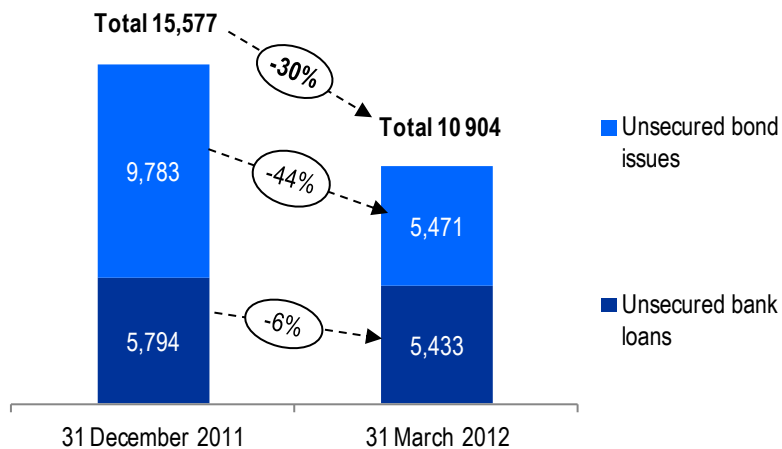




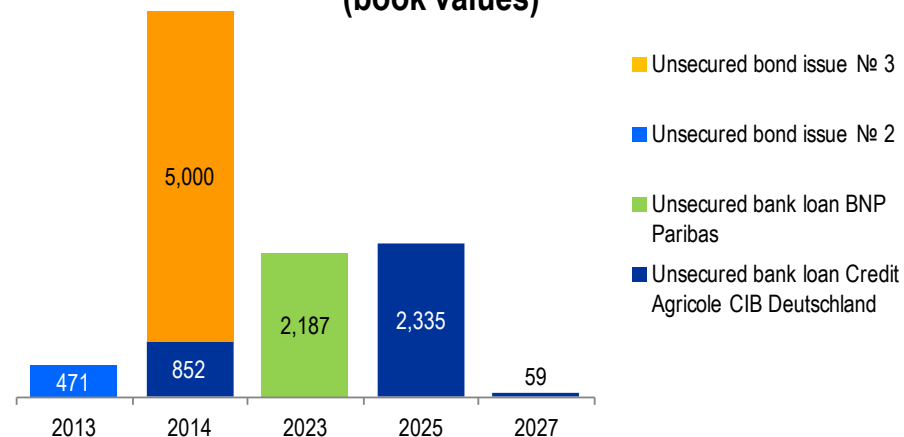
Sources and Uses of Cash, mn RUR



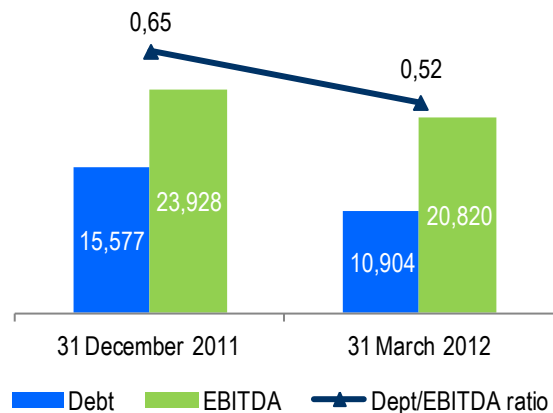
### Borrowings Structure, mn RUR



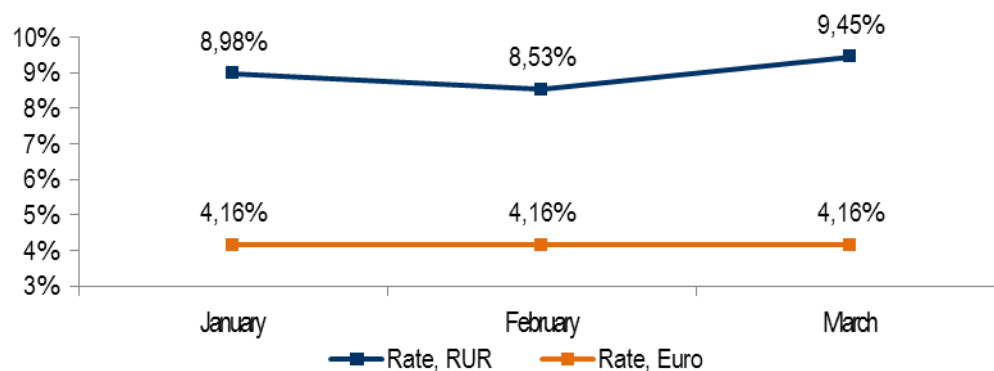
### Maturity Profile as of March 31, 2012, mn RUR (book values)



### Debt to EBITDA<sup>1</sup> ratio



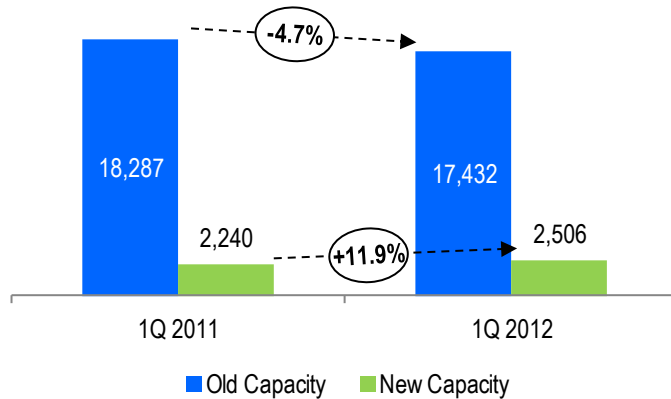
### Weighted Average Costs of Debt



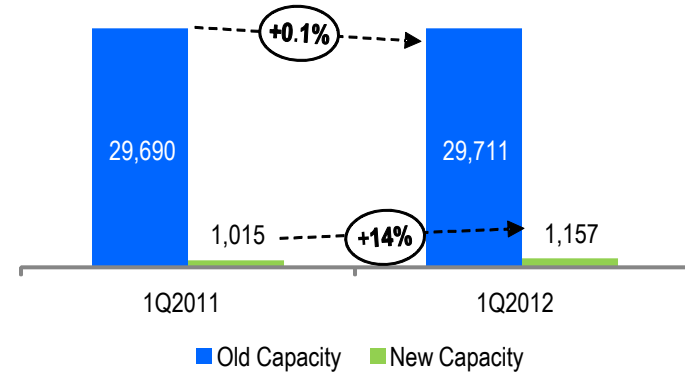
<sup>1</sup> EBITDA for the last 12 months

# Efficiency of the New CCGT Units

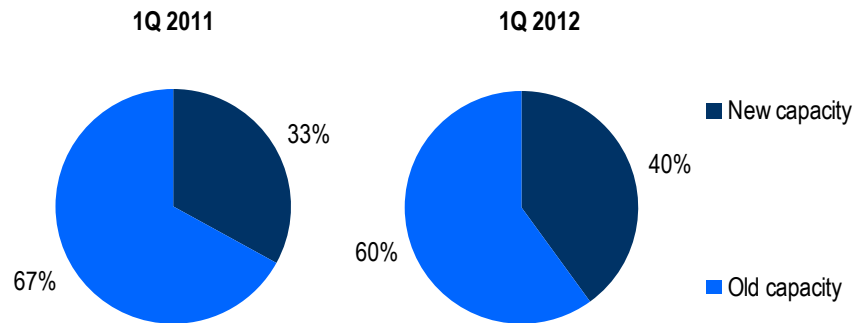
Electricity Output <sup>1</sup>, mn kWh



Heat Output <sup>1</sup>, thous Gcal



Capacity Sales Structure, %<sup>1</sup>



<sup>1</sup> Mosenergo Management Report Data. New capacity: CHP-21 (unit 11), CHP-27 (group of CCGT units), CHP-26 (CCGT unit 420)

# Thank You for Your Attention!

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