



RELEASE

March 26, 2015
Moscow

Mosenergo IFRS Revenue for 12M 2014 Grew by 3.5%

Mosenergo releases audited consolidated financial statements (prepared in accordance with IFRS) for the 12 months ended December 31, 2014.

Consolidated Statement of Comprehensive Income Key Figures, (mn RUR)	2013FY (restated)	2014FY
Revenue	155,932	161,432
Variable Costs	(108,252)	(113,508)
Fixed Costs ⁽¹⁾	(23,991)	(26,480)
EBITDA ⁽²⁾	23,802	17,040
EBITDA adj. ⁽³⁾	24,704	24,059
Depreciation of Property, Plant and Equipment	(13,965)	(15,469)
Operating Profit	9,837	1,571
(Loss)/ Profit for the Period	7,484	(3,067)
Profit for the Period, adj. ⁽⁴⁾	9,592	10,261

1. Excluding Depreciation of PP&E.
2. EBITDA = Operating Profit + Depreciation of PP&E.
3. Adjusted to Impairment loss on PP&E.
4. Adjusted to Impairment loss on PP&E and FX change loss.

In 2014FY revenue grew by 3.5% year-on-year totaling RUR 161,432 mn. The bulk of the figure (57.1%) was contributed by the revenue from electricity and capacity sales. This parameter grew by 0.9% up to RUR 92,166 mn in the reporting period due to increased prices at "the day-ahead market" and balancing market, along with capacity price cap growth in free power transfer zone "Moscow".

Revenue from heat sales (40.5% of the total revenue) amounted to RUR 65,460 mn. This figure grew by 7% year-on-year due to higher tariff and increased heat output, resulting from partial transfer of MOEK's boiler-houses to Mosenergo's management.

Variable costs increased by 4.9% - to RUR 113,508 mn mainly due to fuel prices growing by 6.9%. At the same time expenses for heat transmission in the reporting period decreased by 4.1%, to RUR 7,330 mn.

Fixed costs (excluding Depreciation and Impairment of PP&E.) for 2014FY grew by 10.4%, to RUR 26,480 mn. The fixed costs growth in the reporting period was caused by the following factors:

- Taxes other than income tax increased on the account of adjusted in 2013 property tax statements for the previous periods, allowing for lower tax expense.

- Increased personnel expenses due to personnel transfer from MOEK boiler-houses.
- Increase in maintenance and repairs expenses is due to commissioned CSA capacity.

EBITDA for 2014FY decreased by 28.4% year-on-year, to RUR 17,040 mn. The decrease is due to impairment loss on PP&E stipulated by IFRS requirements. EBITDA for 2014FY adjusted to impairment loss on PP&E decreased by 2.6%, to RUR 24,059 mn.

IFRS loss of Mosenergo for 2014FY amounted to RUR 3,067 mn vs profit in 2013FY. The loss resulted from one-offs such as impairment loss on PP&E and FX change loss. Adjusted to the mentioned above items, Mosenergo's profit for 2014FY totaled RUR 10,261 mn, thus growing by 7% year-on-year.

MOSENERGO PR DEPARTMENT

Tel.: (495) 957-1-957, ext. 2282, 2290
Fax: (495) 957-37-99
E-mail: press-centre@mosenergo.ru
Website: <http://www.mosenergo.ru>