



# ANNUAL REPORT 2014



ONE RESOURCE —  
TWO PRODUCTS

**PRE-APPROVED BY:**  
**the Mosenergo Board of Directors**  
**Minutes No. 1**  
**dated 08 May, 2015**



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New combined-cycle power generation unit was commissioned at TPP-16 of Mosenergo OJSC with the capacity of 420 MW (SGU-420). Unit's commissioning more than doubled TPP's overall capacity (from 360 to 780 MW).

TPP-16



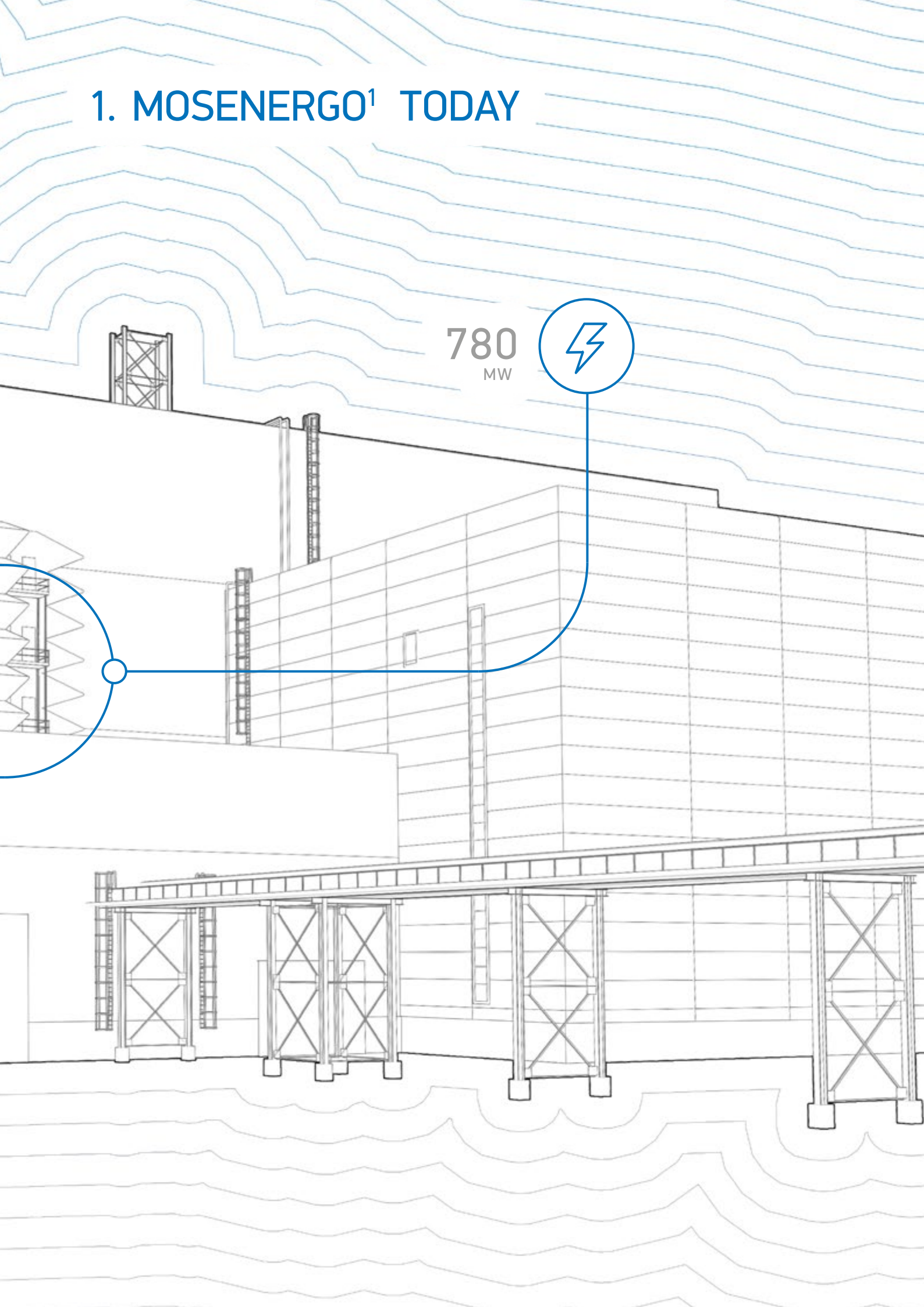
SGU-420



This power plant provides heat and energy for the north-western districts of Moscow, where more than 1.5 million people live.

# 1. MOSENERGO<sup>1</sup> TODAY

780  
MW





## 1.1 COMPANY PORTRAIT

- Mosenergo is the largest regional power generating company in the Russian Federation.
- Mosenergo owns 15 power plants with an installed electrical capacity of 12.7 GW and a heat capacity of 40.4 thousand Gcal/h.
- Mosenergo produces roughly 6% of the total electricity generated in the Russian Federation (including nuclear power plants).
- Mosenergo is a major producer of electricity and heat energy for the Moscow Region and unites two constituent territories of the Russian Federation – the City of Moscow and the Moscow Region.
- Mosenergo supplies approximately 66% of the electricity and 43% of heat energy consumed in the Moscow Region.
- Mosenergo provides 70% of Moscow's heat energy.



### 1.1.1 Mosenergo in Figures

#### Key performance indicators

	2012	2013	2014	2014/2013 Change
Gross electricity generation, million kWh	61,334	58,642	56,667	(3.4%)
Electricity output, million kWh	56,604	54,018	52,079	(3.6%)
Total electricity sales, million kWh	65,797	61,709	58,871	(4.6%)
Heat output, thousand Gcal	68,353	67,595	70,321	4.0%
Electricity generation fuel rate, tfe/kWh	247.9	240.9	241.3	0.2%
Heat generation fuel rate, kg/Gcal	166.0	165.5	165.5	0.0%

#### Key financial indicators<sup>2</sup>, RUB million

	2012	2013	2014	2014/2013 Change
Revenue	155,437	154,120	158,820	3.0%
Prime cost	146,554	140,224	146,383	4.4%
Gross profit	8,884	13,896	12,437	(10.5%)
Sales profit	8,618	13,636	12,179	(10.7%)
Net profit	7,783	8,028	1,405	(82.5%)
	December 31, 2012	December 31, 2013	December 31, 2014	2014/2013 Change
Non-current assets	164,680	189,072	199,420	5.5%
Current assets	60,416	50,860	69,350	36.4%
Long-term liabilities	26,320	29,755	58,316	96.0%
Short-term liabilities	14,114	18,673	19,120	2.4%

<sup>1</sup> Hereinafter referred to as the Company or the Society

<sup>2</sup> According to RAS

## Share capital <sup>3</sup>

### Mosenergo's authorized capital is divided into 39,749,359,700 ordinary registered shares, each with a nominal value of RUB 1.00.

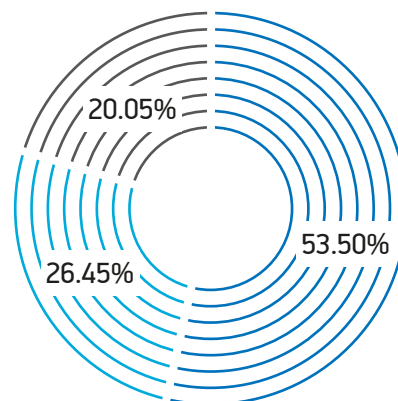
Mosenergo's authorized capital amounts to RUB 39,749,359,700, which is divided into 39,749,359,700 ordinary registered shares, each with a nominal value of RUB 1.00.

Mosenergo shares are listed on the A1 quotation list on the Moscow Exchange.

Stock tickers:

- Moscow Exchange - MSNG
- Bloomberg - MSNG RU

Mosenergo's depository receipts are listed in the over-the-counter (OTC) market of the New York Stock Exchange and in the IOB sector of the London Stock Exchange.



- Gazprom Energoholding LLC
- Other private persons and legal entities
- The City of Moscow represented by the Department of Municipal Property of the City of Moscow

## Depository receipt programs

	Level 1	144-A	Reg.S
Coefficient	1:50 shares	1:50 shares	1:50 shares
Brief description	Receipts can be traded freely on the OTC market in the USA and Europe.	Receipts are intended for private offering to a restricted number of institutional investors, primarily in the USA.	Receipts are intended for a wider range of private professional investors than 144-A, outside the USA.
Date of issue	1997	2008	2008
Depository bank	Bank of New York Mellon		

<sup>3</sup> As of December 31, 2014

<sup>4</sup> International Order Book



## 1.2 MAIN CORPORATION EVENTS OF 2014

### FEBRUARY 20

Mosenergo paid out the 16th coupon yield on the 02 bonds series (state registration number 4-03-00085-A dated January 26, 2006). The total amount paid out amounted to RUB 4.33 million, equating to RUB 43.38 per bond.

FEBRUARY

### APRIL 1

A GTU-65 gas turbine unit is commissioned at TPP-9 of Mosenergo OJSC. The installed capacity of the TPP-9 power plant has been increased by almost a third (65 MW).

At the end of April 2014, the first C inspection of the GT26 gas turbine was completed at power unit No. 8 of SGU-420 of TPP-26. The inspection was carried out after 28,000 hours of operation of the power unit, which was commissioned on June 30, 2011.

APRIL

### 4 JUNE

Mosenergo's General Shareholder Meeting.

### 6 JUNE

Release of Mosenergo's IFRS financial statements for Q1 2014.

JUNE

MARCH

### MARCH 3

Release of Mosenergo's financial statements for 2013 according to Russian Accounting Standards.

### MARCH 19

Release of Mosenergo's IFRS statements for 2013.

MAY

### MAY 15

Mosenergo OJSC receives a number of energy facilities of JSC MIPC. Conclusion of lease agreements on property complexes of Lyublino DTPP and Khimki-Khovrino DHPs and lease agreements with an option to purchase property complexes of Rublevo, Frezer, Biryulyovo, Matveevskaya, Krasny Stroitel DHPs, Kuryanovo DTPP, Standartnaya district heating plant, district heating plant-11, district heating plant-17, district heating plant-44, district heating plant-56 and MiniSDPPs. In addition, acquisition of district heating plant-8, district heating plant-55, Babushkino-2 DHPs and the energy complex.

### 30 MAY.

Mosenergo paid out the ninth coupon yield on the 03 bonds series (state registration number 4-04-00085, dated December 12, 2008). The total amount paid out amounted to RUB 216.90 million, equating to RUB 43.38 per bond.

JULY

### JULY 1

Analyst and Investor Day of the Gazprom Energoholding Group was held.

### JULY 31

Release of Mosenergo's financial statements according to Russian Accounting Standards for the first six months of 2014.



# + 65

## MW

**TPP-9 installed capacity increased after GTU-65 commissioning**



# 216.90

RUB million  
total amount paid  
on the 03 bonds series



## AUGUST 29

Release of Mosenergo's IFRS financial statements for the nine months of 2014.

AUGUST

## OCTOBER 31

Mosenergo was awarded a readiness certificate to operate during the 2014-2015 autumn-winter period.

## OCTOBER 31

Release of Mosenergo's financial statements according to Russian Accounting Standards for the nine months of 2014.

OCTOBER

## DECEMBER 4

Release of Mosenergo's IFRS financial statements for the nine months of 2014.

## DECEMBER 24

TPP-16 of Mosenergo OJSC held a solemn event dedicated to the commissioning of a new combined-cycle power generation unit with the capacity of 420 MW (SGU-420).

DECEMBER

SEPTEMBER

## SEPTEMBER 1

Mosenergo OJSC receives a number of energy facilities of JSC MIPC. Conclusion of contracts for lease of property of Krasnaya Presnya, Rostokino, Yuzhnoye Butovo, Babushkino-1, Novomoskovskaya, Volkhonka-ZIL, and Kuntsevo DHPs and lease agreements with a purchase option of property of district heating plant-18, Multipurpose Complex "West Port", Melitopolskaya district heating plant, Severnaya district heating plant, and Otradnoye DHPs. Also, acquisition of property district heating plant-11a, district heating plant-24 and district heating plant-26.

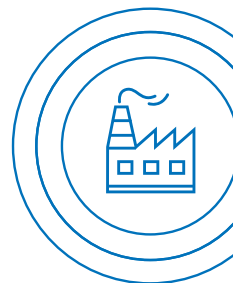
## SEPTEMBER 18.

The team of TPP-26 of Mosenergo OJSC took part in the All-Russian competition of TPP operating personnel, taking second place. Three employees of TPP-26 (Dmitry Evkharitsky, Ruslan Cherviakov and Ivan Shcherbakov) were recognized as the best professionals.

NOVEMBER

## 25 NOVEMBER

TPP-22 of Mosenergo OJSC held a solemn ceremony of signing a memorandum between Gazprom Energoholding LLC and ROTEK CJSC on implementation of the agreement on the reconstruction of power unit No. 9 at TPP-22. Under the agreement signed between Mosenergo and Ural Turbine Plant, this enterprise will replace main and auxiliary equipment of the power generation unit. Instead of the T-250 turbine, a more powerful turbine of the new model (T-295), which is manufactured specifically for this project, will be installed.



# 420

MW

capacity of new  
combined-cycle power  
generation unit SGU-420  
commissioned at TPP-16

## 2 ADDRESSES



### 2.1 ADDRESS OF THE CHAIRMAN OF THE MOSENERGO BOARD OF DIRECTORS

Member of the Gazprom Management Board

**K.G. Seleznev,**

Chairman of the Mosenergo  
Board of Directors

A stylized, handwritten signature in blue ink, appearing to read 'Seleznev'.

**Our improved competitiveness was made possible through the implementation of a large-scale investment program for the construction and modernization of generating capacities.**

## Dear Shareholders,

2014 was an important step in the development of electricity activities of the Gazprom Group. Despite the changes in the external environment, our production companies demonstrated good results and confirmed the stability of our sustainable development.

In many respects, that was a consequence of enhancing work operations on internal improvement and significantly intensifying cooperation with national manufacturers of power equipment, research organizations, and developing the corporate service-and-maintenance segment.

Taking measures to strengthen the foundation of our business, we also continue to work on improving the quality of management of companies and enterprises, cost reduction, optimizing equipment loading and fuel balance, and decreasing the operational duration of unprofitable production capacities.

Our improved competitiveness was made possible through the implementation of a large-scale investment program for the construction and modernization of generating capacities. In 2014, new combined-cycle power generation units with a capacity of 420 MW each were commissioned at Cherepovets SDPP and TPP-16 in Moscow. As a result, the share of power generation units built at power plants of the Group in recent years reached 16% of total installed capacity by the end of the year.

The new generation provides a powerful impetus to the socio-economic development in the regions and lays the foundation for the realization of large industrial and infrastructure projects.

One of the most important aspects of our development is to minimize environmental impact. As a result of activities that were carried out by our generation companies in 2014, another improvement in fuel use can be seen: 1.8 g/kWh on average for the Group. In addition, the commissioning of new facilities that replace obsolete ones not only improves the economic performance of our activities, but also makes a significant contribution to improving the environmental performance of production. For the past two years, the reduction of pollutant emissions into the

atmosphere by our power plants amounted to 8% annually per unit of output.

Given the enormous responsibility that rests on the Group's companies in the field of uninterrupted supply of heat and electricity to the population and industries in many regions of Russia, including such important cities as Moscow and Saint Petersburg, we must continue to upgrade our production facilities. At the same time, we expect full interaction with the subjects of the national economy.

In particular, in 2014, the Ural Turbine Plant launched a pilot reconstruction project of a power generation unit at TPP-22 in the City of Moscow. Together with the M.V. Lomonosov Moscow State University, a research center in the field of thermal-insulation materials was opened. The Group's companies acquire unique experience that is already in demand in the electric power industry and will be used in other projects.

2014 was a year of recovery of unified management of Moscow's technological heating chain. A tremendous amount of work was done on the integration of JSC MIPC into the Gazprom Group. Mosenergo OJSC received more than 30 generating facilities of JSC MIPC (regional and district heating plants and other heat generation sources). Shifting the loads to more efficient generation sources has allowed the Group to optimize the loading of existing heat sources, provide fuel economy and achieve a significant economic effect. Gas saving, which was achieved through the implementation of such switching in 2014, amounted to approximately 200 million cub. m.

Unified management of Mosenergo OJSC and JSC MIPC in the Gazprom Group for consumers in the City of Moscow and the Moscow Region means improving the reliability and the efficiency of the heat economy.

Dear Shareholders, we are moving toward increasing the profitability and shareholder value of the Group's companies. We are counting on your support in addressing key challenges to strengthen the financial position of our companies through further improvement of operational profitability, cost optimization and improvement of production efficiency.



## 2.2 ADDRESS OF THE GENERAL DIRECTOR



A.S. Osyka,

Acting General Director of Mosenergo OJSC

**Through the implementation of a large-scale investment program, the share of the new capacities in total power generation of Mosenergo OJSC increased to 20.7% in 2014, compared to 18.9% at the end of 2013.**

## Dear Shareholders,

2014 was yet another important step in the development of Mosenergo OJSC, which is the largest territorial generating company in the Russian Federation, providing electricity and heat to customers in the City of Moscow and the Moscow Region.

The strategic development of the company's business, along with a reliable power supply to consumers, remained the key objective of Mosenergo OJSC's management throughout the year. The result of this work was the commissioning of two new power generation facilities built in the framework of the agreement on provision of power (PSA): a GTU-65 gas turbine unit at TPP-9 and steam and gas power unit SGU-420 at TPP-16 of Mosenergo OJSC. As a result, the total installed capacity of the company increased by 485 MW. Through the implementation of a large-scale investment program, the share of the new capacities in total power generation of Mosenergo OJSC increased to 20.7% in 2014, compared to 18.9% at the end of 2013. The efficient operation of new equipment will increase the reliability of power supply, result in an increase in the company's operating cash flow, and make the company more resistant to market fluctuations.

During 2014, the optimization program for heat loads between Mosenergo OJSC and JSC MIPC was implemented, in the scope of which a number of generation facilities of JSC MIPC came under the control of Mosenergo OJSC.

The financial position of Mosenergo OJSC in 2014 remained stable: the company's revenue increased by 3%, amounting to RUB 158.8 bln. The increase in conventionally controlled expenses was preserved at a level that is substantially lower than the inflation level in the country's economy: 4.6% vs. 11.4%, respectively. The decrease of the Company's final financial results in 2014 was largely due to instability in the foreign exchange market and, consequently, a single-time growth of expenditure from changes in exchange rate differences.

In 2014, the creditworthiness of Mosenergo OJSC was once again confirmed by the ratings of the two leading rating agencies – Fitch and Standard and Poor's.

Social responsibility remained one of the priorities of Mosenergo OJSC's management. Particular attention was paid to improving corporate culture, staff development, occupational safety, and environmental protection.

In 2014, the company's staff demonstrated good results in a variety of professional and industry competitions. The Mosenergo OJSC team from TPP-26 won second place in the All-Russian competition of operating personnel of modular power plants, which was held in Essentuki in September 2014, and three members of the team were recognized as the best professionals on the basis of contest results.

The environmental management system that is used by Mosenergo OJSC passed the regular supervisory audit for compliance with the international standard ISO 14001:2004 in 2014. As a result of these measures, emissions

## **Particular attention was paid to improving corporate culture, staff development, occupational safety, and environmental protection.**

from Mosenergo OJSC's power plants remain significantly below the threshold set by environment agencies.

The implementation of Mosenergo OJSC's investment program under PSA ends in 2015. In Q2 of 2015, a SGU-220 power generation unit has been commissioned at TPP-12; by the end of the year, the company plans to have commissioned a SGU-420 power generation unit at TPP-20. These units, which have excellent performance characteristics, will join the company's new facilities, which is one of the basic tools contributing to the competitive advantages of Mosenergo OJSC.

By the end of the reporting year, the share of new efficient combined-cycle power generation units in Company's electricity output increased to 20.7% in 2014 (in 2013 - 18.9%).

INTRODUCED  
CAPACITY

2,255  
MW



SPECIFIC FUEL  
CONSUMPTION  
FOR ELECTRICITY  
OUTPUT

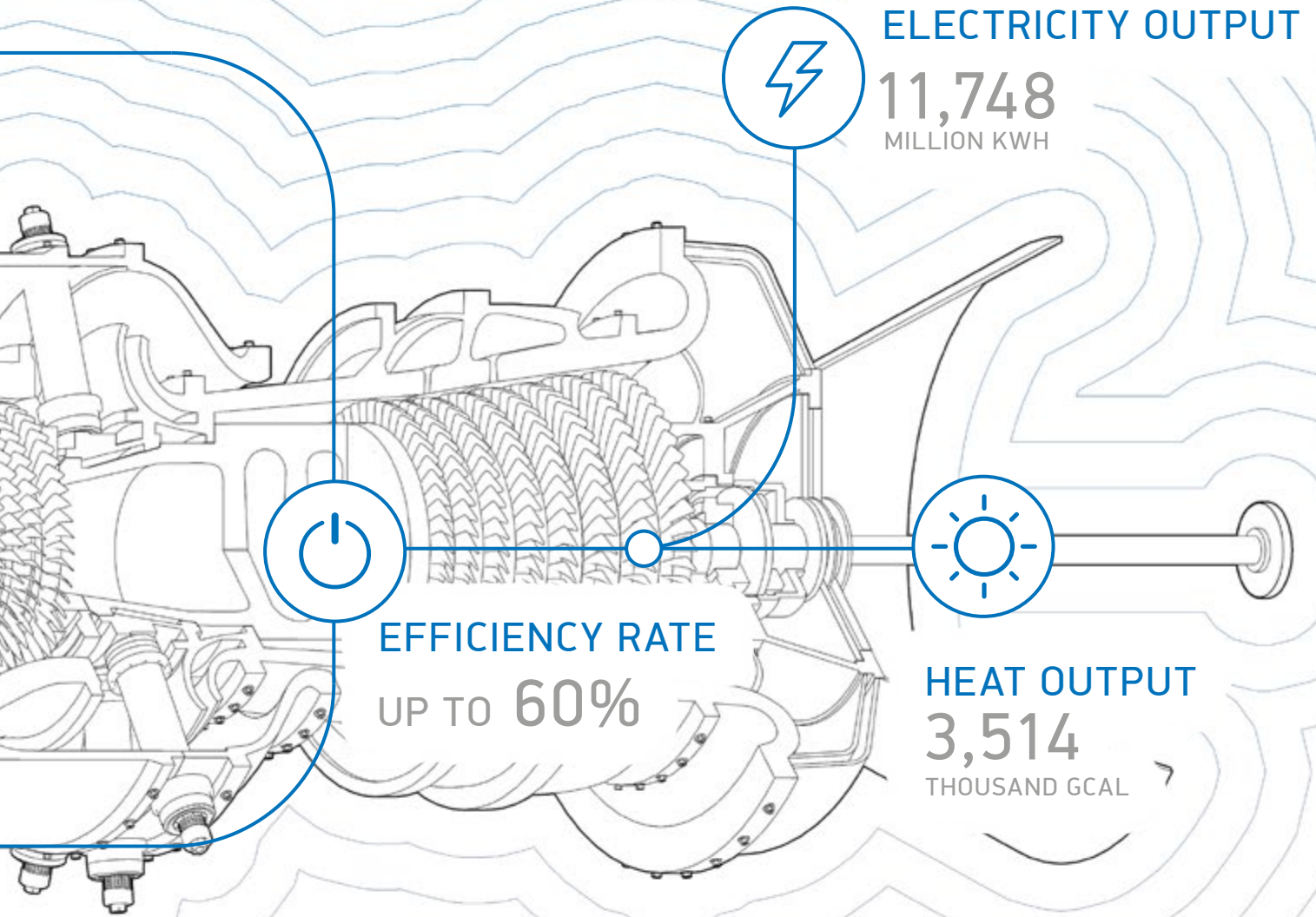
216,4

G OF STANDARD FUEL/KWH



The program for the construction of new facilities under the power delivery contracts, as well as ensuring efficient and reliable operation of the existing generating equipment are among the key priorities of Mosenergo OJSC.

# 3 OVERVIEW OF OPERATING RESULTS



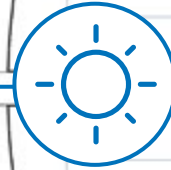
ELECTRICITY OUTPUT

11,748  
MILLION KWH



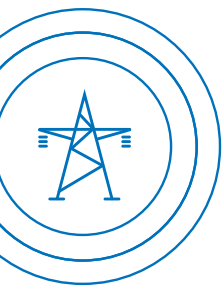
EFFICIENCY RATE

UP TO 60%



HEAT OUTPUT

3,514  
THOUSAND GCAL



### 3.1 PRODUCTION

## In 2014, the power plants owned by the Company and controlled DTPPs of JSC MIPC produced 56.7 billion KWh of electricity.

In 2014, Mosenergo's generating operations were not subject to any major disruptions, which ensured the stable operation of power plant equipment during the year and a reliable supply of heat and electricity to consumers in Moscow and the Moscow Region.

The following changes in Mosenergo's installed capacity occurred in 2014:

- Since April 01, 2014, Mosenergo OJSC has certified the power generation unit at GT-1 of TPP-9 with an installed capacity of 64.8 MW and 15.3 Gcal/h in accordance with the supply contract of capacities;
- Since May 15, 2014, Mosenergo OJSC has received 18 DTPPs and DHPs of the first wave from JSC MIPC through purchase and lease with subsequent purchase, which led to an increase in the Company's installed capacity by 24.3 MW and 3,398.15 Gcal/h. The installed capacity of the transmitted DHPs does not include district heating plant-17, district heating plant-44, district heating plant-55, district heating plant-56 (non-operating) nor the steam-and-gas unit of Izmailovo MiniSDPP, which were withdrawn into a preservation period of 5 years in 2011 by order of JSC MIPC;
- Since September 01, 2014, Mosenergo OJSC has sold TPP-6 and GTU of TPP-29 (-34.78 MW) and (-146.08 Gcal/h);
- Since September 01, 2014, Mosenergo OJSC has received from JSC MIPC 15 DHPs the second wave with a total installed capacity of 3,367 Gcal/h through purchase

and lease with subsequent purchase. The installed capacity of the boiler of the first wave excluded Khimki-Khovrino DHP (conservation), Matveevskaya DHP (liquidation), and Krasny Stroitel DHP (liquidation), which were decommissioned by corresponding orders of JSC MIPC in 2013;

- Since December 01, 2014, in accordance with the power supply contract, the Unit-8 at TPP-16 (SGU-420) with installed capacity of 421 MW and 195 Gcal/h has been certified.

As a result, the Company's installed capacity at the end of 2014 amounted to 12,737.3 MW and 40,374.35 Gcal/h, including 24.3 MW and 5,785.15 Gcal/h from DTPPs, DHPs and district heating plants.

The average installed capacity of the Company in 2014 amounted to 12,350.31 MW and 37,449.70 Gcal/h.

In 2014, the power plants owned by the Company and controlled DTPPs of JSC MIPC produced 56.7 billion KWh of electricity, including 12.1 million KWh produced by DTPPs. In 2013, similar figure for the TPPs amounted to 56.8 billion KWh. The decrease in output is a permanent, underlying trend in 2014, which was caused by an increase in the balance of power flow to the "Moscow" free power transfer zone (FPTZ), despite the rise in consumption in the Moscow Region (+1.2%). There was also a decrease in the capacity under repairs (-160 MW) and an increase in reserve capacity (376 MW).



## Electricity output, million kWh

Plant	2013	2014	Change
SPP-1	335	306	(8.7%)
SDPP-3	175	135	(22.6%)
TPP-8	2,303	2,172	(5.7%)
TPP-9	1,243	1,214	(2.3%)
TPP-11	1,712	1,572	(8.2%)
TPP-12	2,220	2,320	4.5%
TPP-16	1,964	2,008	2.2%
TPP-17	291	230	(20.8%)
TPP-20	3,197	3,033	(5.1%)
TPP-21	7,930	8,133	2.6%
TPP-22	7,127	6,518	(8.5%)
TPP-23	6,413	6,298	(1.8%)
TPP-25	7,013	7,030	0.2%
TPP-26	9,896	9,061	(8.4%)
TPP-27	6,823	6,637	(2.7%)
<b>TOTAL</b>	<b>58,642</b>	<b>56,667</b>	<b>(3.4%)</b>

In 2014, the volume of electricity generation using the new capacities (SGU-420 and SGU-450 at TPP-16, TPP-21, TPP-26, TPP-27, and GTU-65 at TPP-9) grew by 6.2% to 11.7 billion kWh. The share of electricity output from new power generating facilities across the Company's total output for the year reached 20.7%.

The load factor for SGU generating units reached 73.3% in 2014 (+1.0%). This sharp increase in the Group's load factor was due to a reduction in downtime for planned repairs and provisions.

Heat output from Mosenergo's TPP collectors reached 70.3 million Gcal in 2014, which is 4.0% more than in 2013. This is due to a change in the Company's configuration of the Company, which received 33 boilers from JSC MIPC for management.

Heat supply from the collectors of the TPPs reached 67.5 million Gcal, which is 0.1% below the 2013 level.



# 20.7%

Share of electricity output from new power generating facilities across the Company's total electricity output

# 70.3

million Gcal  
Heat output

## Heat output from collectors<sup>5</sup>, thousand Gcal

Plant	2013	2014	Change
SPP-1	1,913	1,674	(12.5%)
SDPP-3	619	468	(24.4%)
TPP-8	2,356	2,545	8.0%
TPP-9	1,356	1,197	(11.7%)
TPP-11	2,437	2,319	(4.8%)
TPP-12	3,722	3,225	(13.3%)
TPP-16	3,670	3,440	(6.3%)
TPP-17	545	534	(2.0%)
TPP-20	4,654	4,772	2.5%
TPP-21	10,655	10,506	(1.4%)
TPP-22	8,885	8,856	(0.3%)
TPP-23	8,575	8,875	3.5%
TPP-25	6,605	7,224	9.4%
TPP-26	7,854	8,225	4.7%
TPP-27	3,748	3,652	(2.6%)
<b>TOTAL</b>	<b>67,595</b>	<b>67,514</b>	<b>(0.1%)</b>

In 2014, the planned heat load transfer from JSC MIPC's Regional Heating Plant (RHPs) and District Heating Plants (DHPs) to Mosenergo TPPs continued: the total amount of heat transferred equaled 3,359.4 thousand Gcal

(5.0% of the total heat output), including 1,173.7 thousand Gcal during the summer months (14.3% of the total heat transferred by TPPs during the non-heating season) and 2,185.7 thousand Gcal during the heating season.

## Ambient air temperature, °C

TNV, °C			
	Average annual temperature	Average period temperature	
		Heating season	Summer period
2013	6.7	-0.2	17.5
2014	6.9	-0.1	17.3

## Load factor

Load Factor (electricity)			Load Factor (heat)		
2013	2014	Change	2013	2014	Change
54.6%	52.4%	-2.2 pct points	37.0%	35.6%	-1.4 pct points

<sup>5</sup> excluding boilers transmitted by JSC MIPC

## Fuel consumption<sup>6</sup>, tfe

	2013	2014	Change
SPP-1	363,321	328,962	(9.5%)
SDPP-3	153,531	118,193	(23.0%)
TPP-8	1,000,567	989,640	(1.1%)
TPP-9	540,946	505,590	(6.5%)
TPP-11	770,966	718,698	(6.8%)
TPP-12	1,059,063	1,083,048	2.3%
TPP-16	1,037,217	1,033,474	(0.4%)
TPP-17	179,312	152,771	(14.8%)
TPP-20	1,553,905	1,529,377	(1.6%)
TPP-21	3,278,545	3,272,385	(0.2%)
TPP-22	3,179,204	3,059,803	(3.8%)
TPP-23	2,790,111	2,817,700	1.0%
TPP-25	2,757,191	2,841,377	3.1%
TPP-26	3,578,217	3,406,687	(4.8%)
TPP-27	1,961,577	1,907,437	(2.8%)
<b>Total TPP</b>	<b>24,203,673</b>	<b>23,765,142</b>	<b>(1.8%)</b>

The average annual electricity load factor from Mosenergo's power plant turbines fell in 2013 by 2.2% compared to the level recorded in the previous year, and amounted to 52.4%. This was influenced by the increase in surplus-power flow into Moscow's free electricity zone (FEZ) and, consequently, an increase in the reserve of idle time for basic steam power equipment.

The average annual electricity load factor from Mosenergo's power plant turbines also fell by 1.4%. The reasons are the same. Furthermore, the commissioned SGU unit at TPP-16 operated in the condensing mode in December.

Specific fuel consumption for production in 2014 reached 24,200,925 tfe, including 435,783 tfe for the transmitted boilers.

The conventional fuel consumption for production at TPP of Mosenergo during the reporting year reached 1.8% lower compared to the previous year's reporting period, at 24,140 thousand tons of conventional fuel.

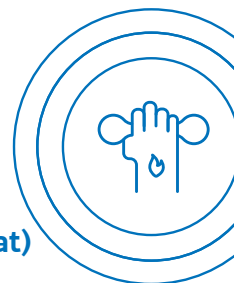
Load factor  
(electricity)

52.4%



Load factor (heat)

35.6%



<sup>6</sup> excluding boilers transmitted by JSC MIPC



### Specific fuel consumption for electricity output

# 241.3

g of standard fuel/  
kWh



### Specific fuel consumption for heat energy output

# 165.9

kg of standard  
fuel/Gcal

In 2014, decrease in fuel consumption was due to the decrease in heat and electric energy at Mosenergo OJSC's SDPP, regardless of the changes in the Company's configuration.

In 2014, Mosenergo OJSC's specific fuel consumption reached 241.3 g/kWh of electricity and 165.5 kg/Gcal of heat energy, including 294.7 g/kWh and 154.1 kg/Gcal for DTPP and boilers. Contribution of DTPP and district heating plants amounted to +0.01 g/kWh and -0.45 kg/Gcal.

Actual specific fuel consumption<sup>7</sup> for electricity output by the Company's TPPs rose by 0.1% and amounted to 241.3 g/kWh; actual specific fuel consumption for heat output rose by 0.2%, totaling 165.9 kg/Gcal.

Specific fuel consumption for electricity output, g of standard fuel/kWh		Specific fuel consumption for heat energy output, kg of standard fuel/Gcal	
2013	2014	2013	2014
240.9	241.3	165.5	165.9

Factors that determined the increase in specific fuel consumption for electricity production of 7.0 g/kWh:

- 1.2% decline in the summer mode share of the steam power equipment group in the production structure of electric energy (-0.7 g/kWh);
- Increase in burnouts of primary TPP steam power equipment (+0.6 g/kWh);
- Inefficient modes of steam power equipment at TPP-12, TPP-16 in the course of plant reconstruction relating to the commissioning of PSA facilities (+0.45 g/kWh);
- Increase in the share of the steam power equipment group in the configuration of TPP-21, TPP-26, TPP-27 by 1.2% against the background of objective growth of specific fuel equivalent consumption (0.25 g / kWh);
- Contribution of GT-1 at TPP-9 (0.14 g / kWh);
- Contribution of Unit-88 at TPP-16 (0.10 g / kWh).

The increase in specific fuel consumption for thermal energy by the TPP in the reporting period was of a permanent nature and was caused by a decrease in heat volume, the deterioration of fuel structure and an increase in the specific consumption of electric energy by heating units pumps.

<sup>7</sup> calculated using the physical method



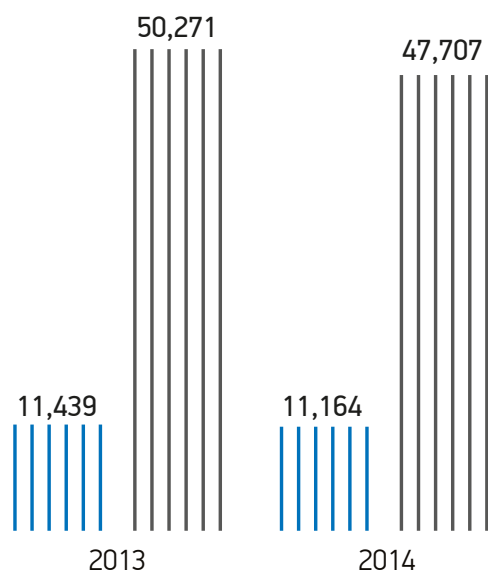
## 3.2 SALES

**Total electricity sales in 2014 - 58,871.49 thousand MWh, total sales of capacity - 11,006.24 MW.**

**Total electricity sales** in 2014 fell by 2,838.1 thousand MWh or 4.6% compared to the previous reporting period and totaled 58,871.49 thousand MWh. Total sales

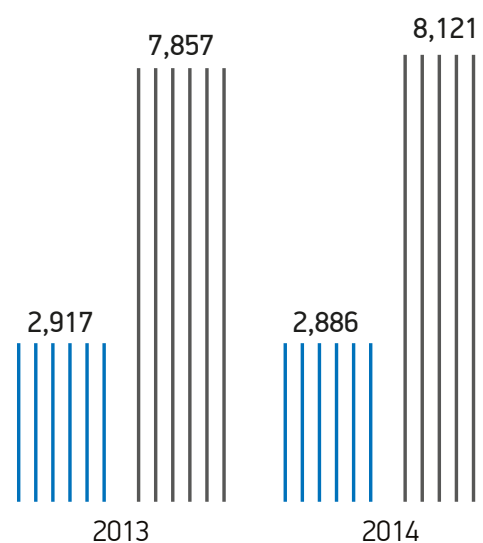
of capacity in 2014 reached 11,006.24 MW, an increase of 233.01 MW, or 2.2% compared to total sales in the previous year.

### Electricity sales, thousand MWh



RC  
TOTAL for free sector

### Capacity sales, MW



RC  
TOTAL for free sector

One of the most important factors to influence the decline in electricity sales by 3.8% as compared to the same period of last year was the drop in electricity production associated with an increase in the balance of power flow to the Moscow energy system due to an increased production of NPP in the UES of the Center by approximately 12.1% as compared to 2013.

Increased sales of capacities were due to the withdrawal of GTU-65 at TPP-9 (since April 1, 2014) and SGU-420 at TPP-16 (since December 1, 2014) from the wholesale market.



**Revenue from sales of electricity and capacities**

**92,166**  
million RUB

**REVENUE FROM SALES OF ELECTRICITY AND CAPACITIES** amounted to RUB 92,165.71 million, an increase of RUB 842.02 million or 0.92 % against 2013 figures.

**Prices and tariffs.** Sales of Mosenergo electricity were conducted mainly on the energy and capacity wholesale market (hereafter referred to as WECM), at market prices and regulated tariffs.

An insignificant amount of electricity (0.04%) was sold on the WECM under a sale and purchase agreement concluded between Mosenergo (TPP-6, TPP-29) and EnergoPromSbyt LLC.

Electricity sales (capacity) at regulated tariffs are conducted as follows:

- Under regulated contracts (RC) to supply public consumers and their equivalent (RC sector);
- Electricity (capacity) supplied by power plants which have been assigned “emergency generator status”.

All heat energy is supplied to the Moscow and the Moscow regional retail markets at regulated tariffs.

## Prices and tariffs

Description	2013	2014	Change
Weighted average sales price for electricity, RUB/MWh, including:	1,070.82	1,121.88	5%
Weighted average Regulated Contracts tariff rate, RUB/MWh	807.37	857.66	6%
Weighted average sales price in the free sector, RUB/MWh	1,130.77	1,183.71	5%
Weighted average sales price for new capacity, RUB/MWh/mth	500,666.55	488,230.97	-2%
Weighted average sales price for old capacity, RUB/MWh/mth	140,672.26	144,566.28	3%
Weighted average tariff for heat energy, RUB/Gcal, including:	884.39	912.37	3%
Weighted average tariff for heat generation and sales, RUB/Gcal	771.57	806.62	5%

The key factors influencing price increases for electricity and capacity are as follows:

- Rise in fuel prices;
- Increase in the price-cap for Moscow free flow zone to 133,000 RUB/MWh, with subsequent indexation since 01.01.2014 at 6.5% (141,645 RUB/MWh).
- Decrease in the average yield from 7.96% to 7.17% of long-term state bonds, which is included in the price calculations for facilities under power delivery contracts.

Since heat energy is a regulated activity, the main reason for the increase in the average tariff for thermal energy by Mosenergo OJSC is the annual revision of tariffs by the Moscow free flow zone and the Committee for Prices and Tariffs of the Moscow Region for consumers, the values being adjusted for the indices of socio-economic development. The increase in weighted average tariff was also influenced by the establishment of separate, higher tariffs for thermal energy boilers of JSC MIPC that were transferred under the control of Mosenergo OJSC.

## Total sales and revenue from the sales of heat energy

Indicator	2013	2014	Change
Revenue from the sales of heat energy, RUB million	59,765	63,914	6.9%
Total sales, thousand Gcal	67,578	70,053	3.7%
Average tariff, RUB/Gcal	884	912	3.2%

The increase in revenues from sales of the Company's thermal energy by 6.9% and sales volumes by 3.6% was achieved through the

development and supply of heat energy by JSC MIPC district heating plants, which were transferred to Mosenergo OJSC in 2014.

## Mosenergo client base for heat energy sales

Client (client category)	As of December 31, 2013		As of December 31, 2014	
	Share of useful output, %	Connected contractual heat load, Gcal/h	Share of useful output, %	Connected contractual heat load, Gcal/h
JSC MIPC (wholesale reseller)	69%	17,761	72%	23,046
The above included the boilers transferred to Mosenergo OJSC.	–	–	4%	2,741
Industrial enterprises (retail)	4%	2,985	3%	2,946
Public sector organizations (retail)	6%	3,198	6%	3,178
Other legal entities (retail)	15%	9,641	13%	9,553
General public, housing partnerships and associations, etc. (retail)	6%	1,772	6%	1,770
<b>Total</b>	<b>100%</b>	<b>35,357</b>	<b>100%</b>	<b>40,493</b>

The increase in contractual load was 5,136 Gcal/h, or 13%, due to an increase in the load from the boilers received from JSC MIPC and to the transfer of a number of DHPs and district heating plants at the Mosenergo OJSC plant during the heating period.

The increase in JSC MIPC's share in the consumption structure was due to the transfer of the load of boilers to the Company's TPPs.



**5,136**  
Gcal/h (+13%)

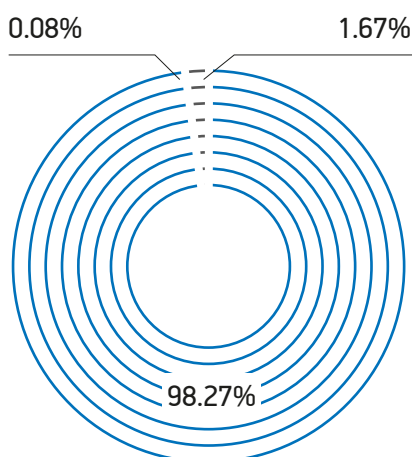
**Increase in contractual load**



### 3.3 FUEL SUPPLY

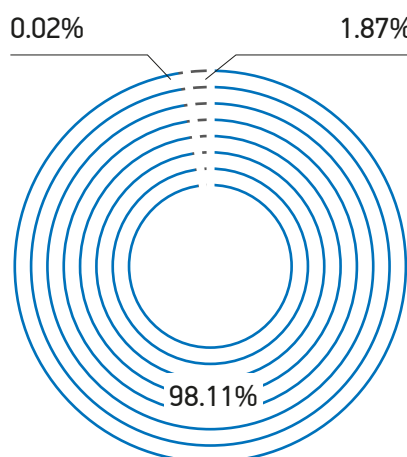
Natural gas continued to be the main fuel in the 2014 fuel balance. Gas accounted for 98.11% of the overall breakdown of the Company's fuel balance. Coal (1.87%) and fuel oil (0.02%) were both used by Mosenergo power plants as back-up fuels.

#### Fuel Consumption Structure in 2013



- Gas 98.27%
- Coal 1.67%
- Fuel oil 0.08%

#### Fuel Consumption Structure in 2014



- Gas 98.11%
- Coal 1.87%
- Fuel oil 0.02%

The fuel balance breakdown for the 12 months of 2014 changed against the comparable period in 2013 as follows:

- Gas burning decreased by 0.16%;
- Coal combustion increased by 0.22%;
- Oil burning was down by 0.06%.

Reduction in the selection of natural gas as compared to the same period of last year was due both to a general decline in fuel consumption and to an increase in coal

consumption, which is justified by the latter's profitability.

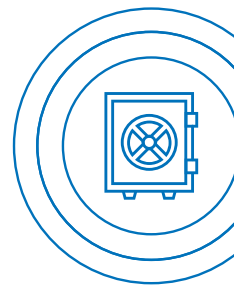
A stable and reliable supply of fuel to all Mosenergo power plants was achieved as a result of:

- Supply of gas in full compliance with current agreements;
- Creation of a sufficient stand-by of fuel reserves in accordance with orders and recommendations from the Ministry of Energy of the Russian Federation and the Moscow City Government.

#### Fuel consumption by Mosenergo OJSC power plants

	Unit of measurement	2012	2013	2014
Gas	million cub. m	21,499	20,555	20,407
Coal	thousand tfe	322	565	543
Fuel oil	thousand tfe	434	23	8





## 3.4 INVESTMENT AND MAINTENANCE ACTIVITIES

### 3.4.1 Investments

The Company continued to implement its large-scale investment initiatives. These initiatives were designed and developed, taking into consideration the Company's strategic objectives; they are intended to increase installed capacity and maintain a high level of safety, efficiency and reliability in heat and electricity production.

In addition, improved reliability and efficiency of power plant performance and compliance

with the measures prescribed by supervisors in order to ensure fire safety and eliminate emergency situations in the course of operation of existing equipment still remain the key investment areas for the Company. A sufficient amount of funds has been and will be directed to the development of information and communication technology, as well as control and safety systems.

#### Investment programs implemented in 2014<sup>8</sup>

Project type	Actual implementation, RUB million, excl. VAT <sup>9</sup>
Strategic	12,312
Efficiency	455
Mandatory	809
Reliability	1,655
Other	4,327
<b>Total</b>	<b>19,558</b>

As part of strategic investment initiatives, a significant amount of investment in 2014 was directed into the construction of new steam gas generating units at TPP-12, TPP-16 and TPP-20 and the installation of GTU-65 at TPP-9. These initiatives should significantly improve the Company's technical and economic performance.

- TPP-9. Installation of GTU-65 gas-turbine unit. 65 MW installed electric capacity; 35.2 % efficiency coefficient (EC) of the power generating unit; Commissioning period: April 2014.
- TPP-16. Construction of an SGU-420 MW power generating unit; 420 MW installed electric capacity; 220 Gcal/h heat capacity; Commissioning period: December 2014
- TPP-12. Construction of an SGU-220 power generating unit; 220 MW installed electric capacity; 120 Gcal/h heat capacity; Commissioning period: June 2015.
- TPP-20. Construction of an SGU-420 power generating unit; 420 MW installed electric capacity; 220 Gcal/h heat capacity; Commissioning period: October 2015.

<sup>8</sup> Mosenergo OJSC's Management accounting data.

<sup>9</sup> Excluding the cost for implementing the technical connection within the obligations of power supply contracts, which are included in prepaid expenses that should not be capitalized in the cost for commissioned power generation units.

As part of the 2014 **“Efficiency”** investment initiatives, operations on introducing hydraulic clutches on pump drives in eleven branches were implemented. Hydraulic clutches in the drive network and feed pumps will reduce electricity consumption for plant use when in partial load mode.

As part of the 2014 **“Reliability”** investment initiatives, the following operations on ensuring the reliability of basic equipment were implemented:

#### **Electrical equipment:**

- Replacement of 14 pcs of 110-220 kV power switches (TPP-12, TPP-20, TPP-21, TPP-23, TPP-27);
- Replacement of 5 current transformers (TPP-21, TPP-22, TPP-26);
- Replacement of 19 power transformers (SDPP-3, S-PP-1, TPP-12, TPP-16, TPP-17, TPP-27, TPP-20, TPP-21, TPP-22, TPP-23, TPP-26, TPP-27);
- Replacement of one generator (TPP-20)
- Upgrade of one generator (TPP-21)
- Replacement of the excitation system for one generator at TG-1 of TPP-25

#### **Thermal and Mechanical Equipment:**

- Replacement of steam pipelines on 6 turbines and 11 power boilers (TPP-8, TPP-9, TPP-12, TPP-16, TPP-20, TPP-21, TPP-25, TPP-26);
- Replacement of high-temperature heating surfaces at 3 power boilers (TPP-21, TPP-26).

As part of the 2014 **“Mandatory”** investment initiatives, the following were carried out:

- Installation and commissioning of gas analytical systems (TPP-8, TPP-16 and TPP-21);
- Technical re-equipping of the internal gas supply system of electric and steam-and-water communication lines in compliance with the safety of gas distribution and gas

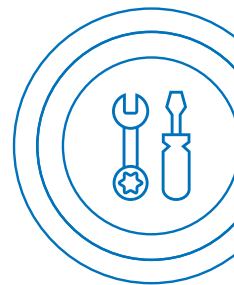
consumption systems (SDPP-3, TPP-11, TPP-17, TPP-22, and TPP-25);

- Improved fire safety in branch facilities (SDPP-3, S-PP-1, TPP-9, TPP-11, TPP-16, TPP-20, TPP-21, TPP-23, TPP-25 and TPP-26);
- Equipping containers with hazardous chemical substances by means of an automatic disconnection of supply upon reaching the maximum limit level (SDPP-3, S-PP-1, TPP-8, TPP-9, TPP-11, TPP-12, TPP-16, TPP-17, TPP 20, TPP-21, TPP-22, TPP-23, TPP-25, TPP-26, and TPP-27);
- Replacement and installation of instruments for monitoring the level of chemically hazardous substances (SDPP-3, S-PP-1, TPP-8, TPP-9, TPP-11, TPP-12, TPP-16, TPP-17, TPP-20, TPP-21, TPP-22, TPP-23, TPP-25, TPP-26, and TPP-27);
- Other projects as required by the supervisory authorities.

As part of the 2014 **“Other”** investment initiatives, the following were carried out:

- Reconstruction of trunk pipelines of the heating network;
- Establishment of an integrated technical security equipment (TSE) complex (S-PP-1, TPP-8, TPP-11, TPP-12, TPP-16, TPP-20, TPP-21, TPP-22, TPP-23, and TPP-26);
- Reconstruction of engineering systems and technical security equipment (SDPP-3, TPP-16, TPP-17);
- Projects for transferring ownership of district heating plants and DHP-56, which were not included in the plan at the time of IP formation in 2014.
- Other miscellaneous projects.

The refurbishment and reconstruction of equipment at the Company’s branch facilities will enable outdated and obsolete machinery, equipment and processes to be updated and renewed; this, in turn, will ensure a high level of operating efficiency, staff safety and the reliable output of heat energy and electricity.



## 3.4.2 Repairs

In 2014, all maintenance and service programs on all thermal, mechanical, and electrical equipment were fully carried out in line with the approved repairs schedule, on time and within budget.

### Maintenance and repair of equipment, units

Equipment	Major overhaul	Medium-level repairs	Routine maintenance
Power generation units	3	6	10
Boilers	11	18	57
Turbines	13	6	64
Gas turbines	0	1	10
Steam and water pipelines	6	1	91
Boilers (SGU)	0	1	8
Gas turbines (SGU)	0	1	8
Turbine generators (SGU)	0	1	5
Generators	21	15	-
Transformers	3	-	156

### Repairs of buildings and facilities, units

Facility under repair	No. owned by Mosenergo	Description of work operations	2013	2014
Cooling tower	56 pcs	Repairs	34	35
		Inspection	4	13
Smoke stacks	91 pcs	Repairs	11	15
		Inspection with Industrial Safety Expertise	24	28
Fuel oil storage tanks	80 pcs	Repairs	4	11
		Inspection with Industrial Safety Expertise	19	19
Buildings & Structures	1,242	Inspection and Examination, Industrial Safety Expertise	192	196

### Additional repair work on thermal mechanical equipment, units

Description of work operations	2013	2014
Industrial repair of turbine rotors	26	44
Replacement of turbine rotary blades/disks	9	12
Replacement of components in the flow-through section of the turbine cylinder	3	3
Implementation of the forced steam cooling system for medium-pressure rotors (RSD-1) of T-250/300-240 turbines	0	0
Bearings replacement in the lower supports of regenerative air heaters	2	7

Additional repair work on electrical equipment included:

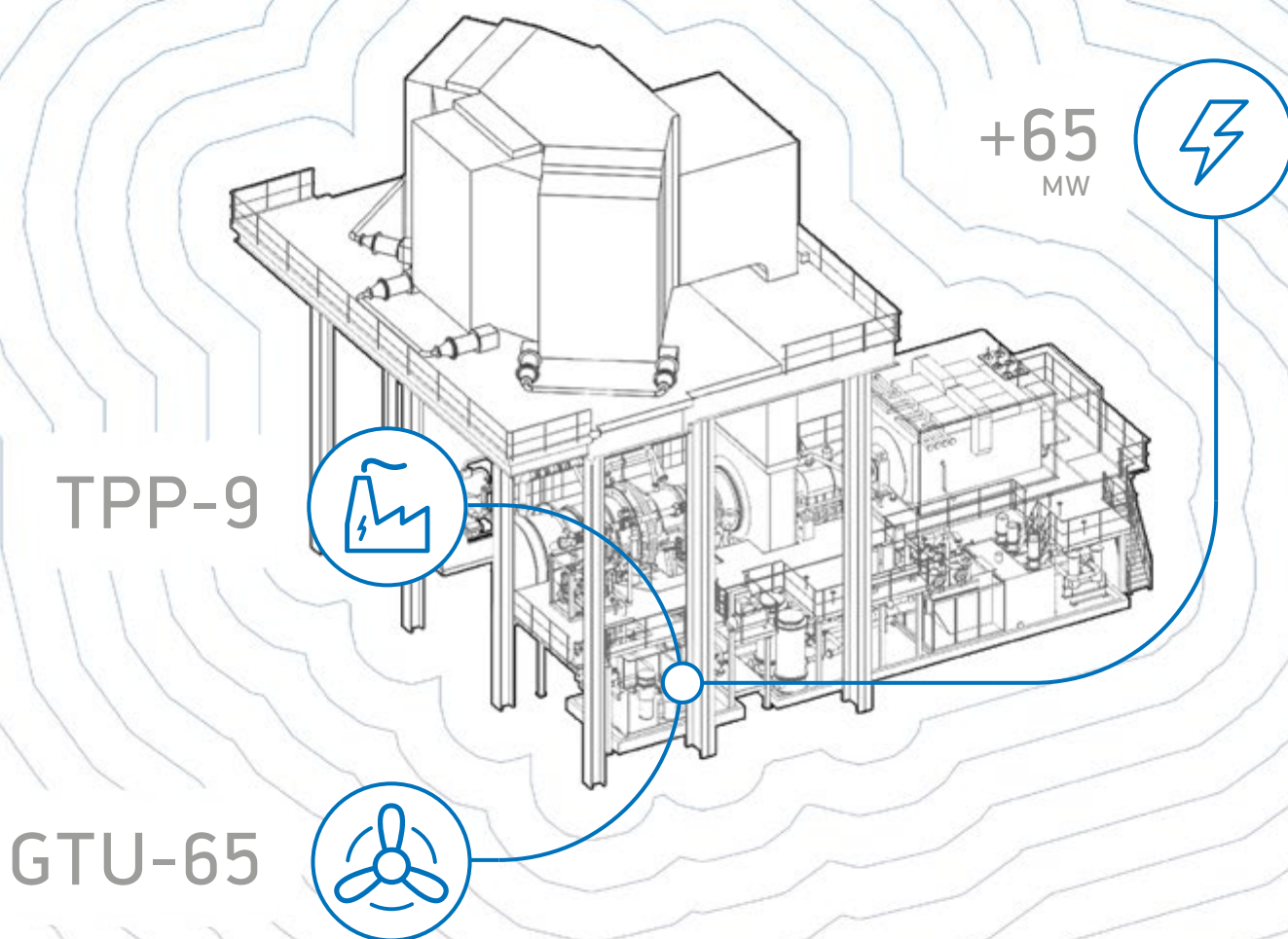
- Replacement of the stator winding of one station turbine generator No. 6 (TVF-63-2EUZ) at TPP-16.
- Flaw-detection inspection of retaining rings of the station turbine generator rotor No. 6 (TVF-63-2EUZ) at TPP-16.
- At 15 generators of TPP-20, the rotors were repaired with removable retaining rings and then tested for defects.
- Replacement of inputs of the 60r2 transformer (2 pcs) and the 60r3 transformer (1 pc) at TPP-23.
- Replacement of cellular seals for Combined Protective Device with grooving of tips of RSD-1 TG at station No. 4 and 2 oil coolers of the T-94 transformer at TPP-25.
- Repairs of one generator rotor with removal and diagnostics of retaining rings with flaw detection and repairs, enamel coating of TG-1 and replacement of one 6 kW electric motor of the 1DV-B blow fan (type DAZO2-17/44-8/10U1) with an electric motor (type ANM-630 / 400-8 / 10U1), and replacement of the foundation for the electric motor at TPP-26.

The total number of days spent on repairing the Company's key equipment in 2014 amounted to 6,790 days (compared to 7,767 days in 2013).





## 4 ANALYSIS OF FINANCIAL RESULTS<sup>10</sup>



A GTU-65 gas turbine unit is commissioned at TPP-9 of Mosenergo OJSC. The installed capacity of the TPP-9 power plant has been increased by almost a third (65 MW).

The power plant provides electricity and heat to large industrial enterprises in the city, as well as consumers in Kozhukhovskiy, Nagatinskiy and Avtozavodskiy districts.

<sup>10</sup> According to RAS



## 4.1 REVENUES

### In 2014, revenues from sales of commercial output (before VAT) amounted to RUB 158.8 billion.

In 2014, revenues from sales of commercial output (before VAT) amounted to RUB 158.8 billion, including RUB 156.1 billion from sales of electrical and heat energy, and RUB 2.7 billion from sales of other goods, work and services.

In comparison with 2013, revenues from sales of commercial output rose by 3%, due to the increase in revenue from capacity and heat energy sales. Revenues from sales of capacities are higher by 3% than the figures for the previous year, due to the increase in sales

volume by 2% (which, in turn, is due to the withdrawal of GTPP-65 (as of April 1, 2014) at TPP-9 and SGU-420 (as of December 1, 2014) at TPP-16 from the wholesale market and the tariff increase by 2%. Revenues from the sale of heat energy increased by 7% as compared with the 12 months of 2013, due to the increase in sales volume by 4% (the sales volume increase was achieved through the development and supply of heat energy from JSC MIPC boilers that were transferred to Mosenergo OJSC in 2014) and the increase in tariffs by 3%.



## 4.2 PRIME COST

### The prime cost of Mosenergo's commercial output totaled RUB 146.4 billion.

The prime cost of Mosenergo's commercial output totaled RUB 146.4 billion, including energy at RUB 143.8 billion and other products at RUB 2.6 billion.

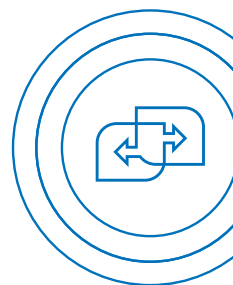
The prime cost of core products increased by 4.35%. The prime cost indicator, before fixed asset depreciation, increased by 4.7%.

The increase in material costs in 2014 in comparison with the preceding period was primarily caused by higher fuel costs. The main factor in the increase in fuel expenditure was the growth of the weighted average price by 7%,

accompanied by a decrease in the fuel rate for electricity output at the 2013 level.

The total maintenance costs of the power plants in 2014, including in-house maintenance, increased by 5% in comparison with 2013, and amounted to RUB 5.4 billion, or 3.7% of total energy generation costs.

Labor costs increased by 5% to RUB 8.6 billion. The main growth factor is the planned salary revision, according to existing Provisions on Remuneration.



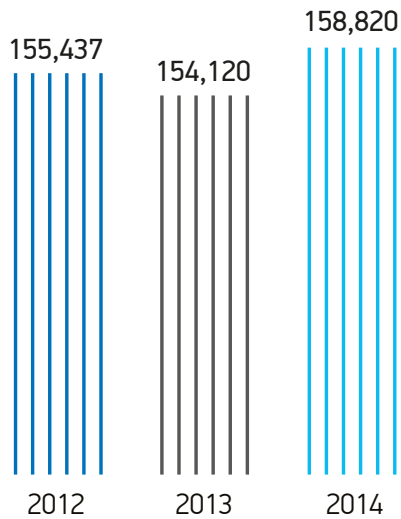
## 4.3 OTHER INCOME AND EXPENSES

### In 2014, other income and expenses for 2014 decreased by RUB 6 billion.

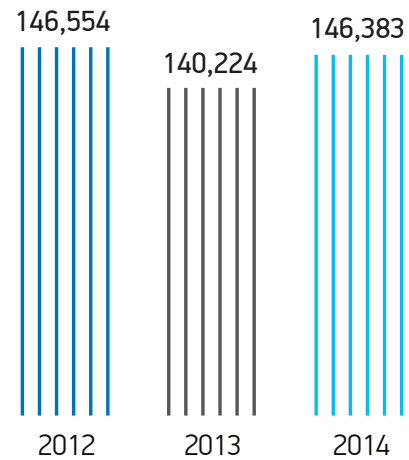
Other income and expenses for 2014 decreased by RUB 6 billion in comparison with 2013. The main cause was a decrease in income from differences in the exchange rates. In 2014, the foreign exchange differences exceeded revenues

by RUB 6.3 billion; in 2013, this difference amounted to RUB 1.2 billion. Also, the reduction of the balance of other income and expenses was influenced by higher interest expenses and higher expenses from asset sales.

## Revenue, RUB million



## Prime cost, RUB million



### 4.4 NET PROFIT

#### The Company's net profit totaled RUB 1.4 billion.

The Company's net profit after income tax and other compulsory payments totaled RUB 1.4 billion. Compared with 2012, net profit decreased by 82%. The main reason for this decrease is the higher growth rate of expenses related to differences in the exchange rate.

In accordance with Article 8 of the Company's Charter, the Reserve Fund reached 5.0% of Mosenergo's share capital. Due to the above, no allocations were implemented to the Reserve Fund in 2014.



### 4.5 LIQUIDITY AND LOAN PORTFOLIO MANAGEMENT

#### The Company's loan portfolio amounted to RUB 48,503 million.

Cash inflow from operations in 2014 was 20% higher than in 2013.

In 2013, there was an increase in borrowed capital primarily due to additional funding from Sberbank of Russia OJSC. As of December 31, 2014, the Company's loan portfolio amounted to RUB 48,503 million.

The average interest rate on borrowings for the 12 months of 2014 amounted to

6.23% per annum, which is 1.91% more than the weighted average interest rate for the 12 months of 2013. The rate in 2014 increased due to the involvement of funds loaned within the framework of the loan agreement with Bank VTB OJSC and Sberbank of Russia OJSC in January and April 2014.

There are no arrears on debt or credit repayment.





## 4.6 BALANCE SHEET ANALYSIS

### In 2014, fixed assets had decreased by RUB 5.6 billion.

On December 31, 2014, fixed assets had increased by RUB 5.6 billion compared to December 31, 2013 (from RUB 146.9 billion to RUB 166.4 billion)

The current asset structure is dominated by receivables, which account for 68%, reserves 11%, cash 14% and cash and short-term investments 7%.

In 2014, there was an increase in Mosenergo's current assets of RUB 18.5 million compared with the beginning of the year, mainly due to an increase in accounts receivable, cash and short-term investments.

The increase in the level of receivables from RUB 41 billion to RUB 47 billion (RUB 6 billion

or 15%) is mainly due to the rise in trade receivables.

The Company is constantly working to strengthen consumer payment discipline and the collection of overdue debt for supplied energy.

The equity of Mosenergo's shareholders increased slightly by RUB 0.9 billion.

Payables increased by RUB 4.8 billion compared with 2013, primarily due to the increase in fuel and investment debt.

The share of payables in the Company's balance sheet was 6% at the end of the year.

## 4.7 FINANCIAL POSITION INDICATORS

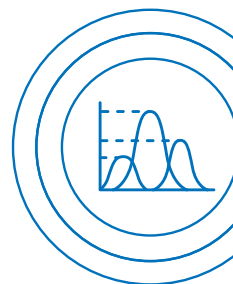
### Sales profitability decreased to 7.7% as the percentage increase in revenues in 2014 was lower than the rate of increase of prime cost.

The current liquidity ratio increased by 0.9 points to 3.7 compared to the end of 2013, due to an increase of 36% in current assets.

The net asset value of the Company in 2014 decreased slightly by 0.1% compared with 2012. The average total value of Mosenergo's balance sheet compared with 2012 figures shows an increase of 5%.

The receivables turnover indicator decreased by 0.39 points in comparison with 2013. This is due to an increase in overdue receivables.

Sales profitability decreased from 8.8% in 2013 to 7.7% in 2014 as the percentage increase in revenues in 2014 was lower than the rate of increase of prime cost.

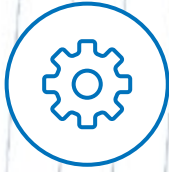


# 5 CORPORATE GOVERNANCE

The Company's corporate governance is based on the following:



ACCOUNTABILITY



SAFEGUARDING  
OF STOCK OWNERSHIP  
RIGHTS



TRANSPARENCY  
OF ACTIVITIES



SOCIAL  
RESPONSIBILITY



ADHERENCE TO  
ETHICAL NORMS



ГАЗПРОМ





## 5.1 UNDERLYING PRINCIPLES

**The Company's corporate governance is based on the following: accountability; safeguarding of stock ownership rights; transparency of activities; social responsibility; adherence to ethical norms.**

The underlying principles of the Company are based on the legislative regulations of the Russian Federation, the Company's Charter, the Corporate Governance Code, approved by the Board of Directors of the Bank of Russia on March 21, 2014 and recommended for use by joint-stock companies whose stock is allowed for organized sales, as well as on internationally recognized corporate governance principles.

**The underlying principles of the Company's corporate governance** are stated in Mosenergo's Corporate Governance Code approved by the Board of Directors on November 27, 2006.

The company's corporate governance is based on the following:

- The Board of Directors' accountability to shareholders and the accountability of the Company's executive bodies to the Company's management bodies, as well as a sense of trust in between all the participants of corporate governance;
- The safeguarding of stock ownership rights and the possibility of an unrestricted and fast disposition of stock owned by shareholders, as well as shareholder access to effective protection in the event of any breach of rights;
- The transparency of activities, disclosure of accurate information on significant facts and information about Company activities; providing required access to information, as well as maintaining a reasonable balance between Company transparency and the pursuit of its commercial interests;
- The Company's social responsibility, including adherence to quality standards, environmental regulations and creating the most progressive working conditions;
- The adherence to ethical norms preventing staff abuse of official positions, which could damage both the Company and third parties,

including the illegal use of confidential and inside information.

**Mosenergo's Strategy to improve corporate governance** is to develop the activities of the Company's Board of Directors, improve the quality of materials prepared for Board of Directors' meetings, including the preliminary discussion of topics to be considered at the Board of Directors' meetings by committees, and through interaction between Company departments and subdivisions with shareholder representatives.

Mosenergo's most important corporate governance objectives continue to be the following:

- Maintaining the balance of all shareholders' interests, as well as those of other persons interested in the continued development of the Company;
- Maintaining the required level of transparency and access to Company information;
- Organizing the operations of the Board of Directors' Committees with the participation of major shareholder representatives, Company specialists and independent experts;
- Ensuring the Company's participation in the management of its affiliate structures, the participation of Company representatives in assemblies, meetings of executive bodies and other corporate events of Company affiliates, non-profit and other organizations where the Company acts as a member.

The management bodies of the Company are the General Shareholder Meeting and the Board of Directors. The executive bodies of the Company are the General Director and the Executive Board. The supervision of the Company's financial and business activities is the responsibility of the Mosenergo Auditing Commission.

## 5.2 GENERAL SHAREHOLDER MEETING

**The General Shareholder Meeting was held on June 4, 2014. This meeting approved Mosenergo's Annual Report and financial statements for 2013; decided to pay dividends on ordinary shares; also elected the new Board of Directors and Auditing Commission and approved the Auditor; a resolution was adopted concerning remuneration for members of the Board of Directors.**



The General Shareholder Meeting is the supreme governing body of Mosenergo that makes it possible for shareholders to exercise their right to take part in the management of the Company, and gives them access to information about Company activities, achievements and plans. The procedure for the preparation and holding of General Shareholder Meetings complies with the legislation of the Russian Federation. This procedure is defined in the Company's Charter and in the Provisions for Mosenergo's General Shareholder Meeting, which is believed to follow best corporate governance practice. The established procedure guarantees the equal treatment of all Company shareholders.

The General Shareholder Meeting relating to the results of the Company's operations in 2013 was held on June 4, 2014. This meeting approved Mosenergo's Annual Report for 2013 and its financial statements, including

the profit and loss statement, as well as distribution of the Company's profits from 2013. At this General Shareholder Meeting, it was decided to pay dividends on ordinary shares for 2013 in the amount of RUB 0.04 per ordinary inscribed Company share in the form of cash.

The shareholders also elected the new Board of Directors and Auditing Commission and approved the Auditor; a resolution was adopted concerning remuneration for members of the Board of Directors.

The meeting approved a new version of the Mosenergo Charter as well as changes and additions to the regulations of the Mosenergo General Shareholder Meeting. It also made decisions to approve a number of related-party transactions, which Mosenergo may act on in the future during the normal course of Mosenergo business operations.



## 5.3 BOARD OF DIRECTORS

### The Mosenergo Board of Directors met 18 times in 2014.

On June 4, 2014, the Annual General Shareholder Meeting was held, during which a new Board of Directors of the Company was elected. Members of the Mosenergo Board of Directors are:

**Dmitry Vadimovich BAKATIN**

**Andrey Yurievich BEREZIN**

**Petr Pavlovich BIRYUKOV**

**Anatoly Anatolievich GAVRILENKO**

**Valery Aleksandrovich GOLUBEV**

**Aleksandr Pavlovich DUSHKO**

**Pavel Anatolievich LIVINSKY**

**Ilnar Ilbatyrovich MIRSIYAPOV**

**Elena Vladimirovna MIKHAILOVA**

**Vladimir Igorevich POGREBENKO**

**Kirill Gennadievich SELEZNEV** (Chairman)

**Denis Vladimirovich FEDOROV**

**Vitaly Georgievich YAKOVLEV**

The Mosenergo Board of Directors met 18 times in 2014. The most important topics examined by the Board of Directors in 2014 included the following:

- Approval of the Company's Annual Report for 2013;
- Approval of the Company's 2014 Business Plan and Business Plan target indicators for 2015–2016;
- Approval of Mosenergo's 2014 Investment Program and basic indicators for the 2015–2016 Investment Program;
- Approval of Mosenergo's Annual Integrated Procurement Program for 2014;
- Preparation for the Annual General Shareholder Meeting relating to 2013 results;
- Convocation of and preparation for the extraordinary meeting of Company shareholders;
- Company membership in other organizations;
- Expansion of the powers of the General Director and Chairman of the Executive Board;
- Approval of policies regarding the financial risk management;
- Approval of the Status and Program for insurance safeguards and the Company's insurer;
- Approval of the Mosenergo Union Contract for 2014;
- Mosenergo's membership in other organizations and decision-making relating to the competence of the management bodies of Mosenergo's affiliates and subsidiaries;
- Approval of plans and reports on cash flow investment regarding Mosenergo's investment projects, namely the construction of new power units at Company affiliates;
- Expansion of the Company's credit policies.

In 2014, the most important agenda items for which the Board of Directors was responsible

were examined preliminarily by the Board of Directors' Committees. The Company's current Committees are: the Audit Committee, the Strategy and Investment Committee, the Human Resources and Remuneration Committee, and the Reliability Committee.

During the reporting year, the Board of Directors' Committees presented their recommendations to the Board of Directors on the following matters:

- Approval of the Mosenergo Business Plan for 2014–2016;
- Approval of the Mosenergo Investment Program for 2014–2016;
- Approval of the Mosenergo Integrated Procurement Program for 2014;
- Preliminary review of the Company's financial statements and the 2013 Annual Report;
- Preparations for the General Shareholder Meeting, including recommendations to the Shareholder Meeting regarding profit allocation and approval of the Company's 2012 Performance Report;
- Other important Company matters.

### 5.3.1 Members of the Board of Directors<sup>11</sup>

#### **Kirill Gennadievich SELEZNEV**

Chairman

Year of Birth: 1974

Education: Higher

Other recent and current positions:

2009 to date: Gazprom OJSC, Head of the Marketing Department, Gas and Liquid Hydrocarbons Processing, Member of the Executive Board.

2009 to date: Gazprom Mezhrefiongaz LLC, General Director (part-time).

Mr. Seleznev does not own any charter capital or ordinary shares.

#### **Dmitry Vadimovich BAKATIN**

Member of the Board of Directors

Year of Birth: 1965

Education: Higher

Other recent and current positions:

2009 to date: Representative Office of Sputnik Investment Limited (Republic of Cyprus) in Moscow, consultant

Mr. Bakatin does not own any charter capital or ordinary shares.

#### **Andrey Yurievich BEREZIN**

Member of the Board of Directors

Year of Birth: 1982

Education: Higher

Other recent and current positions:

2010–2013: Department of Property of Moscow, Acting Head of Department, Head of Department, Deputy Head of the Division of Corporate Relations and Financial Assets, Head of the Division of Corporate Relations and Financial Assets.

2013 – to date: Department of Property of Moscow, Head of the Division of Corporate Relations and Financial Assets.

Mr. Berezin does not own any charter capital or ordinary shares.

<sup>11</sup> Elected by the General Shareholder's Meeting on 4 June 2014.

**Petr Pavlovich BIRYUKOV**

Member of the Board of Directors

Year of Birth: 1951

Education: Higher

Other recent and current positions:

2008–2010: Moscow Administration, First Deputy Mayor of Moscow in the Moscow Administration, Head of the Municipal Economic Complex of Moscow.

2010 – June 2013: Moscow Administration, Deputy Mayor of Moscow in the Moscow Administration.

June 2013 – September 2013: Moscow Administration, Acting Deputy Mayor of Moscow in the Moscow Administration of Housing, Public Utilities and Public Works.

September 2013 to date: Moscow Administration, Deputy Mayor of Moscow in the Moscow Administration on Housing, Public Utilities and Public Works.

Mr. Biryukov does not own any charter capital or ordinary shares.

**Anatoly Anatolievich GAVRILENKO**

Member of the Board of Directors

Year of Birth: 1972

Education: Higher

Other recent and current positions:

2009 to date: Lider CJSC (pension-fund asset Management Company), General Director, Member of the Board of Directors.

Mr. Gavrilenko does not own any charter capital or ordinary shares.

**Valery Aleksandrovich GOLUBEV**

Member of the Board of Directors

Year of Birth: 1952

Education: Higher

Other recent and current positions:

2009 to date: Gazprom OJSC, Deputy Chairman of the Executive Board.

Mr. Golubev does not own any charter capital or ordinary shares.

**Aleksandr Pavlovich DUSHKO**

Member of the Board of Directors

Year of Birth: 1964

Education: Higher

Other recent and current positions:

2009 to date: Gazprom OJSC, Deputy Head of the Finance and Economics Department.

Mr. Dushko does not own any charter capital or ordinary shares.

**Pavel Anatolievich LIVINSKY**

Member of the Board of Directors

Year of Birth: 1980

Education: Higher

Other recent and current positions:

2008–2011: Moscow Power Grid Company OJSC, Moscow Integrated Electric Grid Company OJSC, Deputy General Director of Development and Services, Deputy General Director of Customer Relations and Technological Connections.

2011–2013: Integrated Power Company OJSC (OEK), General Director

2013 – June 2013: Moscow Department of Fuel and Energy, Director.

June 2013 – September 2013: Department of Fuel and Energy of Moscow, Acting Director.

September 2013 to date: Moscow Department of Fuel and Energy, Director.

Mr. Livinsky does not own any charter capital of ordinary shares.

**Ilnar Ilbatyrovich MIRSIYAPOV**

Member of the Board of Directors

Year of Birth: 1982

Education: Higher

Other recent and current positions:

2009-2010: Rosatom State Atomic Energy Corporation, Deputy Director of the Department of Corporate Governance and Development, Department of Corporate Governance, Acting Director of the Department, Deputy Director of the Department of Legal and Corporate Activities.

2009 to date: INTER RAO OJSC, Board Member – Head of the Strategy and Investment Block, Advisor to the Chairman of the Board of Administration, Head of the Block of Corporate and Property Relations.

Mr. Mirsiyapov does not own any charter capital or ordinary shares.

**Elena Vladimirovna MIKHAILOVA**

Member of the Board of Directors

Year of Birth: 1977

Education: Higher

Other recent and current positions:

2009-2011: Gazprom Mezhrefiongaz LLC, Deputy General Director of Corporate and Property Relations.

2011 to date: Gazprom Mezhrefiongaz LLC, Deputy General Director of Corporate and Property Relations (part-time).

2012 to date: Gazprom OJSC, Board Member, Head of the Department of Management and Corporate Relations.

Ms. Mikhailova does not own any charter capital or ordinary shares.



**Vladimir Igorevich POGREBENKO**

Member of the Board of Directors

Year of Birth: 1978

Education: Higher

Other recent and current positions:

2011–2012: Department of Property of Moscow, Head of the Division of Corporate Relations and Financial Assets.

2012 – February 2013: Moscow City Property Department, Deputy Head.

February 2013 – April 2014: Property Department of Moscow, Deputy Head.

April 2014 to date: VDNKh JSC, General Director

Mr. Pogrebenko does not own any charter capital or ordinary shares.

**Vitaly Georgievich YAKOVLEV**

Member of the Board of Directors

Year of Birth: 1972

Education: Higher

Other recent and current positions:

April 2008 to date: Mosenergo OJSC, General Director.

November 2013 to date: Moscow Integrated Power Company OJSC (JSC MIPC), General Director

Mr. Yakovlev does not own any charter capital or ordinary shares.

**Denis Vladimirovich FEDOROV**

Member of the Board of Directors

Year of Birth: 1978

Education: Higher

Other recent and current positions:

2009 to date: Gazprom OJSC, Head of the Department of Electric Energy Sector Development and Marketing.

2009 to date: Gazprom Energoholding LLC, General Director.

2009 to date: Tsentrenergoholding LLC, General Director.

Share in the issuer's authorized capital, %: 0.000637.

Ordinary shares in the issuer's authorized capital, %: 0.000637.

## 5.3.2 Committees of the Board of Directors

### 5.3.2.1 Audit Committee

The members of the Reliability Committee were approved by a resolution of the Board of Directors on July 2, 2014, Minutes No.2 dated July 7, 2014.

**Chairman of the Committee:**

Corporate Relations, Member of the Mosenergo Board of Directors.

**Aleksandr Pavlovich DUSHKO** – Deputy Head of the Finance and Economics Department of Gazprom OJSC, Member of the Mosenergo Board of Directors.

**Vladimir Igorevich POGREBENKO** – General Director of VDNKh JSC, Member of the Mosenergo Board of Directors.

**Members of the Committee:**

Former composition of the Committee:  
Chairman – A.P. Dushko; Members of the Committee: E.V. Mikhailova, A.V. Ryumin.

**Elena Vladimirovna MIKHAILOVA** – Executive Board Member, Head of the Gazprom OJSC Department of Property Management and

## 5.3.2.2 Strategy and Investment Committee

The members of the Reliability Committee were approved by a resolution of the Board of Directors on July 2, 2014, Minutes No.2 dated July 7, 2014.

### Chairman of the Committee:

**Valery Aleksandrovich GOLUBEV** – Deputy Chairman of the Gazprom OJSC Executive Board, Member of the Mosenergo Board of Directors.

### Deputy Chairman of the Committee:

**Denis Vladimirovich Fedorov** – Head of the Gazprom OJSC Department of Electricity and Power Sector Development and Marketing in the Power Industry, Member of the Mosenergo Board of Directors.

### Members of the Committee:

**Andrey Yurievich Berezin** – Head of the Moscow Property Department Division of Corporate Relations and Financial Assets;

**Ilnar Ilbatyrovich Mirsiyapov** – Member of the INTER RAO OJSC Executive Board and Head of the Strategy and Investment Block, Member of the Mosenergo Board of Directors;

**Vladimir Igorevich Pogrebenko** – Head of the Division of Corporate Relations and Financial Assets of the Moscow Department of Property, Member of the Mosenergo Board of Directors;

**Elena Viktorovna Andreeva** – Mosenergo Deputy General Director of Sales;

**Andrey Aleksandrovich Bogatenkov** – Deputy Head of the Moscow Department of Fuel and Energy (until the Resolution of the Board as per Minutes No.9 dated December 5, 2014 on exclusion from the Committee);

**Yury Efimovich Dolin** – Gazprom OJSC Energoholding Deputy General Director of Capital Construction;

**Irina Gennadievna Dubova** – Chief Economist of the Gazprom OJSC Department of Financial Plans for Core Business Subsidiaries;

**Anna Aleksandrovna Efimova** – Mosenergo Deputy General Director of Legal Issues, Member of the Mosenergo Executive Board;

**Irina Yurievna Korobkina** – Deputy Head of the Division of Development of Electric Power and Heat Generation of the Gazprom OJSC Department of Marketing and Processing of Gas and Liquid Hydrocarbons.

**Konstantin Valerievich Kravchenko** – Head of the Gazprom Division of Long-Term Investment;

**Roman Viktorovich Panyushkin** – Head of the Gazprom OJSC Division of Energy Sector Development and Marketing, and the Department of Gas and Liquid Hydrocarbons Processing and Marketing;

**Pavel Olegovich Shatsky** – First Deputy General Director at Gazprom OJSC Energoholding.

**A. G. Erlikhman** – Deputy Head of the Fuel and Energy Department of Moscow (after the decision of the Board of Directors Minutes No.9 dated December 5, 2014 on exclusion from the Committee).

Former composition of the Committee: Chairman of the Committee: V.A. Golubev;

Members of the Committee:

I.I. Mirsiyapov, V.I. Pogrebenko, D.V. Fedorov, E.V. Andreeva, A.A. Bogatenkov, A.Yu. Berezin, Yu.E. Dolin, I.G. Dubova, A.A. Efimova, I.Yu.Korobkina, K.V. Kravchenko, M.L. Khodursky, and P.O. Shatsky.

### 5.3.2.3 HR and Remuneration Committee

The members of the Reliability Committee were approved by a resolution of the Board of Directors on July 2, 2014, Minutes No. 2 dated July 7, 2014.

#### Chairman of the Committee:

**Valery Aleksandrovich GOLUBEV** – Deputy Chairman of the Gazprom OJSC Executive Board, Member of the Mosenergo Board of Directors.

#### Members of the Committee:

**Ilnar Ilbatyrovich Mirsiyapov** – Member of the INTER RAO OJSC Executive Board and Head of the Strategy and Investment Block, Member of the Mosenergo Board of Directors;

**Denis Vladimirovich FEDOROV** – Gazprom OJSC, Head of the Department of Electric Energy Sector Development and Marketing, Member of the Mosenergo Board of Directors.

Former composition of the Committee:  
Chairman: V.A. Golubev, Members:  
I.I. Mirsiyapov, D.V. Fedorov.

### 5.3.2.4 Reliability Committee

The members of the Reliability Committee were approved by a resolution of the Board of Directors on July 2, 2014, Minutes No.2 dated July 7, 2014.

#### Chairman of the Committee:

**Mikhail Vladimirovich Fedorov** – Director for Production, Gazprom OJSC Energoholding.

#### Members of the Committee:

**Petr Pavlovich Biryukov** – Deputy Mayor of Moscow in the Moscow Administration in charge of Municipal Service and Facilities, Member of the Mosenergo Board of Directors;

**Pavel Anatolievich Livinsky** – Head of the Moscow Department of Fuel and Energy, Member of the Mosenergo Board of Directors;

**Sergey Nikolaevich Lenyov** – Chief Engineer, Mosenergo OJSC, Member of the Executive Board of Mosenergo OJSC.

**Sergey Faritovich Mukhametov** Deputy Head of Technical Management – Head of the Department of Maintenance Activities of Gazprom Energoholding LLC.

**Aleksandr Semenovich Osyka** – Mosenergo Deputy Chief Engineer for Production, Member of the Executive Board of Mosenergo OJSC;

**Sergey Valerievich Radchenko** – Head of Gazprom OJSC Energoholding Department of Technical Inspection and Auditing;

**Aleksandr Vladimirovich Rogov** – Head of the Gazprom OJSC Energy Sector Development Section, the Division of Energy Sector Development and Marketing, and the Department of Gas and Liquid Hydrocarbons Processing and Marketing;

**Mikhail Sorokin** – Gazprom OJSC Deputy Head of Energy Engineering, the Division of Energy Sector Development and Marketing.

Former composition of the Committee:  
Chairman – M.V. Fedorov; Members of the Committee: P.P. Biryukov, P.A. Livinsky, I.V. Kosarev, A.S. Osyka, S.V. Radchenko, A.V. Rogov, D.E. Rozhkov, M.V. Sorokin.



## 5.4 EXECUTIVE BOARD

The rights and obligations of the Executive Board pertaining to the management of the Company's current operations are determined by the legislation of the Russian Federation, the Company's Charter, and the Provisions for the Company's Executive Board.

The management of Mosenergo's current operations is carried out by a single executive body – the General Director, and a collegiate executive body – the Executive Board.

The General Director is elected by the Board of Directors. The number of members on the Board and their election is also the responsibility of the Board of Directors.

According to the Company's Charter, the General

Director performs the functions of Chairman of the Company's Executive Board.

The rights and obligations of the General Director and members of the Executive Board pertaining to the management of the Company's current operations are determined by the legislation of the Russian Federation, the Company's Charter, the Provisions for the Company's General Director and the Provisions for the Company's Executive Board.

### Members of Executive Board of Mosenergo (as of December 31, 2014):

**Vitaly Georgievich YAKOVLEV** (Chairman)

**Elena Viktorovna ANDREEVA**

**Anna Aleksandrovna EFIMOVA**

**Dmitry Mikhailovich KATIEV**

**Sergey Nikolaevich LENYOV**

**Aleksandr Semenovich OSYKA**

### The major objectives of Mosenergo's Executive Board are as follows:

- ensuring efficient operation of the Company in accordance with the priorities of its activities;
- implementing objectives, strategies, policies and programs of the Company;
- creating an effective system of internal controls and monitoring risks associated with Company activities;
- enforcing decisions of the General Shareholder Meeting and the Board of Directors.

### 5.4.1 Members of the Executive Board<sup>12</sup>

#### **Vitaly Georgievich YAKOVLEV**

Chairman of the Executive Board

Year of Birth: 1972

Education: Higher

Other recent and current positions:

April 2008 to date: Mosenergo OJSC, General Director.

November 2013 to date: Moscow Integrated Power Company OJSC (JSC MIPC), General Director

Mr. Yakovlev does not own any charter capital or ordinary shares.

#### **Elena Viktorovna ANDREEVA**

Member of the Executive Board

Year of Birth: 1974

Education: Higher

Other recent and current positions:

2009 to date: Mosenergo OJSC, Deputy General Director of Sales.

January 2011 to date: Gazprom Energoholding LLC, Director of Operations in the Energy Market

December 2013 to date: Moscow Integrated Power Company (JSC MIPC) OJSC, Deputy General Director of Sales.

Ms. Andreeva does not own any charter capital or ordinary shares.

**Anna Aleksandrovna EFIMOVA**

Member of the Executive Board

Year of Birth: 1975

Education: Higher

Other recent and current positions:

2008–2009: Mosenergo OJSC, Chief Specialist in the Department of Contracts, Head of the Department of Contracts.

2009–2012: Mosenergo OJSC, Management of Legal Work, Deputy Head of Contract Work.

March 2012 to date: Mosenergo OJSC, Deputy General Director of Legal Issues.

Ms. Efimova Member does not own any charter capital or ordinary shares.

**Aleksandr Semenovich OSYKA**

Member of the Executive Board

Year of Birth: 1953

Education: Higher

Other recent and current positions:

2008–2010: Mosenergo OJSC, Deputy Chief Engineer of Upgrading and Maintenance.

May 2010 – February 2012: Mosenergo OJSC, Deputy Head Engineer of Upgrading and Maintenance, Head of the Equipment Division.

February 2012 – October 2012: Mosenergo OJSC Deputy Chief Engineer, Head of the Engineering Division

October 2012 – April 2012: Mosenergo OJSC, Chief Engineer

April 2014 to date: Mosenergo OJSC, Deputy General Director of Production

Mr. Osyka does not own any charter capital or ordinary shares.

**Dmitry Mikhailovich KATIEV**

Member of the Executive Board

Year of Birth: 1976

Education: Higher

Other recent and current positions:

2008-2009: JSC Wholesale Generating Company-3, Financial Director

June 2009 – November 2009: Mosenergo OJSC, Head of the Project Office

November 2009 April 2010: Mosenergo OJSC, Head of the Program Office

April 2010 to date: Mosenergo OJSC, Deputy General Director for Efficiency and Control.

Mr. Katiyev does not own any charter capital or ordinary shares.

**Sergey Nikolaevich LENYOV**

Member of the Executive Board

Year of Birth: 1966

Education: Higher

Other recent and current positions:

2009 – January 2010: Mosenergo OJSC, Deputy Chief Engineer of Maintenance of TPP-27.

February 2010 – June 2013: Mosenergo OJSC, Project Manager, Chief Engineer of the Department of Construction of Adler SDPP, Branch Director – Department of Construction of Adler SDPP, Director of Construction of TPP-16

June 2013 – April 2014: Mosenergo OJSC, Director of TPP-16

April 2014 to date: Mosenergo OJSC, Chief Engineer

Mr. Lenyov does not own any charter capital or ordinary shares.

<sup>12</sup> As of 31 December 2014



## 5.5 AUDIT COMMITTEE

**The Audit Committee confirmed the reliability of data and information contained in the Company's reports and other financial documents for 2014.**

In order to exercise control over the Company's financial and business activities, the General Shareholder Meeting elects five members of the Audit Committee.

The Company's Auditing Commission operates according to the legislation of the Russian Federation, the Company's Charter and the Regulations of the Company's Audit Committee.

The Audit Committee performed a documentary inspection (audit) of the Company's financial and business activities in 2014. Based on the findings of this audit, the Audit Committee confirmed the reliability of data and information contained in the Company's reports and other financial documents for 2014.

### **Auditing Commission Members:**

**Dmitry Aleksandrovich Arkhipov** – First Deputy Head of Executive Board Administration, Head of the Internal Auditing Department

of the Executive Board Administration of Gazprom OJSC;

**Andrey Viktorovich Belobrov** – Deputy Head of Department, Head of the Organizational Division of the Internal Audit Department of the Executive Board Administration of Gazprom OJSC;

**Evgeny Nikolaevich Zemlyanov** – Deputy General Director for Economics and Finances of Gazprom Energoholding LLC;

**Anatoly Anatolievich Kotlyar** – Deputy Head of the Internal Audit Office of the Department of Internal Audit of the Board of Administration of Gazprom OJSC;

**Yury Andreevich Linovitsky** – Head of the Internal Auditing Department of Gazprom Energy Holding LLC – Internal Audit Project of Gazprom Personnel LLC.



## 5.6 REMUNERATION

**Short-term remuneration paid to key management personnel was RUB 157,959 thousand.**

According to the Company's Charter and the decision of the General Shareholder Meeting, members of the Company's Board of Directors are entitled to remuneration and/or compensation of expenses incurred while performing their functions as members of the Company's Board of Directors.

The amount, type and procedure for payment of remuneration and compensation to the members of Mosenergo's Board of Directors are defined by the Regulations on determining the amount of remuneration and compensation to members of the Board of Directors of Mosenergo, approved

by the General Shareholder Meeting on June 30, 2009. According to these Regulations, the remuneration for members of the Board of Directors consists of basic and additional elements.

The basic remuneration element constitutes remuneration paid to members of the Company's Board of Directors for their participation in meetings of the Board of Directors. The amount of remuneration paid is equivalent to four minimal monthly rates of a first grade employee, set by the industry-wide tariff agreement of the power sector of the Russian Federation.

The additional remuneration element is paid to members of the Company's Board of Directors according to the results of the financial year, in the event of the Company generating a net profit. The total amount of the additional remuneration element based on the Company's performance shall not exceed five per cent of the Company's net profit earned during the fiscal year when the current members of the Board of Directors were elected into office.

The additional remuneration element based on the Company's performance is not paid to members of the Board of Directors who attended fewer than half of all the meetings of the Board of Directors (from the date of their election until the termination of their powers).

The payment of remuneration and compensation to members of the Audit Committee is carried out according to Regulations on payment of remuneration and compensation to members of the Audit Committee of Mosenergo, approved at the General Shareholder Meeting on June 19, 2012.

Members of the Audit Committee receive a one-time payment for their participation in the audit of the Company's financial and

business activities. The amount paid equals twenty-five minimum monthly wages of a first grade employee; the amount of minimum monthly wages is established by an industry-wide tariff agreement of the power sector of the Russian Federation (hereinafter, the Agreement) for the period of inspection (audit), taking into account the indexation stipulated by the Agreement.

Members of the Audit Committee are reimbursed for their travelling expenses when they participate in Auditing Commission meetings related to inspections, according to the Company's regulations on the reimbursement of business travel expenses in force at the time of such meetings or such inspections.

The amount of remuneration of the Company's General Director is determined according to the System of Incentives for the General Director of Mosenergo (approved by resolution of the Company's Board of Directors on December 24, 2010). This System includes the official salary and quarterly bonuses based on KPIs.

## Remuneration paid to key management personnel, thousand RUB:

	2012	2013	2014
Short-term remuneration (salary, bonuses and surplus dividends)	95,732	135,548	157,959
<b>Total</b>	<b>95,732</b>	<b>135,548</b>	<b>157,959</b>

The Company's key management includes members of the Board of Directors and the Executive Board. The list of members of the Board of Directors and the Executive Board of the Company is provided in the General Information section of the explanatory note.

The data displayed in the above table excludes the accrual of non-appropriated funds.

As of December 31, 2014, December 31, 2013 and December 31, 2012, none of the key management members are owed any payments.

# 6 RISK MANAGEMENT

Mosenergo's risk management aims to prevent risks in its production and financial activities, and minimize the possible negative outcomes of such risks.

The Company has adopted the Regulations on Risk Management at Mosenergo. These Regulations contain a Risk Map, which includes

major types of risks that have an impact on Mosenergo's activities, as well as a risk management program.

Risk management is carried out within the Company by functional divisions according to the type of activities.



## 6.1 RISK DUE TO TARIFF REGULATION

**In order to mitigate this risk, the Company implements projects to help lower its operational costs.**

These risks involve unreasonable state regulations for tariffs, related to the possibility of an artificial containment or directive to lower tariffs, or an approval of tariffs that are insufficient in relation to Company costs.

Company experts cooperate on an ongoing basis with the FTS of Russia, the Regional Energy Complex of Moscow and the Price and Tariff

Committee of the Moscow Region. The purpose of this cooperation is to ensure the approval of a reasonable level of tariffs.

In addition, in order to mitigate this particular risk, the Company implements projects, such as the Lean Production Project, to help lower its operational costs.



## 6.2 MARKET RISK

**In order to reduce these risk, Mosenergo is involved in the development of the regulatory base for the wholesale electricity market, monitors the current situation at the regional level and the UES level, and constantly cooperates with SO EES.**

Significant risks connected to operations on the wholesale electricity market include:

- Unstable market prices and seasonal fluctuations in demand for electricity and heat energy;
- Controlling influence of the SO EES JSC over Mosenergo's operating schedules, which could lead to the transfer of equipment to cold reserve or the creation of surplus capacity and, consequently, a decrease in electric energy prices;
- Risk of the introduction of a special procedure to calculate electricity prices on the wholesale market, including the transition to state price regulation. In order to prevent significant increases in electricity prices for the end consumer, relevant infrastructure organizations continuously monitor prices on the wholesale market. If the acceptable price growth rate is exceeded, the wholesale market can be transferred to a special pricing procedure, including the enforcement of government price regulations, which might result in a considerable downturn in the Company's revenues.



- Risk of changes in the rules for the wholesale market that significantly modify the rules for capacity sales. Significant changes can lead to lower prices for capacities that are sold on the results of competitive power selection.

In order to reduce these risks, Mosenergo is involved in the development of the regulatory base for the wholesale electricity market, monitors the current situation at the regional level and the UES level, and analyzes the actions of and constantly cooperates with SO EES.

## 6.2.1 Risk Related to the Heating Market

- The main risks in this area relate to seasonal fluctuations in demand for heat energy and the correlation between demand and climatic conditions;

In order to mitigate these risks, Mosenergo takes the following actions:

- Expanding corporate department for heat sales and heat business development in order to increase competitive advantage;

- Interacting actively with municipal units in nearby Moscow Region to recruit new heat consumers.

- Increasing the efficiency of its sources by transferring boilers loads received from JSC MIPC.

## 6.2.2 Inflation Risk

Inflation risk may lead to increases in Mosenergo's costs and decreases in profits. Inflation growth might also result in losses in real terms of the Company's accounts receivable in the event of significant deferred or delayed payments.

during the development of the Company's financial plans. In order to mitigate inflation risks, Mosenergo signs long-term fixed annual price contracts for the supply and transportation of gas to its power plants.

The effects of inflation on the Company's financial stability are taken into consideration

## 6.2.3 Risk of Losses due to Unforeseen Fluctuations in Fuel Prices

The price of purchased fuel may undergo significant fluctuations. It is not unlikely that the cost for fuel forecast in the Business Plan could be exceeded, calling for an allocation of additional funds for fuel supply.

(coal and fuel oil) to cover urgent demand and eliminate the need for one-off purchases of large fuel quantities. The Company also works together with Gazprom OJSC to sign mutually beneficial contracts.

In order to minimize such risks, the Company's power plants create reserve supplies of fuel

## 6.2.4 Risk of Losses due to Unforeseen Fluctuations in Currency and Interest Rates

The power industry operates in a capital-intensive economy and the Company's operations require substantial investments. In Q2 and Q3 2009, the Company opened credit lines at several banks: Calyon (renamed the Credit Agricole Corporate and Investment Bank Deutschland on June 2, 2010), Nord LB for an amount of up to EUR 415 million for a period of 16.5 years, and BNP Paribas for an amount of up to EUR 186 million for a period of 13.5 years. As of December 31, 2014, the total amount of outstanding credit lines denominated in foreign currency amounted to EUR 243.5 million (EUR 114.9 million from Credit Agricole CIB Deutschland and EUR 128.6 million from BNP Paribas). The interest rates of the aforementioned loan agreements are pegged

to the floating EURIBOR rate. Therefore, the Company is subject to negative changes in interest rates on interest-bearing securities, as well as cash flow changes due to fluctuations in foreign currency exchange rates. However, the Company's financial status, its liquidity, financing sources and results are not currently significantly dependent on exchange rate shifts.

Mosenergo OJSC responds to these risks by planning its budget carefully in order to minimize demand for loans, assessing and monitoring risks associated with currency exchange and interest rates, and working to insure against interest-related risks in order to mitigate potential losses due to rises in interest rates.

## 6.2.5 Liquidity Risk

Liquidity risk is managed via the careful planning of finance streams, taking into account

cash inflow schedules and the Company's required payments.

## 6.2.6 Credit Risk

When working with clients, Mosenergo adopts a tailored approach that takes into account the specifics of each client's financial and business activities.

For the purpose of credit risk monitoring, business partners are grouped according to their credit profiles, industry affiliation and loan

structure by date and contractual terms of loan repayment.

In order to manage credit risks, the Company is setting up a valuation reserve for the depreciation of receivables, files claims and lawsuits, and uses banking guarantees for the repayment of advance payments.

## 6.2.7 Tax Risks

Company management considers that the Company fully abides by taxation laws, which regulate its activities. However, potential risks may arise owing to differences of opinion with supervision authorities in areas that are open to interpretation.

The taxation law of the Russian Federation is subject to frequent changes and sometimes contains ambiguities and uncertainties. As a result, several tax risks arise, including:

- Amendments to legislation on taxes and duties relating to tax increases;
- Introduction of new taxes;

- Incorrect calculations or payment of taxes due to differences in interpretation of ambiguous laws and regulations.

In order to minimize tax risks, the Company continuously monitors changes to tax legislation and legal and administrative practices in order to ensure consistent approaches to tax calculation within the current interpretation of the law. It also evaluates planned transactions from the point of view of tax risk mitigation, and carries out training and qualification upgrade courses for staff responsible for the calculation and payment of taxes.

## 6.2.8 Risk of Asset Loss due to Property Damage

These risks include the risks of Company facilities being rendered inoperable or property being damaged as a result of terrorist activity, misappropriations and theft, or regional natural disasters.

In order to mitigate these risks, the Company organizes regular inspections of anti-terrorist

measures to protect the staff and production facilities, implements protection against various possible after-effects of accidents, natural disasters and catastrophes, conducts emergency and fire safety drills for its personnel, and insures its property.



### 6.3 RISK OF CIVIL LIABILITY

**In order to mitigate these risks the Company strives to: decrease emissions of pollutants; continuously maintain equipment availability; develop an automated system for the commercial accounting of power; conduct regular certification of work places, verify the availability of individual and collective protection means within work teams; guarantee industrial safety at hazardous production facilities; insure civil liability.**

This type of risk includes the risk of liability for polluting the regional environment, damaging property owned by third parties, liability for the quality of goods supplied to the domestic market and the wholesale electricity market, as well as risks of the management's liability for damages caused to the life and health of Company employees.

In order to mitigate these risks the Company strives to:

- Decrease emissions of pollutants into the environment;
- Continuously maintain equipment availability and capacity reserves;
- Develop an automated system for the commercial accounting of power;
- Conduct regular certification of work places, verify the availability of individual and collective protection means at workplaces and within work teams;
- Undertake integrated measures to guarantee industrial safety at hazardous production facilities;
- Insure civil liability for harm inflicted to the health, life or property of third parties.



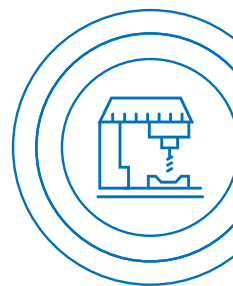
## 6.4 CORPORATE GOVERNANCE RISK

**In order to minimize these risks, the Company ensures that there is a strict delineation of responsibilities of the Company's managing bodies.**

Current risks related to the Company's corporate governance are as follows:

- Decisions made by the General Shareholder Meeting and/or the Board of Directors being appealed against in court;
- The Company's executive and management bodies failing to approve Company transactions as provided for by current legislation and, consequently, of such transactions being declared invalid following lawsuits of interested parties;
- The Company's information disclosure procedures, according to legislative requirements of the Russian Federation.

In order to minimize these risks, the Company ensures that there is a strict delineation of responsibilities of the Company's managing bodies (in compliance with the Company's Charter), that proper work is carried out by the Committees of the Board of Directors, that the management of the Company's organization is improved and amendments to documents regulating corporate governance are introduced. Company power plants may face a risk of equipment failure due to human error, both in normal and emergency operations. Advanced staff training is provided at Company educational centers and directly at its TPPs.



## 6.5 TECHNICAL AND PRODUCTION RISK

**The Company mitigates these risks by creating reserves of fuel, spare parts and materials, as well as by implementing activities aimed at increasing the reliability of the grid system.**

The Company mitigates technical and production risks by creating reserves of fuel, spare parts and materials, as well as by implementing activities aimed at increasing the reliability of the grid system.

The Company's power plants may face equipment failure due to human error both in normal and emergency operations.

Advanced staff training is provided at Company educational centers and directly at its TPPs.

Risks related to bringing new equipment into operation are mitigated by purchasing equipment which is made according to technical specifications from suppliers with a solid reputation in the market for such equipment, and who guarantee the testing of established parameters during operational trial periods.

Mitigation of the risks related to the shortage of qualified personnel required to operate the equipment is achieved by retaining the employees of Company subsidiaries through career planning, monetary incentives and social guarantees.

Mosenergo analyzes possible risk scenarios while implementing its production program. Insurance constitutes the key organizational instrument for risk mitigation and compensation of damage. The Company insures property, hazardous production facilities, transport vehicles, civil liabilities, occupational injuries and diseases, and also provides general medical insurance to its employees.



## 6.6 ORGANIZATIONAL RISK

**In order to minimize these risks, the Company implements the Lean Production Project and activities related to the assessment, analysis, and improvement of business processes.**

Organizational risks include the risk of losses resulting from inadequate management procedures in the Company and the incorrect selection of market strategy.

In order to minimize these risks, the Company facilitates the improvement of its management structure. This involves implementing the Lean Production Project and activities related to

the assessment, analysis, and improvement of business processes.

In order to improve the quality of the Company's strategic decisions, the Company provides training to management and specialists, and offers the opportunity to upgrade qualifications in relevant institutions.



## 6.7 INVESTMENT RISK

**The Company optimizes its investment management by introducing project management systems and investment control practices.**

While implementing its Investment Program, Mosenergo is always more or less exposed to certain investment risks, i.e. risks associated with the deterioration of key project parameters due to changes in external factors.

The Company optimizes its investment management for new construction projects by introducing project management systems based on the latest methods and investment control practices.





## 6.8 LEGAL RISK

**The minimization of legal risks is underpinned by the use of standard document forms and the continuous monitoring of changes in legislation.**

These risks include: losses caused by not keeping up to date with existing legislation or with legislative amendments introduced during transactions and improperly produced documentation.

Legal risks are controlled through the ongoing formalization of document production procedures. The minimization of legal risks is

underpinned by the use of standard document forms and the continuous monitoring of changes in relevant legislation.

Documents supporting Company business processes are subject to verification by the Legal Department, which facilitates the minimization of legal risks and risks associated with improperly produced documentation.



The reconstruction of power unit No. 9 is in progress at TPP-22. A more powerful turbine of the new model (T-295), which is manufactured specifically for this project, will be installed.

TPP-22



T-295

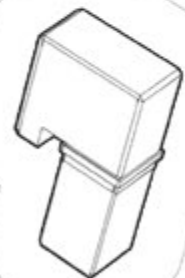
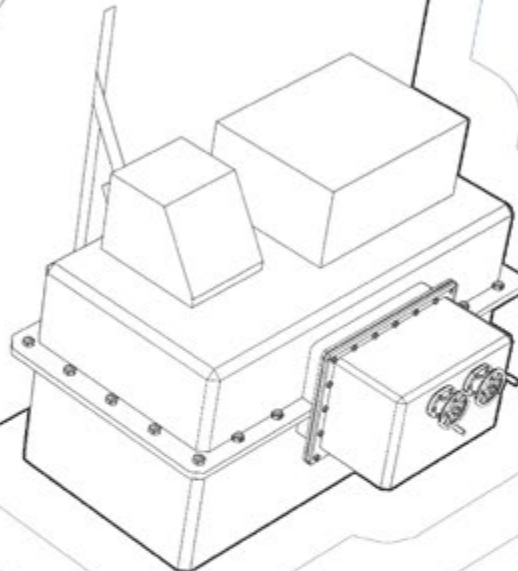
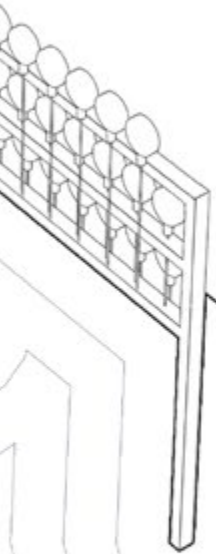
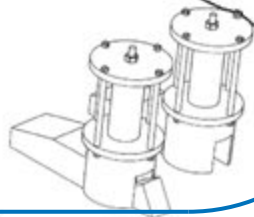


The T-295 turbine is the latest development of the Russian engineering design, its maximum capacity can reach 335 MW.



# 7 SUSTAINABLE DEVELOPMENT

+335  
MW

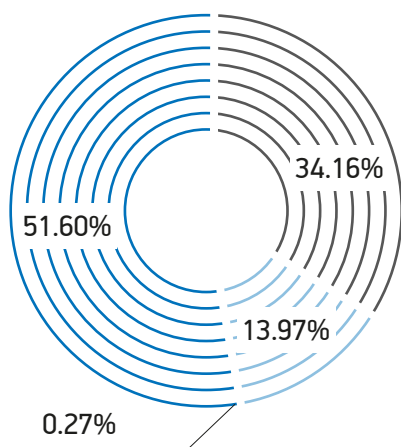




## 7.1 HEAD COUNT AND STAFF STRUCTURE

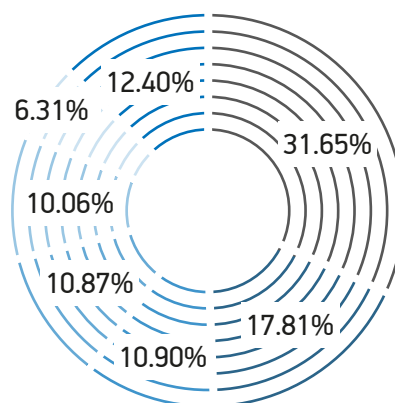
As of December 31, 2014, the number of employees on Mosenergo's payroll totaled 7,826. An increase in the payroll headcount in 2014 was due to staff transferred from JSC MIPC and Firma Intrek LLC.

### Mosenergo OJSC employee breakdown as of December 31, 2014



- Operational Staff 51.60%
- Management 34.16%
- Specialist Staff 13.97%
- Office Staff 0.27%

### Employee length of service in Mosenergo OJSC as of December 31, 2014



- under 5 years 31.65%
- 6-10 years 17.81%
- 11-15 years 10.90%
- 16-20 years 10.87%
- 21-25 years 10.06%
- 26-30 years 6.31%
- over 31 years 12.40%



## Staff turnover

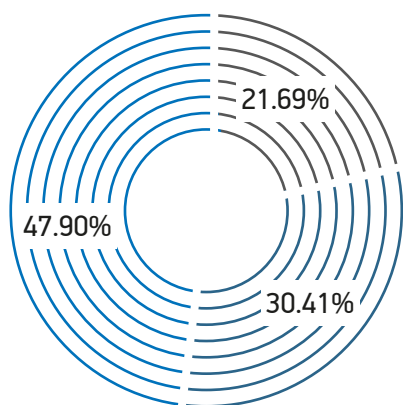
In 2014, staff turnover remained at 5.72%. During this period:

- 1,662 persons were hired, including 1,027 employees transferred from JSC MIPC and Firma Intrek LLC;
- 1,314 employees left: 448 of their own volition; 136 following mutual party agreement; 471 due to staff reduction measures or reduction in the number of Company employees; 259 for other reasons.

Number of employees

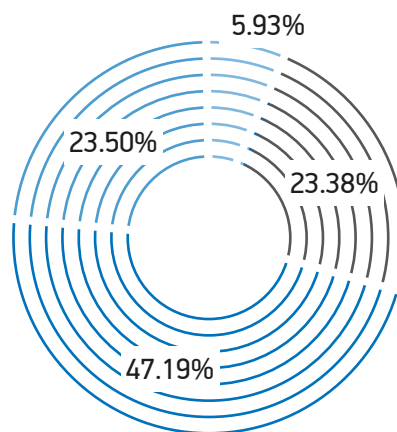
**7,826**  
persons

## Educational level of Mosenergo OJSC staff as of December 31, 2014



- secondary and complete comprehensive educational level 21.69%
- primary and secondary professional educational level 30.41%
- higher professional educational level 47.90%

## Mosenergo OJSC employee profile by age as of December 31, 2014



- Under 25 years old 5.93%
- From 25 to 35 years old 23.38%
- From 35 to 55 years old 47.19%
- Over 55 years old 23.50%



## 7.2 CORPORATE CULTURE

### **Mosenergo OJSC was included in the top 15 employers according to the Rating of Employers in Russia for 2014, which was organized by HeadHunter.**

In 2014, Mosenergo OJSC was included in the top 15 employers according to the Rating of Employers in Russia for 2014 (12th place), which was organized by HeadHunter. Company evaluation was carried out on the basis of several criteria: the opinion of competitors, the opinion of employees of the company, and the assessment of independent experts in the field of personnel management.

In 2014, Mosenergo OJSC was included in the top 100 of the international Universum Rating for three consecutive years. The rating represents the best employers in Russia according to engineering students. According to the rating for 2014, Mosenergo OJSC ranked 27 th in the “Top 100 Russian-Engineering” category.

The main emphasis in developing and shaping corporate culture of Mosenergo OJSC in 2014 was on the promotion and popularization of Company values through all existing communication channels.

Regular provision of information about the most important events of Mosenergo OJSC is supported through the main communication channels, such as the corporate newspaper “Vesti Mosenergo”, the intranet portal, mass mailing and corporate information booths. In 2014, Facebook became a popular communication channel, and an increased activity in views and event assessment was noted. At the end of 2014, Mosenergo OJSC’s page was followed by more than 3,500 subscribers. The following are used for staff feedback: a 24/7 telephone hotline for

employees and a dedicated e-mail address: [vopros@mosenergo.ru](mailto:vopros@mosenergo.ru). A cascade system has been set up to broadcast important Company decisions, as well as tasks and objectives.

In 2014, Mosenergo OJSC branches continued the quarterly contest held under the category name of “The Best Employee”. The best employee refers to the company employee who has shown the most significant and outstanding achievements impacting the company’s results. The list of the winners and the essays about the most outstanding winners are published in the corporate newspaper.

At the end of 2014, the Company held the traditional awarding of the best stations. The winners in the categories were SPP-1 as “The Safest Plant”, TPP-27 as “The Most Conserving Plant”, and TPP-21 as “The Most Reliable Plant”. In all Mosenergo OJSC branches, at the solemn meeting devoted to the Day of Energy, awards from the Ministry of Energy of the Russian Federation were given to 18 employees and awards from Gazprom OJSC and Gazprom Energoholding LLC were given to 127 employees.

At the end of the year, the Company organized New Year’s performances, which were attended by more than 700 children.

In 2014, the Company organized its traditional Sports Festivals, which was attended by more than 680 employees. Competitions were organized for the following sports: ski races, volleyball, swimming, cross-country races, football, indoor football, table tennis and shooting.



## 7.3 STAFF TRAINING AND DEVELOPMENT

**1,932 operational staff, 1,982 managers and 1,729 specialist staff benefited from training and staff development in 2014.**

Mosenergo focuses heavily on the development of its staff, in accordance with business objectives and mandatory legislative requirements of the Russian Federation. In 2014, in accordance with the established periodicity of training and current and future plans for training and professional development, 1,932 operational staff, 1,982 managers and 1,729 specialist staff benefited from training and staff development on a day-release basis.

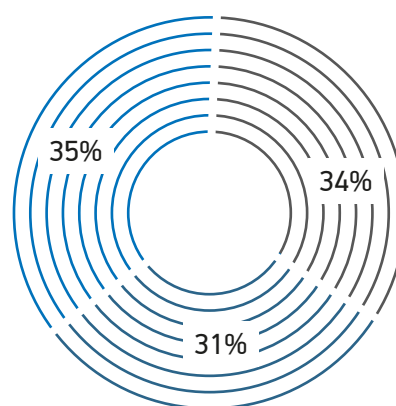
Within the scope of the project for “Culture of Safe Behavior of Mosenergo OJSC Employees”, a School of Corporate Security (SCS) was organized in 2014. The SCS is an instrument that helps achieve the key objective of Mosenergo OJSC: Zero Accidents. SCS trained 483 people in 2014.

In order to reduce the number of accidents and equipment failure that are caused by wrong actions of the operating staff, increase the level of training of the operating staff of TPPs, prepare for accident prevention, and ensure the reliability of power plants and the power grid, two teams from Mosenergo OJSC (the TPP-26 team and a joint TPP-23 and TPP-27 team) took part in the competition between the operating staff of blocks TPP and TPP with SGU, which was organized by Gazprom Energoholding LLC in May 2014. The joint TPP-23 and TPP-27 team took first place, and the TPP-26 team took second place. From September 15 to September 18, 2014, the TPP-26 team represented Mosenergo OJSC at the All-Russian Competition for TPP Operating Staff and came second.

The Mosenergo OJSC Training Center continued its work in 2014 in the following areas:

- 52 training programs targeted at key operational areas of the Company were developed and implemented;
- 30 curricula and programs for training and retraining workers and specialists were updated;

### 2014 Mosenergo OJSC staff training



- Management 35%
- Operational Staff 34%
- Specialist Staff 31%

- 174 persons were trained under the training program for employees at entry-level positions;
- Simulator training of the operational staff was conducted (845 Company employees underwent training under 16 training programs at the simulator training center; 126 of the above employees received special training).

Mosenergo OJSC interacts with MPEI National Research University Federal State Budgetary Educational Institution of Higher Vocational Training in the field of first higher education and professional retraining for workers who do not have specialized higher education, and in the field of implementation of innovative projects. In 2014, more than 140 employees completed training courses at MPEI.

In order to study the best practices for operating power plants abroad, which are similar to Mosenergo OJSC plants in terms of equipment and operation, 23 employees were trained at power plants in Latvia and Finland from September 22 to September 26, 2014.

For the staff of newly introduced facilities, training programs and initial training internship are organized at the plants with operating equipment.

In 2014, for the second time Mosenergo OJSC held a contest for young professionals and innovators. During the qualifying round of the contest, 44 works were received, of which 27 reached the semi-finals. Based on the results of the contest held by Mosenergo OJSC, six works reached the final of the 3d Contest of Young Professionals and Innovators of Gazprom Energoholding LLC, of which two works came third.

The Company has a system of annual competency assessment. The system is used to select and promote internal candidates, determine the need for staff training, create development plans and identify the most promising employees, assess staff performance and set up a reserve pool of staff. Thus, 312 people were trained in 2014 under the programs that are aimed at the development of corporate competency.

In order to form a personnel reserve, the Company also operates an Accelerated Development Program and a Manager Development Program. In 2014, the Accelerated Development Program was attended by 70 people. Participants of the Program were trained in the fields of professional and corporate competency. As a result of multi-selection of participants to the Manager Development Program, 20 persons began and completed the training course, which was organized in conjunction with PricewaterhouseCoopers.

In 2014, Mosenergo OJSC updated its adaptation course for new employees, which now consists of three modules: Welcome to Mosenergo, Culture of Safe Behavior, and Introduction to the Power Sector; this course is for employees who do not have specialized energy education. Internal instructors have been trained to teach the course. The course takes place on a regular basis and has been used to provide the necessary training to more than 150 new employees; each participant of the course received the Novice's Informational Booklet, which was published in 2014.



## 7.4 MOTIVATION AND SOCIAL PROGRAMS

**The average wage increased by 8.34% and amounted to RUB 75,785.**

The incentive system used by Mosenergo OJSC is based on grades and key performance indicators. In 2014, work was undertaken to assess the range of grades and comparison of the current conditions of remuneration in comparison with the market values.

The annual salary review was held in respect of 1,707 employees, which represents 26 pct of the payroll headcount. The average wage increased by 8.34% and amounted to RUB 75,785.

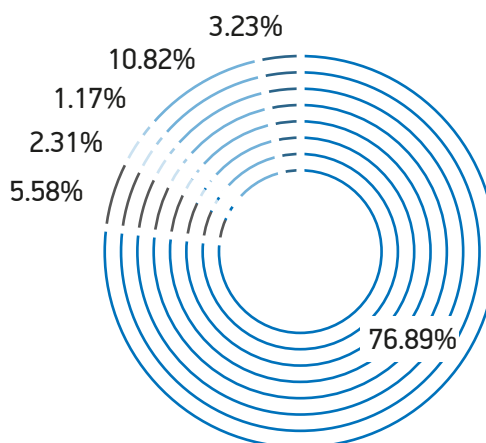
The social welfare of Company represents one of the tools for sustainable development and contributes to strengthening the reputation of Mosenergo OJSC as a reliable and responsible employer and partner. In 2014, expenditure related to the social welfare of Company employees amounted to RUB 156 million.

**Voluntary staff medical insurance.** After completing their probationary period, every employee is entitled to benefit from medical services provided under the Company's voluntary medical insurance program. Medical assistance at many medical institutions is potentially available under the voluntary medical insurance scheme.

**Accident insurance.** All Company employees are insured against accident whilst at work. Payments made under the accident insurance contract are intended to provide support and adjustment after an accident.

**Work and activities with veterans and workers of the home front of the Great Patriotic War (former Mosenergo employees).** As part of the Company's social policy, every year the Company provides charity aid to the veterans and workers of the home front of the Great Patriotic War. As of December 31, 2014, aid amounting was provided to 101 veterans of the Great Patriotic War and to 514 members of the home labor front during the war years.

### Mosenergo OJSC social support structure



- Voluntary staff medical insurance 76.89%
- Accident insurance 5.58%
- Compensation for the costs of vouchers for employees' children 2.31%
- Private pension provision 1.17%
- Work and activities with veterans and workers of the home front of the Great Patriotic War 10.82%
- Financial aid to employees 3.23%

Compensation of the costs of vouchers for Mosenergo OJSC employees' children. In 2014, 130 employees of Mosenergo OJSC received vouchers for their children to the camp for rest, treatment, or education reimbursed.

Private pension provision. The Company operates a private pension program for its employees; the scheme was developed with the Gazfond Non-State Pension Fund. Seventy employees currently participate in this scheme.



## 7.5 OCCUPATIONAL HEALTH AND SAFETY

**The total expenditure for various measures to improve working conditions, health and safety amounted to RUB 505,787 thousand.**

The total expenditure for various measures to improve working conditions, health and safety and prevent occupational illness (across the Company) amounted to RUB 505,787,000 in 2014, representing 0.35% of total production costs.

### Health and safety expenditure 2014, thousand RUB

Cost description	2013	2014
Industrial safety		
Work on licensing and industrial safety	54,031	40,659
Hazardous facility insurance	19,583	21,040
Insurance		
Voluntary medical insurance, insurance premium	102,229	124,208
Insurance against workplace accidents, insurance premium	8 932	8,666
Workplace certification	419	868
Healthy meals, milk	6,367	3,070
Operation of the Medical Center, medicine, first-aid kits	43,734	43,734
Medical examinations	11,106	17,879
Vaccination of the personnel	540	1,075
Training seminars on the Culture of Safety	0	2000
Overalls, protective equipment, electrical safety devices, etc.	62,340	58,759
Plant supervision	1,570	1,610
Laundry (dry cleaning), repair of special clothing	351	1,276
Development of PPE standards	1,250	0
Cleaning of premises and production area	178,737	180,943
<b>Total</b>	<b>490,649</b>	<b>505,787</b>

#### Availability of health and industrial safety services and expert staff in administration offices and at affiliated Company power plants

The staff of the Department of Occupational Health and Safety and Production Auditing numbers 28 persons. One of the 15 occupational health and safety managers oversees each power plant (branch facility). In addition, ten independent inspectors have now been brought in to detect any potential occupational health and safety breaches at any of the facilities that have been earmarked for major construction and building

work, as well as to identify any employee demonstrating signs of alcohol intoxication, under civil-law contracts.

#### Status of compulsory preliminary, periodic and extraordinary medical checks (examinations)

Compulsory preliminary, periodic and extraordinary medical checks (examinations) in the Company are carried out in accordance with Article 213 of the Labor Code of the Russian Federation, and Order No. 302n of the Russian Ministry of Health Care and Social Development dated April 12, 2011





“On approval of lists of adverse and(or) hazardous production factors and works for which preliminary, periodic and extraordinary medical checks (examinations) are mandatory, and the Procedure for the conduct of preliminary, periodic and extraordinary medical checks (examination) of employees engaged in hard labor and work under adverse and/or hazardous conditions”.

Mandatory preliminary health checks are performed when new employees join the Company. Periodic medical checks are carried out based on a named list of employees who are subject to periodic checks. These named lists are submitted to the territorial authorities of the Federal Service for Consumer Rights and Human Welfare Protection (Rospotrebnadzor). The Company has signed a medical checks contract with Gazprommedservis.

As part of seasonal prevention and immunization against the influenza virus in 2014, the Company held a free vaccination session for the personnel of Mosenergo OJSC, which was attended by approximately 2,500 Company employees.

#### **Special assessment of working conditions.**

In accordance with Federal Law No. 426-FZ dated December 28, 2013 “On special assessment of working conditions”, Mosenergo OJSC held a special assessment of working conditions at 1,379 workplaces in 2014.

#### **Provision of personal protective equipment, protective clothing and footwear, therapeutic and preventive nutrition, milk or other equivalent products**

Mosenergo staff are provided with personal protective equipment, protective clothing and footwear, in compliance with the Standard norms of provision of protective clothing, protective footwear and other personal protective equipment (hereinafter PPE) (Order No. 340n of the Russian Ministry of Health Care and Social Development dated April 25, 2011) and the Appendix to the Mosenergo Collective Agreement. All PPE has a certificate of conformity, and is purchased from leading Russian PPE manufacturers. A centralized laundry for special clothing has been organized.

**The Company held a free vaccination session for the personnel which was attended by approximately**

**2,500**  
Company employees.

The provision of Company staff with detergents and decontaminants is carried out in accordance with Russian Federation Ministry for Health and Social Development Order No.1122n dated December 17, 2010 “On approval of standard regulations for the free issue of detergents and decontaminants to staff, the occupational health and safety standard”, the labor safety norm “Providing staff with detergents and decontaminants”, and the Appendix to the Mosenergo Collective Agreement.

Company employees are provided with milk in accordance with Article 222 of the Russian Federation Labor Code and Russian Federation Ministry for Health and Social Development Order No. 45n dated 16 February 2009 “On approval of terms and conditions for the free issue to staff working in hazardous conditions, of milk or other equivalent food items, or compensatory payments that are equal to the equivalent of the cost of milk or other food items of equal value, and a list of harmful workplace factors where the use of milk or other equivalent food items is recommended as a preventative measure”.

In 2014, the supply and delivery of milk to Company branch facilities was centralized under a services agreement with APK Shatursky LLC.

#### **Sanitary and healthcare services for employees. Availability and equipping of sanitary facilities, rest-rooms, provision of medical aid, and staff recreation.**

In accordance with Article 223 of the Labor Code of the Russian Federation, each branch facility has fully equipped sanitary rooms (cloakrooms, changing rooms, shower cubicles, wash-rooms, lavatories, rooms for the

storage and handout of protective clothing), rest-rooms, medical aid facilities, and staff recreation rooms. All these facilities are cleaned and aired. Relevant occupancy space requirements are observed. The workplace facilities are fully equipped with first-aid kits, water coolers and carbonated soda water dispensing units have been installed in hot workplace environments.

### **Workplace briefings (introductory, initial, secondary, and unscheduled).**

The Company organizes workplace briefings (introductory, initial, secondary, and unscheduled) in accordance with the requirements of the current legislation of the Russian Federation. Instructions and briefing programs have been compiled, approved and updated on a regular basis; standard logbooks are kept for each briefing.

## **Industrial accident analysis, number**

In Q4 2014, three accidents with employees of Mosenergo OJSC took place.

<b>Indicator</b>		<b>2014</b>
Number of fatal accidents or group accidents, if there is a seriously injured person		0
Number of workplace accidents		3
Kchns =	Number of accidents × 1,000,000 hours. Average number of staff Hours of work as per time sheet	0.2

### **Investigation procedure for workplace accidents (procedure and timeframe)**

Investigation of workplace accidents at Mosenergo is conducted in accordance with the stipulations of Articles 227–231 of the Russian Federation Labor Code and Decree issued by the Russian Ministry of Labor No.73 dated October 24, 2002 “On approval of document forms required for the investigation and record of industrial accidents, and approval of Regulations on specific features of industrial accident investigation in individual industries and organizations”.

### **Occupational health and safety supervision**

A Health and Safety Day and a Safety Hour are held regularly; in 2014, 180 Health and Safety Days and 720 Safety Hours were held by all Company branches. Managers and General Directorate specialist staff were involved in the work of TPP committees.

In 2014, 61 health and safety audits were conducted at branch facilities and the General Directorate. During the audit, more than 2,500 violations were identified and corrected.

In the framework of cooperation, a cross audit of the occupational health and safety system was carried out at Kirishi SDPP (OGK-2) and Yuzhnaya TPP in St. Petersburg (TGK-1).

Measures implemented to oversee compliance with health and safety requirements amongst contractors working at Mosenergo facilities discovered and eliminated more than 6,000 violations; according to the Legal Department, fines for violations amounted to over RUB 12 million.

Provision is made for an enhanced inspection of capital construction sites. After 4 quarters, approximately 2,900 violations of occupational health and safety standards were identified and eliminated. A decision was adopted to double

the number of inspectors at the sites; the candidates were chosen in conjunction with the staff unit. A system of constructive interaction with the developer and the general contractor was adjusted.

In 4 quarters of this year, the Company performed more than 240 random checks of employees of the branch facilities for signs of intoxication. More than 10,000 people were tested, and 58 people with symptoms of intoxication were identified. Disciplinary measures were applied to the violators. In an experiment, a stationary automated alcohol-testing system was mounted at the entrance to the TPP-25 branch facility. It was decided to extend this experience to all the branch facilities of the Company in 2015.

As part of the Company's system to identify, assess and eliminate any risks relating to occupational health and safety and fire safety, more than 35,000 risks of infrastructure, of which more than 33 thousand were eliminated, were revealed by the end of 2014. In 2014, more than 6,000 risks were discovered, of which approximately 5,000 were eliminated.

As part of the project on the development of a safety culture directed at achieving the strategic objective of "0 Injuries," the Company developed and put into action a Proprietary Standard for Behavioral Security Audits (BSA). The methodology of the BSA was taught to 780 workers of Mosenergo OJSC and the Company's contractors, including the heads of boiler units, the staff of the General Directorate and the representatives of the management team of TER-MoscowLLC. The trained personnel

conducted more than 10,000 behavioral audits, which resulted in the identification and elimination of more than 16,000 dangerous actions of employees of branch facilities and contractors.

"The Golden Rules for Safe Behavior of Mosenergo OJSC" were developed, which reflect the basics for the safe organization and implementation of work operations in Mosenergo OJSC. Informational posters about "The Golden Rules of Safe Behavior" and the methodology of behavioral safety audits were printed out and posted in all the branch facilities of the Company.

Since 2014, the Company has been operating a Committee on Occupational Health and Safety and a Commission on Occupational Health and Safety of branch facilities on an ongoing basis.

**In 2014, 61 health and safety audits were conducted at branch facilities and the General Directorate. During the audit, more than 2,500 violations were identified and corrected.**



## 7.6 ENVIRONMENTAL PROTECTION

### Mosenergo's expenditure for environmental protection measures and initiatives in 2014: RUB 228.151 million.

Mosenergo OJSC maintains active and productive cooperation with Russian organizations and scientific and academic institutions with a successful track record in environmental protection and ecological safety.

The Company resolves environmental protection issues in close cooperation with relevant state

authorities, which monitor the environmental activity and performance of companies in the Moscow Region.

Mosenergo's expenditure for environmental protection measures and initiatives in 2014: RUB 228.151 million.

### Mosenergo's environmental protection expenditure, thousand RUB <sup>13</sup>

	2010	2011	2012	2013	2014
Non-capital environmental protection measures (prime cost)	45,628	61,992	44,002	46,978	46,808
Non-capital environmental protection measures (overhead costs)	177	–	–	–	–
Waste recycling (prime cost)	47,752	50,723	56,242	57,164	57,421
Investment activities, including environmental survey	72,843	73,611	87,278	57,527	123,922
<b>Total</b>	<b>166,400</b>	<b>186,326</b>	<b>187,522</b>	<b>161,669</b>	<b>228,151</b>

Emissions by Mosenergo OJSC (power plants and attached boilers) for the 12 months of 2014 generally decreased as compared to the same period of 2013 by 15% or by 7.7 thousand t and amounted to 44.5 thousand t. The dynamics of emissions by main ingredients:

- Nitrogen oxide emissions decreased by 4.7% or by 1.9 thousand t and amounted to 38.2 thousand t;
- Sulfur dioxide emissions decreased by 43% (1.8 times) or by 3.5 thousand t and amounted to 4.6 thousand t;
- Emissions of solids decreased by 4.5 times or by 2.5 thousand t and amounted to 0.7 thousand t.

#### including:

- Fuel-oil ash emissions decreased by 5.8 times or by 0.002 thousand t and amounted to 0.00043 thousand t;
- Coal ash emissions decreased by 4.6 times or 2,473 thousand t and amounted to 0.687 thousand t.



Emissions by Mosenergo in 2014 decreased by

# 15%

<sup>13</sup> Management accounting data

### **Including attached boilers:**

Pollutant emissions from attached boilers from the date of transfer to Mosenergo OJSC were as follows:

- Nitrogen oxides: 0.593 thousand t;
- Carbon dioxide: 0.058 thousand t.

Total fuel consumption over the reporting period for Mosenergo OJSC as a whole, including attached DHP and the district heating plants against, the same period in 2013 decreased by 2.7 thousand tfe or 0.01%, including:

- consumption of natural gas, which decreased by 33 thousand tfe or by 0.1%;
- consumption of liquid fuels, which decreased by 13 thousand tfe or by 3.3 times;
- coal consumption, which increased by 43 thousand tfe or 10.7%

(in terms of natural fuel: decrease by 22,421 t of natural fuel (4%)).

The share of coal in the overall fuel mix of Mosenergo OJSC increased and amounted to 1.86% versus 1.65% for the same period of last year. The share of liquid fuels decreased to 0.02% against 0.06% for the same period of last year.

### **Including the attached boilers:**

The total consumption of gas in the attached DHP and district heating plants from the date of transfer from JSC MIPC to Mosenergo OJSC and until December 31, 2014, inclusive, amounted to 435.786 thousand tfe.

The decrease in pollutant emissions of the TPPs of Mosenergo OJSC was due to a

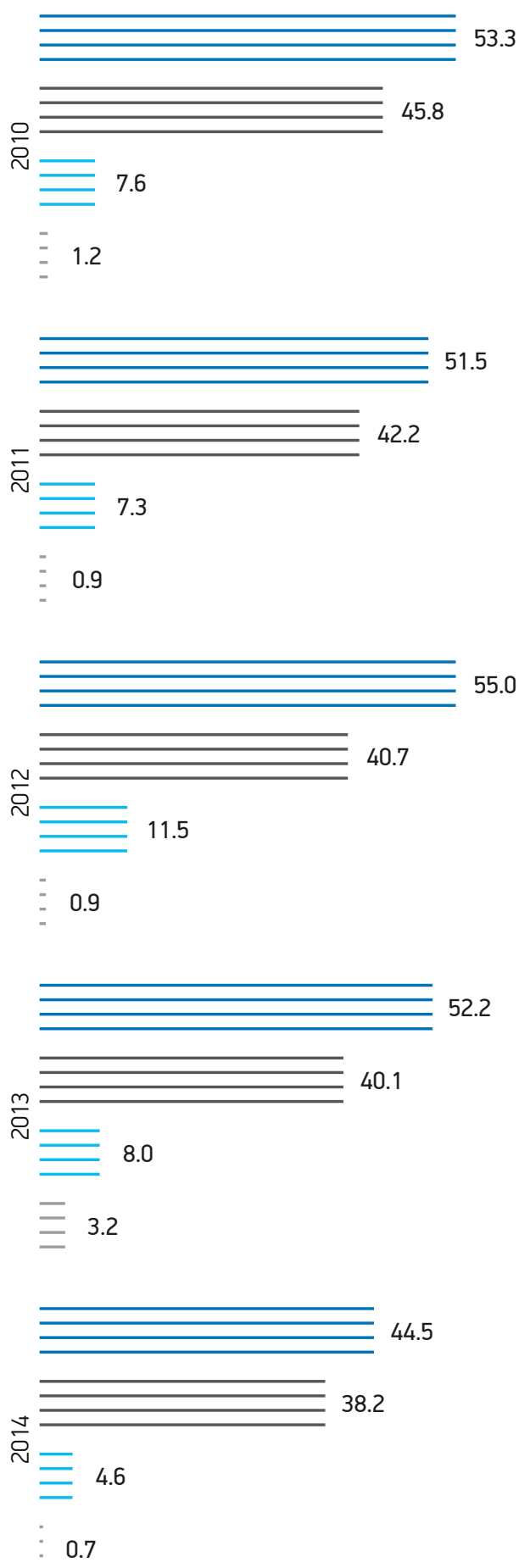
reduction in the total consumption of fuel burned. Nitrogen oxide emissions fell due to lower overall fuel consumption. Sulfur dioxide emissions fell as a result of reduced fuel oil consumption. Fuel oil ash emissions fell as a result of reduced fuel oil consumption. Reduction of coal ash emissions is associated with a decrease in coal consumption (in volume terms), and also with the growth of coal consumption at TPP-22, which is equipped with efficient electrostatic precipitators and reduction of coal consumption at TPP-17, which is equipped with less-efficient electrostatic precipitators, as well as with the reduction of the ash content in coal from 22.32% to 18.58%.

Power generating boilers at the power plants are fitted with an automated environmental monitoring system, which allows the concentration of gas pollutants to be monitored in real time and, if necessary, enables plant performance activities to be modified in order to reduce emissions. As a result of subsequent work carried out on the boilers, boiler emissions did not exceed any permitted pollutant emission standards.

The Central Laboratory for Environmental Protection at the Mosenergo Department for Ecology (certification accreditation No.ROOS RU.001.511836, valid to June 11, 2018) took 442 measurements at the power plant boilers to determine the flue gas concentrations of nitric oxide, nitrogen dioxide and carbon dioxide and to monitor the temperature of flue gases, as part of industrial environmental monitoring.

The condition of the atmospheric air in residential areas near the TPP was also monitored throughout the year. In 2014, 12,376 atmospheric air samples were taken in the immediate area near the TPP and analyzed for nitrogen oxide, carbon monoxide, sulfur dioxide, and dust.

## Mosenergo pollutant emissions, thousand t



- III Total
- III Nitrous oxides
- III Sulfur dioxide
- III Solids

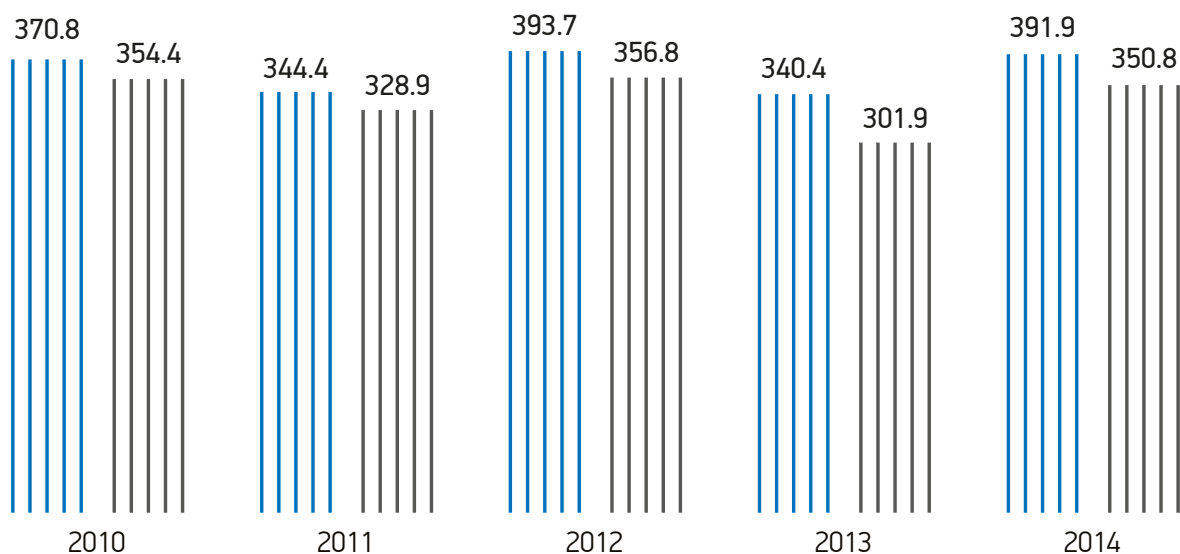
Actual emissions of greenhouse gases in 2014 amounted to 39.602 million t. Reduced greenhouse gas emissions, as compared to 2013, amounted to 0.940 million t, which is associated with a reduction in the amount of fuel burned and the share of fuel oil in the fuel mix.

The total volume of waste water discharged into surface water bodies amounted to 391.9 million m<sup>3</sup>, of which partially clean water constituted 350.8 million m<sup>3</sup> and partially treated water constituted 15.6 million m<sup>3</sup>. Increased discharges against the level of 2013: 51.5 million m<sup>3</sup>;

The total amount of waste decreased by 18.1 thousand t and constituted 153 thousand tons.

In 2014, Mosenergo conducted a compliance audit of the Mosenergo Environmental Management System against ISO 14001:2004. The audit was conducted by Bureau Veritas Certification Rus CJSC and took place in the structural subdivisions and departments of the General Directorate as well as at Mosenergo's branch facilities TPP-9, TPP-22 and TPP-26. On the basis of the audit of the subdivisions mentioned above, the auditors concluded that Mosenergo complied with its Environmental Policy and environmental objectives, and monitored their attainment. On the basis of the audit of these subdivisions, the auditors concluded that the environmental management system of Mosenergo OJSC complied with the requirements of ISO 14001:2004 and that Mosenergo OJSC demonstrated the effectiveness of its environmental management system and improvement of the latter.

## Wastewater discharge at Mosenergo OJSC, million m<sup>3</sup>



III Total

III Partially clean

The compliance audit did not reveal any inconsistencies and the Company, as a whole, demonstrated compliance with the regulatory requirements. It was recommended that Mosenergo extend the validity period of the certificate of compliance with international standard ISO 14001:2004.

**It was recommended that Mosenergo extend the validity period of the certificate of compliance with international standard ISO 14001:2004.**

Gazprom OJSC, which includes our company, officially declared 2014 as the Year of Ecological Culture. The Environment Service participated in the development of a booklet about Mosenergo OJSC and its environmental protection activities and environmental posters, which were placed at Mosenergo OJSC branch facilities.

The heads of TPPs and the environmentalists of branch facilities were trained to comply with the requirements of ISO 14001 “Environmental Management Systems”. An introductory course “Introduction to the ISO 14001 Standard” was organized for branch facility managers, while the environmentalists of branch facilities took part in the Internal Auditor of Environmental Management Systems Program.

The Environment Service organized information to personnel working with attached boilers in the field of Environmental Management System of Mosenergo OJSC and the International ISO 14001:2004 Standard.

# 8 SECURITIES AND DIVIDEND POLICY



## 8.1 SECURITIES

Mosenergo shares are listed on the A1 quotation list on the Moscow Stock Exchange.

- **Stock tickers:**
- **Moscow exchange – MSNG**
- **Bloomberg – MSNG RU**

Mosenergo's depository receipts are listed in the over-the-counter (OTC) market of the New York Stock Exchange and in the IOB<sup>14</sup> sector of the London Stock Exchange.

### 8.1.1 Depository receipt programs

	<b>Level 1</b>	<b>144-A</b>	<b>Reg.S</b>
<b>Coefficient</b>	<b>1:50 shares</b>	<b>1:50 shares</b>	<b>1:50 shares</b>
Brief description	Receipts can be traded freely on the OTC market in the USA and Europe.	Receipts are intended for private offers to a restricted number of institutional investors, primarily in the USA.	Receipts are intended for a wider range of private professional investors than 144-A, outside the USA.
Date of issue	1997	2008	2008
Depository bank	Bank of New York Mellon		

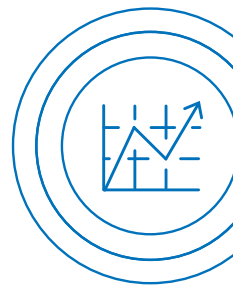
### 8.1.2 Bonds

#### Corporate bonds

<b>Series</b>	<b>State identification number</b>	<b>Face value, RUB</b>	<b>Total amount, RUB</b>	<b>Date of issue</b>	<b>Maturity term, days</b>
02	4-03-00085-A	1 000	5,000,000,000 (as of December 31, 2013, the issue was repaid in the amount of RUB 4,894,709)	March 2, 2006	3,640

<sup>14</sup> International Order Book





## 8.2 DIVIDEND POLICY

**The established procedure for the calculation of the dividend amount allows for the distribution of 5% to 35% of the Company's net profit.**

Mosenergo's dividend policy was approved by the Board of Directors on December 24, 2010.

Mosenergo's dividend policy was developed in compliance with applicable legislation of the Russian Federation, the Code of Corporate Behavior recommended by the FCXM of Russia and Mosenergo's internal documents. The dividend policy sets out the principles used by the Mosenergo Board of Directors when drafting recommendations to the General Shareholder Meeting for decision-making on profit distribution options, including dividend payments.

The amount of dividends is calculated from the Company's net profit as reflected in the annual financial statements, produced in accordance with prescribed laws of the Russian Federation.

The following principles are observed when calculating the dividend amounts:

- Transparency of the mechanism for defining dividend payment;
- Balance between short-term (immediate income) and long-term (Company development) shareholder interests;
- Focus on increasing the Company's investment appeal and market capitalization.

The established procedure for the calculation of the dividend amount allows for the distribution

of 5% to 35% of the Company's net profit provided that a reserve fund is fully created, as stipulated by the Company's Charter.

The calculation of dividends is carried out as follows:

- Part of the net profit is allocated to the reserve fund as stipulated by the Company's Charter. The allocation of funds from net profit to the reserve fund ceases when the fund reaches the amount required by the Company's Charter;
- Up to 5% of the net profit is used to pay out dividends;
- Up to 95%, but no less than 35% of the net profit, is reserved for the Company's investment goals;
- The remaining part of the net profit after deduction is evenly distributed between dividends and reserves to be used for the Company's investment goals.

In order to make decisions about the dividend payment, the Board of Directors presents the General Shareholder Meeting with recommendations concerning the amount to be paid out. After the decision has been made by the General Shareholder Meeting, the dividends are paid out.

# 9 ADDITIONAL INFORMATION AND ANNEXES



## 9.1 INFORMATION POLICY

**In 2014 Mosenergo organized 20 press tours, published 31 press releases, more than 400 printed publications, and 23 TV broadcasts.**

Mosenergo has an open information policy. The Company's operations are regulated by corporate governance principles, which are expected in reputable business companies, as well as by principles of social responsibility and a reliable partnership with government authorities.

Mosenergo's Information Policy aims at ensuring prompt and comprehensive presentation of accurate information about the Company's activities, and providing open access to such information to all interested parties, such as shareholders, investors, government officials, the mass media, etc.A

Within its information policy framework, in 2014 Mosenergo organized 20 press tours, taking journalists around Company power plants. The Company published 31 press releases, more than 400 printed publications were issued, and 23 TV broadcasts were shown on federal

and regional channels. In addition, Mosenergo participated in major industry exhibitions and conferences.

Mosenergo's official website (<http://www.mosenergo.ru>) is the Company's key information resource. This website provides full information about Company activities and allows Mosenergo to respond in a timely manner to inquiries submitted by shareholders, investors, government officials and the media. The site displays quarterly and annual reports for shareholders, quarterly issuer reports, financial statements compliant with RAS and IFRS standards and information that may have a significant impact on the value of securities. Mosenergo is also present on social media networks: since July 2011, Mosenergo has maintained a corporate page on Facebook:

<http://www.facebook.com/pages/OAO-Mosenergo/122390031176582>.



## 9.2 HISTORY OF MOSENERGO

**Mosenergo's history is closely interrelated with the development of Russia's economy, society and culture.**

- The Joint Stock Company of Electric Lighting was founded in 1886 by Carl Siemens, a Saint Petersburg merchant of the First Guild who was the Head of the Siemens & Halske Representative Office. The Company was founded in Saint Petersburg; however, at its very first Board
- of Directors' meeting, a proposal was made to prepare grounds for Company operations in Moscow.
- On July 31 1887, the executive board of the 1886 Company approved a contract for electric lighting in the Postnikova Passage on Tverskaya Street in Moscow. This date is acknowledged as the founding date of the electrical power grid in the Moscow Region.

- At the end of 1888, the Company successfully completed the construction of the first centralized power plant, with electric power supplied by the Georgievskaya power plant. On November 28 1897, the Company hosted a festive celebration for the opening of the Moscow Municipal Power Plant (MMPS-1) Raushskaya (now SPP-1), and on February 15, 1907, the Company launched the second station – MMPS-2 Tramvaynaya.
- The next important stage of development for Moscow’s electrical power grid was the decision to construct a large power plant fired with local fuel in the vicinity of Moscow. This decision was implemented by Robert Klasson, Managing Director of the Moscow Office of the 1886 Company. The construction of the plant, which envisioned the use a new type of fuel, was a major project involving the development of new technologies and the creation of the entire peat extraction industry.
- In 1912, the Company started building the world’s first peat-fired district power plant in the Bogorodsky District. In April 1913, a new company, the Moscow Joint Stock Company Elektroperedacha, was founded in order to utilize the capacity generated by the new station. The plant itself began operations in 1914 and, in 1915, started to operate in parallel with the Raushskaya Power Plant.
- The joint stock companies Electric Lighting 1886 Company and Elektroperedacha operated successfully until October 1917. After the October Revolution, the stations were nationalized and ceased operations under their previous ownership in December 1917.
- The management of state power stations was delegated to the Power Department of the Supreme Council of Public Property. At the same time, in December 1917, Ivan Radchenko and Aleksandr Vinter proposed to further develop the Moscow power industry. These proposals became the basis for the first State Plan for the Electrification of the whole country, GOELRO.
- In December 1920, the GOELRO Plan was ratified by the eighth All-Russia Soviet Congress. According to the plan, the capacity volume of the Moscow power system was expected to increase by a factor of almost four within 10 to 15 years. The installed capacity was to increase from 93 thousand to 340 thousand kW.
- Pursuant to the GOELRO Plan, several stations were built in the Moscow Region, namely Kashirskaya TPP (now TPP-4), Shaturskaya TPP (now TPP-5), Krasnopresnenskaya TPP (now a subsidiary of TPP-12), TPP-6, and TPP-8. One of the key events in this period was the completion of Russia’s first 110 kV power line between Kashira and Moscow, as well as a two-circuit ring of 115 kV power lines and transformers around Moscow.
- In the 1930s, the workers of the Moscow power supply system, known until 1932 as MOGES (Unified Management of Power Plants of the Moscow Region), started providing centralized district heating to the Soviet capital. In March 1931, the first district heating pipelines were launched from MMPS-1 and a specialized enterprise for the maintenance and development of the Moscow District heating network was founded.
- The start of World War II put the development of the power system on hold. Part of the equipment was destroyed, another part was evacuated and the total capacity of Mosenergo dropped twofold. Nevertheless, Moscow power engineers managed to maintain a continuous supply of power to the city’s defense facilities; they constructed high-voltage obstacles to defend against enemy troops and assembled power-generating trains for the liberated regions of the country. The restoration of the power industry started immediately after the successful counter-offensive campaign of the Soviet Army in the winter of 1941–1942. As early as 1945, Mosenergo had already managed to achieve a pre-war level of installed capacity.
- In 1946, Mosenergo began to utilize a new type of fuel: SPP-1 started burning natural gas. In the same year, the Moscow power system was connected to the Ivanovo,

- Yaroslavl and Gorky power systems. In 1956, the first section of the Unified Power System in the European part of Russia was created with the introduction of high-voltage power lines from Kuibyshev to Moscow.
- Within the Unified Power System framework in 1960, the country brought into operation the first units of TPP-22, and for the first time in the USSR a 1,000 mm-diameter heat pipeline was installed at TPP-11. On October 22, 1963, Mosenergo launched TPP-21, shortly followed by TPP-23, TPP-25, and TPP-26.
  - In the 1970s, Mosenergo successfully implemented 250-MW thermal power generating units with supercritical steam parameters. This kind of unit was first constructed at TPP-22 and became the base for other heat and power plants: TPP-21, 23, 25, and 26.
  - The development of the district heating system remained a pending issue for Mosenergo, especially during the mass construction of residential apartments in the city when district heating pipelines with the length of 20-30 km and pipeline diameters of 1,200-1,400 mm started to be built from the new, powerful TPPs. At the same time, intensive grid development was in progress with extensive construction of 750 kV power transmission lines. The total length of the high voltage power transmission lines increased dramatically. Two high-voltage 220 kV rings were completed around Moscow, soon followed by 50 kV rings.
  - On December 30, 1987, Mosenergo brought the first hydroelectric generating set of the Zagorsk Pumped Storage Hydro Plant into operation – a unique power unit regulating peak loads in the grid system. In 1990, the Moscow Grid absorbed Ryazan TPP-24 and in 1992, it acquired TPP-28 in Moscow.
  - In 1993, the production association Mosenergo was transformed into an open joint stock company.
  - In 2005, Mosenergo grew and started the implementation of the Program for Development and Technical Upgrading, including the planning, construction and commissioning of new generating facilities on the sites of operational power plants in energy-deficient regions and heat and electricity demand nodes with developed infrastructure.
  - On November 22, 2007, less than two years after the start of construction, TPP-27 launched a combined cycle steam-and-gas power unit with an electric power rating of 450 MW and heat output of 300 Gcal. In June 2008, a unit of the same type was put into operation at TPP-21, and in December of the same year the Company installed yet another 450-MW steam-and-gas power unit at TPP-27.
  - On 30 June 2011, a new 420-MW combined-cycle power unit was put into operation at TPP-26. This unit has the highest efficiency rate among Russian power plants – up to 59%. The general construction contractors were the Alstom Consortium (France) and EMAlliance JSC.
  - In April 2014, a GTU-65 unit with an AE64.3A Ansaldo Energia gas turbine (Italy) was commissioned at TPP-9. In December 2014, a SGU-420 steam-and-gas unit was commissioned at TPP-16 (the manufacturer and the supplier of the basic equipment: Siemens (Germany)).



## 9.3 REPORT ON COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The underlying principles of the Company are based on the legislative regulations of the Russian Federation, the Company Charter, and the Corporate Governance Code, which was approved by the Board of Directors of the Bank of Russia on March 21, 2014 and recommended for joint-stock companies whose stock is allowed for organized sales.

In order to assess compliance with the corporate governance principles set forth the Corporate Governance Code, Mosenergo OJSC uses the report form developed and recommended for use by MICEX-RTS CJSC by means of an information letter dated March 13, 2015 on the disclosure of information about the Company's compliance with the Corporate Governance Code in the annual report of the Company.

No.	Principle(s) of corporate governance or key criterion (recommendation)	A brief description of what part of the principle or key criterion is not complied with	Explanation of the key reasons, factors and circumstances by virtue of which the principle or key criterion is not complied with or is incompletely observed; the description of alternative mechanisms and tools of corporate governance used
1	2	3	4
I. Shareholders' rights and equality of shareholders in the exercise of their rights			
1.1.	The Company must ensure fair and equitable treatment of all shareholders in the course of implementation of their right to participate in the management of the Company. The system and the practice of corporate governance must ensure fair treatment for all shareholders who own shares of the same category (type), including minority (small) shareholders and foreign shareholders, and equal treatment of such shareholders by the Company.		
1.1.1.	<p>The Company has approved an internal document that defines the basic procedures for preparing, convening, and holding of general meetings of the shareholders, which complies with the relevant recommendations of the Corporate Governance Code, including the duty of Company to:</p> <ul style="list-style-type: none"> <li>• notify its shareholders on the convention of a General Meeting of Shareholders and provide access to materials, inclusive of the publication and notification of such materials on the Company website, no later than 30 days prior to the date of the meeting (unless a longer period of time is provided for by relevant terms of the current legislation of the Russian Federation);</li> <li>• disclose the date of compilation of the list of persons entitled to attend the General Meeting of Shareholders not less than 7 days before the occurrence of such date;</li> <li>• provide additional information and materials on the agenda for the General Meeting of Shareholders in accordance with applicable recommendations of the Corporate Governance Code.</li> </ul>	<p>In accordance with the Company Charter and the Regulations on the General Meeting of Shareholders of the Company, the notification on the General Meeting of Shareholders must be made not later than 20 days prior to the date of the corresponding meeting; the notification on the Annual General Meeting of the shareholders or the General Meeting of Shareholders, whereof the agenda includes issues related to Company reorganization, must be made no later than 30 days prior to the date of the corresponding meeting. If the agenda of an Extraordinary General Meeting of Shareholders includes issues related to the election of members of the Board of Directors or the reorganization of the Company in the form of a merger, separation, or division and issues related to the election of the Board of Directors of a company that is established through reorganization of the Company in the form of a merger, separation, or division, the notification on the Extraordinary General Meeting of Shareholders must be made no later than 70 days prior to the date of the corresponding meeting. Information (materials) concerning the agenda of the General Meeting of Shareholders of the Company must be available to the persons entitled to attend the General Meeting of Shareholders for review at the premises of the executive body of the Company and other places, whereof the addresses are specified in the notification on the General Meeting of Shareholders, within 20 days or, in the case of an Annual General Meeting of Shareholders or a General Meeting of Shareholders, whereof the agenda includes issues related to reorganization of the Company, within 30 days prior to the date of the corresponding General Meeting of Shareholders. This information (materials) must also be posted on the website of the Company (<a href="http://www.mosenergo.ru">www.mosenergo.ru</a>) not later than 10 days prior to the date of the corresponding General Meeting of Shareholders.</p> <p>The list of information to be provided to the persons entitled to attend the General Meeting of Shareholders in the course of the preparation for the General Meeting of Shareholders is defined by applicable provisions of para. 17.17 of the Company Charter and para. 5.6 of the Regulations on the General Meeting of Shareholders.</p>	<p>The provisions of the Company's internal documents comply with the law on joint stock companies, inclusive of compliance with regard to the terms of notification of shareholders on the General Meeting of Shareholders and provision of access to the relevant materials. In practice, the Company informs shareholders of the General Meeting of Shareholders and provides access to the relevant materials no later than 30 days before the date of the corresponding meeting (unless a longer period of time is provided for by relevant terms of the current legislation of the Russian Federation).</p> <p>In accordance with applicable provisions of para. 5.6 of the Regulations on the General Meeting of Shareholders of the Company, the Company Charter or a relevant decision of the Board of Directors may define further information to be provided to the persons entitled to attend the General Meeting of Shareholders in the course of the preparation for the corresponding General Meeting of Shareholders.</p> <p>Also, in the course of the preparation for and during the General Meeting of Shareholders of the Company, Company specialists provide additional information as requested by the shareholders, inclusive of provision of such information by telephone and/or e-mail.</p>

No.	Principle(s) of corporate governance or key criterion (recommendation)	A brief description of what part of the principle or key criterion is not complied with	Explanation of the key reasons, factors and circumstances by virtue of which the principle or key criterion is not complied with or is incompletely observed; the description of alternative mechanisms and tools of corporate governance used
1	2	3	4
1.1.2.	In the course of the preparation and holding of the General Meeting of Shareholders, the Company has undertaken to provide the shareholders with an opportunity to ask the members of the management and control bodies of the Company, the members of the Audit Committee, the Chief Accountant, the Auditor, as well as the candidates for the management and control bodies of the Company questions regarding the activities of the Company. These responsibilities are enshrined in the Company Charter or in the internal documents of the Company.	These charges are not enshrined in the Company Charter or in the internal documents of the Company.	Following the decision to convene a General Meeting of Shareholders of the Company, the Company invites members of the management bodies, the Audit Committee, members of the Audit Committee of the Board of Directors, the Chief Accountant, representatives of the Auditor, candidates nominated for election to the Board of Directors and to the Audit Committee of the Company to participate in the General Meeting of Shareholders of the Company.
1.1.3.	The Company undertakes to adhere to the principle of inadmissibility of actions that lead to an artificial redistribution of corporate control (for example, voting by quasi shares, approval of a decision to pay dividends on preferred shares with limited financial possibilities, approval of a decision on non-payment of the dividends on preferred shares as specified in the Company Charter if there are sufficient resources for their payment). These responsibilities are enshrined in the Company Charter or in the internal documents of the Company.	These charges are not enshrined in the Company Charter or in the internal documents of the Company.	In practice, the Company adheres to the principle of inadmissibility of actions that lead to an artificial redistribution of corporate control. No preferred shares have been placed by the Company.
1.1.4.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	The Company has not yet used systems that allow the shareholders to vote by electronic means or telecommunications systems to provide for remote access of shareholders to the General Meeting of Shareholders.	In accordance with para. 2 of Article 8.8 of the Federal Law dated April 22, 1996 and registered under No. 39-FZ "On the Securities Market", the Company plans to provide its shareholders with an opportunity to participate in future General Meetings of Shareholders by sending an electronic document signed by electronic signature. The Company also considers the possibility of including provisions on using telecommunications means to broadcast the General Meeting of Shareholders, including video-conferencing, into the internal documents of the Company.
1.2	Shareholders must be provided with an equal and fair opportunity to participate in the profits of the Company by receiving dividends.		
1.2.1.	The Company has approved an internal document that defines the Company's dividend policy, which complies with the relevant recommendations of the Corporate Governance Code that establishes, among other things, the following: <ul style="list-style-type: none"> <li>• A procedure for determining net profit (for the companies that prepare consolidated financial statements: a minimum share of the consolidated net profit) for the payment of dividends, as well as the conditions under which such dividends will be declared;</li> <li>• The minimum amount of dividends on Company shares of different categories (types);</li> <li>• The duty of disclosure of a document that defines the Company's dividend policy on the Company website.</li> </ul>	On December 24, 2010, the Board of Directors approved the dividend policy that sets the principles used by the Board of Directors of the Company when drafting recommendations to the General Meeting of Shareholders for decision-making on profit distribution options, including dividend payments. The amount of dividends is calculated from the Company's net profit as reflected in the annual financial statements of the Company produced in accordance with the requirements of the laws of the Russian Federation.	In accordance with para. 2 of Article 42 of the Federal Law dated December 26, 1995 and registered under No. 208-FZ "On Joint-Stock Companies", the source of dividend payment is the Company's profit after tax (net profit). The net profit of the Company is determined according to the Company's financial statements.
1.2.2.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	-----	-----

No.	Principle(s) of corporate governance or key criterion (recommendation)	A brief description of what part of the principle or key criterion is not complied with	Explanation of the key reasons, factors and circumstances by virtue of which the principle or key criterion is not complied with or is incompletely observed; the description of alternative mechanisms and tools of corporate governance used
1	2	3	4
II. Board of Directors			
2.1	The Board of Directors must determine the major strategic directions of activity of the Company in the long term, the key performance indicators of the Company, perform the strategic management of the Company, define the basic principles and approaches to the organization of risk management systems and internal control of the Company, supervise the activities of executive bodies of the Company, determine the policy of remuneration of the members of Board of Directors and executive bodies of the Company, as well as perform other key functions.		
2.1.1.	The Company has established a Board of Directors, which: <ul style="list-style-type: none"> <li>• Defines the main strategic directions of activity of the Company in the long term and the key performance indicators of the Company;</li> <li>• Supervises the activities of the executive bodies of the Company;</li> <li>• Defines basic principles and approaches to the organization of risk management systems and internal control of the Company;</li> <li>• Determines the policy of remuneration of the members of Board of Directors, executive bodies, and other key managers of the Company.</li> </ul>	According to the applicable provisions of subpara. 21) of para. 15.1 of Article 15 of the Company Charter, the decision on remuneration of the members of the Board of Directors and/or compensation must fall into the scope of functions of the General Meeting of Shareholders.	On June 30, 2009, the General Meeting of Shareholders approved the Regulations on Determination of the Amount of Remuneration and Compensation to Members of the Board of Directors of Mosenergo.
2.1.2.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	-----	-----
2.2.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.		
2.2.1.	The Chairman of the Board of Directors is an independent director or the senior independent director elected from among independent directors, who coordinates the work of the independent directors and is responsible for interaction with the Chairman of the Board of Directors.	On June 20, 2014, at a meeting of the Board of Directors of the Company, K.G. Seleznev, a Member of the Board of Gazprom OJSC, which is an entity entitled to indirect (through its controlled entities) disposition of five or more percent of the votes attached to the voting shares of the authorized capital of the Company, was elected to the position of the Chairman of the Board of Directors.	In accordance with the applicable provisions of subpara. 12) of para. 20.1 of Article 20 of the Company Charter, the election of the Chairman of the Board of Directors falls into the scope of functions of the Board of Directors.
2.2.2.	Internal documents of the Company have established the procedure for the preparation and holding of meetings of the Board of Directors, which provides the members of the Board of Directors with an opportunity to prepare adequately for their holding and which provides, among other things, for the following: <ul style="list-style-type: none"> <li>• Deadlines for the notification of the members of the Board of Directors about the forthcoming meeting;</li> <li>• Deadlines for provision of documents (papers) for voting and receipt of completed documents (papers) for meetings in absentia;</li> <li>• The possibility of dispatch of and accounting for a written opinion on the agenda for the members of the Board of Directors who are absent during the meeting in presentia;</li> <li>• The opportunity to discuss and vote by means of conference calls and video conferencing.</li> </ul>	Regulations on the Board of Directors of Mosenergo OJSC do not provide for discussion and voting by means of conference calls and video conferencing.	The Company also considers the possibility of including provisions for using telecommunications means during the meetings of the Board of Directors, including video-conferencing, into the internal documents of the Company.
2.2.3.	The most important issues must be dealt with during the meetings in presentia of the Board of Directors. The list of such issues follows the recommendations of the Corporate Governance Code.	These provisions are not enshrined in the Company Charter or in the internal documents of the Company.	In practice, the form of the meeting of the Board of Directors is determined by the Chairman of the Board of Directors, taking into account the importance of the issues on the agenda.
2.2.4.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	The amount of information disclosed by the Company in respect of the candidates for the Board of Directors does not fully comply with the recommendations of the Corporate Governance Code.	The Company discloses information about the candidates to the Board of Directors to the extent provided by the candidate nominated by shareholders or the candidate him- or herself.
2.3.	The Board of Directors must include a sufficient number of independent directors.		
2.3.1.	Independent directors must make up at least one third of the elected members of the Board of Directors.	As of December 31, 2014, the Board of Directors includes one independent director (in accordance with the independence criteria recommended by the Corporate Governance Code), which is less than one-third of the number of elected members of the Board of Directors.	In accordance with the applicable provisions of Article 48 of the Federal Law dated December 26, 1995 and registered under No. 208-FZ "On Joint-Stock Companies", the election of members of the Board of Directors is part of the scope of functions of the General Meeting of Shareholders and is implemented from the candidates who have been nominated by the shareholders of the Company.

No.	Principle(s) of corporate governance or key criterion (recommendation)	A brief description of what part of the principle or key criterion is not complied with	Explanation of the key reasons, factors and circumstances by virtue of which the principle or key criterion is not complied with or is incompletely observed; the description of alternative mechanisms and tools of corporate governance used
1	2	3	4
2.3.2.	Independent directors must fully comply with the independence criteria recommended by the Corporate Governance Code.	Full compliance	-----
2.3.3.	The Board of Directors (the Nominating Committee (HR, Nomination)) must evaluate the compliance of candidates for members of the Board of Directors with the applicable independence criteria.	The scope of functions of the HR and Remuneration Committee of the Board of Directors must not include assessment of compliance of the candidates for the members of the Board of Directors with independence criteria.	In accordance with the Regulations on the HR and Remuneration Committee of the Board of Directors of Mosenergo OJSC, the scope of functions of the Committee include the definition of criteria for selecting candidates for the Board of Directors, as well as the preliminary evaluation of these candidates.
2.3.4.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	The Board of Directors must be convened by the Chairman of the Board of Directors at his or her own initiative, by a member of the Board of Directors, the Audit Commission, the Company's auditor, or the sole or collegial executive body of the Company.	The Company considers the possibility of providing for the right of the shareholder(s) of the Company, who hold(s) in aggregate at least 2% of the voting shares, to request that a meeting of the Board of Directors be convened, in the internal documents of the Company.
2.4.	The Board of Directors must set up committees for the preliminary consideration of the most important issues of operation of the Company		
2.4.1.	The Board of Directors has established an Audit Committee, which consists of independent directors and whose functions are established in the internal documents of the Company and fully comply with the applicable recommendations of the Corporate Governance Code.	The Board of Directors has established an Audit Committee, which did not include independent directors as of December 31, 2014. The functions of the Committee set forth in the Company's internal documents do not fully comply with the recommendations of the Corporate Governance Code.	Board of Directors possess the experience and the expertise that are necessary for the preparation, analysis, evaluation and audit of accounting documents (financial statements). In accordance with the Regulations on the Audit Committee of the Board of Directors, the objectives of the Committee are the development and presentation of recommendations (conclusions) to the Board of Directors in the field of audit and internal control of the Company. The scope of functions of the Committee include the following: <ul style="list-style-type: none"> <li>• Evaluation of candidates for auditors of the Company;</li> <li>• Evaluation of the opinion of the auditor of the Company;</li> <li>• Assessment of the effectiveness of internal control procedures and preparation of proposals for their improvement.</li> </ul>
2.4.2.	The Board of Directors has created the Remuneration Committee, which can be combined with the Nominating Committee (HR, Nomination), which is composed of independent directors, and whose functions comply with the recommendations of the Corporate Governance Code.	The Board of Directors has established an HR and Remuneration Committee, which did not include independent directors as of December 31, 2014. The functions of the Committee set forth in the Company's internal documents do not fully comply with the recommendations of the Corporate Governance Code.	In accordance with the Regulations on the HR and Remuneration Committee of the Board of Directors, the objectives of the Committee are the development and presentation of recommendations (conclusions) to the Board of Directors as regards the involvement of qualified specialists in Company management and the creation of necessary incentives for their successful work. The exclusive scope of functions of the committee include the following: <ul style="list-style-type: none"> <li>• Development of principles and criteria for determining the remuneration to be paid to the members of the Board of Directors of the Company, the members of the collegial executive body of the Company, and the person who acts as the sole executive body of the Company, including a managing organization or a manager.</li> <li>• Development of proposals for defining the essential terms of contracts with members of the Board of Directors, members of the collegial executive body, and the person acting as the sole executive body of the Company.</li> <li>• Determination of the criteria for selecting candidates for the Board of Directors, members of the collegial executive body and the sole executive body of the Company, as well as the preliminary evaluation of these candidates.</li> <li>• Regular assessment of the performance of the person/entity that implements the functions of the sole executive body of the Company (managing organization, manager) and members of the collegial executive body, and the preparation of proposals on the possibility of their reappointment for the Board of Directors.</li> </ul>



No.	Principle(s) of corporate governance or key criterion (recommendation)	A brief description of what part of the principle or key criterion is not complied with	Explanation of the key reasons, factors and circumstances by virtue of which the principle or key criterion is not complied with or is incompletely observed; the description of alternative mechanisms and tools of corporate governance used
1	2	3	4
2.4.3.	The Board of Directors has established the Nominating Committee (HR, Nomination), which can be combined with the Remuneration Committee, most of the members of which are independent directors, and whose functions correspond to the recommendations of the Corporate Governance Code.	Refer to item 2.4.2.	
2.4.4.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.		In addition to the above committees, the Board of Directors has also established the Strategy and Investment Committee and the Reliability Committee. The objectives of the Strategy and Investment Committee are the development and presentation of recommendations (conclusions) to the Board of Directors and the executive bodies of the Company as regards the issues related to the definition of priority areas of activity, strategic goals, and basic principles of strategic development and business planning of the Company. The objectives of the Reliability Committee are as follows: 1) Development and presentation of recommendations (conclusions) to the Board of Directors in the following areas of activity of the Board of Directors: <ul style="list-style-type: none"> <li>• Examination of investment programs and plans for repair of power facilities; analysis of their implementation in terms of provisions for overall reliability;</li> <li>• Assessment of completeness and adequacy of the measures taken on the basis of the results of investigation into accidents and major technological violations, as well as the monitoring of the implementation of these measures;</li> <li>• Assessment of the technical services in terms of ensuring the reliability of operation of network and generating equipment and facilities, as well as ensuring the normal condition of fixed assets and provision of information on predictable reliability risks of their operation.</li> </ul> 2) Provision of information to the Board of Directors on the status of key energy facilities of the Company on a quarterly basis.
2.5.	The Board of Directors must also provide for an assessment of the quality of work of the Board of Directors of the Company as well as committees and members of the Board of Directors.		
2.5.1.	The assessment of the quality of work of the Board of Directors must be held on a regular basis at least once a year; in addition, such an assessment must be carried out with the assistance of an external organization (consultant) at least once every three years.	Currently, the Company does not apply any formal procedures for evaluating the performance of the Board of Directors, its committees and members of the Board of Directors.	-----
2.5.2.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	-----	-----

No.	Principle(s) of corporate governance or key criterion (recommendation)	A brief description of what part of the principle or key criterion is not complied with	Explanation of the key reasons, factors and circumstances by virtue of which the principle or key criterion is not complied with or is incompletely observed; the description of alternative mechanisms and tools of corporate governance used
1	2	3	4
III. Corporate Secretary			
3.1.	Effective interaction with current shareholders, coordination of Company activities in the field of protection of the rights and the interests of its shareholders, and support of the effective work of the Board of Directors must be provided by the Corporate Secretary (a special structural division headed by the Corporate Secretary).		
3.1.1.	The Corporate Secretary must be accountable to the Board of Directors and must be appointed to and removed from office by means of corresponding decision or with the consent of the Board of Directors of the Company.	Full compliance	-----
3.1.2.	The Company has approved an internal document that defines the rights and the duties of the Corporate Secretary (the Regulation on the Corporate Secretary), the content of which complies with the applicable recommendations of the Corporate Governance Code.	Full compliance	-----
3.1.3.	The Corporate Secretary's position must not be combined with other functions in the Company. The Corporate Secretary must be endowed with functions in accordance with the applicable recommendations of the Corporate Governance Code. The Corporate Secretary must possess sufficient resources to carry out corresponding functions	Full compliance	-----
3.1.4.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	-----	-----
IV. System of remuneration of the members of Board of Directors, executive bodies and other key managers			
4.1.	The level of remuneration to be paid by the Company must be sufficient to attract, motivate and retain persons with the necessary competence and qualifications for the Company. Remuneration must be paid to the members of the Board of Directors, executive bodies and other key managers in accordance with the Remuneration Policy adopted by the Company.		
4.1.1.	The Company has established regulations in respect of all the payments, benefits and privileges that are granted to the members of the Board of Directors, executive bodies and other key managers.	Full compliance	-----
4.1.2.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	-----	-----
4.2.	The system of remuneration of the members of the Board of Directors must ensure the convergence of financial interests of directors with the long-term financial interests of the shareholders.		
4.2.1.	The Company does not use other forms of remuneration for members of the Board of Directors in addition to the fixed annual remuneration.	The remuneration for members of the Board of Directors must consist of basic and additional elements. The basic remuneration element constitutes the remuneration paid to members of the Company's Board of Directors for their participation in the meetings of the Board of Directors. The additional remuneration element is paid to members of the Company's Board of Directors according to the results of the financial year, in the event of the Company generating a net profit.	The Regulations on Determination of the Amount of Remuneration and Compensation to Members of the Board of Directors of Mosenergo has been approved by the General Meeting of Shareholders of the Company. The decision to pay the additional element of the remuneration to the members of the Board of Directors must be approved by the General Meeting of Shareholders of the Company. The decision of the General Meeting of Shareholders of the Company on the payment of the additional element of remuneration to the members of the Board of Directors must determine the total amount of such remuneration. The additional remuneration element based on the Company's performance is not paid to members of the Board of Directors who attended fewer than half of all meetings of the Board of Directors (from the date of their election until the termination of their authority).
4.2.2.	The Company does not provide the members of the Board of Directors with an opportunity to participate in option programs, and the right to sell the Company's shares owned by them is not conditioned by achievement of certain performance indicators.	-----	-----
4.2.3.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	-----	-----

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1	2	3	4
4.3.	The system of remuneration of the executive bodies and other key managers of the Company must provide for dependence of remuneration on the performance of the Company and the personal contribution of the above persons/entities to the result obtained.		
4.3.1.	The Company has implemented a program of long-term incentives for the members of executive bodies and other key managers of the Company.	Full compliance	-----
4.3.2.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	-----	-----
V. Risk management and internal control			
5.1.	The Company must create a well-functioning system for risk management and internal control, which is designed to provide for reasonable assurance in achieving the objectives of the Company		
5.1.1.	The Board of Directors determines basic principles and approaches to the organization of risk management and internal control of the Company.	Internal documents of the Company do not regulate that, in the course of establishing risk management and internal control systems, it is recommended to use the common concepts and practices in risk management and internal control (such as the COSO integrated concept of building a system of internal control; the COSO concept of Enterprise Risk Management. Integrated Model of the Committee of Sponsoring Organizations of the Treadway Commission; the international ISO 31000 standard Risk Management. Principles and Guidelines, International ISO 31010 standard Risk Management. Risk Assessment Techniques, etc.).	The Regulations on Internal Control and Regulations on the Internal Audit Service (IAS) of the Company have been developed in accordance with the applicable provisions of the current normative legal acts of the Russian Federation. For the effective functioning of the internal control system, it is planned to amend in 2015 the Regulations on the Internal Audit Service of the Company.
5.1.2.	The Company has established a special structural subdivision for risk management and internal control.	Issues of the separate structural subdivision for internal control (the Internal Audit Service) are partially not regulated, namely: <ul style="list-style-type: none"> <li>• Overall coordination of risk management processes;</li> <li>• Development of methodological documents in the field of the risk management process;</li> <li>• Organization of employee training in the field of risk management and internal control;</li> <li>• Analysis of the risk portfolio and development of proposals for the strategies of response and redistribution of resources in respect of the management of relevant risks;</li> <li>• Generation of consolidated risk reporting;</li> <li>• Operational control of the risk management process by Company subdivisions and by the entities controlled by the Company in accordance with established procedure;</li> <li>• Preparation and provision of information to the Board of Directors on the effectiveness of the risk management process, as well as on other matters stipulated in the policy for risk management and internal control.</li> </ul>	The Regulations on the Internal Audit Service provide for the identification of risks in the Company's activities, generation of proposals, and implementation of measures taken to reduce these risks. Moreover, according to the Regulations on the Internal Control of the Company, the internal control procedures include the identification and analysis of potential and significant operational, financial, strategic and other risks that may hinder the achievement of Company objectives. The practical implementation of the basic objectives and functions of the Internal Audit Service includes the following: <ul style="list-style-type: none"> <li>• Monitoring and analysis of the management processes of internal control;</li> <li>• Organization of employee training of the Internal Audit Service in the field of internal control;</li> <li>• Preparation and provision of information to the executive body (General Director) on the effectiveness of the risk management process, as well as on other matters stipulated in the policy for risk management and internal control.</li> </ul> For the effective functioning of the internal control system, it is planned to amend in 2015 the Regulation on the Internal Audit Service of the Company.

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1	2	3	4
5.1.3.	The Company has developed and implemented anti-corruption policy of the Company, which defines measures aimed at the formation of the elements of corporate culture, organizational structure, rules and procedures for the prevention of corruption	No separate internal document regulates the anti-corruption policy of the Company.	<p>The Company's anti-corruption policy is regulated by the following documents: the Regulations on corporate governance of Mosenergo OJSC, the Code of Behavior, the Regulation on Procurement of Goods, Work and Services and the Regulations on auditing of suppliers of goods and materials for the Company.</p> <p>Moreover, within the framework of risk management and internal control, provision is made for a set of measures that are designed to prevent corruption:</p> <ul style="list-style-type: none"> <li>• Direct hotline: +7 (495) 957-30-03. The phone works round the clock. Recording is in an answering-machine mode. Answers to the questions of public interest are published in the newspaper "Vesti Mosenergo" and on the corporate website, as well as on information boards. The questions of employees that are private in nature can be answered on an individual basis;</li> <li>• E-mail addresses: press-center@mosenergo.ru; mosenergo@mosenergo.ru; vopros@mosenergo.ru; Mailing address of Mosenergo OJSC; direct requests by phone and via e-mail addresses (the Deputy General Director for Relations with Media and Authorities, the Head of the Public Relations Department and the Press Secretary). On the official website: Press Center – Contact Us.</li> <li>• Questions on the Company web form on the official website of the Company;</li> <li>• Mosenergo OJSC's blog on Facebook;</li> <li>• In the General Directorate and branch facilities, boxes have been placed for written requests "Questions. Feedback".</li> </ul>
5.1.4.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	-----	-----
5.2.	In order to ensure a systematic independent evaluation of the reliability and efficiency of risk management and internal control systems and corporate governance practices, the Company must organize an internal audit.		
5.2.1.	<p>The Company has established a special structural subdivision that performs the functions of internal audit and that is functionally subordinate to the Board of Directors. The functions of this subdivision comply with the recommendations of the Corporate Governance Code and, in particular, include the following:</p> <ul style="list-style-type: none"> <li>• Assessment of the effectiveness of the internal control system;</li> <li>• Assessment of the effectiveness of the risk management system;</li> <li>• Assessment of corporate governance (in the absence of a Corporate Governance Committee).</li> </ul>	<p>Internal documents do not provide for differentiation of the Internal Audit Service into functional and administrative reporting. Moreover, according to the Regulations on the Internal Audit Service, assessment of the effectiveness of risk management system and assessment of corporate governance (in the absence of a Corporate Governance Committee) are not regulated and are not included in the objectives and functions of the Internal Audit Service of the Company.</p>	<p>The Board of Directors determines the policies for internal control over the financial and economic activities of the Company. According to the Regulation on Internal Control, the General Director is responsible for the effective functioning of the internal control system of the Company. The direct assessment of the adequacy and effectiveness of the internal control system, as well as monitoring of the compliance with internal control procedures must be performed by the Internal Audit Service of the Company. Under the current Regulations on the Internal Audit Service, the Service is functionally subordinate to the Board of Directors. Practical implementation of the basic tasks and functions of the Internal Audit Service (as established by the internal documents) must include the evaluation of measures directed at eliminating violations. In order to ensure the effective functioning of the internal control system, the evaluation of the effectiveness of risk management system and corporate governance procedures, it is planned to amend in 2015 the Regulation on the Internal Audit Service of the Company.</p>

No.	Principle(s) of corporate governance or key criterion (recommendation)	A brief description of what part of the principle or key criterion is not complied with	Explanation of the key reasons, factors and circumstances by virtue of which the principle or key criterion is not complied with or is incompletely observed; the description of alternative mechanisms and tools of corporate governance used
1	2	3	4
5.2.2.	The Head of the Internal Audit Subdivision must report to the Board of Directors and must be appointed to and removed from office by means of the corresponding decision of the Board of Directors.	The Regulations on the Internal Audit Service of the Company do not provide for the accountability of the Head of the Internal Audit Service to the Board of Directors of the Company.	According to the applicable provisions of subpara. 32 of para. 20.1 of Article 20 of the Company Charter, the appointment or dismissal of the candidacy of the Head of the Internal Audit Subdivision must be concurred by the Board of Directors. In accordance with para. 5.6. of the Regulations on Internal Control, the Internal Audit Service of the Company must report the revealed violations to the Audit Committee. According to the Regulations on the Internal Audit Service, the Head of the Internal Audit Service must report to the executive body (General Director) of the Company. In order to ensure the effective functioning of the internal control system, it is planned to amend in 2015 the Regulation on the Internal Audit Service of the Company.
5.2.3.	The Company has approved a policy on internal audit (Regulations on Internal Audit), which defines the goals, objectives and functions of internal audits.	<p>The Regulations on the Internal Audit Service of the Company do not cover the following:</p> <ul style="list-style-type: none"> <li>• Assistance to the executive bodies and employees of the Company in the field of development and monitoring of the execution of procedures and measures to improve risk management and internal control systems, as well as the Company's corporate governance;</li> <li>• Coordination of activities with the external auditor, as well as with persons that provide counseling services in the field of risk management, internal control and corporate governance;</li> <li>• Preparation and submission of reports on the results of internal audit activities to the Board of Directors (including reports that contain information about significant risks, shortcomings, results, and effectiveness of measures to address identified deficiencies, results of the implementation plan for the internal audit, results of the evaluation of the actual state, reliability and efficiency of risk management, internal control and corporate governance systems);</li> <li>• Verification of the compliance of Company members of executive bodies and its employees with applicable provisions of the current legislation and the Company's internal policies relating to insider information and the fight against corruption, as well as the compliance with applicable requirements of the Code of Ethics of the Company.</li> </ul> <p>Moreover, the Regulation on the Internal Audit Service does not provide for the application of generally accepted standards in the field of internal audit in the course of organizing internal audit activities. In particular, the International Professional Internal Audit Standards of the Institute of Internal Auditors.</p>	<p>According to the Regulations on the Internal Audit Service in vigor, the primary role of the Service must be to assess the adequacy, sufficiency, and efficiency of the Company's internal control. The practical implementation of the basic objectives and functions of the Internal Audit Service includes the following:</p> <ul style="list-style-type: none"> <li>• Assistance to the executive bodies and employees of the Company in the field of development and monitoring of the execution of procedures and measures to improve the internal control system;</li> <li>• Preparation and submission of reports on the results of the activities of the internal audit service to the executive body (including the reports that contain information about significant risks, shortcomings, results, and effectiveness of measures to address identified deficiencies, the results of the implementation plan for the internal audit, the results of the evaluation of the actual state, reliability and efficiency of risk management, internal control and corporate governance systems);</li> <li>• Verification of the compliance of the Company's members of the executive bodies and its employees with applicable provisions of current legislation and the Company's internal policies relating to insider information and the fight against corruption, as well as compliance with applicable requirements of the Code of Ethics of the Company.</li> </ul> <p>In practice, generally accepted standards in the field of internal audit are applied in the course of organizing internal control activities. In order to ensure the effective functioning of the internal control system, it is planned to amend in 2015 the Regulation on the Internal Audit Service of the Company.</p>
5.2.4.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	-----	-----

No.	Principle(s) of corporate governance or key criterion (recommendation)	A brief description of what part of the principle or key criterion is not complied with	Explanation of the key reasons, factors and circumstances by virtue of which the principle or key criterion is not complied with or is incompletely observed; the description of alternative mechanisms and tools of corporate governance used
1	2	3	4
VI. Disclosure of information; information policy			
6.1.	The Company and its activities must be transparent for shareholders, investors, and other interested parties.		
6.1.1.	The Company has approved an internal document that defines the Company's information policy that complies with the relevant recommendations of the Corporate Governance Code. The Company's information policy must include the following ways of interaction with investors and other interested parties: <ul style="list-style-type: none"> <li>• Organization of a special Company webpage, on which the answers to frequently asked questions from shareholders and investors will be published and a calendar of corporate events will be regularly updated; the above page must also provide other information that is useful to shareholders and investors;</li> <li>• Regular meetings of members of the executive bodies and other key managers with analysts;</li> <li>• Regular presentations (inclusive of the presentations in the form of teleconferences and webcasts) and meetings with members of executive bodies and other key Company managers, including meetings that promote the publication of accounting (financial) statements of the Company or are related to major investment projects and strategic development plans of the Company</li> </ul>	Full compliance	-----
6.1.2.	The implementation of the information policy must be carried out by the executive bodies of the Company. Control over proper disclosure of information and compliance with the information policy must be implemented by the Board of Directors of the Company	Full compliance	-----
6.1.3.	The Company has established procedures to ensure the coordination of all the services and subdivisions of the Company that are related to the disclosure of information or whose activities may lead to the need for such disclosure of information	Full compliance	-----
6.1.4.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	-----	-----
6.2.	The Company must promptly disclose full, timely, and accurate information about the Company in order to enable approval of informed decisions by shareholders and investors.		
6.2.1.	If there is a significant share of foreign investors in the capital of the Company, the Company must provide disclose of the material information about the Company (inclusive of notifications on the General Meeting of Shareholders and the Company's annual reports) in a foreign language, which is common in the financial market in parallel with the disclosure of the corresponding information in the Russian language.	Full compliance	-----
6.2.2.	The Company must ensure the disclosure of information not only about itself but about the legal entities under its control that are of a significant importance for the Company.	Full compliance	
6.2.3.	The Company must disclose its annual and interim (semi-annual) consolidated and individual financial statements, which must be prepared in accordance with the applicable requirements of the International Financial Reporting Standards (IFRS). Annual consolidated or individual financial statements must be disclosed together with the auditor's report while the interim (semi-annual) consolidated or individual financial statements must be disclosed together with the report on audit results or the auditor's report.	The Company discloses its annual and interim (semi-annual) consolidated financial statements, which have been prepared in accordance with the applicable requirements of the International Financial Reporting Standards (IFRS). The annual consolidated financial statements must be disclosed along with the auditor's report. No audit of the interim (semi-annual) consolidated financial statements of the Company is implemented.	-----
6.2.4.	The Company has disclosed a special memorandum, which contains plans of the person who controls the Company in respect of the Company. This memorandum has been prepared in accordance with the applicable recommendations of the Corporate Governance Code.	The Company has not formed a special memorandum that contains plans for the person controlling the Company in respect of the Company, which is prepared in accordance with the applicable recommendations of the Corporate Governance Code.	-----

No.	Principle(s) of corporate governance or key criterion (recommendation)	A brief description of what part of the principle or key criterion is not complied with	Explanation of the key reasons, factors and circumstances by virtue of which the principle or key criterion is not complied with or is incompletely observed; the description of alternative mechanisms and tools of corporate governance used
1	2	3	4
6.2.5.	The Company must ensure the disclosure of information about the biographical data of members of the Board of Directors, including information on whether they are independent directors, as well as prompt disclosure of information about the loss of status of an independent director by a member of the Board of Directors.	Full compliance	-----
6.2.6.	The Company discloses information on the capital structure in line with the recommendations of the Corporate Governance Code.	Full compliance	-----
6.2.7.	<p>The annual report of the Company contains the following additional information recommended by the Corporate Governance Code:</p> <ul style="list-style-type: none"> <li>• Overview of most major transactions, including related party transactions made by the Company and its controlled entities during the past year;</li> <li>• Report on the operation of the Board of Directors (including committees of the Board of Directors) for the year, which contains, among other things,</li> <li>• Information on the number of full-time (correspondence) meetings, participation of each member of the Board of Directors at meetings, description of the most significant issues and the most difficult issues discussed at the meetings of the Board of Directors and Committees of the Board of Directors, as well as the key recommendations of the Committees to the Board of Directors;</li> <li>• Information about direct or indirect possession of shares of the Company by members of the Board of Directors and executive bodies of the Company;</li> <li>• Information on conflicts of interest of the members of the Board of Directors and executive bodies (including the conflicts of interest that are related to the participation of these persons in the management bodies of the Company's competitors);</li> <li>• Description of the remuneration system of the members of the Board of Directors, including the amount of individual remuneration for the year to be paid to each member of the Board of Directors (broken down into basic and additional remuneration for the chairmanship in the Board of Directors, for the chairmanship (membership) in the committees of the Board of Directors, the amount of participation in the long-term incentive program, the amount of participation of each member of the Board of Directors in the option program (if any), reimbursement of the costs associated with participation in the Board of Directors, as well as Company costs for liability insurance of directors as members of the management bodies;</li> <li>• Information about the total remuneration for the year: <ul style="list-style-type: none"> <li>a) For a group of at least five highest paid members of the executive bodies and other key managers of the Company, broken down for each type of remuneration;</li> <li>b) For all the members of the executive bodies and other key managers of the Company who are covered by the Company's policy in the field of remuneration (broken down by each type of remuneration);</li> </ul> </li> <li>• Information on remuneration for the year of the sole executive body received or to be received from the Company (a legal entity from the group of companies, which includes the Company), broken down by each type of remuneration both on the basis of performance of his/ her duties as the sole executive body and on other grounds.</li> </ul>	<p>As part of the Company's Annual Report, the following information is revealed:</p> <ul style="list-style-type: none"> <li>• A list of related party transactions;</li> <li>• A Progress Report of the Board of Directors, which must contain information on the number of meetings and a description of the most important issues discussed by the Board of Directors of the Company;</li> <li>• Information on the possession of shares of the Company by members of the Board of Directors and members of the Management Board of the Company;</li> <li>• Description of the system of remuneration of key management personnel, which includes the members of the Board of Directors and the members of the Management Board with an indication of the total amount of remuneration for three years.</li> </ul>	-----
6.2.8.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	-----	-----

No.	Principle(s) of corporate governance or key criterion (recommendation)	A brief description of what part of the principle or key criterion is not complied with	Explanation of the key reasons, factors and circumstances by virtue of which the principle or key criterion is not complied with or is incompletely observed; the description of alternative mechanisms and tools of corporate governance used
1	2	3	4
6.3.	The provision of information and documents by the Company at the request of shareholders must be implemented in accordance with equal and unhindered access.		
6.3.1.	In accordance with the information policy of the Company, the shareholders of the Company who hold the same number of voting shares must be provided with equal access to information and documents of the Company.	Full compliance	-----
6.3.2.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	-----	-----
<b>VII. MAJOR CORPORATE ACTIONS</b>			
7.1.	The actions that significantly affect or may affect the structure of the authorized capital and the financial condition of the Company and, accordingly, the position of shareholders (major corporate actions) must be carried out under fair conditions that ensure respect for the rights and interests of shareholders and other stakeholders.		
7.1.1.	The Company Charter contains a list of (criteria for) transactions or other actions that are major corporate actions and the consideration of which falls within the scope of functions of the Board of Directors, inclusive of the following: <ul style="list-style-type: none"> <li>• Reorganization of the Company, acquisition of 30% or more of voting shares (takeover), increase or decrease in the authorized capital of the Company, listing and delisting of Company shares;</li> <li>• Sale of stock (shares) of related legal entities under the control of the Company, as a result of which the Company loses control over such legal entities;</li> <li>• Transactions, including related party transactions with the property of the Company or its controlled entities that cost more than the amount specified in the Company Charter or the amount that is essential to economic activity;</li> <li>• Creation of a legal entity controlled by the Company, which is essential for the operation of the Company;</li> <li>• Alienation of treasury and quasi-treasury shares.</li> </ul>		
7.1.2.	Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.	-----	-----
7.2.	The Company must provide a procedure for implementing significant corporate actions that will allow its shareholders to receive timely and complete information on such actions, give them the opportunity to influence the implementation of such actions, and ensure compliance and adequate level of protection of their rights in the course of such actions.		



No.	Principle(s) of corporate governance or key criterion (recommendation)	A brief description of what part of the principle or key criterion is not complied with	Explanation of the key reasons, factors and circumstances by virtue of which the principle or key criterion is not complied with or is incompletely observed; the description of alternative mechanisms and tools of corporate governance used
1	2	3	4
7.2.1.	<p>The internal documents of the Company establish the principle of equal treatment for all the shareholders of the Company in the course of major corporate actions that affect the rights and legitimate interests of shareholders and secure additional measures to protect the rights and legitimate interests of shareholders of the Company under the Corporate Governance Code, inclusive of the following:</p> <ul style="list-style-type: none"> <li>• Contracting of an independent appraiser with an impeccable reputation and experience in the relevant field of evaluation or presentation of the grounds for the failure to contract such an independent appraiser in the course of determination of the value of the assets acquired or disposed of through a major transaction or a transaction involving related parties;</li> <li>• Determination of the price of Company shares at the time of acquisition and redemption of the latter by an independent appraiser with an impeccable reputation and experience in the relevant field of evaluation, taking into account the weighted average share price over a reasonable period of time and excluding the effects associated with the respective transaction being made by the Company (among other things, without taking into account changes in the price of shares in connection with the dissemination of information on the completion of a relevant transaction by the Company) and without the discount for the sale of shares as part of a non-controlling interest;</li> <li>• Expansion of the list of grounds on which members of the Board of Directors of the Company and other persons stipulated by the applicable provisions of the current legislation, which are regarded as related parties in the transactions of the Company for the purpose of evaluating the actual connectivity of the persons concerned.</li> </ul>	<p>The internal documents of the Company do not provide for an expansion of the list of grounds on which members of the Board of Directors of the Company and other persons stipulated by the applicable provisions of the current legislation are regarded as related parties in the transactions of the Company for the purpose of evaluating the actual connectivity of the persons concerned.</p>	<p>The Company must consider the possibility of including of the other provisions aimed at improving the procedures for approval of related party transactions in its internal documents.</p>
7.2.2.	<p>Other key criteria (recommendations) of the Corporate Governance Code that, in the opinion of the Company, apply to the specified principle(s) of corporate governance.</p>	-----	-----



## 9.4 RELATED-PARTY TRANSACTIONS

### List of transactions involving related parties completed by the Company in 2014 approved by the management bodies of Mosenergo OJSC.

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
1.	Agreement for the design and survey operations for the new construction and reconstruction of sections of heat networks and heat network facilities for the decommissioning of SPP-1 named after P.G. Smidovich.	Mosenergo OJSC is the customer; Gazprom Promgaz OJSC – supplier.	RUB 373,839,032.34, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on November 29, 2013 (Minutes No. 8 dated December 2, 2013, item 3).
2	Agreement for the design and survey operations for the reconstruction of sections of heat networks and heat network facilities for the decommissioning of SPP-2, which is a structural subdivision of SPP-1 named after P.G. Smidovich.	Mosenergo OJSC is the customer; Gazprom Promgaz OJSC – supplier.	RUB 26,387,753.84, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on November 29, 2013 (Minutes No. 8 dated December 2, 2013, item 3).
3	Agreement dated January 22, 2014 on voluntary health insurance for employees from February 1, 2014 to January 31, 2015.	Mosenergo OJSC is the insurer; SOGAZ OJSC is the insurer.	RUB 96,464,130.00	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.1.)
4.	Addendum dated July 29, 2014 for the change in the insurance program and the insurance premium to RUB 120,624,437.50.	Mosenergo OJSC is the insurer; SOGAZ OJSC is the insurer.	RUB 24,160,307.50	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.1.)
5	Agreement dated February 6, 2014 for the design and survey operations, construction and installation operations, commissioning operations, and supply of equipment at the SGU-220T, the metalclad 220 kV substation at TPP-12.	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 32,922,000.00, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on February 14, 2014 (Minutes No.10 dated February 17, 2014, item 6.4.)
6	Addendum dated December 23, 2013 for the execution of operations in accordance with the Delivery Note for additional spare parts and the implementation of additional operations on the GTPP-160 powerplant gas turbine at Station No. 11V at TPP-21.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 193,520,000.00 including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on February 14, 2014 (Minutes No.10 dated February 17, 2014, item 6.4.)
7	General agreement on attracting credit funds 4 transactions	GPB (OJSC) is the bank; Mosenergo OJSC is the client.	RUB 10,200,000,000.00	Gazprom Energoholding LLC; member of the Board of Directors: K.G. Seleznev.	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 5, 2013 (Minutes No. 1 dated June 7, 2013, item 12.1)
8	Loan agreement for the opening of a frame line of credit with a limit of RUB 10 billion.	Bank VTB OJSC is the bank; Mosenergo OJSC is the client.	RUB 4,500,000,000.00	Gazprom Energoholding LLC	TRANSACTION APPROVED by an Extraordinary General Meeting of Shareholders of the Company on October 21, 2013 (Minutes No. 2 dated October 23, 2013, item 1.2.)
9	Addendum to the Agreement for the provision of services of delivery of heat energy and heat transfer medium via the JSC MIPC heat distribution network in Q1 2014.	Mosenergo OJSC is the customer; Moscow Integrated Power Company (JSC MIPC) OJSC is the contractor.	RUB 3,925,753,299.45, including VAT	The City of Moscow represented by the Department of Municipal Property of the City of Moscow, members of the Board of Directors: P.P. Biryukov, Ye.V Sklyarov, V.I. Pogrebenko, and K.V. Pesotsky	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 5, 2013 (Minutes No. 1 dated June 7, 2013, item 12.12)

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
10	Agreement on the placement of monetary funds in deposit accounts	Bank VTB OJSC is the bank; Mosenergo OJSC is the client	RUB 1,396,000,000.00	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 5, 2013 (Minutes No. 1 dated June 7, 2013, item 12.10)
11	Agreement on the placement of the minimum balance 3 transactions	AB Russia is the bank, Mosenergo OJSC is the client	RUB 350,000,000.00	Gazprom Energoholding LLC; member of the Board of Directors: K.G. Seleznev.	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 5, 2013 (Minutes No. 1 dated June 7, 2013, item 12.6).
12	Amicable agreement dated March 31, 2014	Mosenergo OJSC is the plaintiff; JSC MIPC is the defendant	RUB 291,070,424.42, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body); Executive Board Member: M.L. Khodursky	TRANSACTION APPROVED by the Board of Directors on February 14, 2014 (Minutes No.10 dated February 17, 2014, item 6.5).
13	Amicable agreement dated March 6, 2014	Mosenergo OJSC is the plaintiff; JSC MIPC is the defendant	RUB 1,106,388,712.22, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body); Executive Board Member: M.L. Khodursky	TRANSACTION APPROVED by the Board of Directors on February 14, 2014 (Minutes No.10 dated February 17, 2014, item 6.5).
14	Addendum dated January 14, 2014 on repair and technical maintenance of boiler units, auxiliary boiler equipment, thermal insulation plating of equipment, control and measuring instruments and cleaning of equipment at TPP-11.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier	RUB 36,367,517.40, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
15	Addendum dated December 30, 2013 on repair and technical maintenance of turbine units, auxiliary turbine equipment, water treatment and water purification, control and measuring instruments and automatic systems, and cleaning of equipment at SPP-1.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier	RUB 21,543,425.20, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No. 9 dated December 30, 2013, item 4.4)
16	Addendum dated January 14, 2014 on repair and technical maintenance of turbine units, auxiliary turbine equipment, water treatment and water purification, control and measuring instruments and automatic systems, and cleaning of equipment at SDPP-3.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier	RUB 20,069,829.40, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
17	Addendum dated December 30, 2013 on repair and technical maintenance of turbine units, auxiliary turbine equipment, water treatment and water purification, control and measuring instruments and automatic systems, and cleaning of equipment at TPP-8.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier	RUB 54,627,146.74, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
18	Addendum dated December 31, 2013 on repair and technical maintenance of turbine units, auxiliary turbine equipment, water treatment and water purification, control and measuring instruments and automatic systems, and cleaning of equipment at TPP-12.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier	RUB 42,930,254.00, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
19	Addendum dated January 9, 2014 on repair and technical maintenance of turbine units, auxiliary turbine equipment, water treatment and water purification, control and measuring instruments and automatic systems, and cleaning of equipment at TPP-16.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 46,210,935.80, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
20	Addendum dated December 31, 2013 on repair and technical maintenance of turbine units, auxiliary turbine equipment, water treatment and water purification, control and measuring instruments and automatic systems, and cleaning of equipment at TPP-20.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 47,693,417.00, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
21	Addendum dated December 31, 2013 on repair and technical maintenance of turbine units, auxiliary turbine equipment, water treatment and water purification, control and measuring instruments and automatic systems, and cleaning of equipment at TPP-22.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 146,593,653.80, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
22	Addendum dated December 30, 2013 on repair and technical maintenance of turbine units, auxiliary turbine equipment, water treatment and water purification, control and measuring instruments and automatic systems, and cleaning of equipment at TPP-23.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 62,723,324.80, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No. 9 dated December 30, 2013, item 4.4)
23	Addendum dated December 31, 2013 on repair and technical maintenance of turbine units, auxiliary turbine equipment, water treatment and water purification, control and measuring instruments and automatic systems, and cleaning of equipment at TPP-25.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 76,531,165.60, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
24	Addendum dated December 31, 2013 to the Agreement for repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-8.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 32,165,549.20, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
25	Addendum dated December 31, 2013 to the Agreement for repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-20	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 35,887,493.40, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
26	Addendum dated December 31, 2013 to the Agreement for repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-21.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 48,948,288.00, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
27	Addendum dated December 31, 2013 to the Agreement for repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-22.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier	RUB 60,993,775.20, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
28	Addendum dated December 30, 2013 to the Agreement for repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-23.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier	RUB 42,164,055.00, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No. 9 dated December 30, 2013, item 4.4)
29	Addendum dated December 31, 2013 to the Agreement for repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-25.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier	RUB 51,116,526.20, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
30	Addendum dated January 9, 2014 to the Agreement for repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-26.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier	RUB 59,874,245.14, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
31	Addendum dated February 18, 2014 on the service, repair, and commissioning of the control and steam distribution system of the turbine, vibration diagnostics, and normalization of the vibration condition of the equipment at TPP-22	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier	RUB 25,091,236.80, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
32	Addendum dated December 30, 2013 on unscheduled and emergency industrial maintenance of rotating thermal and mechanical equipment, as well as electrical equipment at all the TPP	Mosenergo OJSC is the customer; TsRMZ LLC is the supplier	RUB 198,317,430.11, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No. 9 dated December 30, 2013, item 4.5)
33	Addendum dated March 31, 2014 on industrial maintenance of rotating thermal and mechanical equipment, as well as electrical equipment at all the TPP	Mosenergo OJSC is the customer; TsRMZ LLC is the supplier	RUB 59,000,000.00, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.5)
34	Addendum dated January 9, 2014 on repair and technical maintenance of turbine units, auxiliary turbine equipment, water treatment and water purification, control and measuring instruments and automatic systems, and cleaning of equipment at TPP-9.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier	RUB 22,124,362.80, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
35	Addendum dated January 14, 2014 on repair and technical maintenance of turbine units, auxiliary turbine equipment, water treatment and water purification, control and measuring instruments and automatic systems, and cleaning of equipment at TPP-11.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier	RUB 20,938,651.60, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
36	Addendum dated December 31, 2013 on repair and technical maintenance of turbine units, auxiliary turbine equipment, water treatment and water purification, control and measuring instruments and automatic systems, and cleaning of equipment at TPP-17	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 23,476,182.60, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
37	Addendum dated December 31, 2013 on repair and technical maintenance of turbine units, auxiliary turbine equipment, water treatment and water purification, control and measuring instruments and automatic systems, and cleaning of equipment at TPP-27	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 21,927,279.20, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
38	Addendum dated December 31, 2013 to the Agreement for repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at SDPP-3	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 20,154,754.00, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
39	Addendum dated December 31, 2013 to the Agreement for repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-12	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 22,659,009.00, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
40	Addendum dated January 9, 2014 to the Agreement for repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-16	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 22,187,268.20, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No. 9 dated December 30, 2013, item 4.4)
41	Addendum as of December 31, 2013 to the Agreement for repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-17	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 20,257,756.20, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on December 26, 2013 (Minutes No.9 dated December 30, 2013, item 4.4)
42	Addendum dated April 18, 2014 to the Agreement dated January 23, 2009 on the holding of the Annual General Meeting of Shareholders in 2014	Mosenergo OJSC is the customer; SR-DRAGA JSC is the contractor.	not more than RUB 22,880,000, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on April 08, 2014 (Minutes No.13 dated April 11, 2014, item 8).
43	Addendum dated June 23, 2014 to the Agreement dated November 6, 2013 on the clarification of the price of construction, installation, commissioning, design and survey operations, and supply of equipment for the project: Relay Protection and Emergency Controls of 220 kV Underground Power Cables of OJSC EnergoComplex at TPP-16 of the branch facility of Mosenergo OJSC	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 30,713,140.43, including VAT	Gazprom Energoholding LLC	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1, item 11.17)
44	Addendum to the Agreement of purchase and sale dated July 30, 2012 on adjustment of the price of equipment	Mosenergo OJSC is the seller; OGK-Investproject LLC is the buyer.	RUB 17,310,050.65, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, D.M. Katiyev, M.L. Khodursky.	TRANSACTION APPROVED by the Board of Directors on April 24, 2014 (Minutes No.14 dated April 28, 2014, item 2.3).

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
45	Agreement on the provision of services on organization of payment of dividends for 2013	Mosenergo OJSC is the customer; SR-DRAga JSC is the contractor.	RUB 42,535,460.00 including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on May 26, 2014 (Minutes No. 16 dated May 29, 2014, item 6.9).
46	Agreement dated May 15, 2014 on the sale of electricity to the consumer	Mosenergo OJSC is the consumer; Mosgorenergo OJSC is the energy sales organization.	RUB 54,668,327.27, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on May 26, 2014 (Minutes No. 16 dated May 29, 2014, item 6.8).
47	Agreement dated May 30, 2014 on supply of gas to TPP-22, TPP-25, and TPP-23	Mosenergo OJSC is the buyer; Gazprom Mezhregiongaz Moscow LLC is the supplier.	RUB 2,737,010,000.00, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on August 28, 2014 (Minutes No. 4 dated September 01, 2014, item 6.2).
48	Agreement dated June 27, 2014 on extension of a loan	Mosenergo OJSC is the principal holder; OGK-Investproject LLC is the borrower.	RUB 2,490,000,000.00	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, D.M. Katiyev, M.L. Khodursky.	TRANSACTION APPROVED by the Board of Directors of the Company on June 02, 2014 (Minutes No.17 dated June 03, 2014, item 6.2).
49	Agreement dated June 02, 2014 on provision of services in the field of reconstruction of the foam extinguishing diagram	Mosenergo OJSC is the customer; TER-Moscow LLC is the contractor.	RUB 19,836,755.80, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Board of Directors on April 24, 2014 (Minutes No.14 dated April 28, 2014, item 2.1).
50	Agreement dated June 20, 2014 on provision of unscheduled and emergency repairs of engineering networks	Mosenergo OJSC is the customer; TER-Moscow LLC is the contractor.	RUB 118,000,000.00, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Board of Directors on April 24, 2014 (Minutes No.14 dated April 28, 2014, item 2.2).
51	Agreement dated June 11, 2014 on extension of a loan	Mosenergo OJSC is the customer; TER-Moscow LLC is the contractor.	RUB 1,350,000,000.00	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Board of Directors on May 26, 2014 (Minutes No. 16 dated May 29, 2014, item 6.3).
52	Agreement dated May 15, 2014 on the sales of movable property of the energy complex at the address: Khelebnikov forest park quarter 1-2, Vynogradovo village district, Mytishchinskiy District, Moscow Region	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 25,712,554.00, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body); Executive Board Member: M.L. Khodursky	TRANSACTION APPROVED by the Board of Directors on April 24, 2014 (Minutes No.14 dated April 28, 2014, item 2.4).
53	Agreement dated May 15, 2014 on the sale of movable and immovable property of DHP No. 8 (hereinafter referred to as the Property), which is located at the following address: Tsandera Street, Lot 14, Moscow	Mosenergo OJSC is the buyer; JSC MIPC is the seller.	RUB 82,223,101.84, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body); Executive Board Member: M.L. Khodursky	TRANSACTION APPROVED by the Board of Directors on April 24, 2014 (Minutes No.14 dated April 28, 2014, item 2.4).
54	Agreement dated May 15, 2014 on the sale of movable and immovable property of Babushkino-2 DHP (hereinafter referred to as the Property), which is located at the following address: 17B Iskry Street, Moscow	Mosenergo OJSC is the buyer; JSC MIPC is the seller.	RUB 125,118,880.00, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body); Executive Board Member: M.L. Khodursky	TRANSACTION APPROVED by the Board of Directors on April 24, 2014 (Minutes No.14 dated April 28, 2014, item 2.4).

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
55	Agreement dated May 15, 2014 on the lease of movable and immovable property of LyublinoDTPP (hereinafter referred to as the Property), which is located at the following address: Pererva Street, Lot 73, Moscow	Mosenergo OJSC is the lessee; JSC MIPC is the lessor.	RUB 73,971,068.53, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body); Executive Board Member: M.L. Khodursky	TRANSACTION APPROVED by the Board of Directors on April 24, 2014 (Minutes No.14 dated April 28, 2014, item 2.5).
56	Agreement dated May 15, 2014 on the lease of movable and immovable property of Kuryanovo DTPP (hereinafter referred to as the Property), which is located at the following address: Donetskaya Street, Lot 40, Moscow	Mosenergo OJSC is the lessee; Moscow Integrated Power Company (JSC MIPC) OJSC is the lessor.	RUB 90,580,645.24, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body); Executive Board Member: M.L. Khodursky	TRANSACTION APPROVED by the Board of Directors on April 24, 2014 (Minutes No.14 dated April 28, 2014, item 2.6).
57	Agreement dated May 15, 2014 on the sale of movable and immovable property of DHP No. 55 (hereinafter referred to as the Property), which is located at the following address: 7A Glavmoststroya Street, Moscow	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 24,000,000.00, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body); Executive Board Member: M.L. Khodursky	TRANSACTION APPROVED by the Board of Directors on April 24, 2014 (Minutes No.14 dated April 28, 2014, item 2.4).
58	Agreement dated May 15, 2014 on the lease of movable and immovable property of Khimki-Khovrino DHP (hereinafter referred to as the Property), which is located at the following address: Belomorskaya Street, Lot 38A, Moscow	Mosenergo OJSC is the lessee; Moscow Integrated Power Company (JSC MIPC) OJSC is the lessor.	RUB 218,903,225.81, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body); Executive Board Member: M.L. Khodursky	TRANSACTION APPROVED by the Board of Directors on April 24, 2014 (Minutes No.14 dated April 28, 2014, item 2.5).
59	Agreement dated May 15, 2014 on the sale of movable and immovable property of Krasny StroitelDHP(hereinafter referred to as the Property), which is located at the following address: Dorozhnaya Street, Lot 9, Moscow	Mosenergo OJSC is the lessee; Moscow Integrated Power Company (JSC MIPC) OJSC is the lessor.	RUB 32,458,064.52, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body); Executive Board Member: M.L. Khodursky	TRANSACTION APPROVED by the Board of Directors on April 24, 2014 (Minutes No.14 dated April 28, 2014, item 2.6).
60	Addendum to the Agreement for provision of services of delivery of heat energy and heat transfer medium via the JSC MIPC heat distribution network in Q2 2014	Mosenergo OJSC is the customer; JSC MIPC is the contractor.	RUB 1,057,007,972.67, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body); Executive Board Member: M.L. Khodursky	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 19, 2012 (Minutes No.1 dated June 22, 2012, issue 9.12; Minutes No.1 dated June 5, 2013)
61	General agreement on placement of funds in deposit accounts 4 transactions	GPB (OJSC) is the bank Mosenergo OJSC is the client.	RUB 5,317,250,000.00	Gazprom Energoholding LLC; member of the Board of Directors: K.G. Seleznev	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.4)
62	Agreement on placement of funds in deposit accounts 12 transactions	Bank VTB OJSC is the bank; Mosenergo OJSC is the client.	RUB 26,919,000,000.00	Gazprom Energoholding LLC	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.10)



No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
63	Agreement on the placement of the minimum balance and deposits 27 transactions	AB Russia is the bank; Mosenergo OJSC is the client.	RUB 42,876,500,000.00	Gazprom Energoholding LLC; member of the Board of Directors: K.G. Seleznev	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.7)
64	Addendum dated June 27, 2014 on the adjustment of the cost of repair and maintenance operations	Mosenergo OJSC is the customer; TER-Moscow LLC is the contractor.	RUB 35,813,625.40, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
65	Addendum dated June 27, 2014 on the adjustment of the cost of repair and maintenance operations	Mosenergo OJSC is the customer; TER-Moscow LLC is the contractor.	RUB 20,905,116.00, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
66	Addendum dated June 27, 2014 on the adjustment of the cost of repair and maintenance operations	Mosenergo OJSC is the customer; TER-Moscow LLC is the contractor.	RUB 30,748,404.60, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
67	Agreement on the upgrade of the management system for TG of station No. 7 with the introduction of an automated process control system for the needs of TPP-12 – a branch facility of Mosenergo OJSC	Mosenergo OJSC is the customer; TEKON Engineering LLC is the supplier.	RUB 54,209,200.00, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)
68	Agreement on the upgrade of the management and control system for the power unit No. 5 of TPP-26 with the introduction of an automated process control system for the needs of TPP-26 – a branch facility of Mosenergo OJSC	Mosenergo OJSC is the customer; TEKON Engineering LLC is the supplier.	RUB 315,160,667.92, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)
69	Rental Agreement with subsequent purchase of property dated September 01, 2014	Mosenergo OJSC is the lessor; JSC MIPC is the lessee.	RUB 26,209,570.00, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on July 2, 2014 (Minutes No.2 dated July 7, 2014, item 6.1.1).
70	Rental Agreement with subsequent purchase of property dated September 01, 2014	Mosenergo OJSC is the lessor; JSC MIPC is the lessee.	RUB 33,619,173.50, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on July 2, 2014 (Minutes No.2 dated July 7, 2014, item 6.1.1).
71	Agreement dated September 01, 2014 on the purchase and sale of property of DHP No. 26	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 188,323,052.65, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on August 28, 2014 (Minutes No. 4 dated September 01, 2014, item 6.5.(3)).
72	Agreement dated September 01, 2014 on the purchase and sale of property of DHP No. 11	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 188,800,000.00, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on August 28, 2014 (Minutes No. 4 dated September 01, 2014, item 6.5.(5)).

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
73	Agreement dated September 01, 2014 on the purchase and sale of property of DHP No. 24	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 225,469,909.40, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on August 28, 2014 (Minutes No. 4 dated September 01, 2014, item 6.5.(1)).
74	Agreement on the placement of monetary funds in deposit accounts 8 transactions	Bank VTB OJSC is the bank; Mosenergo OJSC is the client.	RUB 5,416,500,000.00	Gazprom Energoholding LLC	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.10)
75	Placement of the minimum balance and deposits 61 transactions	Mosenergo OJSC is the client JSC AB Russia is the bank.	RUB 92,107,000,000.00	Gazprom Energoholding LLC; member of the Board of Directors: K.G. Seleznev	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.7)
76	Placement of monetary funds into deposit accounts and minimum balance. 14 transactions	GPB (OJSC) is the bank Mosenergo OJSC is the client.	RUB 14,230,000,000.00	Gazprom Energoholding LLC; member of the Board of Directors: K.G. Seleznev	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.4)
77	Additional contribution to the equity capital of the subsidiary TSK Mosenergo LLC.	Mosenergo OJSC is the participant, TSK Mosenergo LLC.	RUB 129,217,003.00	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Board of Directors on July 21, 2014 (Minutes No.3 dated July 23, 2014, item 4.1)
78	Property rental agreement	Gazprom OJSC is the lessor; Mosenergo OJSC is the lessee.	RUB 123,638,824.70, including VAT	Gazprom Energoholding LLC, the members of the Board of Directors: K.G. Seleznev, V.A. Golubev, E.V. Mikhailova	TRANSACTION APPROVED by the Board of Directors of the Company on August 28, 2014 (Minutes No. 4 dated September 1, 2014, item 6.11).
79	Addendum dated July 29, 2014 to the Agreement for technological connection dated August 31, 2012 on an increase of the connection fees of the gas consumption facilities of the customer to the gas network of the performer	Mosenergo OJSC is the customer; Mosgaz JSC is the contractor.	RUB 95,401,129.40, including VAT	The City of Moscow represented by the Department of Municipal Property of the City of Moscow, members of the Board of Directors: A.Yu. Berezin, V.I. Pogrebenko, P.A. Livinsky	TRANSACTION APPROVED by the Board of Directors of the Company on September 29, 2014 (Minutes No. 5 dated October 2, 2014, item 4.7).
80	Addendum to the Agreement on provision of services of delivery of heat energy and heat transfer medium via the JSC MIPC heat distribution network in Q3 2014.	Mosenergo OJSC is the customer; Moscow Integrated Power Company (JSC MIPC) OJSC is the contractor.	RUB 371,428,162.59, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body); Executive Board Member: M.L. Khodursky	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.18)
81	Addendum dated July 29, 2014 to the Agreement for technological connection dated June 28, 2013 on an increase of connection fees of the gas consumption facilities of the customer to the gas network of the performer	Mosenergo OJSC is the customer; Mosgaz JSC is the contractor.	RUB 81,030,615.20, including VAT	The City of Moscow represented by the Department of Municipal Property of the City of Moscow, members of the Board of Directors: A.Yu. Berezin, V.I. Pogrebenko, P.A. Livinsky	TRANSACTION APPROVED by the Board of Directors of the Company on September 29, 2014 (Minutes No. 5 dated October 2, 2014, item 4.7).

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
82	Addendum dated July 29, 2014 to to the Agreement for technological connection dated August 2, 2013 on an increase of connection fees of the gas consumption facilities of the customer to the gas network of the performer	Mosenergo OJSC is the customer; Mosgaz JSC is the contractor.	RUB 13,377,997.20, including VAT	The City of Moscow represented by the Department of Municipal Property of the City of Moscow, members of the Board of Directors: A.Yu. Berezin, V.I. Pogrebenko, P.A. Livinsky	TRANSACTION APPROVED by the Board of Directors of the Company on September 29, 2014 (Minutes No. 5 dated October 2, 2014, item 4.7).
83	Addendum dated July 29, 2014 to to the Agreement for power supply dated May 15, 2014 on an increase in the quantity of supply points and an increase in power consumption	Mosenergo OJSC is the consumer; Mosgorenergo OJSC is the energy sales organization.	RUB 140,275,691.99, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on May 26, 2014 (Minutes No. 16 dated May 29, 2014, item 6.8).
84	Addenda to the Agreement on VMI dated January 22, 2014 Implementation of changes in the list of insured persons and insurance premiums. 3 transactions	Mosenergo OJSC is the insurer; SOGAZ OJSC is the insured person.	increase by RUB 8,821,161.55 to the amount equal to RUB 130,316,817.19	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on May 26, 2014 (Minutes No. 16 dated May 29, 2014, item 6.5).
85	Addendum to contractor's Agreement on implementation of additional operations	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 39,172,278.12, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
86	Agreement dated September 23, 2014 on replacement of batteries	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 31,270,000.00, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
87	Addendum dated September 01, 2014 to the rent Agreement dated October 02, 2006	Mosenergo OJSC is the lessor; JSC MIPC is the lessee.	RUB 30,889,843.37, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on August 28, 2014 (Minutes No. 4 dated September 01, 2014, item 6.4).
88	Agreement on the reconstruction of Raushskaya 6 kV Subplant (Replacement of the bus system with switching equipment and transfer of 0.4 kV third-party customers from the auxiliary plant) at SDPP-1	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 51,094,000.00, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
89	Agreement dated November 17, 2014 on technical revamping of the gas consumption system of steam-and-water communication lines at station No.3 at TPP-8	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 56,561,671.60, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)
90	Agreement on technical revamping of the gas consumption system of steam-and-water communication lines at station No. 4 at TPP-8	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 55,519,012.02, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)
91	Agreement dated November 10, 2014 on technical revamping of the gas consumption system of steam-and-water communication lines at station No. 5 for the needs of TPP-8	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 54,697,507.12, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
92	Agreement dated December 22, 2014 on replacement of the SPPA T-3000 steam turbocompressor of power unit No.3 with a steam turbocompressor of domestic production at TPP-25	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 69,974,000.00, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)
93	Agreement dated December 02, 2014 on upgrade of the management and control systems of the steam generating unit at station No.12 at TPP-20	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 102,602,958.80, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)
94	Agreement dated December 23, 2014 on technical revamping of steam-and-water communication lines-6 in accordance with the Rules PB-12-529-03 at TPP-26.	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 31,222,162.80, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)
95	Agreement dated December 23, 2014 on technical revamping of steam-and-water communication lines-7 in accordance with the Rules PB-12-529-03 at TPP-26.	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 29,890,379.40, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)
96	Agreement dated December 22, 2014 on upgrade of the internal gas supply system of steam-and-water communication lines at stations No. 5-14, 16 in accordance with the applicable requirements of PB 12-529-03 at TPP-21	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 75,660,210.73, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)
97	Agreement dated December 30, 2014 on upgrade of the control system and ToR of electric communications of station No.12 at TPP-12	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 28,591,127.05, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)
98	Agreement dated December 29, 2014 on technical revamping of gas consumption circuits of EK-6 TPP-25	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 31,531,505.70, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)
99	Agreement dated December 29, 2014 on upgrade of the management and control system of power unit No.6 with the introduction of APCS at TPP-25	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 208,923,946.56, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)
100	Agreement dated October 16, 2014 on the sale of shares of TER LLC owned by Mosenergo OJSC in the amount of 65% of the authorized capital	Mosenergo OJSC is the seller; Mezhregionenergostroy CJSC is the buyer.	RUB 1,952,000,000.00	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors of the Company on September 29, 2014 (Minutes No. 5 dated October 2, 2014, item 4.8).
101	Agreement dated November 24, 2014 on the sale of shares of TER Moscow LLC owned by Mosenergo OJSC in the amount of 20% of the authorized capital	Mosenergo OJSC is the seller; Mezhregionenergostroy CJSC is the buyer.	RUB 488,000,000.00	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors of the Company on October 31, 2014 (Minutes No.7 dated November 7, 2014, item 4.1).
102	Agreement dated December 22, 2014 on compulsory insurance of civil liability of the owner of a hazardous facility	Mosenergo OJSC is the insured person; SOGAZ OJSC is the insurer.	RUB 21,145,230.00	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors of the Company on June 3, 2013 (Minutes No.15 dated June 6, 2013, item 6.5.7-6.5.8).

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
103	Agreement dated December 24, 2014 on installation of air heaters for power boilers No. 5, 6, 10 and 11 at TPP-20	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 35,036,873.40, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
104	Agreement dated October 29, 2014 on replacement of the general extinguishing pipeline at TPP-16	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 28,596,957.80, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
105	Agreement dated October 28, 2014 on replacement of the live steam pipeline of station No.10 at SDPP-22	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 36,301,650.47, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
106	Agreement dated October 23, 2014 on replacement of the busbars of the T-68 transformer at TPP-21	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 23,429,077.00, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
107	Agreement dated December 23, 2014 on repair and technical maintenance of boiler units, auxiliary boiler equipment, thermal insulation plating of equipment, control and measuring instruments and cleaning of equipment at TPP-21	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 136,733,314.20, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
108	Agreement dated December 24, 2014 on repair and technical maintenance of boiler units, auxiliary boiler equipment, thermal insulation plating of equipment, control and measuring instruments and cleaning of equipment at TPP-8	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 75,534,514.25, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
109	Agreement dated December 24, 2014 on repair and maintenance of turbine units, auxiliary turbine equipment, heat insulation of equipment, automatic control systems and steam distribution, instrumentation and automation, and cleaning of equipment at TPP-8	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 76,302,694.86, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated 9 June 2014, item 11.15)
110	Agreement December 26, 2014 on repair and technical maintenance of boiler units, auxiliary boiler equipment, thermal insulation plating of equipment, control and measuring instruments, and cleaning of equipment at TPP-9	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 60,409,250.40, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
111	Agreement dated December 23, 2014 on repair and maintenance of turbine units, auxiliary turbine equipment, heat insulation of equipment, automatic control systems and steam distribution, instrumentation and automation, and cleaning of equipment at TPP-21	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 157,948,133.00, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
112	Agreement dated December 29, 2014 on repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-21	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 42,354,495.20, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
113	Agreement dated December 26, 2014 on repair and maintenance of turbine units, auxiliary turbine equipment, heat insulation of equipment, automatic control systems and steam distribution, instrumentation and automation, and cleaning of equipment at TPP-9	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 38,471,776.00, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
114	Agreement dated December 24, 2014 on repair and technical maintenance of boiler units, auxiliary boiler equipment, thermal insulation plating of equipment, control and measuring instruments, and cleaning of equipment at TPP-17	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 39,941,772.80, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
115	Agreement dated December 24, 2014 on repair and maintenance of turbine units, auxiliary turbine equipment, heat insulation of equipment, automatic control systems and steam distribution, instrumentation and automation, and cleaning of equipment at TPP-17	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 30,858,439.40, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
116	Agreement dated December 25, 2014 on repair and maintenance of turbine units, auxiliary turbine equipment, heat insulation of equipment, automatic control systems and steam distribution, instrumentation and automation, and cleaning of equipment at TPP-26	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 140,197,629.00, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
117	Agreement dated December 24, 2014 on repair and technical maintenance of boiler units, auxiliary boiler equipment, thermal insulation plating of equipment, control and measuring instruments, and cleaning of equipment at TPP-23	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 105,170,674.20, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
118	Agreement dated December 26, 2014 on repair and technical maintenance of boiler units, auxiliary boiler equipment, thermal insulation plating of equipment, control and measuring instruments, and cleaning of equipment at SPP-1	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 50,837,810.20, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
119	Agreement dated December 25, 2014 on repair and technical maintenance of boiler units, auxiliary boiler equipment, thermal insulation plating of equipment, control and measuring instruments, and cleaning of equipment at TPP-23	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 94,690,681.20, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
120	Agreement dated December 23, 2014 on repair and maintenance of turbine units, auxiliary turbine equipment, heat insulation of equipment, automatic control systems and steam distribution, instrumentation and automation, and cleaning of equipment at TPP-11	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 39,678,396.80, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
121	Agreement dated December 26, 2014 on repair and maintenance of turbine units, auxiliary turbine equipment, heat insulation of equipment, automatic control systems and steam distribution, instrumentation and automation, and cleaning of equipment at TPP-11	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 35,735,828.00, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
122	Agreement dated December 23, 2014 on repair and technical maintenance of boiler units, auxiliary boiler equipment, thermal insulation plating of equipment, control and measuring instruments, and cleaning of equipment at TPP-11	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 59,487,871.00, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
123	Agreement dated December 24, 2014 on repair and maintenance of turbine units, auxiliary turbine equipment, heat insulation of equipment, automatic control systems and steam distribution, instrumentation and automation, and cleaning of equipment at TPP-23	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 183,257,728.80, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
124	Agreement dated December 31, 2014 on repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-26	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 52,322,403.60, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
125	Agreement dated December 31, 2014 on repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-23.	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 59,330,282.00, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
126	Agreement dated December 29, 2014 on repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-22	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 46,323,543.20, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
127	Agreement dated December 30, 2014 on repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-20	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 47,719,990.60, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
128	Agreement dated December 30, 2014 on repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-25	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 46,084,227.40, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
129	Agreement dated December 29, 2014 on repair and maintenance of electrical equipment, switchgear, circuit breakers, auxiliary transformers, electric motors, lighting systems, relay protection and automation, and cable facilities at TPP-27	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 43,620,552.60, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
130	Agreement dated December 25, 2014 on repair and technical maintenance of boiler units, auxiliary boiler equipment, thermal insulation plating of equipment, control and measuring instruments, and cleaning of equipment at TPP-12	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 67,891,318.71, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
131	Agreement dated December 25, 2014 on repair and maintenance of turbine units, auxiliary turbine equipment, heat insulation of equipment, automatic control systems and steam distribution, instrumentation and automation, and cleaning of equipment at TPP-12	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 42,163,965.83, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
132	Agreement dated December 22, 2014 on repair and technical maintenance of boiler units, auxiliary boiler equipment, thermal insulation plating of equipment, control and measuring instruments, and cleaning of equipment at TPP-22	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 275,020,098.40, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
133	Agreement dated December 22, 2014 on repair and maintenance of turbine units, auxiliary turbine equipment, heat insulation of equipment, automatic control systems and steam distribution, instrumentation and automation, and cleaning of equipment at TPP-22	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 199,856,942.20, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
134	Agreement dated December 30, 2014 on repair and technical maintenance of boiler units, auxiliary boiler equipment, thermal insulation plating of equipment, control and measuring instruments, and cleaning of equipment at TPP-20	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 118,446,523.80, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
135	Agreement dated December 24, 2014 on repair and maintenance of turbine units, auxiliary turbine equipment, heat insulation of equipment, automatic control systems and steam distribution, instrumentation and automation, and cleaning of equipment at TPP-20	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 143,395,617.80, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
136	Agreement dated December 23, 2014 on repair and technical maintenance of boiler units, auxiliary boiler equipment, thermal insulation plating of equipment, control and measuring instruments, and cleaning of equipment at TPP-25	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 116,863,601.00, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
137	Agreement dated December 23, 2014 on repair and maintenance of turbine units, auxiliary turbine equipment, heat insulation of equipment, automatic control systems and steam distribution, instrumentation and automation, and cleaning of equipment at TPP-25	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 167,825,323.00, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
138	Agreement dated December 29, 2014 on repair and technical maintenance of boiler units, auxiliary boiler equipment, thermal insulation plating of equipment, control and measuring instruments, and cleaning of equipment at TPP-27	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 37,321,441.20, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
139	Agreement dated December 29, 2014 on repair and maintenance of turbine units, auxiliary turbine equipment, heat insulation of equipment, automatic control systems and steam distribution, instrumentation and automation, and cleaning of equipment at TPP-27	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 36,223,569.20, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)



No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
140	Agreement as of December 31, 2014 for acquisition of Quarter Heating Plant No. 44 (TPP-23)	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 46,282,381.04, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.7.4)
141	Agreement as of December 31, 2014 for the acquisition of Novomoskovskaya DHP	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 142,129,886.56, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.8.8)
142	Agreement as of December 31, 2014 for acquisition of OtradnoyeDHP	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 178,054,260.92, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.8.18)
143	Agreement dated December 31, 2014 on the acquisition of Izmailovo Mini SDPP (TPP-23)	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 74,291,691.00 including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No. 10 dated December 29, 2014, item 4.7.14)
144	Agreement dated December 31, 2014 on the acquisition of Rostokino DHP	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 113,046,141.25 including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.8.10)
145	Agreement dated December 31, 2014 on the acquisition of Babushkino-1 DHP	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 137,861,040.68 including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.8.2)
146	Agreement dated December 31, 2014 on the acquisition of TPP-8 of property of Frezer DHP	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 117,513,321.91 including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No. 10 dated December 29, 2014, item 4.7.16)
147	Agreement dated December 31, 2014 on the acquisition of LyublinoDTPP	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 797,615,353.78 including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.7.2)

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
148	Agreement dated December 31, 2014 on the acquisition of Kuryanovo DTPP	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 580,990,687.94 including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.7.6)
149	Agreement dated December 31, 2014 on the acquisition of Volkhonka-ZIL DHP (TPP-20)	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 146,617,775.30, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.8.4)
150	Agreement dated December 31, 2014 on the acquisition of Quarter Heating Plant No. 18 (TPP-20)	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 79,703,602.11, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.8.16)
151	Agreement dated December 31, 2014 on the purchase of movable and immovable property of Matveevskaya DHP	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 109,312,814.05, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.7.18)
152	Agreement dated December 31, 2014 on the purchase of movable and immovable property of Rublevo DHP	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 107,042,452.68, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.7.20)
153	Agreement dated December 31, 2014 on the acquisition of Kuntsevo DHP (TPP-25)	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 773,850,119.35, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.8.6)
154	Agreement dated December 31, 2014 on the purchase of the property of Krasny StroitelDHP	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 202,229,578.97 including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.7.8)
155	Agreement dated December 31, 2014 on the purchase of the property of Melitopolskaya Quarter Heating Plant	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 55,876,581.48 including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.8.14)

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
156	Agreement dated December 31, 2014 on the purchase of the property of Yuzhnoye Butovo DHP	Mosenergo OJSC is the buyer; Moscow Integrated Power Company (JSC MIPC) OJSC is the seller.	RUB 571,810,462.21 including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No.10 dated December 29, 2014, item 4.8.12)
157	General Agreement on the placement of funds in deposit accounts 38 transactions	GPB (OJSC) is the bank Mosenergo OJSC is the client.	RUB 53,008,598,900.00	Gazprom Energoholding LLC	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.4)
158	Agreement on the placement of funds in deposit accounts 22 transactions	Mosenergo OJSC is the client Bank VTB OJSC is the bank.	RUB 33,327,851,793.70	Gazprom Energoholding LLC	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.10)
159	Agreement on the placement of funds in the minimum balance 28 transactions	Mosenergo OJSC is the client; AB Russia is the bank.	RUB 12,104,900,000.00	Gazprom Energoholding LLC, Member of the Board of Directors, Chairman of the Board of Directors K.G. Seleznev	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.7)
160	Addendum to the Agreement on provision of services of delivery of heat energy and heat transfer medium via the JSC MIPC heat distribution network in Q4 2014	Mosenergo OJSC is the customer; Moscow Integrated Power Company (JSC MIPC) OJSC is the contractor.	RUB 3,271,658,017.68, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTIONS APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.18)
161	Addendum to contractor's Agreement dated October 28, 2013 on the increase in the value of the Agreement	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 50,441,311.20, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)
162	Addendum to contractor's Agreement on clarification of the value of the Agreement and the terms of performance of work operations	Mosenergo OJSC is the customer; Tekon-Engineering OJSC is the supplier.	RUB 24,473,613.00, including VAT	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.17)
163	Addendum No. 42 on update of the registry of energy supply contracts	Mosenergo OJSC is the customer; Moscow Integrated Power Company (JSC MIPC) OJSC is the contractor.		Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.18)
164	Addendum No. 45 for updating the registry of energy supply contracts	Mosenergo OJSC is the customer; Moscow Integrated Power Company (JSC MIPC) OJSC is the contractor.		Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.18)
165	Addendum to VMI Agreement dated January 22, 2014 Implementation of changes in the list of insured persons and insurance premiums	Mosenergo OJSC is the insured person; SOGAZ OJSC is the insurer.	increase by RUB 57,233.90 to amount equal to RUB 130,374,051.09	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors on May 26, 2014 (Minutes No. 16 dated May 29, 2014, item 6.5)

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
166	Addendum to contractor's Agreement on the implementation of additional operations	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	increase by RUB 9,495,792.21, including VAT, to RUB 127,613,077.37	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
167	Addendum to the Agreement dated March 12, 2012 on the implementation of additional operations	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	increase by RUB 677,433.53, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
168	Supplementary Agreement to Contractor's Agreement dated March 15, 2012 on the implementation of additional operations	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 5,634,567.40	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
169	Addendum to the Agreement dated March 14, 2012 on the implementation of additional operations	Mosenergo OJSC is the customer; TER-Moscow LLC is the supplier.	RUB 36,688,768.67, including VAT	Gazprom Energoholding LLC; members of the Executive Board: A.A. Efimova, A.S. Osyka	TRANSACTION APPROVED by the Annual General Meeting of Shareholders of the Company on June 4, 2014 (Minutes No.1 dated June 9, 2014, item 11.15)
170	Agreement on the replacement of Party 1 with Party 3 with regard to the performance of customer functions	Mosenergo OJSC is the Party 1; Teploproekt LLC is the Party 2, Moscow Integrated Power Company (JSC MIPC) OJSC is the Party 3.	RUB 20,739,654.75, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 3, 2014 (Minutes No.9 dated December 5, 2014, item 4.2)
171	Agreement on the replacement of Party 1 with Party 3 with regard to the performance of customer functions	Mosenergo OJSC is the Party 1; JSC MTER is the Party 2 Moscow Integrated Power Company (JSC MIPC) OJSC is the Party 3.	RUB 32,227,366.16, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 3, 2014 (Minutes No.9 dated December 5, 2014, item 4.2)
172	Agreement on the replacement of Party 1 with Party 3 with regard to the performance of customer functions	Mosenergo OJSC is the Party 1; JSC MTER is the Party 2 Moscow Integrated Power Company (JSC MIPC) OJSC is the Party 3.	RUB 71,955,806.05, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 3, 2014 (Minutes No.9 dated December 5, 2014, item 4.2)
173	Agreement on the replacement of Party 1 with Party 3 with regard to the performance of customer functions	Mosenergo OJSC is the Party 1; AVS-Investbud LLC is the Party 2; Moscow Integrated Power Company (JSC MIPC) OJSC is the Party 3.	RUB 26,432,124.82, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 3, 2014 (Minutes No.9 dated December 5, 2014, item 4.2)
174	Agreement on the replacement of Party 1 with Party 3 with regard to the performance of customer functions	Mosenergo OJSC is the Party 1; JSC MTER is the Party 2; Moscow Integrated Power Company (JSC MIPC) OJSC is the Party 3.	RUB 34,352,725.01, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 3, 2014 (Minutes No.9 dated December 5, 2014, item 4.2)

No.	Transaction	Parties involved	Transaction cost	Related Parties	Resolution of Company governing bodies on approval of the transaction
175	Agreement on the replacement of Party 1 with Party 3 with regard to the performance of customer functions	Mosenergo OJSC is the Party 1; Teploproekt LLC is the Party 2, Moscow Integrated Power Company (JSC MIPC) OJSC is the Party 3	RUB 77,830,494.24, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 3, 2014 (Minutes No.9 dated December 5, 2014, item 4.2)
176	Agreement on the replacement of Party 1 with Party 3 with regard to the performance of customer functions	Mosenergo OJSC is the Party 1; AVS-Investbud LLC is the Party 2; Moscow Integrated Power Company (JSC MIPC) OJSC is the Party 3	RUB 44,835,743.22, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 3, 2014 (Minutes No.9 dated December 5, 2014, item 4.2)
177	Agreement on the replacement of Party 1 with Party 3 with regard to the performance of customer functions	Mosenergo OJSC is the Party 1; Teploproekt LLC is the Party 2; Moscow Integrated Power Company (JSC MIPC) OJSC is the Party 3	RUB 28,616,157.01, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 3, 2014 (Minutes No.9 dated December 5, 2014, item 4.2)
178	Agreement on the replacement of Party 1 with Party 3 with regard to the performance of customer functions	Mosenergo OJSC is the Party 1; Stroyteploservis CJSC is the Party 2; Moscow Integrated Power Company (JSC MIPC) OJSC is the Party 3	RUB 22,823,030.45, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body)	TRANSACTION APPROVED by the Board of Directors of the Company on December 3, 2014 (Minutes No.9 dated December 5, 2014, item 4.2)
179	Agreement on the replacement of Party 1 with Party 3 with regard to the performance of customer functions	Mosenergo OJSC is the Party 1; CKB Energoremont CJSC is the Party 2; Moscow Integrated Power Company (JSC MIPC) OJSC is the Party 3	RUB 35,751,640.00, including VAT	Gazprom Energoholding LLC; members of the Board of Directors: K.G. Seleznev, P.P. Biryukov, D.V. Fedorov, V.G. Yakovlev (single executive body).	TRANSACTION APPROVED by the Board of Directors of the Company on December 3, 2014 (Minutes No.9 dated December 5, 2014, item 4.2)
180	Agency Agreement on the transportation of gas purchased at organized trading	Gazprom Mezhrefiongaz LLC Delivery is the agent; Mosenergo OJSC is the principal.	Cost must be determined in accordance with the volume and price of gas on the basis of the results of performed exchange trading in the Natural gas section; cost cannot exceed 2% (two percent) of the book value of the assets of Mosenergo OJSC at the latest reporting date.	Gazprom Energoholding LLC	TRANSACTION APPROVED by the Board of Directors of the Company on December 24, 2014 (Minutes No. 10 dated December 29, 2014, item 4.1)
181	Agreement on property insurance dated December 19, 2014	Mosenergo OJSC is the insured person; SOGAZ OJSC is the insurer.	RUB 185,987,796.00	Gazprom Energoholding LLC	Approved by the Board of Directors of the Company on June 3, 2013 (Minutes No.15 dated June 6, 2013, items 6.5.1.-6.5.2)

The company implemented no transactions that are recognized as major transactions in accordance with the Federal Law "On Joint-Stock Companies" and other transactions that are subject to the procedure of approval of major transactions in accordance with the Company Charter.



## 9.5 FINANCIAL STATEMENTS ACCORDING TO IFRS



### Consolidated Statement of Financial Position

	31 December 2014	31 December 2013
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	263,287	273,766
Investment property	805	800
Goodwill	-	2,059
Advances for acquisition of property, plant, and equipment	2,546	6,372
Long-term financial assets	3,385	3,350
Trade and other receivables	6,588	784
Other non-current assets	9,540	5,184
<b>Total non-current assets</b>	<b>286,151</b>	<b>292,315</b>
<b>Current assets</b>		
Cash and cash equivalents	9,677	2,871
Short-term financial assets	3,220	541
Trade and other receivables	38,938	34,689
Inventories	7,636	7,136
Income tax receivable	1	384
Other current assets	240	457
	59,712	46,078
Assets classified as held for sale	2,208	563
<b>Total current assets</b>	<b>61,920</b>	<b>46,641</b>
<b>Total assets</b>	<b>348,071</b>	<b>338,956</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	166,124	166,124
Treasury stock	(871)	(871)
Share premium	49,213	49,213
Reserves	121,204	130,779

	31 December 2014	31 December 2013
Accumulated loss	(94,503)	(86,860)
<b>Total equity attributable to equity holders of the Group</b>	<b>241,167</b>	<b>258,385</b>
Non-controlling interest	528	737
<b>Total equity</b>	<b>241,695</b>	<b>259,122</b>
<b>Non-current liabilities</b>		
Non-current borrowings	47,315	19,202
Deferred tax liabilities	31,355	37,791
Employee benefits	274	374
Trade and other payables	4,719	919
<b>Total non-current liabilities</b>	<b>83,663</b>	<b>58,286</b>
<b>Current liabilities</b>		
Trade and other payables	17,762	13,288
Income tax payable	817	4
Other taxes payable	1,108	861
Current borrowings and current portion of non-current borrowings	1,824	7,275
Provisions	187	50
	<b>21,698</b>	<b>21,478</b>
Liabilities classified as held for sale	1,015	70
<b>Total current liabilities</b>	<b>22,713</b>	<b>21,548</b>
<b>Total liabilities</b>	<b>106,376</b>	<b>79,834</b>
<b>Total equity and liabilities</b>	<b>348,071</b>	<b>338,956</b>

General Director

Chief Accountant

V.G. Yakovlev

E.Y. Novenkova

## Consolidated Statement of Comprehensive Income

	Year ended 31 December 2014	Year ended 31 December 2013 (restated)
Continuing operations		
Revenue	161,432	155,932
Other operating income	2,615	1,015
Cost of materials	(106,178)	(100,611)
Depreciation of property, plant and equipment	(15,469)	(13,965)
Personnel expenses	(9,935)	(9,360)
Heat transmission	(7,330)	(7,641)
Maintenance and repairs expenses	(5,416)	(4,743)
Other external supplies	(3,539)	(4,101)
Taxes other than income tax	(1,736)	(391)
Impairment loss on property, plant, and equipment	(7,019)	(902)
Other operating expenses	(5,854)	(5,396)
<b>Results from operating activities</b>	<b>1,571</b>	<b>9,837</b>
Financial income	1,087	614
Financial expenses	(5,962)	(1,283)
<b>(Loss)/profit before income tax from continuing operations</b>	<b>(3,304)</b>	<b>9,168</b>
Income tax benefit/(expense)	564	(1,708)
<b>(Loss)/profit for the year from continuing operations</b>	<b>(2,740)</b>	<b>7,460</b>
<b>Discontinued operations</b>		
(Loss)/profit after tax for the year from discontinued operations	(327)	24
<b>(Loss)/profit for the year</b>	<b>(3,067)</b>	<b>7,484</b>
<b>Other comprehensive (loss)/income</b>		
Items that will not be reclassified to profit or loss: (Impairment loss)/reversal of impairment loss on property, plant and equipment	(9,631)	290
Revaluation of property, plant, and equipment	-	46,771
Remeasurement of post employee benefit obligation	56	35
Effect of acquisitions under common control	(3,087)	-
<b>Other comprehensive (loss)/income for the year, net of tax</b>	<b>(12,662)</b>	<b>47,096</b>



	Year ended 31 December 2014	Year ended 31 December 2013 (restated)
<b>Total comprehensive (loss)/income for the year</b>	<b>(15,729)</b>	<b>54,580</b>
<b>(Loss)/profit attributable to:</b>		
Equity holders of the Group	(2,972)	7,473
Non-controlling interest	(95)	11
<b>Total comprehensive (loss)/income is attributable to:</b>		
Equity holders of the Group	(15,634)	54,565
Non-controlling interest	(95)	15
Basic and diluted earnings per share (in Russian Roubles)	<b>(0.08)</b>	<b>0.19</b>

General Director

Chief Accountant




V.G. Yakovlev

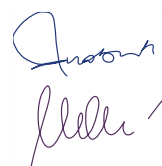
E.Y. Novenkova

## Consolidated Statement of Cash Flows

	Year ended 31 December 2014	Year ended 31 December 2013 (restated)
<b>Cash flow from operating activities</b>		
<b>(Loss)/profit before income tax including discontinuing operation</b>	<b>(3,688)</b>	<b>9,189</b>
Adjustments for:		
Depreciation of property, plant, and equipment	15,508	13,972
Financial income	(1,087)	(614)
Financial expenses	5,807	1,534
Impairment of trade and other resivables	2,038	2,506
Loss on disposal of property, plant, and equipment	304	198
Impairment of assets classified as held for sale	137	26
Gain from disposal of subsidiaries	(1,203)	-
Gain from disposal of assets classified as held for sale	(218)	(61)
Dividend income	(91)	-
Gains of investment property fair value	-	(9)
Impairment of property, plant, and equipment	7,019	902
Litigations provision charge	199	28
Other non-cash items	-	(1)
<b>Operating cash flows before changes in working capital and provisions</b>	<b>24,725</b>	<b>27,670</b>
Change in trade and other receivables	(10,186)	(9,016)
Change in inventories	(849)	103
Change in other current and non-current assets	(16)	156
Change in taxes payables, other than income tax	618	(257)
Change in trade and other payables	2,220	(4,140)
Change in employee benefit	(98)	(8)
Change in provisions	(62)	(45)
<b>Cash flows from operations before income tax and interest paid</b>	<b>16,352</b>	<b>14,463</b>
Income tax paid	(2,609)	(2,229)
Interest paid	(99)	-
<b>Cash flows from operating activities</b>	<b>13,644</b>	<b>12,234</b>

	Year ended 31 December 2014	Year ended 31 December 2013 (restated)
<b>Cash flows used in investing activities</b>		
Proceeds from sale of assets classified as held for sale	870	530
Proceeds from disposal of investments	1,002	4,899
Interest received	363	279
Dividend received	48	19
Acquisition of property, plant, and equipment	(17,660)	(27,780)
Acquisition of subsidiary, net cash acquired	(497)	(1,631)
Proceeds from disposal of subsidiaries, net of disposed cash	1,024	-
Interest paid and capitalised	(3,071)	(962)
Grid connection	(4,500)	(1,894)
Debt fee	-	(199)
<b>Cash flows used in investing activities</b>	<b>(22,421)</b>	<b>(26,739)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	36,575	10,316
Return of commission	367	-
Repayment of borrowings	(19,605)	(4,635)
Dividends paid	(1,599)	(1,168)
<b>Cash flows from/(used in) financing activities</b>		
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>6,961</b>	<b>(9,992)</b>
Cash and cash equivalents at the beginning of the year	2,871	12,632
Exchange (loss)/gain on cash and cash equivalents	(155)	231
<b>Cash and cash equivalents at the end of the year</b>	<b>9,677</b>	<b>2,871</b>

General Director  
Chief Accountant




V.G. Yakovlev  
E.Y. Novenkova

## Attributable to equity holders of the Group

	Share capital	Treasury stock	Share premium	Reserves	Accumulated loss	Total	Non-controlling interest	Total Equity
<b>Balance at 31 December 2012 (restated)</b>	<b>166,124</b>	<b>(871)</b>	<b>49,213</b>	<b>83,781</b>	<b>(93,142)</b>	<b>205,105</b>	<b>531</b>	<b>205,636</b>
Effect of changes in accounting policies	-	-	-	(94)	(3)	(97)		(97)
<b>Balance at 1 January 2013 (restated)</b>	<b>166,124</b>	<b>(871)</b>	<b>49,213</b>	<b>83,687</b>	<b>(93,145)</b>	<b>205,008</b>	<b>531</b>	<b>205,539</b>
Profit for the year	-	-	-	-	7,473	7,473	11	7,484
<b>Other comprehensive income for the year:</b>								
Remeasurement of post employee benefit obligation	-	-	-	35	-	35	-	35
Reversal of impairment of property, plant, and equipment	-	-	-	290	-	290	-	290
Revaluation of property, plant, and equipment	-	-	-	46,767	-	46,767	4	46,771
<b>Total comprehensive income for the year (restated)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,092</b>	<b>7,473</b>	<b>54,565</b>	<b>15</b>	<b>54,580</b>
Non-controlling interest arising from business combination	-	-	-	-	-	-	191	191
Dividends	-	-	-	-	(1,188)	(1,188)	-	(1,188)
<b>Balance at 31 December 2013 (restated)</b>	<b>166,124</b>	<b>(871)</b>	<b>49,213</b>	<b>130,779</b>	<b>(86,860)</b>	<b>258,385</b>	<b>737</b>	<b>259,122</b>
<b>Balance at 1 January 2014</b>	<b>166,124</b>	<b>(871)</b>	<b>49,213</b>	<b>130,779</b>	<b>(86,860)</b>	<b>258,385</b>	<b>737</b>	<b>259,122</b>
Loss for the year	-	-	-	-	(2,972)	(2,972)	(95)	<b>(3,067)</b>
<b>Other comprehensive income/(loss) for the year:</b>								
Remeasurement of post employee benefit obligation	-	-	-	56	-	56	-	56
Impairment of property, plant, and equipment	-	-	-	(9,631)	-	(9,631)	-	(9,631)
Effect of acquisitions under common control	-	-	-	-	(3,087)	(3,087)	-	(3,087)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,575)</b>	<b>(6,059)</b>	<b>(15,634)</b>	<b>(95)</b>	<b>(15,729)</b>
Disposal of non-controlling interest	-	-	-	-	-	-	(94)	(94)
Dividends	-	-	-	-	(1,584)	(1,584)	(20)	(1,604)
<b>Balance at 31 December 2014</b>	<b>166,124</b>	<b>(871)</b>	<b>49,213</b>	<b>121,204</b>	<b>(94,503)</b>	<b>241,167</b>	<b>528</b>	<b>241,695</b>

General Director  
Chief Accountant



V.G. Yakovlev  
E.Y. Novenkova



## 9.6 GLOSSARY

**ADR** – American depository receipt

**NPP** – Nuclear power plant

**SPHPP** – Pumped-storage hydro power plant

**GDR** – Global depository receipt

**SDPP** – State-owned district power plant

**GTU** – Gas turbine unit

**SPP** – State power plant

**VMI** – Voluntary medical insurance

**FPTZ** – Free power transfer zone

**CF** – Capacity factor

**EC** – Efficiency coefficient

**KPI** – Key performance indicator

**DHP** – District heating plant

**MIPC** – Moscow Integrated Power Company

**IFRS** – International financial reporting standards

**PPP** – Private pension provision

**PPF** – Private pension fund

**AI** – Accident insurance

**WGC** – Power generating company of the wholesale market

**WECM** – Wholesale energy and capacity market

**SGU** – Steam-and-gas unit

**ST** – Steam Turbine

**RAS** – Russian accounting standards

**DAM** – Day ahead market–sector of the electricity market which sells the bulk of electric energy at free prices

**DHP** – District heating plant

**REC** – Regional Energy Commission

**BoD** – Board of Directors

**SOUES** – System operator of the unified energy system

**t/e** – Thermal energy

**EA, IS & EP** – Department of engineering audit, industrial safety and environmental protection

**TPP** – Thermal power plant

**FTS** – Federal Tariff Service

**FFMS** – Federal Financial Markets Service

**e/e** – Electric energy

**PR** – Public relations

### Units of measurement:

**Gcal** (Giga calorie) – unit of measurement of heat

**Gcal/h** (Giga calories per hour) – unit of measurement of thermal power

**kV** (kiloVolt) – unit of measurement of voltage

**kWh** (kiloWatt hour) – unit of measurement of electric energy

**MW** (MegaWatt) – unit of measurement of electric power

**tfe** – tons of fuel equivalent



## 9.7 CONTACT INFORMATION

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SHARE  
OF ELECTRICITY  
OUTPUT FROM  
NEW POWER  
GENERATING  
FACILITIES

**20.7**  
%



DECREASE  
OF EMISSIONS  
IN 2014

**-15**  
%



ELECTRICITY  
OUTPUT

**56,667**  
MILLION KWH



REVENUE FROM  
SALES OF  
ELECTRICITY AND  
CAPACITIES

**92,166**  
MILLION RUB



**70,321**  
MILLION GCAL

HEAT OUTPUT