

MOSENERGO

3M 2016 IFRS Results

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Operational Highlights¹

	3M 2015	3M 2016	Change
Electricity Output, mn kWh	16,795	17,076	+1.7%
Electricity Sales, mn kWh	17,204	17,604	+2.3%
Heat Output, th.Gcal	29,055	34,033	+17.1%
Fuel Rate on Electricity, g/kWh	205.9	208.5	+1.3%
Fuel Rate on Heat, kg/Gcal	163.0	162.8	-0.1%

¹ Management report data

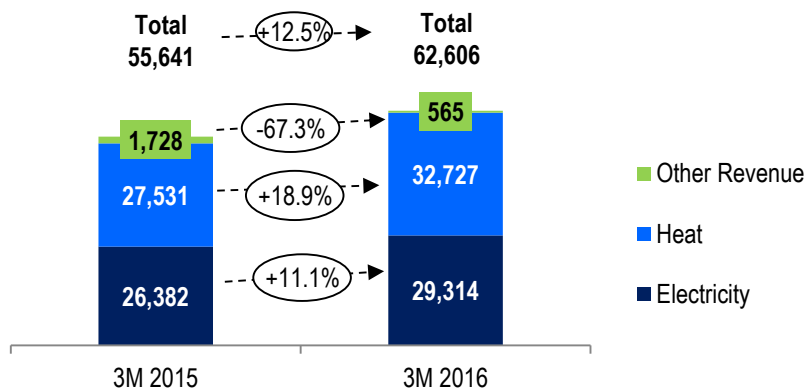
² Excluding Depreciation of PP&E

³ EBITDA = Operating Profit + Depreciation of PP&E

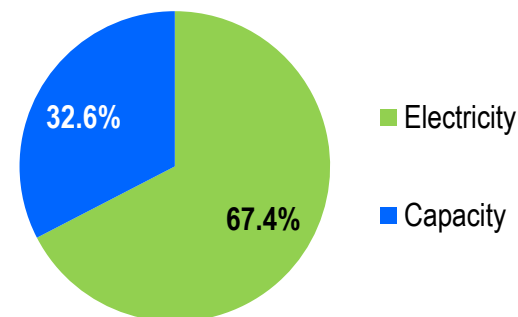
Financial Highlights, mn RUR

	3M 2015	3M 2016	Change
Revenue	55,641	62,606	+12.5%
Variable Costs	(37,829)	(43,077)	+13.9%
Fixed Costs ²	(5,609)	(6,369)	+13.5%
EBITDA ³	12,334	13,498	+9.4%
Depreciation of PP&E	(4,454)	(3,683)	-17.3%
Operating Profit	7,880	9,815	+24.6%
Profit for the Period	7,430	8,208	+10.5%
Total Comprehensive Income for the Period	7,433	8,220	+10.6%

Revenue, mn RUR



Electricity and Capacity Revenue Breakdown for 3M 2016



Prices and Tariffs

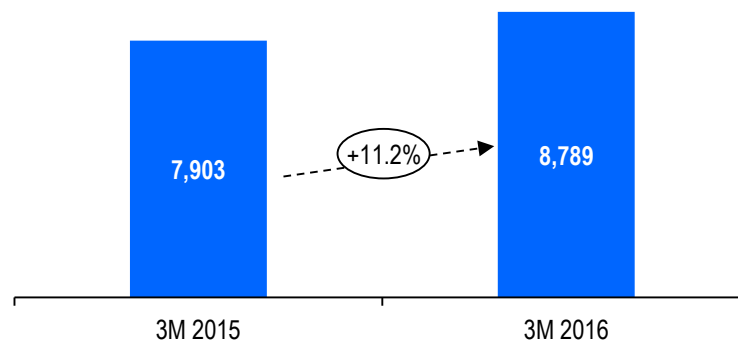
Parameter	3M 2015	3M 2016	Change
Average Weighted Electricity Price, th.RUR/MWh ¹	1,051.29	1,123.11	+6.8%
Average Price for New Capacity, RUR/MW per Month	632,268.78	757,291.42	+19.8%
Average Price for Old Capacity, RUR/MW per Month	148,946.43	136,356.21	-8.5%
Average Weighted Heat Tariff, RUR/Gcal	928.99	950.63	+2.3%
<i>Including the "generation + distribution" tariff, RUR/Gcal</i>	818.76	888.40	+8.5%

¹ At the wholesale market of electricity and capacity

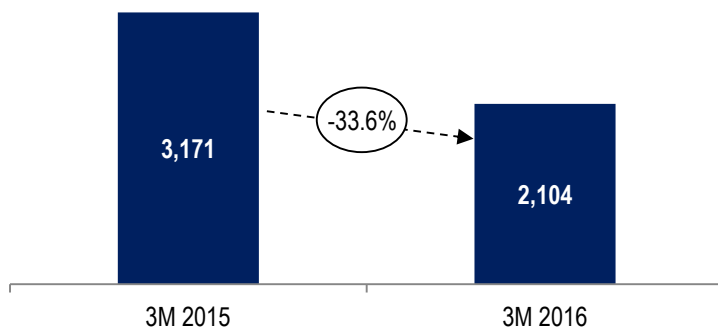
Variable Costs, mn RUR

Variable Costs	3M 2015	3M 2016	Change
<u>Cost of materials, incl.:</u>	34,658	40,973	+18.2%
<i>Fuel expenses</i>	31,821	37,530	+17.9%
<i>Purchased heat and electricity</i>	2,368	2,837	+19.8%
<i>Water usage expenses</i>	283	351	+24.0%
<i>Other materials expenses</i>	186	255	+37.1%
<u>Heat transmission</u>	3,171	2,104	-33.6%
Total variable costs	37,829	43,077	+13.9%

Reference Fuel Consumption, Tons of Reference Fuel



Heat Transmission, mn RUR



Variable Costs Factors

- Fuel expenses growth resulted from increased electricity production and heat output.
- Heat transmission expenses reduction is due to decrease in heat output, subject to transportation (via heating grids), on the back of growing share of heat output from headers of power plants (boiler houses).

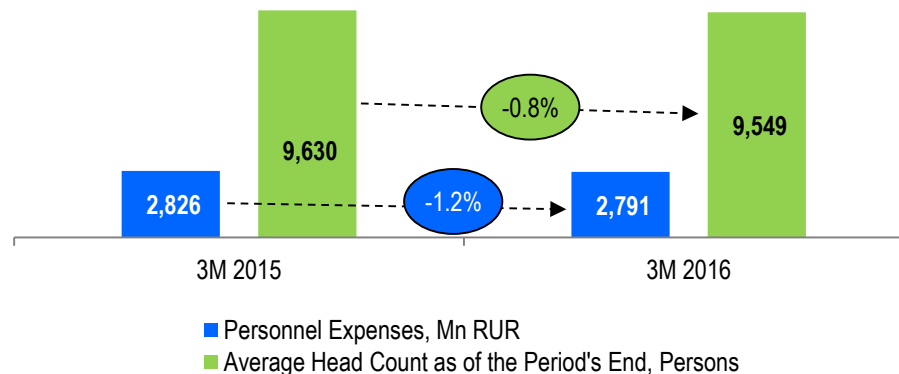
Fixed Costs, mn RUR

Fixed Costs	3M 2015	3M 2016	Change
Personnel expenses	2,826	2,791	-1.2%
<i>Incl. salary and social insurance contributions</i>	2,760	2,709	-1.8%
Maintenance and repairs expenses	597	770	+29.0%
Other external suppliers	874	1,054	+20.6%
Taxes other than income tax	436	528	+21.1%
Other operating expenses	876	1,226	+40.0%
Total fixed costs	5,609	6,369	+13.5%

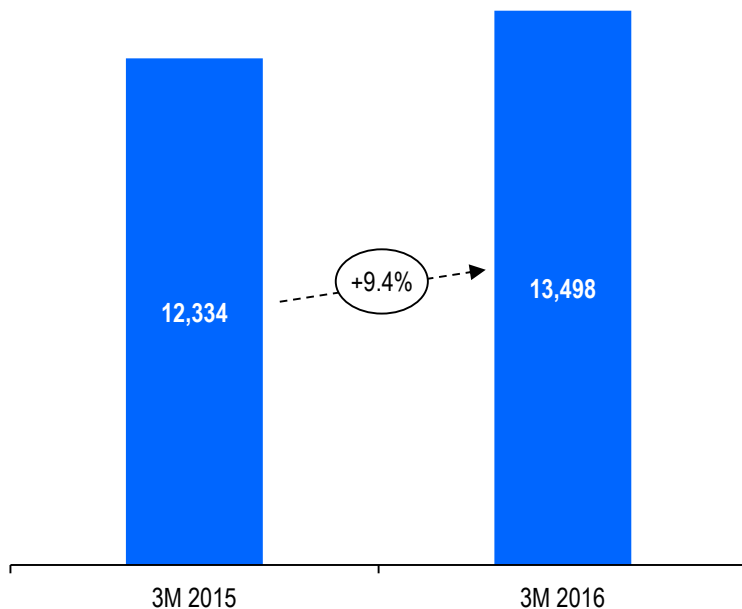
Fixed Costs Factors

- “Other external suppliers” item growth is due mainly to higher expense of the new capacity integration.
- Other operating expenses growth was caused by dynamics of «Impairment and derecognition of trade and other receivables» item.

Salary Expenses and Number of Employees, mn RUR



EBITDA¹, mn RUR



EBITDA Key Factors

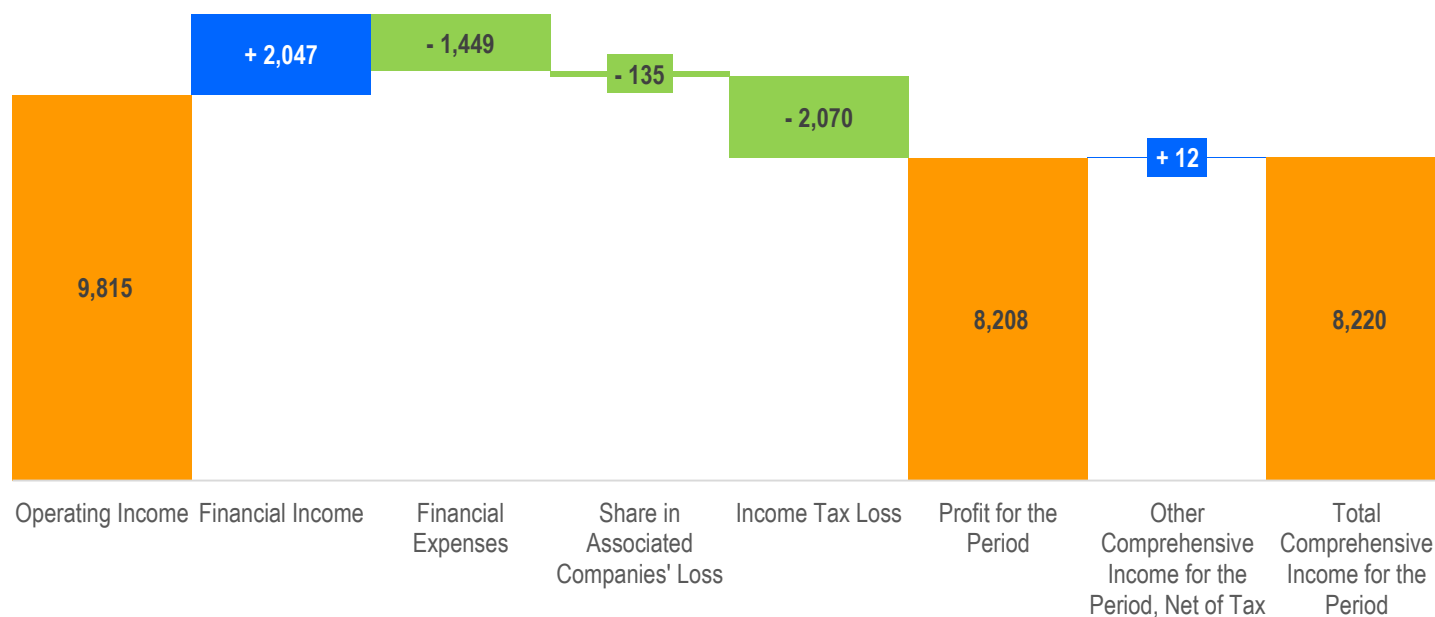
- Revenue growth from heat sales, resulting from heat output increase by 17.1%
- Increased revenue from electricity and capacity sales on the back of production growth by 1.7% and new CCGT-units commissioning at CHP-12, CHP-16 and CHP-20

¹ EBITDA = Operating Profit + Depreciation of PP&E

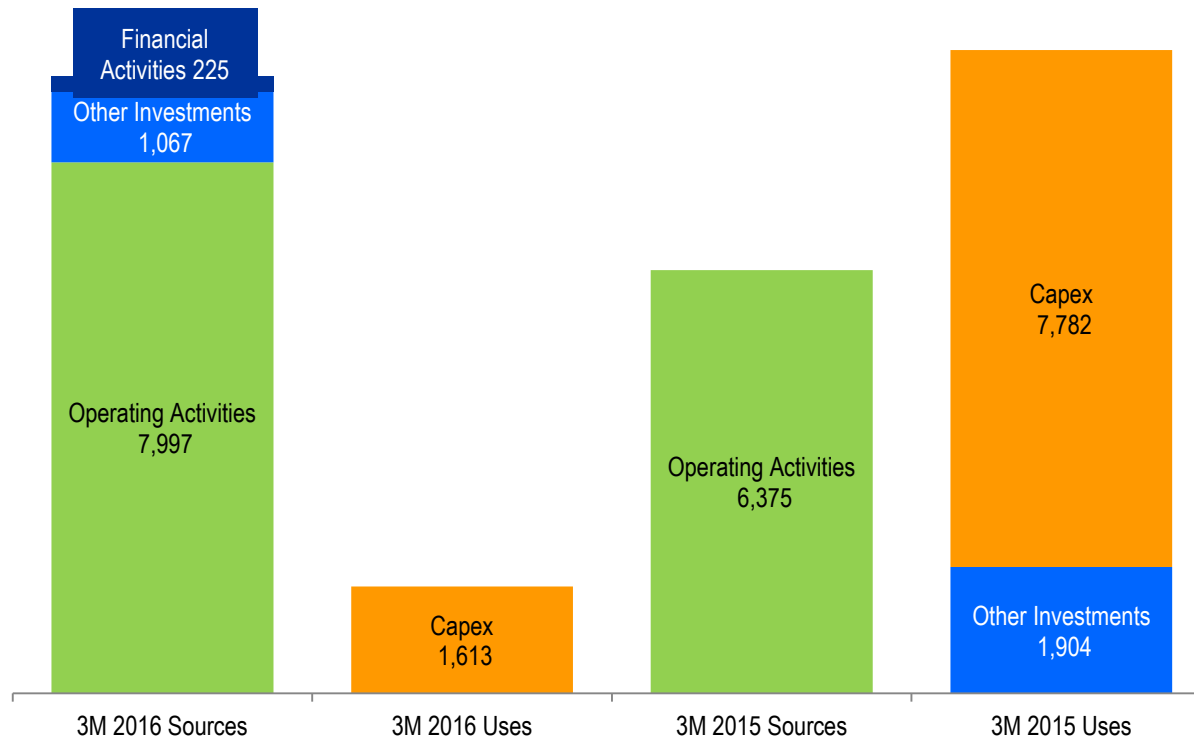
Operating Profit Composition, mn RUR

Parameter	3M 2015	3M 2016	Change
Revenue	55,641	62,606	+12.5%
Other operating income	131	338	+158.0%
Variable costs	(37,829)	(43,077)	+13.9%
Fixed costs	(5,609)	(6,369)	+13.5%
Depreciation of PP&E	(4,454)	(3,683)	-17.3%
Operating profit	7,880	9,815	+24.6%

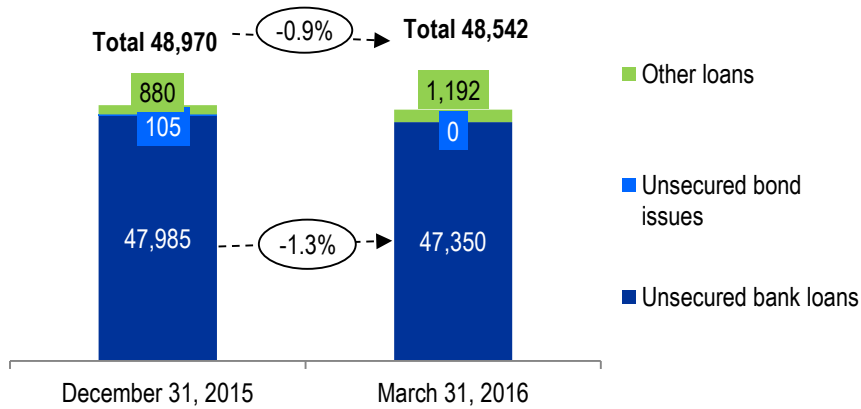
Profit Bridge for 3M 2016, mn RUR



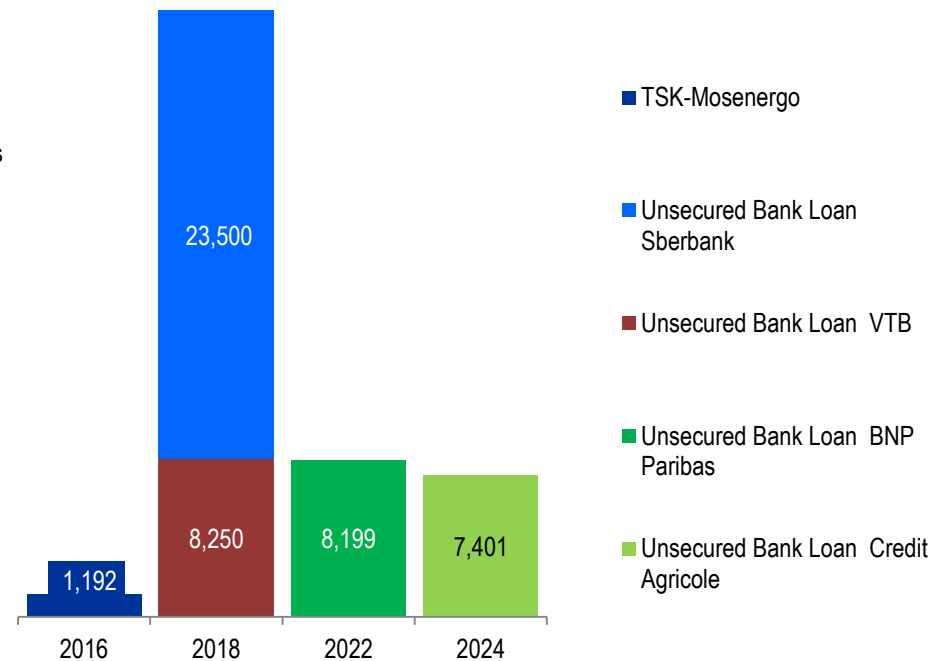
Sources and Uses of Cash, mn RUR



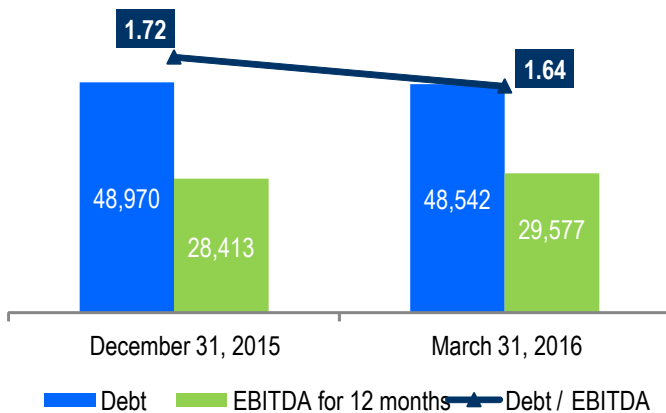
Liabilities Structure, mn RUR



Maturity Profile as of March 31, 2016, mn RUR (book value)



Debt / EBITDA



Thank You for Your Attention!

IR contacts:

Ekaterina Pavlova

Tel. (495) 428-47-83 (ext. 4607)

PavlovaEA@mosenergo.ru

Denis Voronchikhin

Tel. (495) 957-1-957 (ext. 3457)

VoronchikhinDS@mosenergo.ru