



Financial performance of the MOESK Group under IFRS for the first half of 2011

November 9th, 2011

Moscow

bld. 2, 2nd Paveletsky passage 3

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Company overview



JSC “Moscow United Electric Grid Company”, JSC “MOESK”

Business characteristics

- ✓ the largest Russian Interregional Distribution Grid Company
- ✓ renders services for electricity transmission and technological connection

Assets characteristics

- ✓ total length of overhead lines*, 60 057 km.
- ✓ total length of cable lines, 68 257 km.
- ✓ total amount of substations:
 - high-voltage substations – 607 pcs.;
 - transformer substations of distribution grids – 28 689 pcs.
- ✓ Installed transformer capacity:
 - high-voltage substations– 444 120 MVA;
 - transformer substations of distribution grids – 20 542 MVA.

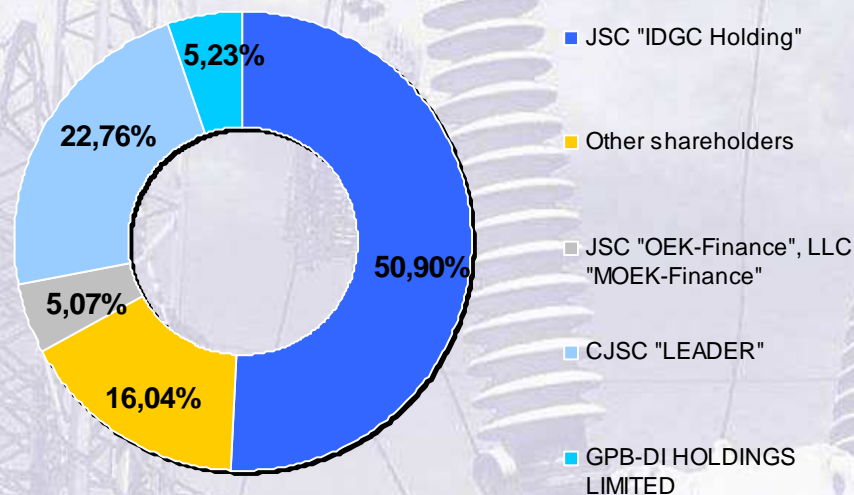
Capital characteristics

- ✓ total number of issued shares, 48 707 091 574 pcs.
- ✓ capitalization as for June 30th, 2011 (MICEX), 77 137 mln RUB

Group characteristics

- ✓ 50 % OJSC “Energocenter”
- ✓ 100% OJSC “Moskabel’energoremont”
- ✓ 100% OJSC “Moskabel’set’montazh”
- ✓ 100 % OJSC “Plant on repair of electrical machinery”

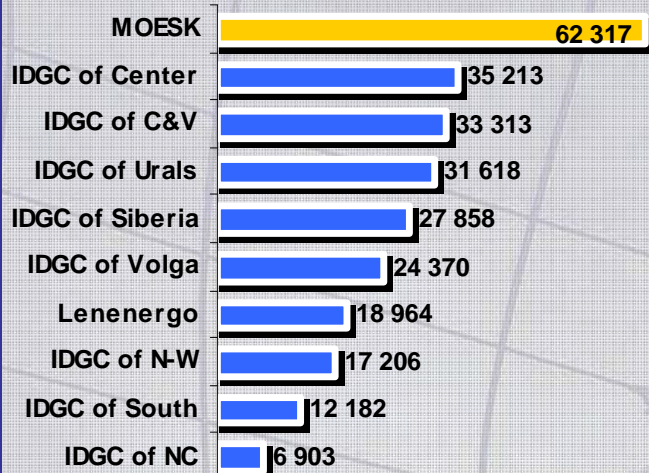
Shareholders capital structure as per August 8th, 2011 – the record date before the extraordinary general shareholders meeting



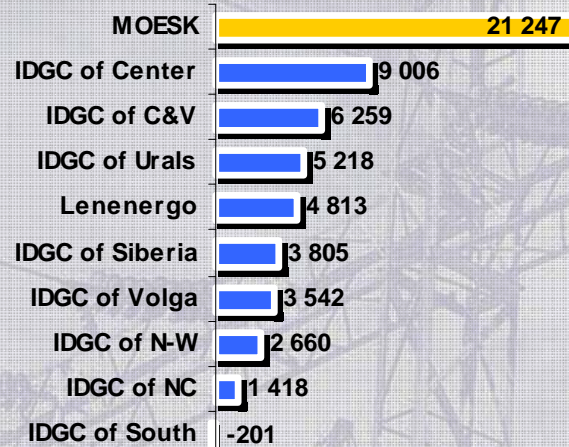
Position among IDGCs



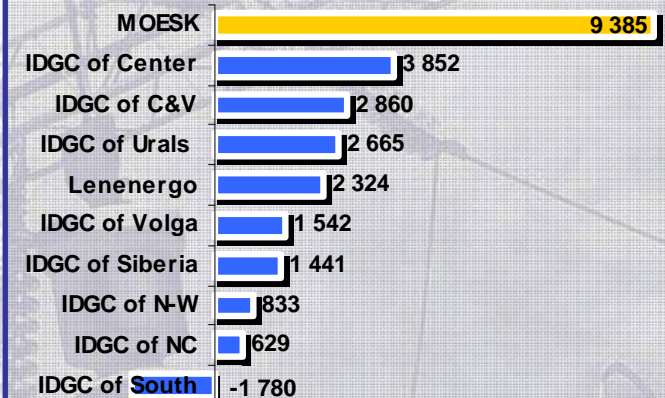
Revenue*, mln RUB



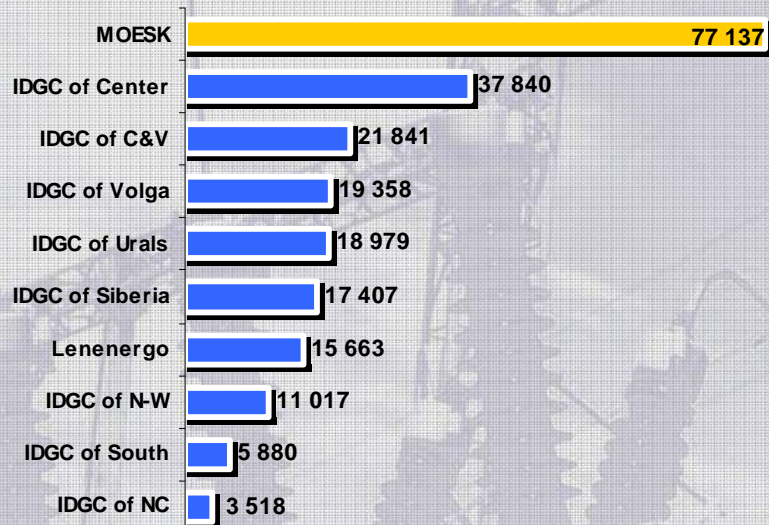
EBITDA*, mln RUB



Net profit*, mln RUB

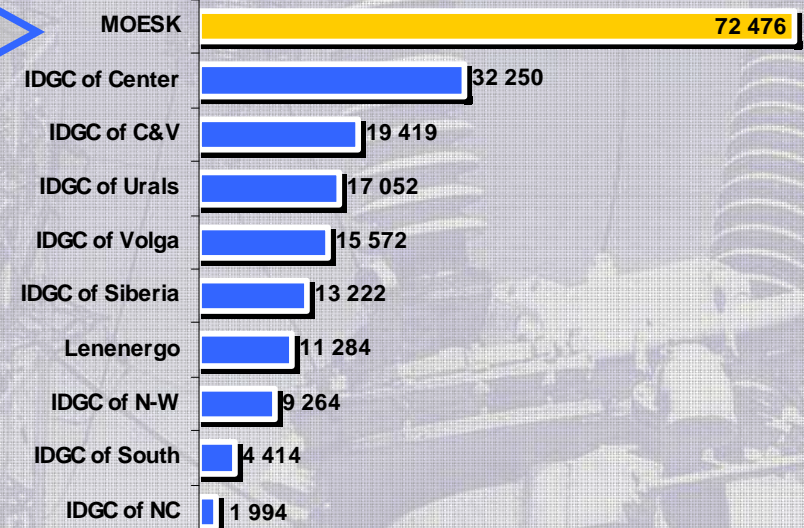


Market capitalization** as per June 30th, 2011, mln RUB



Decrease by 6,4%

Market capitalization** as per November 1st, 2011, mln RUB



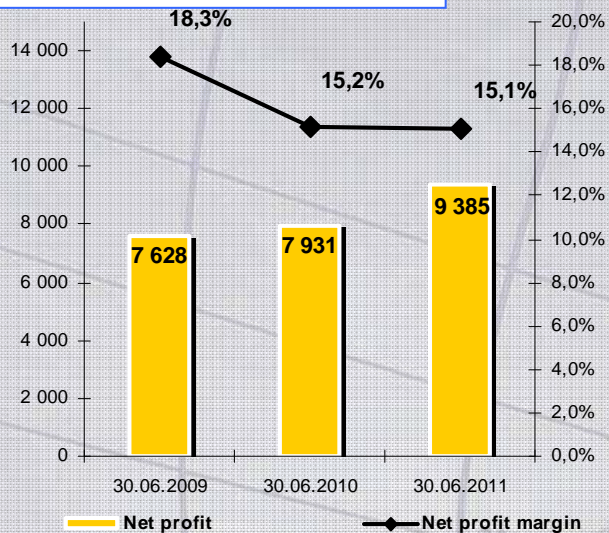
* According to results of the JSC "IDGC Holding" under IFRS for the first half 2011

** According to www.micex.ru

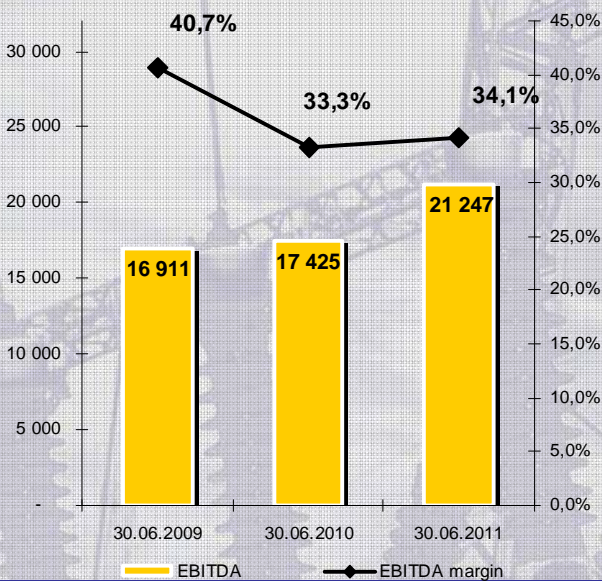


Key financial figures

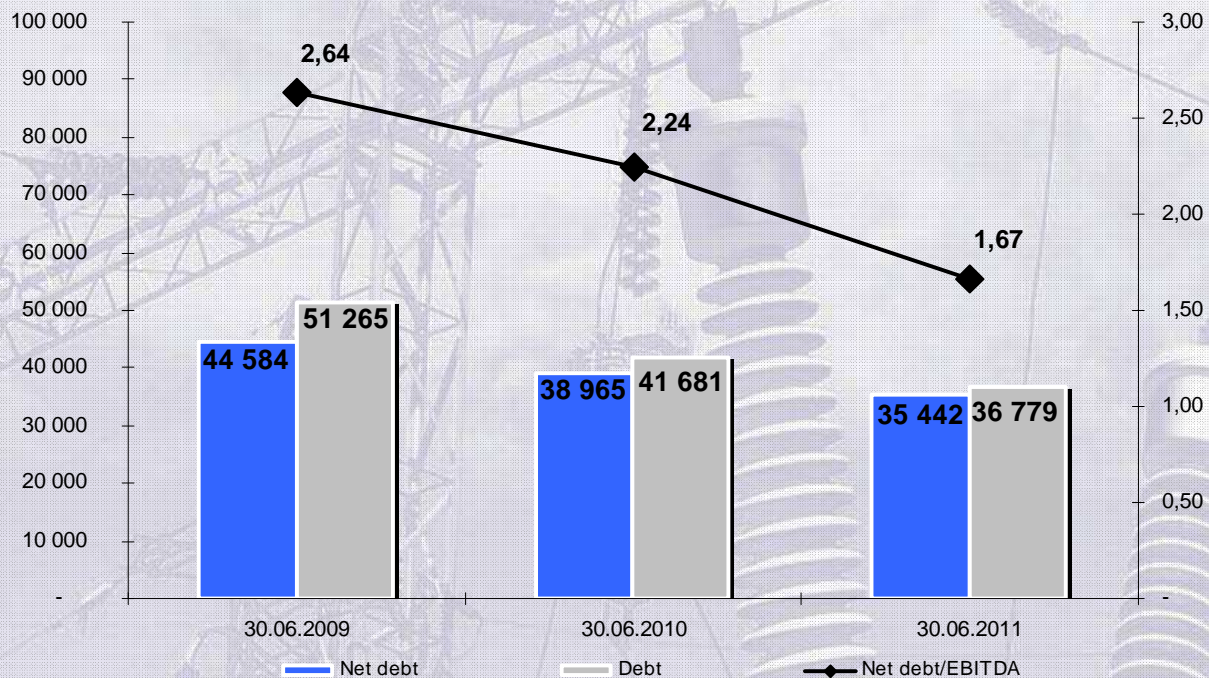
Net profit margin



EBITDA margin



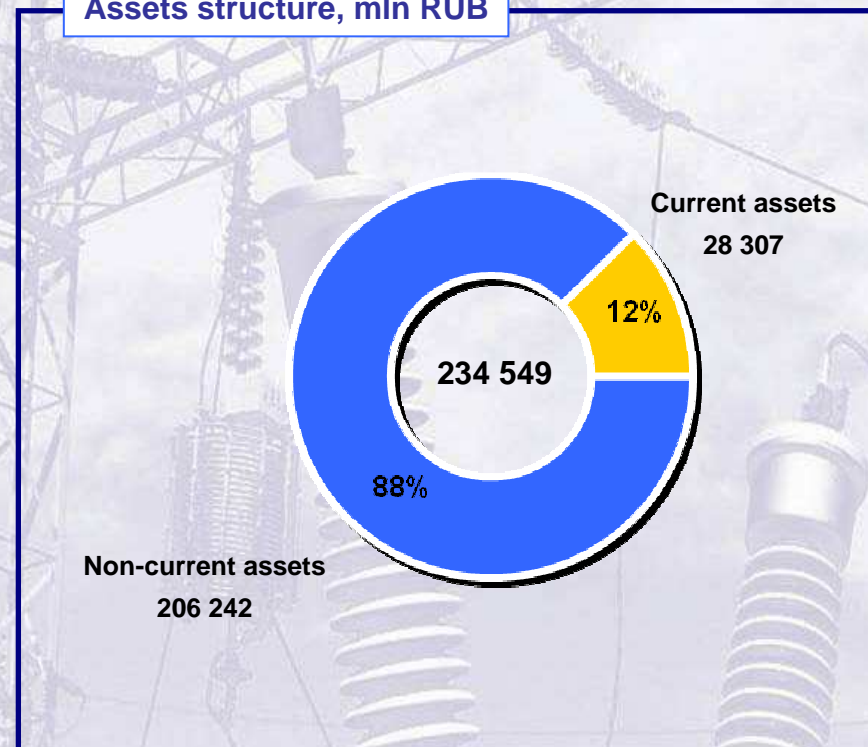
Net debt*/EBITDA



* Net debt = commitments on loans and borrowings - cash

Non-current assets	June 30 th , 2011	December 31 st , 2010	+/- %
Property, plant and equipment	190 705	190 226	+0,3
Other non-current assets	15 537	14 391	+8,0
Total non-current assets	206 242	204 617	+0,8
Current assets	June 30 th , 2011	December 31 st , 2010	+/- %
Inventories	2 145	1 675	+28,1
Trade receivables and other current assets	24 825	24 606	+0,9
Cash and cash equivalents	1 337	2 931	-54,4
Total current assets	28 307	29 212	-3,1
Total assets	234 549	233 829	+0,3

Assets structure, mln RUB



Liabilities



Capital	June 30 th , 2011	December 31 st , 2010	+/- %
Share capital	24 354	24 354	-
Additional paid in capital	18 581	18 581	-
Retained earnings	70 924	62 747	+13,0
Non-controlling interest	397	390	+1,9
Total equity	114 256	106 071	+7,7

Non-current liabilities

Loans and borrowings	27 480	29 472	-6,8
Deferred tax liabilities	7 154	6 943	+3,0
Trade and other payables	14 218	12 542	+13,4
Total non-current liabilities	48 851	48 958	-0,2

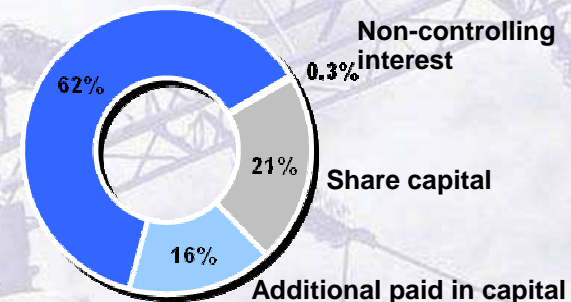
Current liabilities

Loans and borrowings	9 300	10 631	-12,5
Trade and other payables	62 142	68 169	-8,8
Total current liabilities	71 442	78 800	-9,3

Total equity and liabilities	234 549	233 829	+0,3
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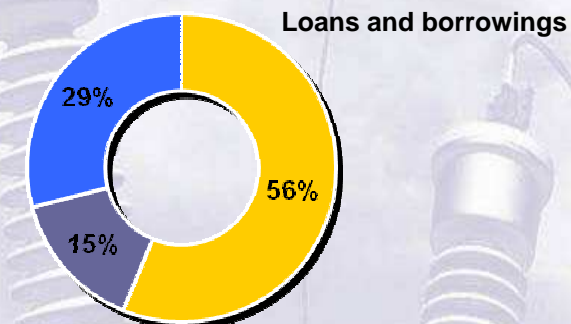
Capital

Retained earnings



Non-current liabilities

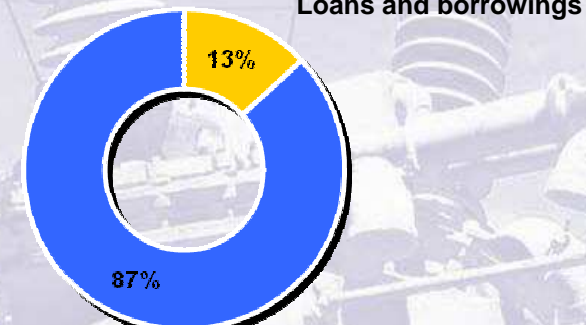
Trade and other payables



Deferred tax liabilities

Current liabilities

Loans and borrowings

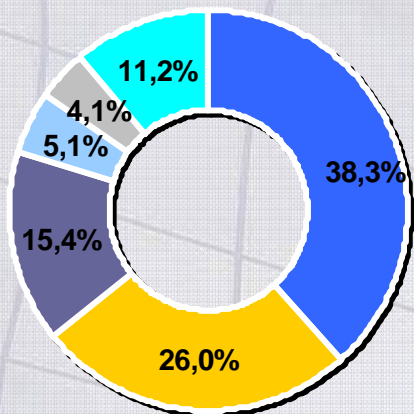


Trade and other payables

Loan portfolio



Financing support as per June 30th, 2011

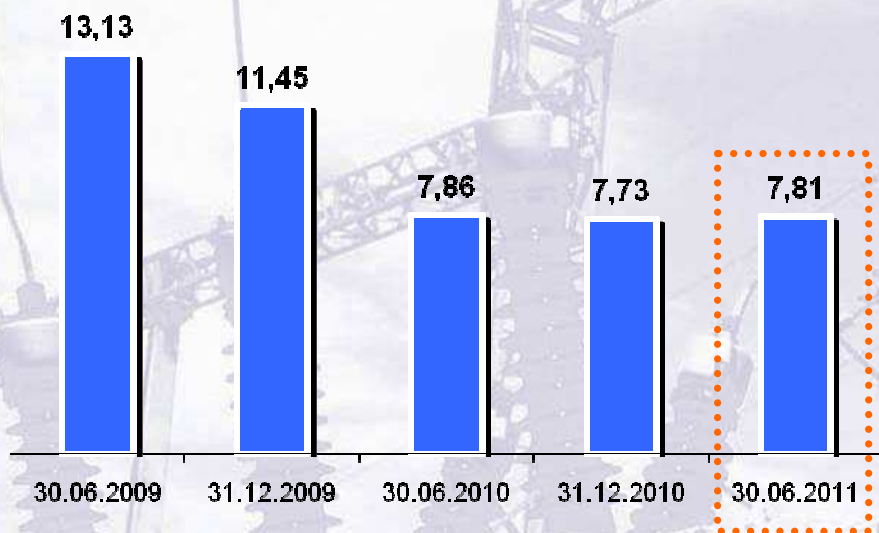


Creditor	Rate	Maturity	Amount in mln RUB under balance valuation as per June 30 th , 2011
Alfa Bank	7,76%-7,87%	2015-2017	14 074
Sberbank	7,75%-7,83%	2011-2013	9 563
Bonds	8,05%-9,30%	2011	5 651
Bank of Moscow (promissory notes)	9,00%	2011-2013	1 890
Gazprombank	7,75%	2016	1 500
Finance lease	-	-	4 102

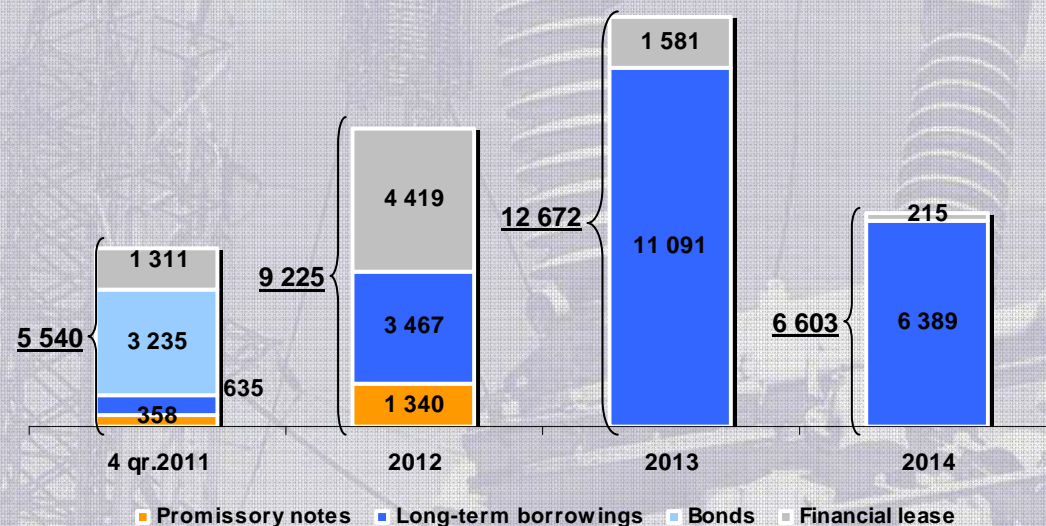
Net debt*/EBITDA	
June 30 th , 2011	June 30 th , 2010
1,67	2,24

Credit opinion	June 28 th , 2011 (review date)
Moody's	Ba2 Stable outlook

Dynamics of average interest rate*



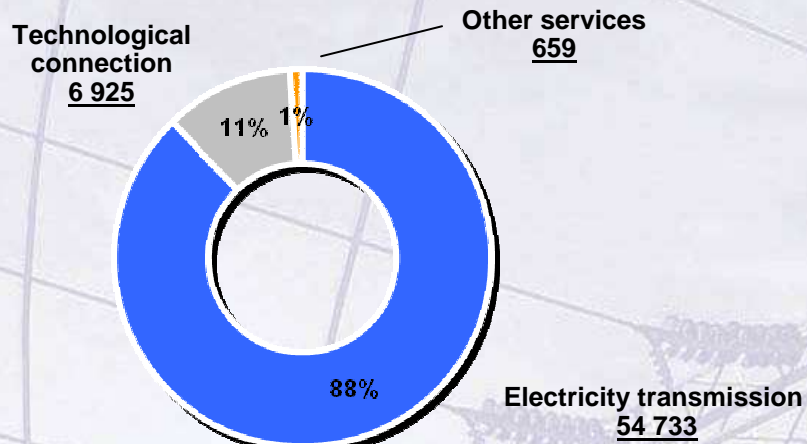
Debt maturity schedule, mln RUB



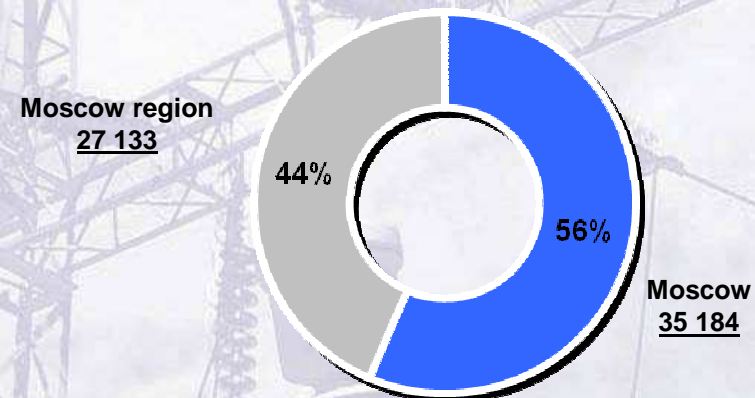
* Excluding promissory notes and bonds

** Net debt = commitments on loans and borrowings - cash

Revenue structure divided by types of services, mln RUB



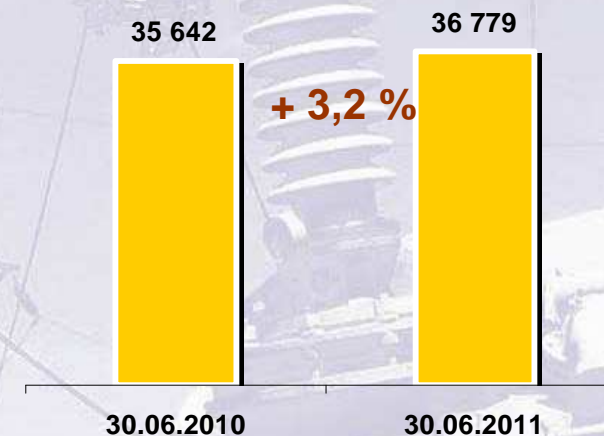
Revenue structure divided by region, mln RUB



Average flat-rate ("boiler") tariff, RUB./kWh

	June 30 th , 2011	June 30 th , 2010
Moscow	1,62	1,32
Moscow region	1,42	1,24
JSC "MOESK"	1,52	1,29

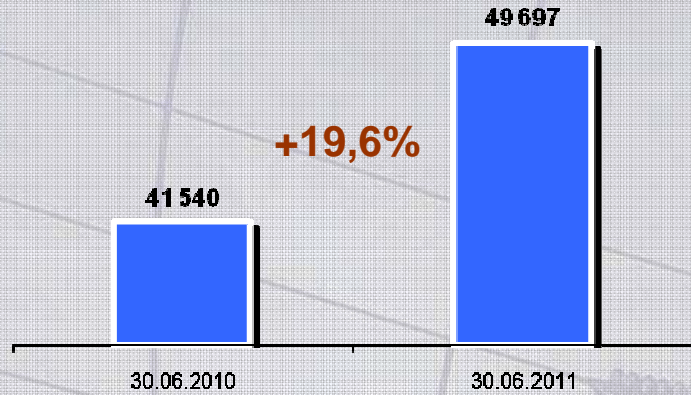
Productive supply ("boiler"), mln kWh



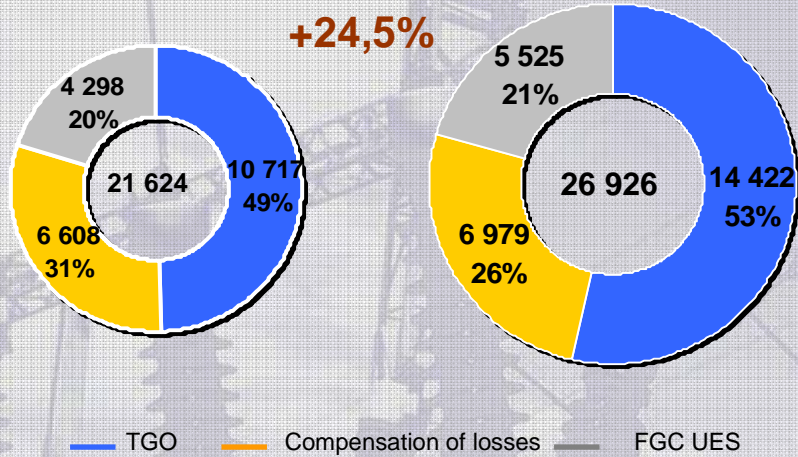
OPEX



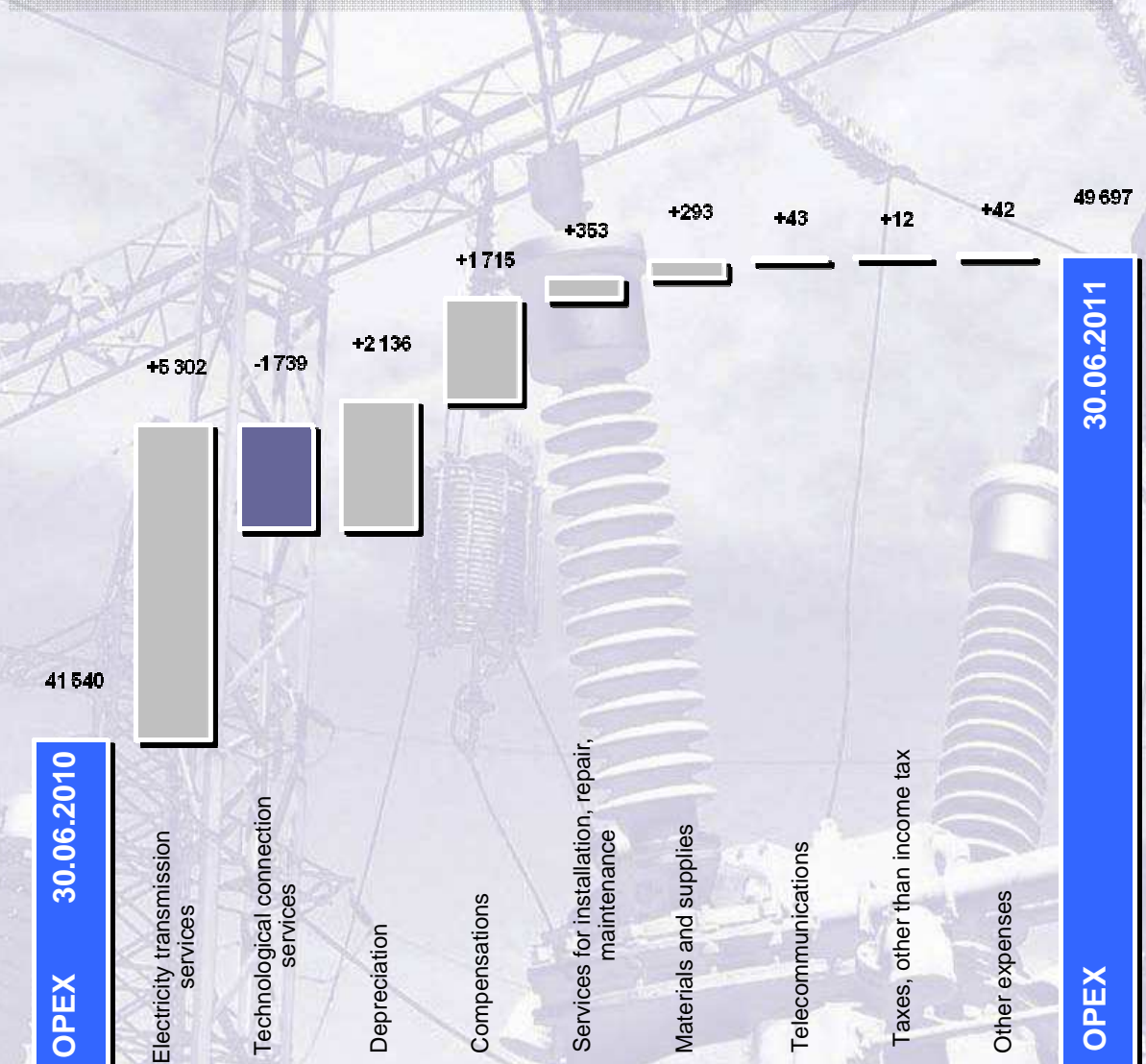
OPEX, mln RUB



Electricity transmission expenses, mln RUB



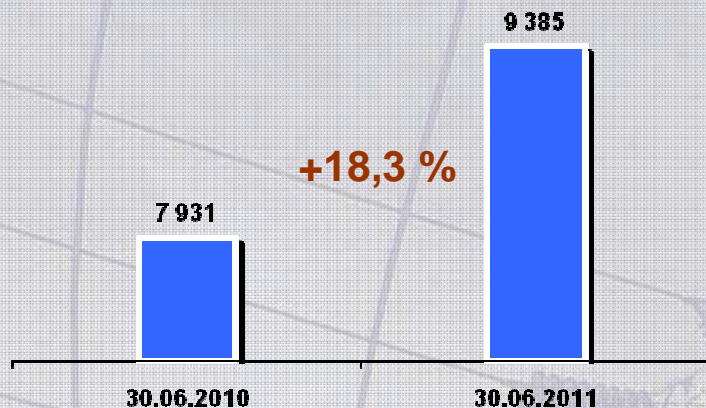
OPEX structure, mln RUB



Profit

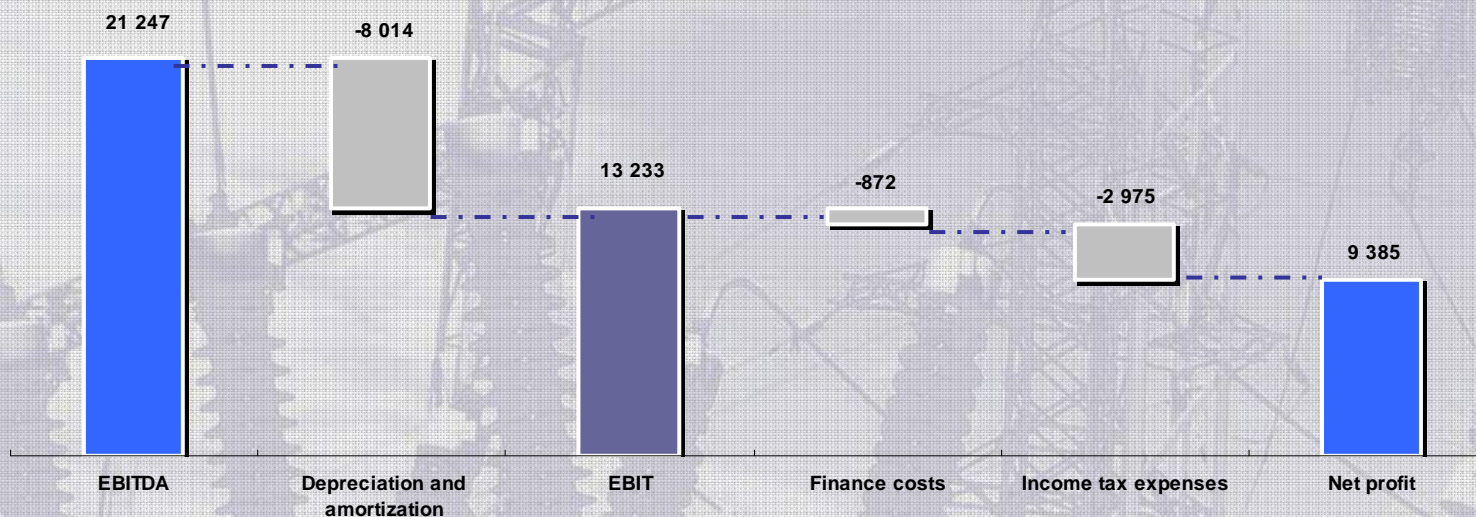


Net profit, mln RUB



	June 30 th , 2011	June 30 th , 2010	+/- %
Revenue	62 317	52 332	+19,1
EBITDA	21 247	17 425	+21,9
EBITDA margin, %	34,1	33,3	+2,4 пп.
Depreciation and amortization	8 014	5 878	+36,3
EBIT	13 233	11 547	+14,6
EBIT margin, %	21,2	22,1	-4,1 пп.
Finance costs	872	1 596	-45,4
Income tax expenses	2 975	2 020	+47,3
Net profit	9 385	7 931	+18,3
Net profit margin	15,1	15,2	-0,7 пп.

EBITDA structure, mln RUB



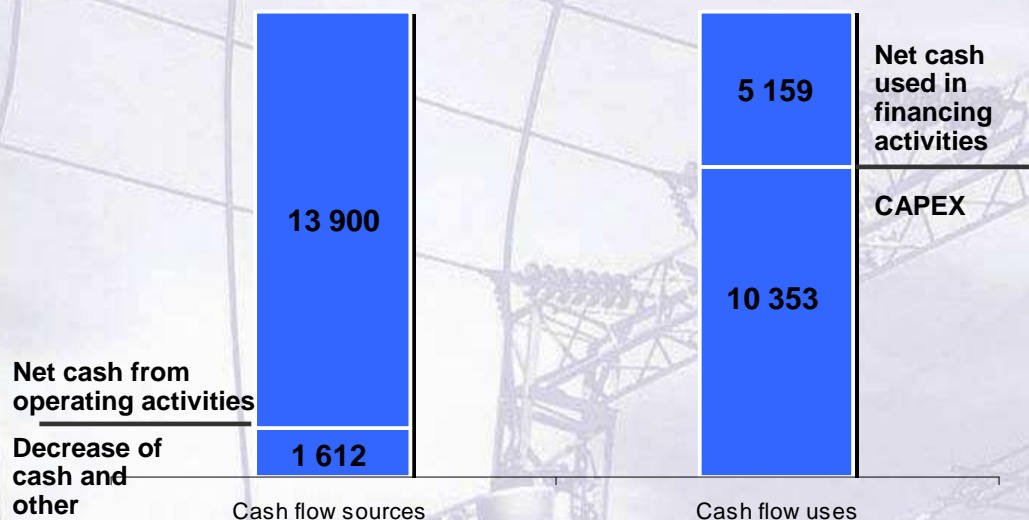
Earnings per ordinary share, RUB

June 30 th , 2011	June 30 th , 2010
0,1925	0,1633

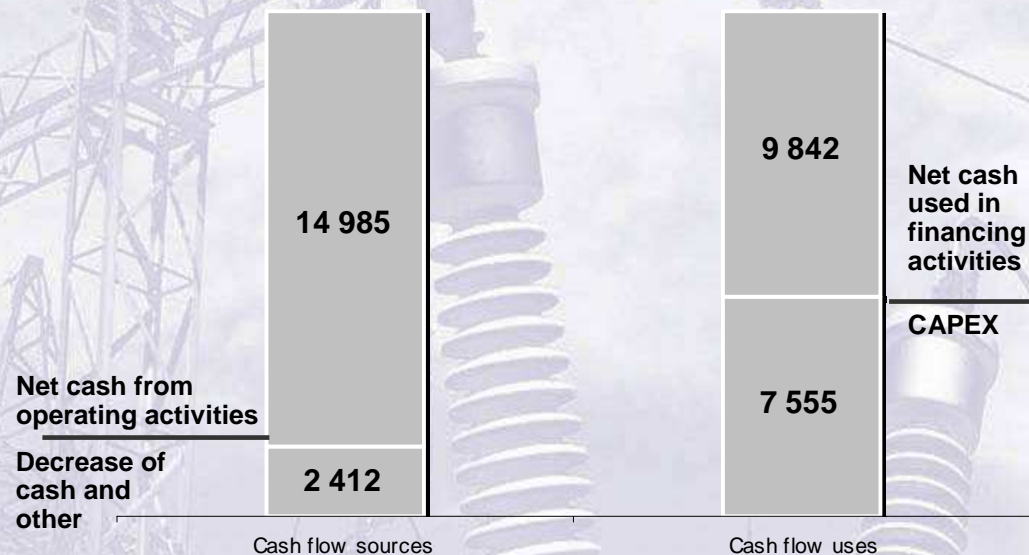
Sources and cash flow uses



June 30th, 2011, mIn RUB



June 30th, 2010, mIn RUB





Thank you for your attention!

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The background of the slide is a faded, light-colored photograph of a high-voltage electrical substation. It shows several tall metal lattice towers supporting multiple high-voltage power lines. Large ceramic insulators are visible on the towers. The overall scene is industrial and technical.

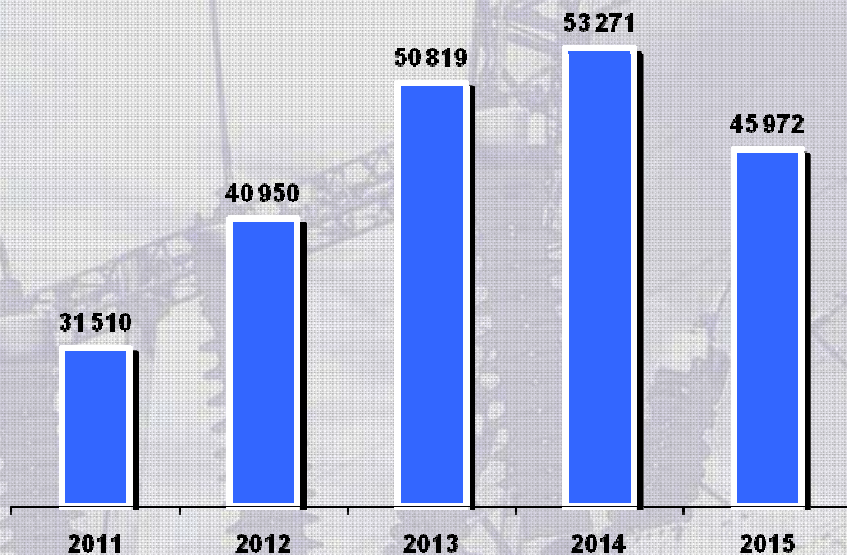
Appendix



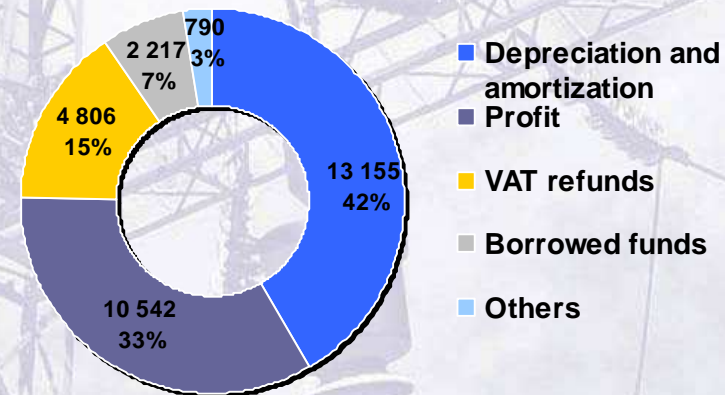
Main uses of CAPEX (development mln RUB, excl. VAT)

Replacement of main power equipment	10 138
New construction (substations overhead and cable lines)	9 616
ASMD systems, connection, IT	1 874
Purchase of distribution grid complexes	742
Development/Modernization of accounting systems	471
Others	2 867
Total	26 890

CAPEX 2011-2015 (financing, mln RUB incl. VATC)



Sources of finance 2011



Main investment projects of 2011

No.	Investment project	Power in put in fixed assets
1.	Substation 110/20 kV "MGU"	160 MVA
2.	Substation 110 kV "Fetishevo"	126 MAA
3.	Overhead lines 35 kV "Visokovo-Klin 1,2"	13 km
4.	Overhead lines 110 kV "Krutishi – Setovka", "Kashira – Aleeev"	11 km
5.	Overhead lines 110 "Noginsk-Borovoe 1,2"	11 km

Structure of other non-current and current assets (trade and other receivables)



	June 30 th 2011	December 31 st , 2010	+/- %
Other non-current assets			
Intangible assets	124	86	+45,0
Long-term investments	530	625	-15,2
Long-term advances for technological connection services	12 141	11 769	+3,2
Advanced payment VAT from buyers and customers	1 672	1 389	+20,4
Financial assets available for sale	492	523	-5,9
Other non-current assets	577	-	+100
Total non-current assets	15 537	14 391	+8,0
	June 30 th 2011	December 31 st , 2010	+/-,%
Trade and other receivables			
Income tax receivable	175	632	-72,3
Short-term investments	125	1	+10 430,7
Trade and other receivables	9 648	10 074	-4,2
Advances given	6 299	4 865	+29,5
Advanced payment VAT from buyers and customers	7 072	7 742	-8,7
VAT recoverable	2 441	2 122	+15,0
VAT receivable	5	2	+104,4
Provision for receivable's impairment	-939	-832	+12,8
Total trade and other receivables	24 825	24 606	+0,9

Structure of loans and borrowings



Non-current loans and borrowings	June 30th, 2011	December 31st, 2010	+/- %
Unsecured bank loans	25 130	25 425	-1,2
Finance lease liability	1 780	2 906	-38,7
Promissory notes	569	1 142	-50,1
Total	27 480	29 472	-6,8
Current loans and borrowings	June 30th, 2011	December 31st, 2010	+/- %
Unsecured bank loans	-	745	+100
Promissory notes	1 321	1 387	-4,8
Current portion of finance lease liability	2 322	2 837	-18,2
Current portion of bonds	5 651	5 652	-0,01
Current portion of unsecured bank loans	6	10	-43,5
Total	9 300	10 631	-12,5

Trade and other payable assets structure (long and short-term liabilities)



	June 30 th , 2011	December 31 st , 2010	+/- %
Long-term accounts payable			
Employee benefits	1 414	1 649	-14,2%
Advances received	11 528	9 594	+20,2%
Other payables	1 275	1 299	-1,9%
Total non-current debt	14 218	12 542	+13,4
	June 30 th , 2011	December 31 st , 2010	+/- %
Short-term accounts payable			
Other taxes payable	1 481	763	+94,0%
Provisions	911	641	+42,2%
Trade payables	8 296	12 274	-32,4%
Advances received	48 188	53 236	-9,5%
Other payables and accrued reserves for the costs of unused vacations	3 266	1 255	+160,3%
Total short-term debt	62 142	68 169	-8,8%