

MOSENERGO

2010 IFRS Results

March, 2011



Disclaimer

The information contained herein has been prepared using information available to Mosenergo at the time of preparation of the presentation. External or other factors may have impacted on the business of Mosenergo and the content of this presentation, since its preparation. In addition all relevant information about Mosenergo may not be included in this presentation. No representation or warranty, expressed or implied, is made as to the accuracy, completeness or reliability of the information.

Any forward looking information herein has been prepared on the basis of a number of assumptions which may prove to be incorrect. Forward looking statements, by the nature, involve risk and uncertainty. Mosenergo cautions that actual results may differ materially from those expressed or implied in such statements. Reference should be made to the most recent Annual Report for a description of the major risk factors.

This presentation does not constitute or form part of any advertisement of securities, any offer or invitation to sell or issue or any solicitation of any offer to purchase or subscribe for, any shares in Mosenergo, nor shall it or any part of it nor the fact of its presentation or distribution form the basis of, or be relied on in connection with, any contract or investment decision.

Operational Highlights¹

	2009	2010	Change
Electricity Output, mn kWh	61,747	64,969	+5%
Electricity Sales, mn kWh	63,387	66,261	+5%
Heat Output, thous Gcal	65,406	69,865	+7%
Heat Rate, grf/kWh	245	252	+3%

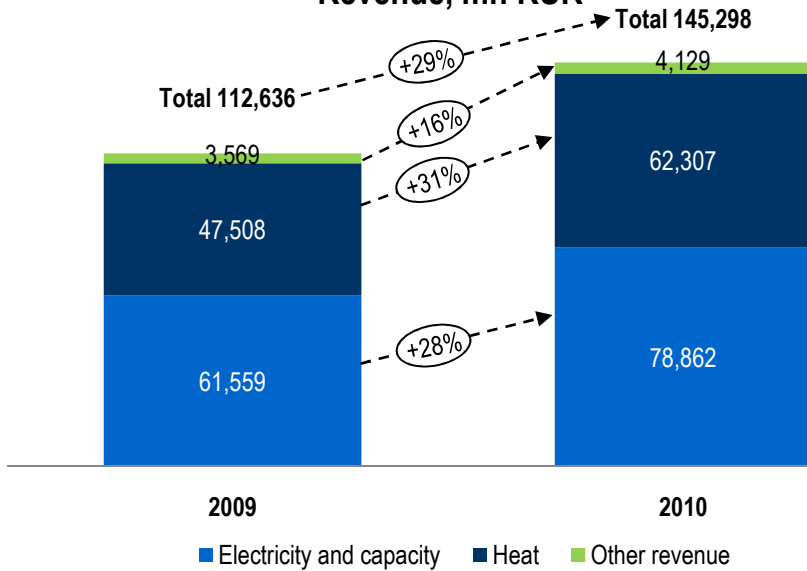
Financial Highlights, mn RUR

	2009	2010	Change
Revenue	112,636	145,298	+29%
Variable Costs	(76,856)	(104,121)	+35%
Fixed Costs ²	(20,770)	(22,680)	+9%
EBITDA	15,857	20,071	+27%
Depreciation of PP&E	(11,705)	(12,214)	+4%
Operating Profit for the Year	1,899	7,878	+315%
Profit for the Year	1,658	8,668	+423%

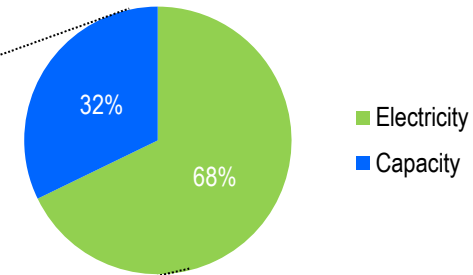
¹ Mosenargo Management Report Data

² Excluding depreciation of PP&E

Revenue, mn RUR



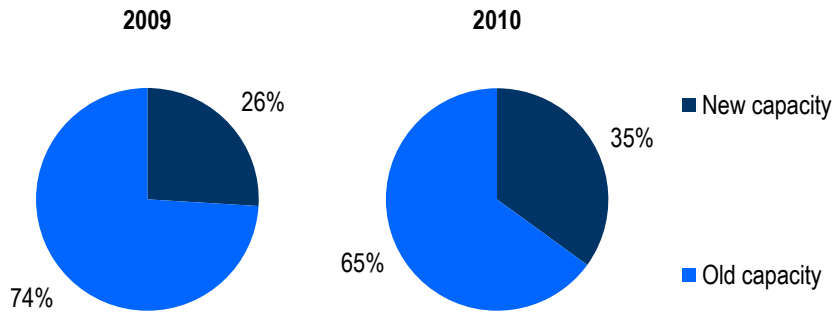
Electricity and Capacity Revenue Structure ¹



Prices and Tariffs¹

	2009	2010	Change
Average Electricity Price, RUR/MWh	602	807	+34%
Average Heat Tariff, RUR/Gcal	727	893	+23%
Average price for new capacity, th.RUR/MW in month	380	525	+38%
Average annual temperature, °C	6.8	6.6	-0.2
Average heating season temperature, °C	-0.3	-2.3	-2.0

Capacity Sales ¹, % (RUR)

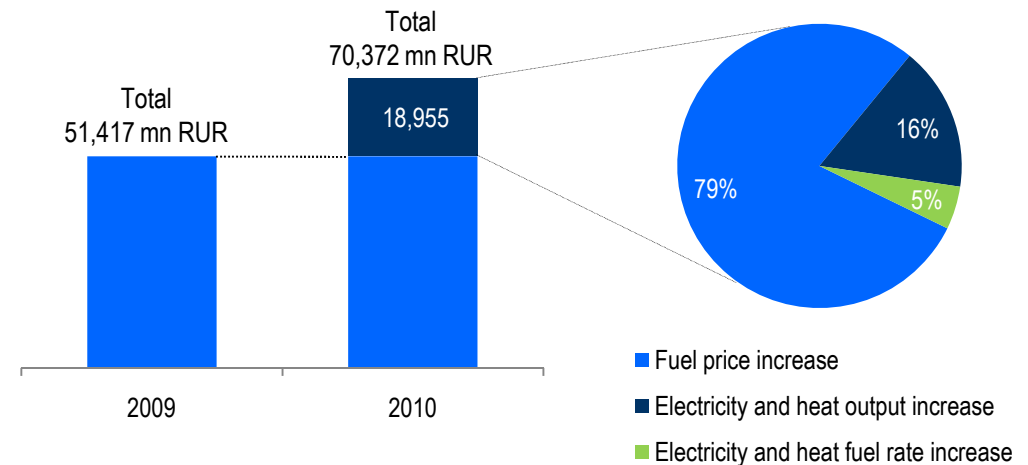


¹ Mosenergo Management Report Data

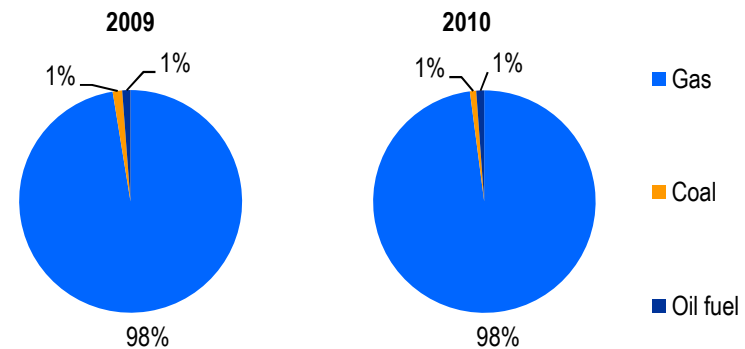
Variable Cost Structure, mn RUR

Variable Costs	2009	2010	Change
<u>Cost of materials, incl.:</u>	58,596	79,652	+36%
<i>Fuel expenses</i>	51,417	70,372	+37%
<i>Purchased heat and electricity</i>	5,179	7,112	+37%
<i>Water usage</i>	1,261	969	-23%
<i>Other materials</i>	739	1,199	+62%
<u>Heat transmission</u>	18,260	24,469	+34%
Total VC	76,856	104,121	+35%

Fuel Expenses Increase Factors ¹



Fuel Mix¹, %



¹ Mosenergo Management Report Data

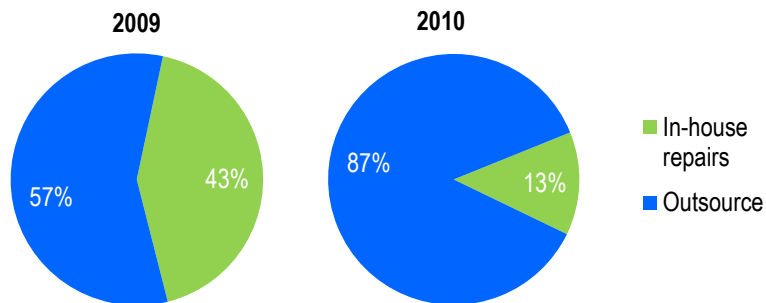
Fixed Cost Structure, mn RUR

Fixed Costs	2009	2010	Change
<u>Personnel expenses, incl.:</u>	9,169	9,419	3%
<i>Wages and salaries</i>	7,085	7,031	-1%
<i>Termination benefits</i>	253	618	144%
<i>Personnel expenses from restructured operations</i>	80	253	216%
<i>Other</i>	1,751	1,517	-13%
<u>Maintenance & repairs</u>	3,009	4,281	42%
<u>Taxes other than income tax</u>	2,563	2,571	0%
<u>Other external suppliers</u>	2,478	2,524	2%
<u>Other operating expenses</u>	3,551	3,885	9%
Total FC	20,770	22,680	9%

Fixed Costs Increase Factors

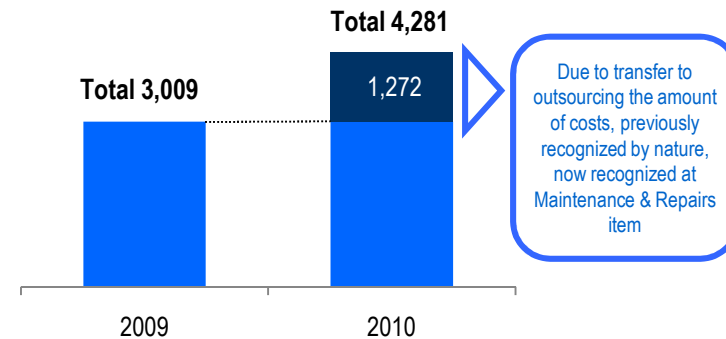
- Overall, fixed costs increased in line with CPI growth, which equaled to 8.8% in 2010.
- The increase of fixed costs was mainly due to one-off operations (termination benefits and accounting items due to transfer to outsource repairs).
 - Due to accounting principles in-house repair and maintenance costs was recognize by nature. After transferring to outsourcing and spin-off of CRMZ (Central repair and mechanical factory, that was a consolidated subsidiary), that costs was recognized at Maintenance & Repairs item of P&L.
 - Personal expenses not including termination benefits and personnel expenses from restructured operations decreased by 3.3%
- Fixed costs expenses adjusted to one-off operations were under effective management control.
- Number of employees per 1 MW decreased from 1.06 to 0.88.

Repairs Structure ¹

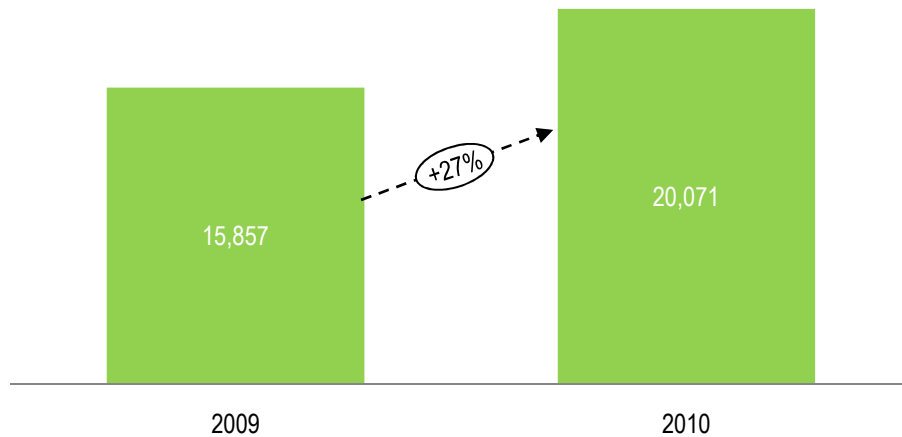


¹ Mosenergo Management Report Data

Maintenance and Repairs Expenses ¹, mn RUR



EBITDA, mn RUR

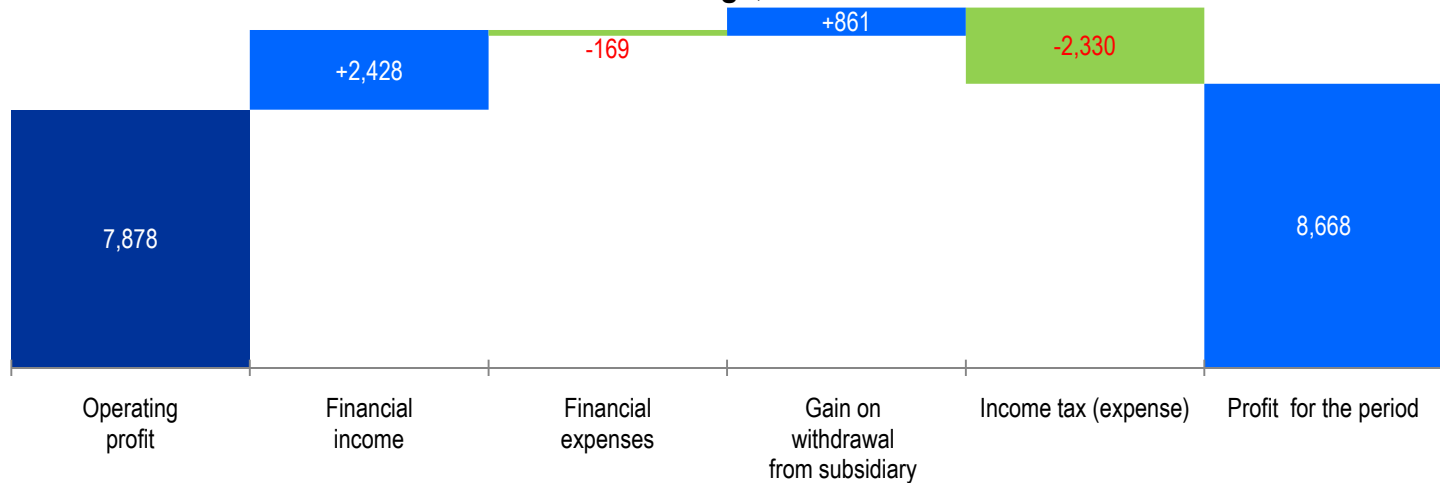


Operating Profit Composition, mn RUR

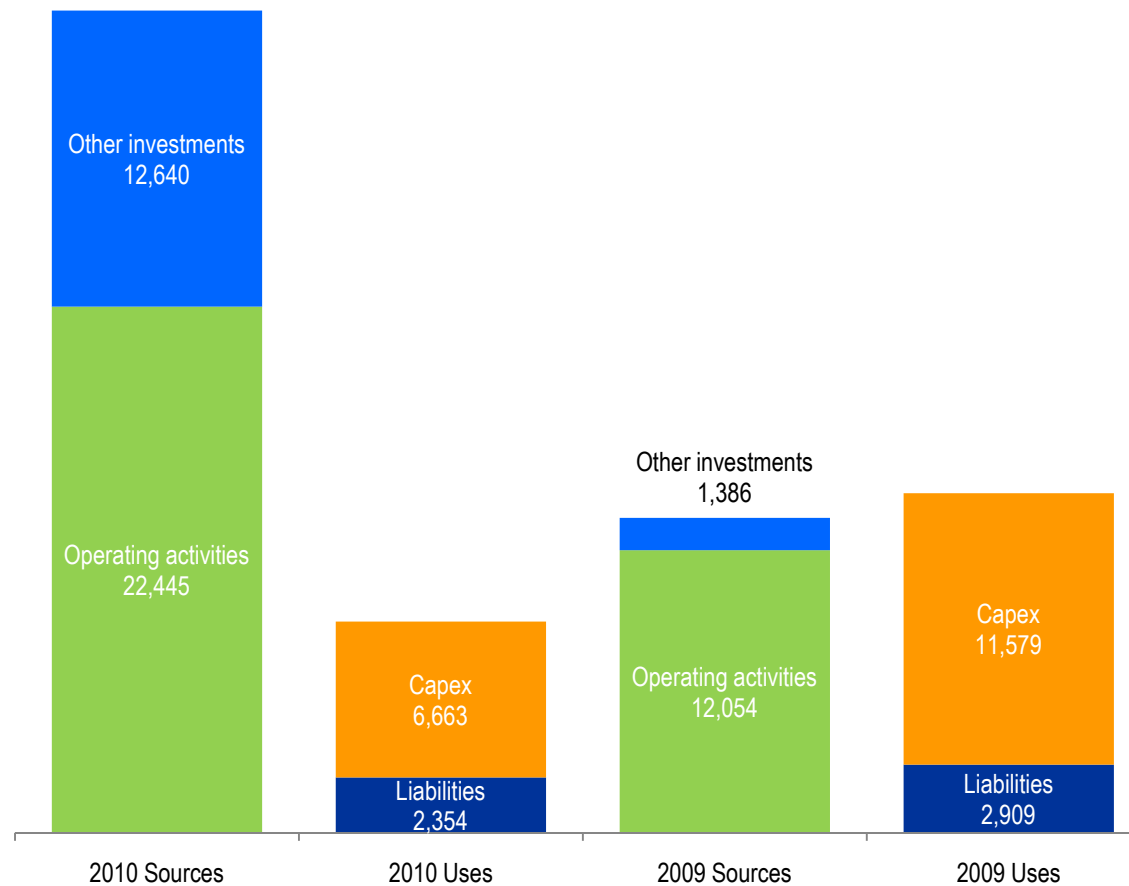
	2009	2010	Change
Revenue	112,636	145,298	29%
Other operating income	847	1,574	86%
Other operating expenses	(3,551)	(3,885)	9%
Variable costs	(76,856)	(104,121)	35%
Fixed costs ¹	(17,219)	(18,795)	9%
Depreciation of PP&E	(11,705)	(12,214)	4%
Loss/(gain) from change in fair value of investment property	(1,623)	21	-101%
Impairment loss on PPE	(630)	-	
Operating profit for the Year	1,899	7,878	315%

¹ Excluding depreciation of PP&E and other operating expenses

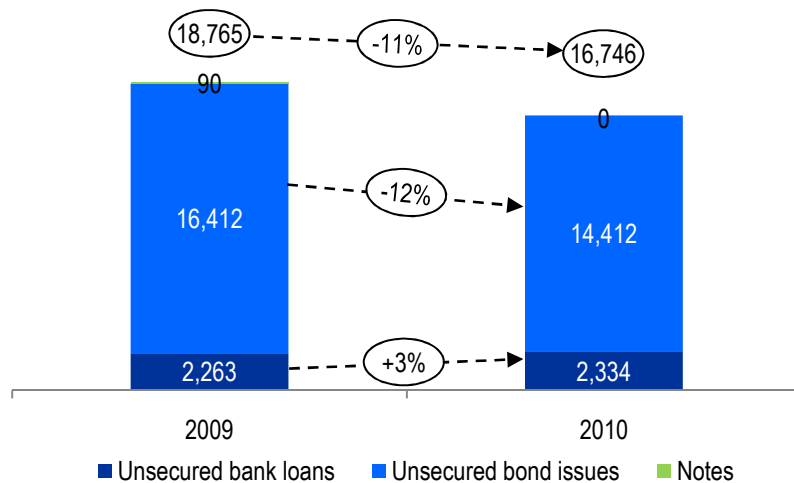
Net Profit Bridge, mn RUR



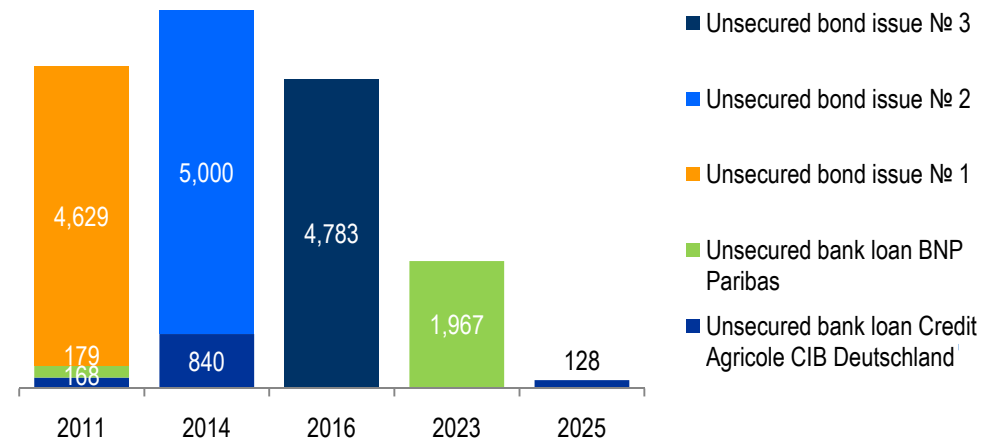
Sources and Uses of Cash, mn RUR



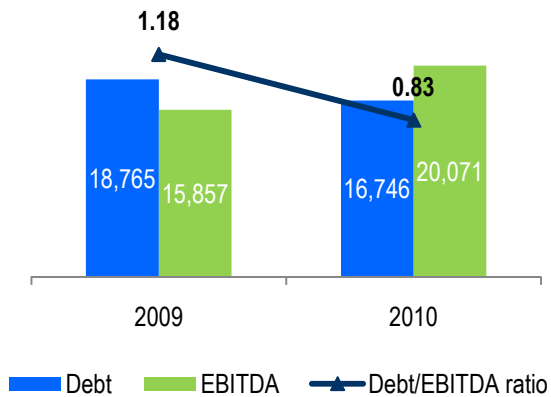
Borrowings Structure, mn RUR



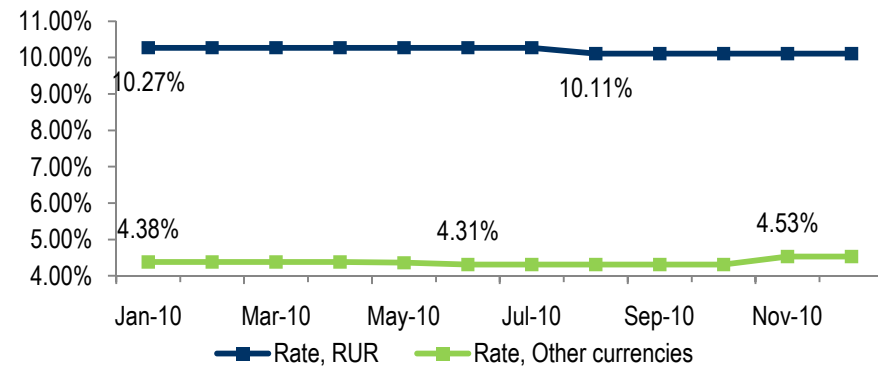
Maturity Profile as of 31 December 2010, mn RUR (at face values)



Debt to EBITDA ratio



Weighted Average Costs of Debt



Thank You for Your Attention!

IR contacts:

Ekaterina Pavlova

Tel. (495) 428-47-83 (ext. 46-07)

PavlovaEA@mosenergo.ru

E.pavlova@gazenergocom.ru

Denis Voronchikhin

Tel. (495) 957-1-957 (ext. 34-57)

VoronchikhinDS@mosenergo.ru