

ANNUAL REPORT  
for 2011

OPEN JOINT-STOCK COMPANY  
THE SECOND WHOLESALE POWER  
MARKET GENERATING COMPANY



Annual Report of JSC "OGK-2" for 2011  
Provisionally approved  
by the Board of Directors of JSC "OGK-2"  
on May 18, 2012 (Minutes No. 45)

General Director  
A.A. Mityushov

Chief Accountant  
B.Z. Dolgoarshinnykh

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## ADDRESS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS OF JSC "OGK-2" DENIS VLADIMIROVICH FEDOROV

Dear shareholders,

2011 confirmed the absolute leadership of Gazprom Group in the Russian electric power industry. We completed the construction of the latest combined cycle power units in

Moscow, St. Petersburg and Kirishi and new hydroelectric sets

at the Vuoksa hydroelectric power chain. Furthermore, the total volume of new production capacities implemented throughout the Group since 2007 reached the level of 4 GW.

The Gazprom Group considers the implementation of a large-scale investment program in the electric power industry to be a necessary requirement for the reliable provision of electricity and heat for consumers, which is the key priority in our work.

In resolving issues related to increasing the efficiency of energy production and the use of existing capacities at the level of the largest global electric power companies, Gazprom Group is implementing advanced technologies and innovative projects aimed at conserving energy resources and reducing effects on the environment.

Last year at the Kirishskaya GRES of JSC "OGK-2" construction was completed of the CCGT-800 energy unit. This project is unique and exemplary for Russia. It is the first time in the history of the domestic electric power industry that large-scale modernization has taken place of an existing energy unit with such a considerable increase in capacity and degree of efficiency (the degree of efficiency rose from 38% to 55% and the specific fuel equivalent consumption was reduced from 324 g/kWh to 221.5 g/kWh).

The CCGT-800 of the Kirishskaya GRES is the largest installation of heat generation equipment functioning as a single unit. It is also the most powerful combined cycle power unit in Russia.

Large scale operations to implement investment projects have also been initiated in other regions where JSC "OGK-2" is present. At the Serovskaya GRES the installation of CCGT-420 will enable the

coal section of the electric power station, which is more than 50 years old, to be taken out of operation. The CCGT-420 of the Cherepovets GRES will reduce the electricity deficit in the region and also increase the reliability of the overall function of the electric power station.

Unique coal power units are also being built at OGK-2 stations. The first circulating fluidized bed project in Russia is being implemented at the Novocherkasskaya GRES.

The project for the construction of a 660 MW energy unit at the Troitskaya GRES is one of the largest energy units in Russia in recent times. Setting this unit into operation will enable obsolete equipment to be taken out of service at the existing site and will significantly increase the economic efficiency of the station.

I would particularly like to note that 2011 was marked by an important event in the activity of JSC "OGK-2". It was, in essence, a "rebirth" of the company. Following the reorganization of JSC "OGK-2" in form of merger with JSC "OGK-6", a company was formed with 10 existing GRES generating approximately 8% of the electric power in the country. The company will also manage the latest Adler TPP, the construction of which is now in its final stages. The well-balanced geographical structure of the electric power stations allows the risks of tariff regulation to be diversified and the loading of production capacities to be optimized. The large company also has a greater level of investment attractiveness and the best facilities for development, including in the fulfillment of its obligations under capacity supply agreements (CSAs). I would like to stress that by 2017, new equipment under CSAs will provide approximately 40% of the revenue and more than 70% of the net profit of JSC "OGK-2".

I am confident that fulfilling obligations for the construction of new capacities, raising the level of reliability of equipment and improving financial and economic results of activity will enable the company to realize an enormous growth potential – in the interests of all shareholders.



## ADDRESS OF THE GENERAL DIRECTOR OF JSC "OGK-2" ALEXEY ALEXANDROVICH MITYUSHOV

Dear shareholders,

Last year was a year of unity for us. The largest heat generation company that has been created in Russia now develops 8% of Russia's electricity and is building

4 GW of new capaci-

ties under capacity supply agreements. That is more than the Company's very largest electric power station and it is the most extensive investment program among all generating companies!

The reporting period was, however, characterized by a slight reduction in the main figures. Approximately 80 billion kWh of electricity were generated by branches of OGK-2 – slightly less than last year. The reduction was caused by a decrease in generation at the Troitskaya GRES where measures have been taken throughout the year to rebuild core equipment and at the Kirishskaya GRES where energy unit No. 6 was upgraded as part of a project for the construction of a CCGT-800 unit.

The reduction in generation led to a decrease in the Installed Capacity Utilization Factor (ICUF) – from 53% to 51%. The highest ICUF, as usual, was demonstrated by the Surgut GRES-1 – 83% and the Serovskaya GRES – 70%.

In 2011 there was a decrease in the heat supply – 6%. This was due to the warmer winter.

The company's financial results are presented in this report taking into account the reorganization of JSC "OGK-2" in form of merger with OGK-6 from November 2011. The 2011 report therefore includes a period of 10 months with the company working as 6 branches and 2 months with 11 branches. The 2010 report was based on the figures of 6 branches. As a result, it is not possible to perform an accurate comparison between the figures for 2010 and 2011.

Sales revenues were approximately 105 billion rubles, which is 9% higher than the total company

figures in 2010. The main reason for this was an increase in the average weighted tariffs and prices for the sale of electricity and capacity on the wholesale electric power and capacity market.

In conducting its business activity in 2011 the company experienced pressure from a number of external factors. These included: increase in fuel expenses and its transport, higher prices for commercial electrical energy and capacity to ensure the fulfillment of regulated agreements. As a result of changes to the regulatory structure for the purchase of electrical energy for personal use, the company's expenses increased 2.3 billion rubles. Expenses for software under agreements concluded by the previous management reflected as a write-down of assets as expenses without income were still 700 million rubles.

The main priority of our business is to provide an uninterrupted energy supply. For this purpose, measures have been carried out throughout the year aimed at maintaining working capacity, increasing reliability and raising the economic and operational indicators of equipment and non-scheduled costs for repairs were also increased. 1.3 billion rubles were allocated for the reconstruction of emergency energy units at the Troitskaya GRES. The measures taken will enable us to restore the equipment resource and prevent unit stoppages that produce negative economic effects.

The factors mentioned (the bulk of which are expenses for fuel and commercial electrical energy) caused a faster rate of increase of operational expenses over earnings in 2011. As a result there was a reduction in net profit from 3 billion 180 million rubles to 1 billion 138 million rubles.

The company's management is aware of its responsibility for the results of the Company's production and financial and economic activity. A complex of measures is being developed and implemented at the company to provide an adequate response to external demands, increase the quality of repairs, reduce internal costs and ensure operational reliability.



## Larger scale:

More branches, partners and territories.  
More real accomplishments for the large country



# Information on the Company and its Position in the Industry

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1.1. A Brief Review of the Company's History. The Company's Priorities

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1.2. Information on Plants

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1.3. Main Events of 2011

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1.4. Information on Risks and the Risk Management System

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# 1. INFORMATION ON THE COMPANY AND ITS POSITION IN THE INDUSTRY

## 1.1. A BRIEF REVIEW OF THE COMPANY'S HISTORY. THE COMPANY'S PRIORITIES

The Second Wholesale Power Market Generating Company Open Joint-Stock Company (JSC "OGK-2") was founded by the Decree of JSC RAO "UES of Russia" dd. March 9, 2005 as part of reforming the electric power industry. On March 9, 2005 JSC "OGK-2" was registered in the Inspectorate of the Federal Tax Service of Russia for the Izobilnensky District of the Stavropol Territory.

On November 1, 2011 Company's reorganization in form of merger with Sixth Wholesale Power Market Generating Company Open Joint-Stock Company (JSC "OGK-6") was finalized.

JSC "OGK-6" was founded by the Decree of JSC RAO "UES of Russia" dd. March 16, 2005 as part of reforming the electric power industry. On March 17, 2005, JSC "OGK-6" was registered in the Inspectorate of the Federal Tax Service of Russia for the Leninsky District of Rostov-on-Don.

Wholesale generating companies were created on the basis of large power plants belonging to JSC RAO "UES of Russia". The assets of JSC "OGK-2" were selected according to common principles for all wholesale generating companies. All OGKs are created according to an extraterritorial standard: they include plants located in different parts of the country in order to avoid the possibility of one company becoming a monopoly in a particular region.

The total installed capacity of the plants which comprise the united JSC "OGK-2" amounts to 17,857 MW. The total installed heat capacity of the

plants which comprise JSC "OGK-2" amounts to 4,261 Gcal/h.

In 2005, agreements for the transfer of the powers of the executive bodies of JSC Serovskaya GRES, JSC Stavropolskaya GRES, JSC Pskovskaya GRES, JSC Troitskaya GRES and JSC Surgutskaya GRES-1 to JSC "OGK-2" were concluded. Since September 29, 2006, JSC-plants ceased to exist as separate legal entities and became branches of JSC "OGK-2". On July 1, 2008, JSC "OGK-2" completed its reorganization process and as a result JSC "OGK-2 Holding" spun off from JSC RAO "UES of Russia" and joined JSC "OGK-2". As a consequence, JSC "OGK-2" shares held by JSC RAO "UES of Russia" were distributed among the shareholders of JSC RAO "UES of Russia".

As the sole founder, JSC RAO "UES of Russia" contributed almost 100% of the shares held by four companies to pay for the charter capital of JSC "OGK-6": JSC Novochoerkasskaya GRES, JSC KiGRES, JSC Ryazanskaya GRES and JSC KGRES-2, leaving in its possession one share of each of the companies. In May 2006, the controlling stock of JSC "GRES-24" and JSC Cherepovetskaya GRES were also contributed to pay for additional shares of JSC "OGK-6". From the date of the JSC-plants joining on September 29, 2006, JSC "OGK-6" became a single operating company. Branches of JSC "OGK-6" were created on the basis of the former JSC Novochoerkasskaya GRES, JSC KiGRES, JSC Ryazanskaya GRES, JSC KGRES-2, JSC Cherepovetskaya GRES and JSC "GRES-24". On July 1, 2008, JSC "OGK-6" completed its reorganization process and as a result JSC "OGK-6 Holding" spun off from JSC



RAO "UES of Russia" and joined JSC "OGK-6". As a consequence, JSC "OGK-6" shares held by JSC RAO "UES of Russia" were distributed among the shareholders of JSC RAO "UES of Russia".

The main activities of the united JSC "OGK-2" are generation of electricity and heat as well as supply (sales) of electricity and heat to consumers. Within this framework, JSC "OGK-2" ensures that the power equipment operates in compli-

ance with the current regulatory requirements, carries out scheduled quality repairs, implements technical modernization, and reconstructs power facilities.

#### The Company's Mission:

"Reliable and effective generation and supply of electricity and heat in order to meet the needs of the public, enterprises, and organizations in Russia."

The total installed electric capacity of the JSC "OGK-2" plants after the merger is

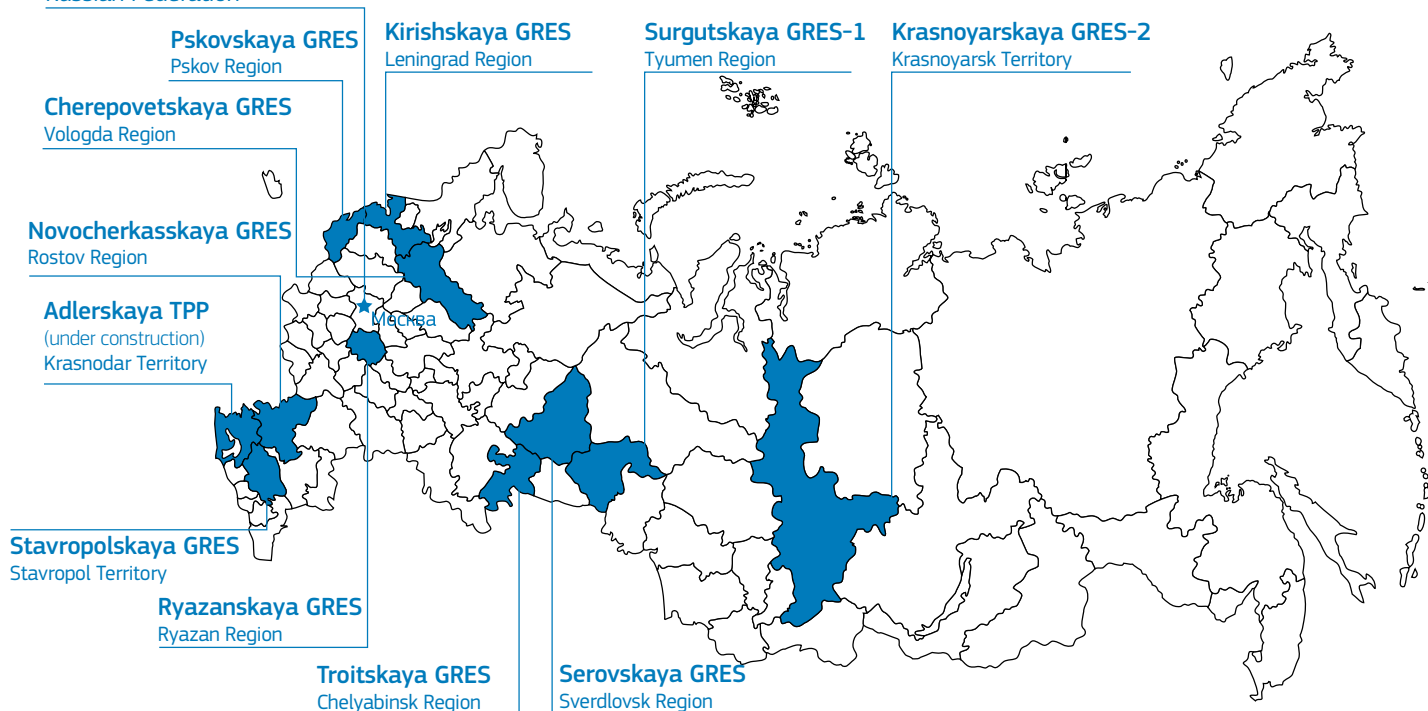
**⚡ 17,857 MW**

The total installed heat capacity of the JSC "OGK-2" plants is

**🔥 4,261 Gcal/h**

#### "OGK-2"

Russian Federation

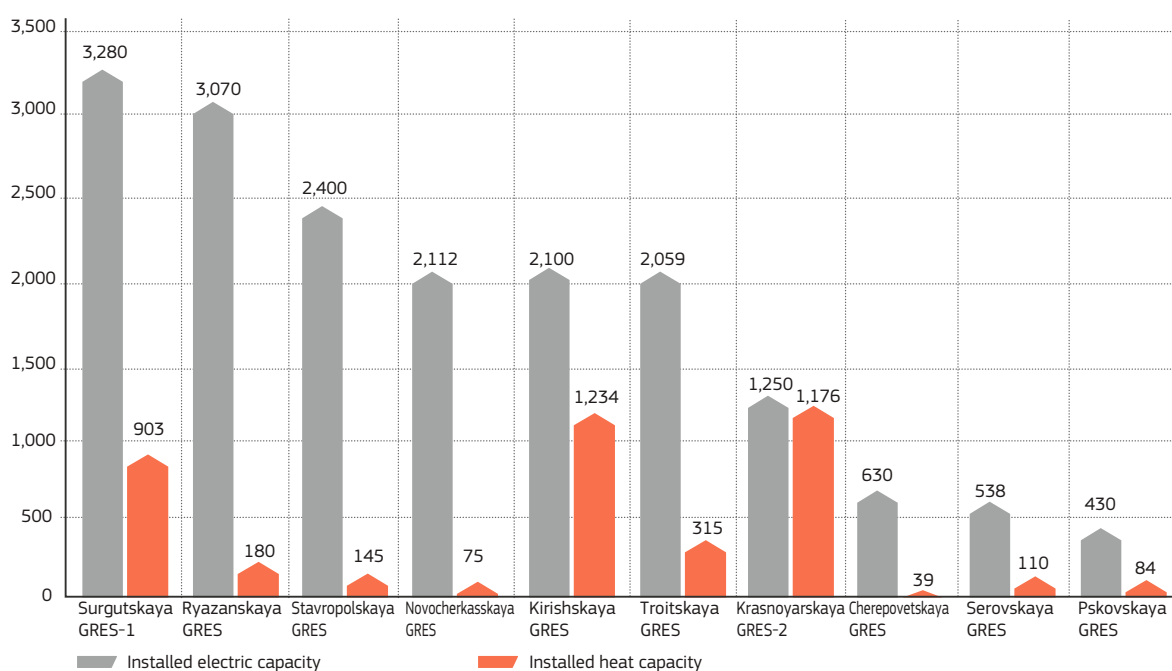


## 1.2. INFORMATION ON PLANTS\*

Plant	Installed electric capacity, MW	Installed heat capacity (including water boilers), Gcal/h	Location	Main /reserve fuel/ starting fuel
Surgutskaya GRES-1	3,280	903	Ural UPS	Gas/N/A/gas
Ryazanskaya GRES	3,070	180	Central UPS	Gas, coal/fuel oil/gas, fuel oil
Stavropolskaya GRES	2,400	145	Southern UPS	Gas/fuel oil/gas, fuel oil
Novocherkasskaya GRES	2,112	75	Southern UPS	Coal/gas/gas, fuel oil
Kirishskaya GRES	2,100	1,234	North-Western UPS	Gas/fuel oil/gas, fuel oil
Troitskaya GRES	2,059	315	Ural UPS	Coal/N/A /fuel oil
Krasnoyarskaya GRES-2	1,250	1,176	Siberian UPS	Coal/N/A /fuel oil
Cherepovetskaya GRES	630	39	Central UPS	Coal/gas/gas, fuel oil
Serovskaya GRES	538	110	Ural UPS	Coal/gas/gas, fuel oil
Pskovskaya GRES	430	84	North-Western UPS	Gas/N/A/gas
<b>Total:</b>	<b>17,857</b>	<b>4,261</b>		

Adlerskaya TPP is also a branch of the united JSC "OGK-2" and was created on September 3, 2010. It

is a part of the Southern UPS (Krasnodar Territory, Sochi) and is currently under construction.



\* For a full description of JSC "OGK-2" primary equipment see Appendix 3.


## SURGUTSKAYA GRES-1

Surgutskaya GRES-1 is located in Surgut, Tyumen Region.

Surgutskaya GRES-1 is one of the largest power stations in Russian Federation in terms of installed electric capacity. The installed capacity of the plant is 3,280 MW.

The primary fuel for the power plant is natural gas. There is no reserve fuel, the starting fuel is gas; the emergency fuel is gas turbine fuel.

The main competitors include Nizhnevartovskaya GRES (JSC "OGK-1") and Surgutskaya GRES-2 (JSC E.ON Russia). In comparison to its competitors, Surgutskaya GRES-2 has the least flexibility, but the installed capacity of each of our competitors' power units is 4 times higher than the installed capacity of each power unit at Surgutskaya GRES-1.

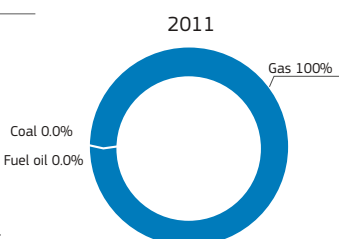
Installed  
electric capacity  
 **3,280 MW**

Installed  
heat capacity  
 **903 Gcal/h**

	2011
Electricity generation, million kWh	23,768
Electricity sales, million kWh	24,659
Heat supply, thousand Gcal	1,467
CF, %	82.9
SCEF, gef/kWh	324.9
Headcount	1,042

### Fuel mix

	2011
Coal	0.0
Gas	100.0
Fuel Oil	0.0



### Fuel consumption

Gas, million m <sup>3</sup>	Coal, thousand tons	Fuel oil, thousand tons
6,531.724	-	-

## RYAZANSKAYA GRES

Ryazanskaya GRES is located in the town of Novomichurinsk in the Ryazan Region, 80 km south of Ryazan and 285 km to the southeast of Moscow.

Ryazanskaya GRES is one of the five largest power plants in Russia in terms of installed capacity. The installed capacity of the plant is 3,070 MW.

The first order (1,050 MW) primary fuel is approximately 70% brown coal from the Kansko-Achinsky coal basin, and around 30% brown coal from the Podmoskovny coal basin (2BR-grade). There is no reserve fuel; the starting fuel is gas and fuel oil.

The second order (1,600 MW) primary fuel is natural gas. The reserve fuel is fuel oil; the starting fuel is gas and fuel oil. The 800 MW units at the Ryazanskaya GRES are able to compete on the Wholesale Electricity Market.

On October 8, 2008, GRES-24, with an installed capacity of 310 MW, joined Ryazanskaya GRES. In 2010, as part of an investment project, JSC "OGK-6" completed the modernization of unit No. 7 (GRES-24) and began fitting a steam power unit with a 310 MW Gas Turbine (GTU — 110 MW). As of June 1, 2010 the installed capacity of unit No. 7 of RGRES is 420 MW. The primary fuel is gas; there is no reserve fuel.

The main competitors include plants owned by JSC Mosenergo and JSC Quadra Generating Company, GRES-4 Kashirskaya (JSC "OGK-1"), Kostromskaya and Cherepetskaya GRES (JSC "OGK-3"), GRES-5 Shaturskaya and Smolenskaya GRES (JSC "OGK-4") and Konakovskaya GRES (JSC Enel OGK-5). On top of this, Novovoronezhskaya, Kalininskaya and Smolenskaya NPPs (JSC Concern Rosenergoatom) and the Volzhskaya HPP (JSC RusHydro) supply power to the 500 KW grid and there is also electricity flow from the UPSs of the Mid-Volga and Urals regions.

The plant's capacity is not limited by factors of a seasonal nature.

## RYAZANSKAYA GRES

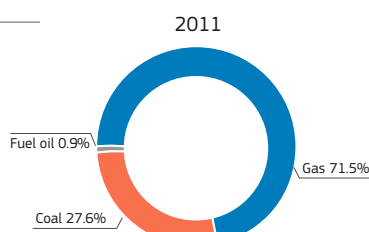
Installed  
electric capacity  
 3,070 MW

Installed  
heat capacity  
 180 Gcal/h

	2011
Electricity generation, million kWh	9,517
Electricity sales, million kWh	10,278.6
Heat supply, thousand Gcal	231
CF, %	35.4
SCEF, gef/kWh	345.8
Headcount (including unit No. 7)	1,434

### Fuel mix

	2011
Coal	27.6
Gas	71.5
Fuel Oil	0.9



### Fuel consumption

Gas, million m <sup>3</sup>	Coal, thousand tons	Fuel oil, thousand tons
1,966.108	1,648.602	19.261

## STAVROPOLSKAYA GRES

Stavropolskaya GRES is located in the town of Solnechnodolsk in the Stavropol Territory and it is a highly flexible plant which plays a key role in ensuring the stability of the Southern UPS.

The advantages of the Stavropolskaya GRES include optimal technical and economic performance, a wide power control range, and the high-speed of the setting and resetting load, which ensures that the power plant has the maximum capacity needed to adhere the consumption schedule. The company has 3 certified units for the system services market, which enables the plant to trade in system services.

The power plant's load ensures technical feasibility for the purposes of exporting electricity to Georgia and Azerbaijan (via Georgia) as well as for maintaining acceptable levels of electricity flow in the backbone electricity network of the Southern UPS.

The plant's main competitor is Nevinnomysskaya GRES (JSC Enel OGK-5).

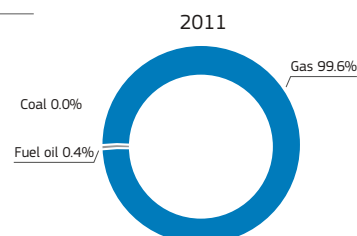
Installed  
electric capacity  
 2,400 MW

Installed  
heat capacity  
 145 Gcal/h

	2011
Electricity generation, million kWh	11,379
Electricity sales, million kWh	11,702
Heat supply, thousand Gcal	73
CF, %	54.1
SCEF, gef/kWh	329.8
Headcount	885

### Fuel mix

	2011
Coal	0.0
Gas	99.6
Fuel Oil	0.4



### Fuel consumption

Gas, million m <sup>3</sup>	Coal, thousand tons	Fuel oil, thousand tons
3,138.038	-	10.475

## NOVOCHERKASSKAYA GRES

Novocherkasskaya GRES is located in the Donskoy settlement in the Rostov Region, 53 km to the southeast of Rostov-on-Don. The installed capacity of the plant is 2,112 MW.

The plant's primary fuel is ASH-grade coal from the Rostov coal basin (Chikh Almaznaya mine, Sadkinskaya, Gukovugol mines, Sherlovskaya-Naklonnaya mine), Kuznetsk coal (Kaltansky and Krasnobrodsky coal strip mines) and natural gas. The reserve fuel is gas; the starting fuel is gas and fuel oil.

The plant is part of the Southern UPS and its main competitors are the gas-powered Stavropolskaya (JSC OGGK-2), Nevinnomysskaya GRES (JSC Enel OGGK-5) and Volgodonskaya NPP (JSC Concern Rosenergoatom). Peak regulation is carried out by Tsimlyanskaya HPP (JSC Southern Generating Company – TGK-8).

The plant's capacity is not limited by factors of a seasonal nature.

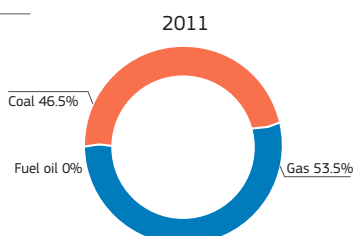
Installed  
electric capacity  
 **2,112 MW**

Installed  
heat capacity  
 **75 Gcal/h**

	2011
Electricity generation, million kWh	10,914
Electricity sales, million kWh	11,140
Heat supply, thousand Gcal	85
CF, %	59.0
SCEF, gef/kWh	363.7
Headcount	1,318

### Fuel mix

2011		
Coal	Gas	Fuel Oil
46.5	53.5	0.0



### Fuel consumption

Gas, million m <sup>3</sup>	Coal, thousand tons	Fuel oil, thousand tons
1,740.745	2,607.692	0.0

## KIRISHSKAYA GRES

Kirishskaya GRES is located in Kirishi, 150 km to the southeast of St. Petersburg. The installed capacity of the plant is 2,100 MW.

When the plant was under construction, designed type of fuel was fuel oil. Subsequently, generation units 1–6 of the condensation section of the plant and boilers K1T-6T boilers of the heat-extraction section and two water boilers were converted to natural gas firing. Natural gas is currently used as the primary fuel for the plant. The reserve fuel is fuel oil. The starting fuel is gas and fuel oil.

The plant is part of the Northwestern UPS, the generating capacity of which also comprises Leningradskaya NPP (JSC Concern Rosenergoatom), Pskovskaya GRES (JSC OGGK-2), the HPP and CHPP of JSC TGK-1 and the Northwestern CHPP (JSC "INTER RAO UES"). Apart from Kirishskaya GRES, only approximately 400 MW of HPP of JSC TGK-1, condensate production of CHPP 22 (South) and CHPP 21 (North) as well as reversible electricity flow from Karelenergo (at 330 KW voltage) and central UPS may be attributed to the regulating sources of the central part of the UPS. The aggregate regulation capacity of these sources in the winter period is less than the capacity of Kirishskaya GRES and does not meet the needs of the central part of the UPS for regulation, which makes the plant the key frequency and capacity regulator in the system. Kirishskaya GRES units operating at partial load are the primary source of power for the balancing market in the region. The system operator assigns a fairly high load to the plant, using it as a regulator to ensure system reliability.

Kirishskaya GRES has some capacity limitations. Capacity:

### KiGRES Capacity Limitations during the Months of 2011, MW

	Total:	Seasonal: lack of load for type R turbines
January	44	44
February	45.9	45.9
March	47.5	47.5
April	50.2	50.2
May	56	56
June	55.8	55.8

## KIRISHSKAYA GRES

### KiGRES Capacity Limitations during 2011, MW

	Total:	Seasonal: lack of load for type R turbines
July	56	56
August	57.2	57.2
September	55.5	55.5
October	55.5	55.5
November	40	40
December	40	40

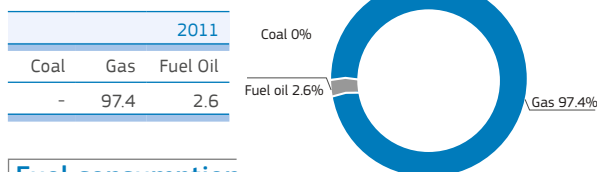
Kirishskaya GRES has an annual limitation on capacity which amounts to the amount 50,489 MW, i.e. limitation of heat loads for type R turbines.

Installed electric capacity  
⚡ 2,100 MW

Installed heat capacity  
🔥 1,234 Gcal/h

	2011
Electricity generation, million kWh	5,640
Electricity sales, million kWh	7,047
Heat supply, thousand Gcal	2,604
CF, %	30.7
SCEF, gef/kWh	340.1
Headcount	902

### Fuel mix



### Fuel consumption

Gas, million m³	Coal, thousand tons	Fuel oil, thousand tons
1,841.055	-	39.979

## TROITSKAYA GRES

Troitskaya GRES is located in Troitsk-5 of the Chelyabinsk Region, the area of electricity flows of Yekaterinburg – Chelyabinsk – Magnitogorsk as well as on the route of direct supplies to North Kazakhstan.

Due to a low fuel component, this GRES is in high demand on the wholesale electricity market, and such demand will continue in the future, considering the high growth rate of gas and coal prices.

The primary fuel for the power plant is KSN 0–300 grade Ekibastuzsky coal from Ekibastuzsky and Bogatyr strip mines. There is no reserve fuel; the starting fuel is fuel oil.

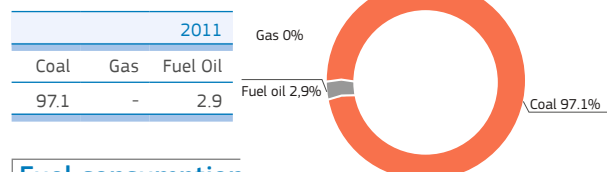
The main competitor is Uzhno-Uralskaya GRES (JSC "OGK-3"). Other competitors include high-capacity heat power stations located in the European part of Russia and the Urals region.

Installed electric capacity  
⚡ 2,059 MW

Installed heat capacity  
🔥 315 Gcal/h

	2011
Electricity generation, million kWh	4,263
Electricity sales, million kWh	4,699
Heat supply, thousand Gcal	501
CF, %	23.6
SCEF, gef/kWh	458.3
Headcount	1,535

### Fuel mix



### Fuel consumption

Gas, million m³	Coal, thousand tons	Fuel oil, thousand tons
-	3,101.588	38.38

## KRASNOYARSKAYA GRES-2

Krasnoyarskaya GRES-2 is located in Zelenogorsk, 167 km to the east of Krasnoyarsk. The installed capacity of the plant is 1,250 MW.

The primary fuel is 2BR-grade brown coal from the Irsha-Borodinsky coal strip mine of the Kansk-Achinsky coal basin. There is no reserve fuel and the starting fuel is fuel oil.

The competitive environment includes the HPPs from the Angaro-Eniseisky cascade (regulation and base capacity), efficient thermal generation by Nazarovskaya GRES (500 MW unit) (JSC Eniseiskaya TGK (TGK-13)), Berezovskaya GRES (JSC E.ON Russia) and the plants of JSC Kuzbassenergo. The plant's load in many ways depends on seasonal factors such as the level of water in the reservoirs and the air temperature.

### KGRES-2 Capacity Limitations during the Months of 2011, MW

	150–160 MW group	135 MW group	Plant
January	4.0	0	4.0
February	4.0	0	4.0
March	17.4	0	17.4
April	17.4	15.0	32.4
May	0.6	15.0	15.6
June	0.5	30.3	30.8
July	0.4	30.3	30.7
August	0.4	30.3	30.7
September	0.4	15.0	15.4
October	4.1	15.0	19.1
November	4.0	0	4.0
December	4.0	0	4.0

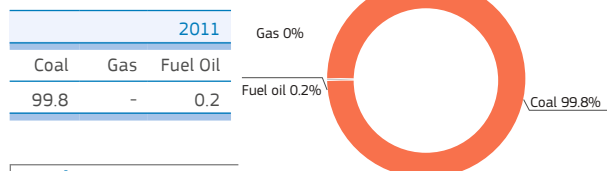
The plant has limitations of a seasonal character, which are conditional on the distribution of heat energy to consumers. The reason for limitations in electrical power is insufficient heat loads in PT type turbines at stations 9 and 10 and heat supply from bleed air within the 150–160 MW group.

Installed electric capacity  
⚡ 1,250 МВт

Installed heat capacity  
🔥 1,176 Гкал/ч

	2011
Electricity generation, million kWh	5,896
Electricity sales, million kWh	6,403
Heat supply, thousand Gcal	1,089
CF, %	53.8
SCEF, gef/kWh	393.4
Headcount	1,024

### Fuel mix



### Fuel consumption

Gas, million m <sup>3</sup>	Coal, thousand tons	Fuel oil, thousand tons
-	4,104.550	3.991



## CHEREPOVETSKAYA GRES

Cherepovetskaya GRES is located in the Kadui settlement of the Vologda Region, 50 km west of Cherepovets. The installed capacity of the plant is 630 MW.

The primary fuel for the plant is DSSH and DMS-SH-grade coal from Khakassia (Stepnoy coal strip mine, Chernogorskaya Coal Company, Khakassrazrez-Ugol, Vostochno-Beisky), Inta (Intaugol) and Kuznetsk (Yevtinsky and Zadubovsky coal strip mines) and natural gas. The reserve fuel is gas; the starting fuel is gas and fuel oil.

The main competitors for Cherepovetskaya GRES are plants connected to the region via 500 KW power lines i.e. Kostromskaya (JSC "OGK-3") and Konakovskaya (JSC Enel "OGK-5") (flexible generation) and Kalininskaya NPP (JSC Concern Rosenergoatom) (750 KW power line, base schedule). Cherepovetskaya GRES has a competitive advantage because it is able to use both coal and gas for power generation.

The plant's capacity is not limited by factors of seasonal nature.

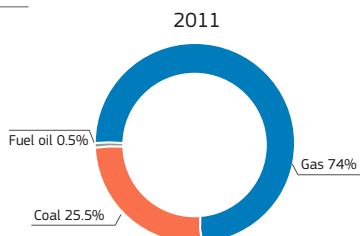
Installed  
electric capacity  
**630 MW**

Installed  
heat capacity  
**39 Gcal/h**

	2011
Electricity generation, million kWh	3,184
Electricity sales, million kWh	3,325
Heat supply, thousand Gcal	110
CF, %	57.7
SCEF, gef/kWh	370.2
Headcount	560

### Fuel mix

	2011
Coal	25.5
Gas	74.0
Fuel Oil	0.5



### Fuel consumption

Gas, million m <sup>3</sup>	Coal, thousand tons	Fuel oil, thousand tons
725.353	504.974	3.702

## SEROVSKAYA GRES

Serovskaya GRES is located in Serov of the Sverdlovsk Region and belongs to the Serevo-Bogoslavsky unit, where steel, aluminum and ferroalloy production facilities are located.

The plant is the unit's only major power plant of the unit, which has allowed it to receive the title "System Generator" from the System Operator.

The plant can use gas, coal, or a mixture of the two as its fuel. The plant is scheduled to reduce the share of gas in its fuel mix, which will enable the plant to increase its productivity on the wholesale electricity market.

The competitive environment includes Bogoslovskaya CHPP (JSC TGK-9).

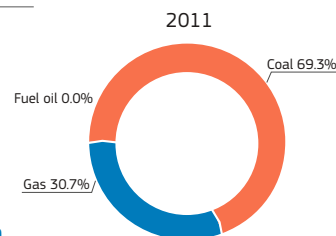
Installed  
electric capacity  
**538 MW**

Installed  
heat capacity  
**110 Gcal/h**

	2011
Electricity generation, million kWh	3,302
Electricity sales, million kWh	3,515
Heat supply, thousand Gcal	95
CF, %	70.1
SCEF, gef/kWh	463.5
Headcount	570

### Fuel mix

	2011
Coal	69.3
Gas	30.7
Fuel Oil	0.0



### Fuel consumption

Gas, million m <sup>3</sup>	Coal, thousand tons	Fuel oil, thousand tons
385.636	1,730.467	0.0

## PSKOVSKAYA GRES

Pskovskaya GRES is located in the village of Dedovichi, Pskov Region.


The power plant's load ensures technical feasibility for the purposes of exporting electricity to the power supply systems of Belarus and the Baltic states due to the location of Pskovskaya GRES in the electricity network that provides parallel operation of the power supply systems of the aforementioned countries with those of UES of Russia.

Due to the aforementioned factors, the electricity production of Pskovskaya GRES is strictly dependant on the demand for electricity, including demand in the Baltic states and Belarus.

The primary fuel is gas. There is no reserve fuel and the starting fuel is gas and fuel oil. Both units of Pskovskaya GRES participate in the system services market in terms of standardization of the primary frequency regulation.

The plant's main competitor is North-Western CHPP (JSC "INTER RAO UES")

Installed electric capacity

 **430 MW**

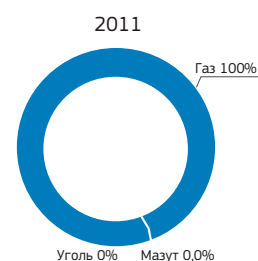
Installed heat capacity

 **84 Gcal/h**

	2011
Electricity generation, million kWh	1,933
Electricity sales, million kWh	2,054
Heat supply, thousand Gcal	77
CF, %	51.3
SCEF, gef/kWh	332.0
Headcount	394

### Fuel mix

2011		
Coal	Gas	Fuel Oil
-	100.0	0.0



### Fuel consumption

Gas, million m <sup>3</sup>	Coal, thousand tons	Fuel oil, thousand tons
538.119	-	0.002

## 1.3. MAIN EVENTS OF 2011

### JANUARY 13

Renovated power unit No. 9 of the Krasnoyarskaya GRES was commissioned after a series of renovations had been carried out. One of the focal points of the work performed was the renovation of two turbine rotors (15 and 30 tons respectively) including disassembly and transportation on truck platforms to a specialized undertaking in Yekaterinburg.

A modern electric hydraulic system for turbine regulation was also installed at the ninth power unit. The new system has microprocessor control and increases the effectiveness and efficiency of the power unit, in large part thanks to the increase in the accuracy and smoothness with which the established parameters of electricity and heat load are obtained and maintained.

Troitskaya GRES received approval from the Troitsk City Administration, Chelyabinsk Region, for the construction of new power generation facilities (construction of a coal dust power unit with a capacity of 660 MW).

### JANUARY 17

The Boards of Directors of JSC "OGK-2" and JSC "OGK-6" approved the dividend policy for the distribution of the Company's profit, according to which 5—35% of the net profit may be allocated for the payment of dividends, provided that the reserve fund has been fully accumulated in accordance with the Charter (5% of the charter capital).

### MARCH 30

The Board of Directors of JSC "OGK-2" re-elected Alexey Mityushov for the position of the General Director of JSC "OGK-2" starting from April 1, 2011.

### APRIL 21

JSC "OGK-6" paid the coupon yield on the eighth coupon of JSC "OGK-6" bonds at to the amount of 37.65 rubles per bond at the annual rate of 7.25%. The total amount of payment on the eighth coupon was 55.4 million rubles.

### JUNE 10

JSC "OGK-6" signed a general contractor agreement for the construction of new power unit No. 9 with a capacity of 330 MW at of the Novocherkasskaya GRES on the basis of circulating fluidized bed technology with VIS Production Firm LLC. The project is being implemented as part of the investment program and is included in the system of capacity supply agreements (CSAs).

Estimated completion date: November 30, 2014.

### JUNE 16

Installation of the high-pressure supply gas pipeline for the purposes of supplying fuel to CCG-TU-800 of the Kirishskaya GRES was finished.

### JUNE 21

Reorganization of JSC "OGK-6" in form of merger to JSC "OGK-2" on the terms and conditions stipulated by the accession agreement on JSC "OGK-6" merging to JSC "OGK-2" was approved during the Annual General Meetings of Shareholders of JSC "OGK-2" and JSC "OGK-6". As a result of the reorganization, all the rights and obligations of JSC "OGK-6" will be transferred to JSC "OGK-2", and JSC "OGK-6" will cease to exist.

The shareholders approved the procedure for converting shares of JSC "OGK-6" into additional is-

sue shares of JSC "OGK-2" with a conversion rate of 1.2141.

Annual reports of the Companies for 2010, annual accounting statements, including profit and loss statements, as well as profit and loss distribution on the basis of the results of the 2010 financial year were also addressed during the Annual General Meetings of Shareholders.

The Annual General Meetings of Shareholders elected new Boards of Directors and Audit Commission, and approved KPMG CJSC as the Auditor of "OGK-6" and "OGK-2".

The Meetings of Shareholders passed a resolution to pay dividends on ordinary shares of "OGK-6" for 2010 at to the amount of 0.00439874 rubles per share and on ordinary shares of "OGK-2" for 2010 at to the amount of 0.0048759 rubles per share.

## AUGUST 17

A positive state expert opinion was received for the project documentation of an investment project for the construction of power unit No. 9 (CCGTU-420) at the Cherepovetskaya GRES using combined-cycle technology.

The project was included in the List of Generating Facilities, which will be used to supply capacity under capacity supply agreement (CASs).

Estimated project completion time: 4th Quarter, 2014.

## AUGUST 18

JSC "OGK-2" and JSC "OGK-6" started paying for the shares, redeemed due to the reorganization by merger of JSC "OGK-6" to JSC "OGK-2".

Redemption price for 1 share was set by the Board of Directors.

Redemption price was 1.4 rubles per share of JSC "OGK-6" and 1.72 rubles per share of JSC "OGK-2".

## SEPTEMBER 4

11,495,413,667 shares of JSC "OGK-6" with a total value of 16,093,579,133 Rubles, which constituted over 10% of the value of the net assets, were submitted for redemption. Due to the fact that the number of shares submitted for redemption exceeded the number of shares that could be redeemed by the Company, the redemption was carried out pro rata to the declared claims.

The total amount of funds that JSC "OGK-6" allocated for share redemption was 4,235,816,320 rubles 40 kopecks (10% of the value of the Company's net assets in accordance with the Federal Law "On Joint-Stock Companies").

Thus, the number of redeemed securities of JSC "OGK-6" was 3,025,583,086. Hence, around 26.32% of the number of shares submitted for redemption were redeemed from each shareholder of "OGK-6" that had duly drawn up a claim.

11,637,430,084 shares of JSC "OGK-2" with a total value of 20,016,379,744 rubles 48 kopecks, which constituted over 10% of the value of the net assets, were submitted for redemption.

Due to the fact that the number of shares submitted for redemption exceeded the number of shares that could be redeemed by the Company, the redemption was carried out pro rata to the declared claims.

The total amount of funds allocated by JSC "OGK-2" for share redemption was 4,045,326,870 rubles

44 kopecks (10% of the value of the Company's net assets in accordance with the Federal Law "On Joint-Stock Companies").

Thus, the number of redeemed securities was 2,351,934,227. Hence, around 20.21% of the number of shares submitted for redemption was redeemed from each shareholder that had duly drawn up a claim.

## OCTOBER 20

JSC "OGK-6" paid 55.4 million rubles for repayment of the ninth coupon of series one bonds. The size of the yield on the ninth coupon per security was 36.15 rubles at the annual rate of 7.25%.

## NOVEMBER 1

Corporate procedures connected with the reorganization of JSC "OGK-2" in form of merger with JSC "OGK-6" to JSC "OGK-2" were finalized. JSC "OGK-6" ceased to exist as a legal entity. A corresponding record on the reorganization of JSC "OGK-2" and on the termination of the business of JSC "OGK-6" was made in the Unified State Register of Legal Entities on November 1, 2011.

On November 1, 2011, additionally issued shares of JSC "OGK-2" and bonds of JSC "OGK-2" were placed by way of converting securities of JSC "OGK-6" into securities of JSC "OGK-2". Shareholders of JSC "OGK-6" received 1 share of JSC "OGK-2" in accordance with the conversion ratio of 1.2141.

## DECEMBER 1

Federal Financial Markets Service passed a resolution to register the Report on the results of the addi-

tional issue of ordinary registered uncertified shares of JSC "OGK-2" placed by way of converting ordinary registered uncertified shares of JSC "OGK-6" reorganized in for, of merger to JSC "OGK-2"; state registration number of the additional issue: 1-02-65105-D-004D dd. August 25, 2011.

## DECEMBER 7

Federal Financial Markets Service passed a resolution to register the Report on the results of the issue of bonds of JSC "OGK-2" placed by way of converting bonds of merged JSC "OGK-6" to JSC "OGK-2"; state registration number: 4-02-65105-D dd. August 25, 2011.

## DECEMBER 16

Amendments to the Charter of JSC "OGK-2" were registered.

It particular, it was established that the number of ordinary registered uncertified shares in the Company's Charter Capital amounts to 59,327,926,960 shares, i.e. 21,518,239,108.392 Rubles.

## DECEMBER 22

The additional issue of shares of JSC "OGK-2", into which shares of JSC "OGK-6" were converted during the company's reorganization, was included in the Quote List A1 of MICEX SE CJSC and were admitted to trading starting from December 22. The issue amount 26,593,358,578 ordinary registered uncertified shares.

## 1.4. INFORMATION ON RISKS AND THE RISK MANAGEMENT SYSTEM

### The Company's Risk Management Policy

Risk management is viewed as one of the most important elements of strategic management and internal control; it ensures high-quality corporate governance, financial stability, maintains the business development strategy and fulfills the Company mission.

To implement the unified risk management policy the Company has been introducing the integrated risk management system (IRMS) on a stage-by-stage basis.

1. The initial stage of IRMS introduction was characterized by creating a corporate risk optimization mechanism by means of insurance outsourcing (transferring certain risks to insurance companies for a fee).

It ensured stability and optimal protection of the Company from the external and internal risks inherent to the core activity of the Company under the specified conditions.

At present, risk management at this stage is carried out along the following lines:

1.1. To manage the proprietary and social risks inherent to industrial activity, a program is being developed and implemented on an annual basis to insure all types of risks accepted by insurance companies. Work aimed at improving such criteria as "quality/cost" of insurance programs is being carried out continuously.

1.2. As part of managing social risks, programs of non-governmental pension provision and personal insurance are being developed and implemented for the Company's employees. These programs raise the level of social protection and motivation of the Company's employees and improve the mechanism

of recruiting and retaining highly qualified staff.

1.3. In the context of risk management and in the course of implementing large-scale investment projects, programs aimed at insuring proprietary and financial risks are being developed and implemented with the aim of achieving the optimal balance between risk management costs and permissible damage, minimizing the Company's financial resources intended for liquidating the consequences of risks that do occur in the course of implementing large-scale investment projects, and increasing the investment attractiveness of the Company.

2. For the purposes creating an integrated risk management system, work is being carried out with an aim to developing a unified comprehensive approach to the Company's risk management system.

Developing markets, and the market in the Russian Federation in particular, are characterized by a higher level of risk than more developed markets, including significant legal, economic and political risks. It is necessary to take into account that developing economies, such as the economy of the Russian Federation, are subject to quick changes and that, as such, the information presented in this document could very quickly become outdated. Therefore, investors must thoroughly evaluate personal risks and take into account the existing risks when making decisions regarding the advisability of investment. In practice, qualified investors, who fully understand the level of current risks, are well-suited to make investments on developing markets; furthermore, investors are advised to consult with their own legal and financial consultants before investing in Russian securities.

In the foreseeable future, the Issuer's business may be subjected to the influence of such risks and their consequences.

As a result, there exist uncertainties that may have an influence on the Issuer's future commercial activities, on the possibility of selling its assets and on the observance of periods for repaying liabilities, as well as on the price of the Issuer's stocks.

Additionally, the data presented herein does not replace personal analysis of investment risks by securities purchasers. Each of these factors could have undesirable effects on the Issuer's financial standing. The Issuer cannot guarantee that the indicated risk factors represent a full and exhaustive list of those necessary for making decisions regarding securities purchases.

Several of the primary risks are briefly stated below, though this list is in no way exhaustive.

## INDUSTRY RISKS

The Company's main activities are generating and selling electricity, heat, and capacity.

Electric power is an infrastructural branch of the economy. The anticipated development trend for the industry is determined by a general trend for the socio-economic development of all branches of the economy of the Russian Federation as well as to some extent by the climate and weather conditions in Russia.

The most significant events which affect or may affect the activity of power generating enterprises, including the Company, are as follows:

- changes in state regulation of the electric power industry;
- the creation of a competitive electricity market;
- power generating companies implementing investment programs.

Taking into consideration that the Company is not active on external markets, the following is only a description of possible changes to the industry as well as prospective actions taken by the Company in case such changes do occur on the internal market.

## Market Risks

The most significant events which affect or may affect the activity of power generating enterprises, including the Company, are as follows:

- fall in demand for electricity as a result of a setback in production, caused by economic recession;
- landslide of prices for electricity in the unregulated segment of the market;
- competition with more effective power generating companies on the liberalized market during the reporting period, including the adaptation of innovative technologies by competitors;
- increasing competition in the future after all power generating companies complete their investment programs;
- rates for electricity and heat set below an economically justifiable level by the government;
- increase of payment defaults for the electricity and heat supplied;
- risks related to weather factors an increase in seasonal water content;
- changes to the rules of the wholesale electricity and capacity market.



**The Company's Actions Aimed at Reducing these Risks:**

- increasing operational efficiency by implementing programs aimed at cutting production costs and saving fuel;
- concluding long-term contracts for power supply;

**Risks of Growing Prices for Energy Resources, Materials and Equipment**

The Company's core activity strongly depends on gas and coal suppliers as well as repair services. Soaring prices for these resources and services may significantly affect the financial and economic performance of the Company.

**The Company's Actions Aimed at Reducing the Influence of this Factor:**

- efficient actions aimed at optimizing the structure of the fuel mix;
- increasing operational effectiveness of the Company by implementing programs aimed at reducing production costs and saving fuel;
- concluding medium-term contracts with suppliers at fixed prices which are taken into account when devising the business-plan;
- optimizing repair and operational costs as well as costs for capital construction;
- conducting tenders as a means of selecting product suppliers, contractors and service providers,
- increasing management effectiveness, transparency, and control over expenditure.

**Risks in Implementation of Investment Projects**

Implementation of investment projects involves a number of risks which can be summarized in the following ways:

- impossibility of attracting enough additional funds to fully implement an investment project;
- postponing project completion dates due to changes in the technical solutions and the impossibility of meeting deadlines, which may lead to sanctions against the Company on the competitive capacity market (CCM) and within the framework of the capacity supply agreement;
- increase of contingency expenses incurred in the course of implementing an investment program, which may lead to deterioration of the approved parameters of the investment project.

**Actions Taken by the Company to Reduce these Risks:**

- searching for and analyzing sources of funding for the further implementation of the investment project;
- improving the procedure by which all project participants supervise the organization and completion of work
- specifying tough penal sanctions for failure to meet the deadlines both in general and at particular stages which have an impact on completion of the entire project in agreements with suppliers and contractors;
- thorough examination of technical solutions at the design stage.

**NATIONAL AND REGIONAL RISKS**

The national risks of the Company include political, economic and social risks inherent to the Russian Federation. These risks are beyond the Company's control.

In 2011, the Standard & Poor's Credit Rating Agency confirmed the sovereign credit rating of the Russian Federation: long-term and short-term ratings with regard to foreign currency — "BBB/A-3" and long-term and short-term ratings with regard to the national currency — "BBB+/A-2", the estimated future rating level is "Stable".

Russia's rating on the national scale was confirmed at the level of "ruAAA". The risk of currency translation and conversion for Russian non-sovereign borrowers remains at the level of "BBB".

Confirmation of ratings indicates that the amount of assets of the enlarged government of the Russian Federation slightly exceeds the amount of obligations due to budget surplus during past periods and a moderate current deficit, as well as the overall position of the country as an external net creditor.

Since Russia produces and exports large volumes of natural gas and oil, the Russian economy is extremely vulnerable to fluctuations in the price of global natural gas and oil. Falling natural gas and oil prices on the world commodity markets may hinder or stop the development of the Russian economy. This factor may have a very negative effect on the economic and social situation in Russia, which in turn impacts the Company's activity, its financial status and the potential market value of its shares, as well as restricts the Company's access to capital and reduces the purchasing power of the Company's product consumers.

The Russian Federation is a multi-ethnic state and consists of regions with different levels of social and economic development. Due to this, we cannot altogether rule out the possibility of internal conflicts including conflicts with the participation of armed forces. Nor can the Company completely rule out the possibility of a state of emergency

being declared in those regions where the Company's heat and electricity producing plants are located.

Terrorist attacks may cause significant damage to the activity of Russian enterprises including the Company and have an unfavorable effect on the value of the Company's securities.

Poor infrastructure in Russia and its further deterioration may lead to interruptions in shipment of goods and materials and disrupt or increase costs of business activity. Each of the above cases may damage the economy and have a significant negative effect on the Company, its earnings, financial standing, performance, and the value of its shares.

#### **Actions Taken by the Company to Reduce the Influence of this Group of Risks:**

- continuous monitoring of the situation in regions where Company plants are located, and, when necessary, introducing amendments to investment programs, in favor of regions with a more positive economic situation;
- cooperation with state and other authorities with the aim of overcoming negative changes to the situation in Russia and in regions thereof.

#### **Political and Economic Risks**

In accordance with changes to the political and economic state of affairs, and with the goal of improving the banking, judicial, tax, administrative and legislative systems, the Government of the Russian Federation will implement a number of consecutive reforms aimed at stabilizing the modern Russian economy and at integrating it into the world system. During the reform process, the business and legislative infrastructure will contain risks such as the inconvertibility of the national currency abroad and a low level of liquidity on the long-term credit and

investment markets, as well as a level of inflation which exceeds inflation in developed countries.

### **Risks Related to the Globalization Process**

The globalization of economic activities is one of the fundamental developmental tendencies in the modern world. The effects of globalization are reflected in the economic development of practically all the countries of the world, including Russia, which is on the path of active integration into the world economy.

Globalization factors, which include the strengthened role of the WTO; international cooperation; the development of global, vertically-integrated companies; and the formation of consortiums for carrying out major investment projects, lead to increased competition, strengthened competitive positions for select companies and increased dependence on partners as a result of the necessity to carry out joint projects.

In the age of globalization, the high interdependence of markets leads to the synchronization of various economies and, as a result, to the potential for the rapid transfer of recessions or crises from the economy of one country to that of another. Under such circumstances, the Issuer's market risks could be increased.

## **FINANCIAL RISKS**

### **Risks Tied to the Monetary Policy of the Central Bank of the Russian Federation**

The Central Bank of the Russian Federation, which implements its monetary policy with the help of various instruments that are at its disposal, has an influence on the financial markets and monetary supply, which is indirectly reflected in the business results of companies.

Owing to the uncertainty of the development of events on the world raw materials markets and

capital markets, evaluating the effectiveness of measures implemented by the Bank of Russia and their influence on the Issuer's activities can, at the present time, only be done with difficulty.

### **World Financial Crisis Risks**

From 2007 to 2009 there was a worldwide financial crisis ; it was characterized by a reduced level of liquidity, which is characteristic for the current market situation, and influenced the solvency of the Issuer's contracting parties and the ability to ensure the timely repayment of liabilities by the Issuer. In such conditions, the Issuer undertook the necessary measures to ensure the steady development of its activities. However, one should not exclude the possibility that a second wave of crisis will arise.

### **Risks tied to the Issuer's Generation of Funds on the Russian Corporate Bonds Market**

There is currently one issue of Ruble bonds from the Issuer, issued in April 2007 and has a repayment date of April 2012.

The Issuer's Ruble bonded loans, which are circulating on the Russian market, have a fixed coupon rate. As compared to floating interest rates, which are, as a rule, connected to defined economic indicators, fixed percentage rates enable the gradation of interest risk and also enable influence over changes in economic indicators for the value of coupon rates. Additionally, fixed percentage rates protect the value of impending commitments for bond loan services from the influence of political, economic and other factors.

### **Risks Related to Changes in Interest Rates**

The electric power industry is one of the capital-intensive branches of industrial production. Strengthening the Company's market position will require significant additional investment expenditure. It will

be necessary to borrow funds in order to finance this. In addition to this, the Company needs funds to achieve its current goals due to the gaps between the delivery of electricity and the payment for it made by counterparties. The Company is subject to the risk of changes to interest rates on financial obligations. Increasing interest rates may lead to an increase in the cost of funds intended for the Company's investment program and business activity.

**Actions Taken by the Company's to Reduce the Influence of this Factor:**

- raising short-term and long-term credit on the condition of ensuring optimal structure and value of the credit portfolio;
- placement of bonds when there are favorable market conditions.

**Inflation Risk**

The level of inflation depends directly on the economic situation in the country. Growth of inflation in Russia will lead to a general increase in interest rates.

According to the Federal Service of State Statistics, the level of inflation in 2003 was 12%, in 2004 — 11.7%, in 2005 — 10.9%, in 2006 — 9.0%, in 2007 — 11.9%, in 2008 — 13.3%, in 2009 — 8.8%, in 2010 — 8.8% and in 2011 — 6.11%.

The negative effect of inflation on the financial and economic activity of the Company creates the following risks:

- risk of losses related to a decrease in the real value of the accounts receivable in the event of a considerable deferment or delay in payment;
- risk of an increase in payable interest;

■ risk of an increase in the cost of goods, products, work and services due to the growing cost of energy resources, transportation, salaries, etc.;

■ risk of reduction in the real value of funds raised to implement the investment program.

The risk of inflation influence may arise in the event that monies received depreciate in their real purchasing power faster than they grow nominally. Growth of inflation has a considerable effect on the financial performance of the Company. It may lead to increasing costs (due to growing prices for energy resources and inventories) and, as a result, reduction in the profit and efficiency of the Company. Apart from that, inflation growth leads to the increasing cost of funds borrowed by the Company.

**In order to reduce the influence of inflation related risks on the Company's activities the following actions have been proposed:**

- setting economically justifiable rates for the Company within the limits imposed by the state;
- carrying out actions aimed at reducing internal costs.

**Risk of Change in Exchange Rates**

There are currently almost no foreign currency contracts in the context of the Company's activity. The Company does not intend to conclude contracts expressed in foreign currency related to its production and economic activity. However, some transactions related to acquisitions may be expressed in foreign currency. As of December 31, 2011, the Company had two big foreign currency contracts, for which the planned payable amount is 21.42 million euros, including 11.75 million euros reflected in long term accounts payable.

## LEGAL RISKS

### Risks Related to the Revocation of Licenses

This includes risks related to the impossibility of extending the Company's license for carrying out a certain type of activity or for using sites which are restricted (including natural resources). In order to carry out licensed activities, the Company needs to obtain new licenses according to the procedure established by Russian legislation after expiration of the previous licenses. In the event that regulatory requirements have been violated, the Company could not receive new licenses on schedule. At present, such risks are minimal. However, failure to prolong the validity of licenses or receive new licenses may have a significant negative effect on the activity and financial results of the Company.

### Risks Related to Changes in Tax Legislation

One of the peculiarities of Russian tax and duties legislation is that it is constantly transforming.

The general principles of taxation in the Russian Federation, on which the Russian tax system is based, are established in the first part of the Tax Code of the Russian Federation (TC RF). The first part of the TC RF defines the general regulations according to which taxation entities must carry out their activities and reinforces them with rights and responsibilities as well as with procedural norms, which assist in the observance of such rights and responsibilities.

Questions regarding the payment of specific taxes are addressed in the second part of the TC RF, which is also subject to regular changes and ad-

ditions. Despite the Russian Federation Government's assurances regarding the stability of tax legislation, laws that amend the TC RF are passed on a yearly basis, particularly concerning the procedures for calculation and payment of particular taxes. This complicates the formation of medium- and long-term forecasts regarding taxpayers' activities.

In conditions of economic crisis, a number of laws have been passed which are directed at reduction of the tax burden. As such, since January 1, 2009, the corporate profit tax rate has been reduced from 24% to 20%.

Additionally, in accordance with Federal Law No. 212-Φ3 dd. July 24, 2009 as amended, which came into force in 2011, insurance premium rates were reduced from 34% to 30%.

Certain risks also arise because of the imperfect nature of the judicial system in the Russian Federation and the lack of a unified position between various judicial organs on disputed taxation issues. Russian law does not operate according to precedent, and, as such, precedents set during previous court trials do not affect the process of investigating similar activities in other trials.

Despite the fact that the Issuer will strive to properly fulfill all the tax legislation requirements, one should never exclude risks associated with tax violations on the part of the Issuer.

The Issuer, as a law-abiding taxpayer operating under the conditions of imperfect and often changing tax legislation, will direct all possible efforts towards observing this legislation and in the case of necessity will resort to defending its positions in court.

## RISKS RELATED TO THE COMPANY'S ACTIVITIES

### Risks Related to Protection of the Environment

The Company's industrial activities are linked to the potential danger of inflicting damage on or polluting the natural environment. As a result there arises the risk of civil responsibility and of the necessity of working to correct such damage.

To decrease such risks, the Company constantly monitors its activities in order to observe the corresponding standards for natural preservation on all levels of its activities and hosts events for protecting the natural environment and for reduction of environmental impact.

When allocating finances, the Company creates reserves for covering the costs of responsibility for pollution of the environment and implements responsibility insurance for such incidents.

### Industrial and Operational Risks

Industrial risks are related to all types of technical violations and accidents due to the following reasons:

- errors by operators;
- natural and climatic factors;
- the economic and physical deterioration of fixed assets;
- unforeseen external circumstances.

Operational risks are related to factors such as a ban on operating equipment with limit deviations from the regulatory technical requirements imposed by the supervisory authorities.

In order to reduce these risks, the Company carries out programs of strategic action, such as modernization of existing generating assets, fitting vehicles with modern equipment and implementing an investment program that envisages the construction of new capacities at the sites of existing power plants.

As part of its day-to-day operations, **the Company undertakes the following measures in order to reduce such risks:**

- commercial insurance of property, the civil liability of owners of hazardous industrial sites and hydro-technical structures, and vehicles; and insuring personnel for accidents and illnesses;
- special training of personnel using training simulators;
- holding events to help increase the durability of plants during system emergencies;
- monitoring and increasing the level of safe practice and labor discipline;
- increasing the level of fire safety at production sites.

### Judicial Risks

#### Risks of Liability Related to Third Party Debts, including Subsidiary Companies

As part of its general activities, JSC "OGK-2" employs the practice of pledging collateral to third parties. Collateral is mainly offered as guarantees for the obligations of third parties. The risk of non-fulfillment or improper fulfillment of obligations by third parties, including subsidiary companies, connected with possible liability of the Company is negligible. The Company estimates the influence of this risk on its activities as negligible.

**Risk of Losing Consumers who Account for at least 10 percent of the Total Sales Earnings**

The Company does not have any consumers which account for at least than 10% of the total sales earnings of the Company.

**Other Risks Connected with the Company's Activity which are specific to it:**

The Company is not aware of any other risks that are exclusive to the Company's activity.





## More heat:

more tender thoughts and emotions warming  
everyone around us and everyone we care about



# Financial and Economic Performance Overview

2.1. Revenue
2.2. Production Costs
2.3. Other Expenses and Income
2.4. Profit
2.5. Balance Structure

## 2. OFINANCIAL AND ECONOMIC PERFORMANCE OVERVIEW<sup>1</sup>

The Company's revenues in 2011 grew by 17% versus 2010 to **61,387,184 thousand rubles**, and production cost increased by 20% to **55,213,029 thousand rubles**.

The Company's sales profit was reduced by 14% to **4,916,755 thousand rubles**. Net profit in the reporting period reduced by 64% and was equal to **1,138,101 thousand rubles**.

### JSC "OGK-2" Profit and Loss Statement for 2010–2011, thousand rubles

Index	2010	2011	Change, %
<b>Income and expenses for ordinary activities</b>			
Revenues from sale of goods, products, works and services	52,423,623	61,387,184	17
Cost of sold goods, products, works and services	(45,831,991)	(55,213,029)	20
Gross profit	6,591,632	6,174,155	-6
Selling and marketing costs	–	–	0
General and administrative expenses	(868,920)	(1,257,400)	45
Sales profit/loss	5,722,712	4,916,755	-14
<b>Other income and expenses</b>			0
Interest receivable	335,851	25,620	-92
Interest payable	(534,968)	(770,968)	44
Other income	2,107,941	1,100,421	-48
Other expenses	(3,367,711)	(3,406,053)	1
<b>Profit/loss before tax</b>	<b>4,263,825</b>	<b>1,865,775</b>	<b>-56</b>
Deferred tax assets	9,659	72,951	655
Deferred tax liabilities	56,722	(761,020)	-1,442
Current income tax	(1,146,726)	(819,197)	-29
Income tax from previous years	(3,466)	779,746	-22,597
Other expenses from profit	(18)	(154)	756
<b>Net profit/loss for the reporting period</b>	<b>3,179,996</b>	<b>1,138,101</b>	<b>-64</b>

<sup>1</sup> In this section, the analysis of financial and economic results has been carried out in accordance with Russian Accounting Standards (RAS).

Revenues of JSC “OGK-6” for 10 months in 2011 was **43,389,363 thousand rubles** and reduced by 16% versus 2010, and production cost for 10 months in 2011 was **40,279,776 thousand rubles** and reduced by 12% versus 2010. The Company’s sales profit was reduced by 77% to **822,953 thousand rubles**. Net loss of JSC “OGK-6”

for period from January to October, 2011 was **293,133 thousand rubles**.

Actual data for 10 months in 2011 is presented due to reorganization of JSC “OGK-6” in form of merger to JSC “OGK-2” starting November 1, 2011.

### JSC “OGK-6” Profit and Loss Statement for 2010–2011, thousand rubles

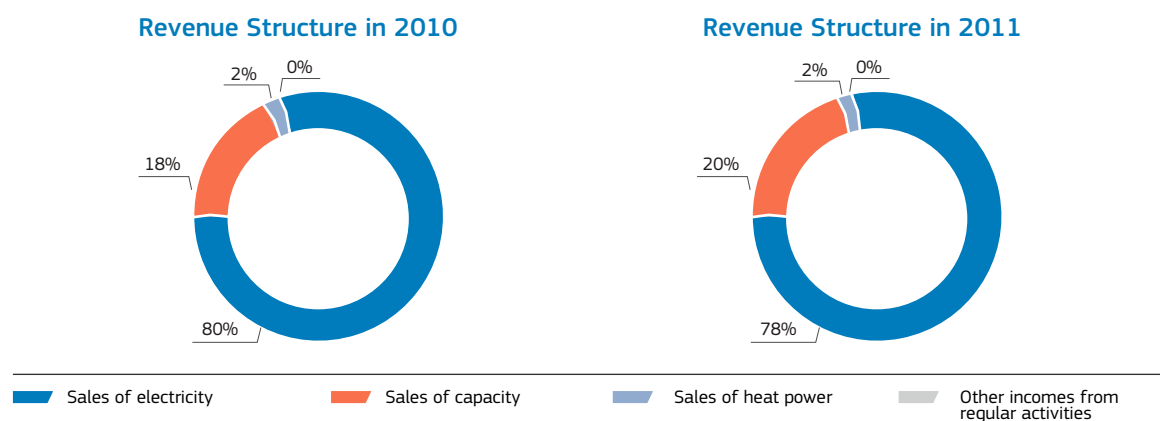
Index	2010	10 months of 2011	Change, %
<b>Income and expenses for ordinary activities</b>			
Revenues from sale of goods, products, works and services	51,473,363	43,389,363	-16
Cost of sold goods, products, works and services	(45,563,205)	(40,279,776)	-12
Gross profit	5,910,159	3,109,587	-47
Selling and marketing costs	(55,824)	(47,874)	-14
General and administrative expenses	(2,299,707)	(2,238,759)	-3
Sales profit/loss	3,554,628	822,953	-77
<b>Other Expenses and Income</b>			0
Interest receivable	107,336	18,519	-83
Interest payable	(441,930)	(765,773)	73
Other income	1,229,456	325,276	-74
Other expenses	(820,656)	(1,340,684)	63
<b>Profit/loss before tax</b>	3,628,834	(939,710)	-126
Deferred tax assets	6,152	1,984	-68
Deferred tax liabilities	(114,316)	(186,850)	63
Current income tax	(594,034)	964,643	-262
Income tax from previous years			0
Other expenses from income	(86,194)	(133,199)	55
<b>Net profit/loss for the reporting period</b>	2,840,442	(293,133)	-110

## 2.1. REVENUE

Income from sales of electricity (78% at JSC “OGK-2” and 71% at JSC “OGK-6”) and capacity (20% at JSC “OGK-2” and 24% at JSC “OGK-6”)

dominate the revenue structure. Sales of heat made up 2% of revenue of JSC “OGK-2” and 4% of revenue of JSC “OGK-6”<sup>2</sup>.

### Revenue structure of JSC “OGK-2” in 2010–2011



### Revenue structure of JSC “OGK-2” in 2010–2011, thousand rubles

	2010.	Share in revenue, %	2011.	Share in revenue, %	Change, %
<b>Revenue</b>	52,423,623	100	61,387,184	100	17
Sales of electricity	42,110,906	80	47,318,912	77	12
Sales of capacity	9,365,180	18	12,520,608	20	34
Sales of heat power	868,872	2	1,318,391	2	52
Other incomes from day-to-day activities	78,664	0	229,272	0	191

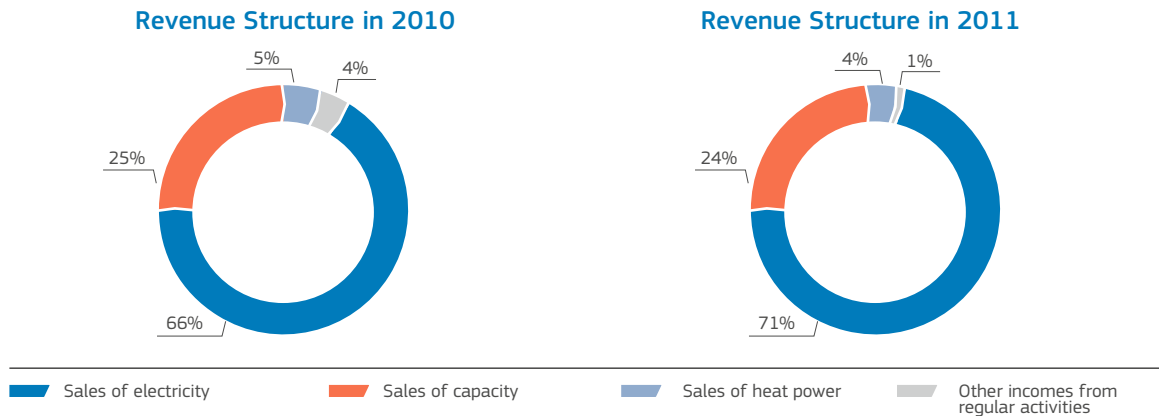
The primary factors of growth in Company revenues during 2011 were:

- the addition of new plants starting November 1, 2011;

- an increase in the level of market liberalization;
- growth in rates and prices for the provision of electricity and capacity.

<sup>2</sup> A more detailed information about revenue from sales of electricity, capacity and heat is specified in Section 4 hereof.

### Revenue structure of JSC “OGK-6” in 2010–2011



### Revenue structure of JSC “OGK-6” in 2010–2011, thousand rubles

	2010.	Share in revenue, %	10 months 2011.	Share in revenue, %	Change, %
<b>Revenue</b>	<b>51,473,363</b>	<b>100</b>	<b>43,389,363</b>	<b>100</b>	<b>-16</b>
Sales of electricity	34,197,907	66	30,286,588	70	-11
Sales of capacity	13,058,847	25	10,605,146	24	-19
Sales of heat power	2,374,882	5	1,903,580	4	-20
Other incomes from regular activities	1,841,728	4	594,049	1	-68

The main factors that led to the decline of the Company's revenue in 2011 was the termination of the Company's business starting October 31, 2011 due to joining JSC “OGK-2”.

Sales revenues from other products (services) resulting from core activities in 2011, which includes revenue from sales of chemically treated water, payment for non-return of condensate, payment

for transfer of heat power, revenue from leasing property, revenue from the technological merger, etc., made up **594,049 thousand rubles**, this is 68% less than in 2010. The reason for this decline was that the income received from technological merger of LLC KINEF and JSC LOESK power receiving stations, reflected in the revenue of 2010, was non-recurring.

## 2.2. PRODUCTION COST

In 2011, actual costs of JSC “OGK-2” include costs of branches of JSC “OGK-6” incurred in November–December, 2011, due to reorganization of the Company by merger of JSC “OGK-6” to the Company starting November 1, 2011.

The production cost of JSC “OGK-2” (including general and administrative and selling and marketing

costs) in 2011 increased by 21.0% in comparison with 2010, amounting to **56,470,429 thousand rubles**.

The largest part of the production cost structure (74.8%) is made up of variable costs; semi-fixed costs make up 25.2% of the overall cost structure.

### Production cost structure of JSC “OGK-2” in 2010–2011

	2010		2011		Change, %
	Thousand rubles	Share, %	Thousand rubles	Share, %	
<b>Total production cost</b>	(46,685,631)	100	(56,470,429)	100	21.0
<b>Variable costs</b>	(36,979,627)	79.2	(42,223,737)	74.8	14.2
Fuel costs	(29,866,966)	64.0	(37,574,352)	66.5	25.8
Electricity (capacity) purchase from wholesale market	(7,112,661)	15.2	(4,634,908)	8.2	-34.8
Water for technological needs	–	0.0	(14,477)	0.0	0.0
<b>Semi-fixed costs</b>	(9,706,004)	20.8	(14,246,692)	25.2	46.8
Raw materials	(1,192,825)	2.6	(1,700,885)	3.0	42.6
Production works and services	(1,621,446)	3.5	(2,900,148)	5.1	78.9
Depreciation	(688,950)	1.5	(1,052,419)	1.9	52.8
Labor remuneration and contributions for social needs	(2,660,412)	5.7	(3,840,301)	6.8	44.3
Private pension funding	(23,087)	0.0	(68,159)	0.1	195.2
Water tax	(716,621)	1.5	(793,755)	1.4	10.8
Other costs	(2,802,664)	6.0	(3,891,025)	6.9	38.8

In 2010, the share of fuel costs in the general production cost structure was 66.5%. The growth of fuel costs in 2011 to **37,574,352 thousand rubles**, 25.8% above their 2010 levels, is connected with the increase in prices for all types of fuel and the increase in fuel combustion due to the addition of new branches as a result of the Company’s reorganization.

Electricity purchase expenses in 2011 decreased by 34.8% to **4,634,908 thousand rubles** in comparison with 2010 due to the reduction of volumes of purchased energy. The share of energy purchase expenses in the production cost structure reduced and amounted to 8.2%.



In 2011, repair and maintenance costs (recorded as part of the raw materials, production works and services, labour remuneration and UST) increased by 145.3% to **4,145,976 thousand rubles**. In 2011, the share of repairs in the production cost structure was 7.3%.

Costs for labour remuneration and payment for social contributions to non-budgetary funds (UST) increased by 44.3% in comparison with their 2010 levels to **3,840,301 thousand rubles** which is connected with the Company's reorganization and with the change of insurance premium rates payable to non-budgetary funds.

Depreciation costs in 2011 were **1,052,419 thousand rubles**, i.e. 52.8% higher than such costs in

2010. The level of these costs increased due to the Company's reorganization.

The actual costs of JSC "OGK-6" are presented for the period of 10 months of 2011, which is connected with the Company's reorganization by merger to JSC "OGK-2" starting November 1, 2011.

The production cost of JSC "OGK-6" (including general and administrative and selling and marketing costs) for the period of 10 months of 2011 versus 2010 decreased by 11.2% and amounted to **42,566,410 thousand rubles**.

The largest part of the production cost structure (70.4%) is made up of variable costs; semi-fixed costs make up 29.6% of the overall cost structure.

### Production cost structure of JSC "OGK-6" in 2010–2011

	2010		10 months 2011		Change, %
	Thousand rubles	Share, %	Thousand rubles	Share, %	
<b>Total production cost</b>	(47,918,736)	100	(42,566,410)	100	-11.2
<b>Variable costs</b>	(34,443,314)	71.9	(29,958,198)	70.4	-13.0
Fuel costs	(27,590,514)	57.6	(25,795,853)	60.6	-6.5
Electricity (capacity) purchase from the wholesale market	(6,778,063)	14.1	(4,093,024)	9.6	-39.6
Water for technological needs	(74,737)	0.2	(69,321)	0.2	-7.2
<b>Semi-fixed costs</b>	(13,475,422)	28.1	(12,608,212)	29.6	-6.4
Raw materials	(1,467,048)	3.1	(1,372,392)	3.2	-6.5
Production works and services	(2,912,500)	6.1	(2,595,876)	6.1	-10.9
Depreciation	(1,691,694)	3.5	(1,785,137)	4.2	5.5
Labor remuneration and contributions for social needs	(2,992,430)	6.2	(2,933,522)	6.9	-2.0
Private pension funding	(138,494)	0.3	(83,472)	0.2	-39.7
Water tax	(902,321)	1.9	(707,278)	1.7	-21.6
Other costs	(3,370,936)	7.0	(3,130,534)	7.4	-7.1

The share of the fuel costs in the production cost structure of JSC "OGK-6" for the period of 10 months in 2011 was 60.6%. Reduction in the fuel costs in 2011 by 6.5% versus 2010 to **25,795,853 thousand rubles** is connected with the termination of the Company's business starting November 1, 2011, due to merger with JSC "OGK-2".

Electricity purchase expenses in 2011 versus 2010 reduced by 39.5% to **4,093,024 thousand rubles** due to the reduction in volumes of purchased energy. The share of energy purchase expenses decreased and amounted to 9.6% in the production cost structure.

Repair and maintenance costs (recorded as a part of the raw materials, production works and servic-

es, labour remuneration and UST) for 10 months in 2011 decreased by 10.1% to **3,120,433 thousand rubles**. The share of repairs in the production cost structure is 7.3% for 10 months in 2011.

Costs for labour remuneration and payment for social contributions to non-budgetary funds (UST) for 10 months in 2011 decreased by 2.0% in comparison with their 2010 levels to **2,933,522 thousand rubles**.

Depreciation costs for 10 months in 2011 were **1,785,137 thousand rubles**, i.e. 5.5% higher than such costs in 2010. The increase in cost was due to the 2010 commissioning of CCGTU-420 which belongs to Ryazanskaya GRES (JSC "OGK-6") as well as the commissioning of other facilities which are part of the Company's investment program.

## 2.3. OTHER EXPENSES AND INCOME

Other income from non-core activities of JSC "OGK-2" in 2011 equaled **1,126,041 thousand rubles**, which is 53.9% less than in 2010 and connected with the receipt of income from restoration of the allowance for doubtful accounts as well as with the decrease in the balance of deposit bank accounts in 2011, which led to the decrease of receivable interest in 2011.

Other expenses of JSC "OGK-2" in 2011 were increased by 7.0% to **4,177,021 thousand rubles**, primarily due to the Company's reorganization by JSC "OGK-6" branches merging the Company starting November 1, 2011.

Other income from non-core activities of JSC "OGK-6" for 10 months in 2011 equaled **343,795 thousand rubles**, which is 74.3% lower than in 2010 and connected with the receipt of income from the restoration of the allowance for doubtful accounts.

Other expenses of JSC "OGK-6" for 10 months in 2011 increased by 66.8% to **2,106,458 thousand rubles**, primarily, due to the increase in the credit interest rate as well as the generation of the allowance for doubtful accounts in 2011 (502.9 million rubles).

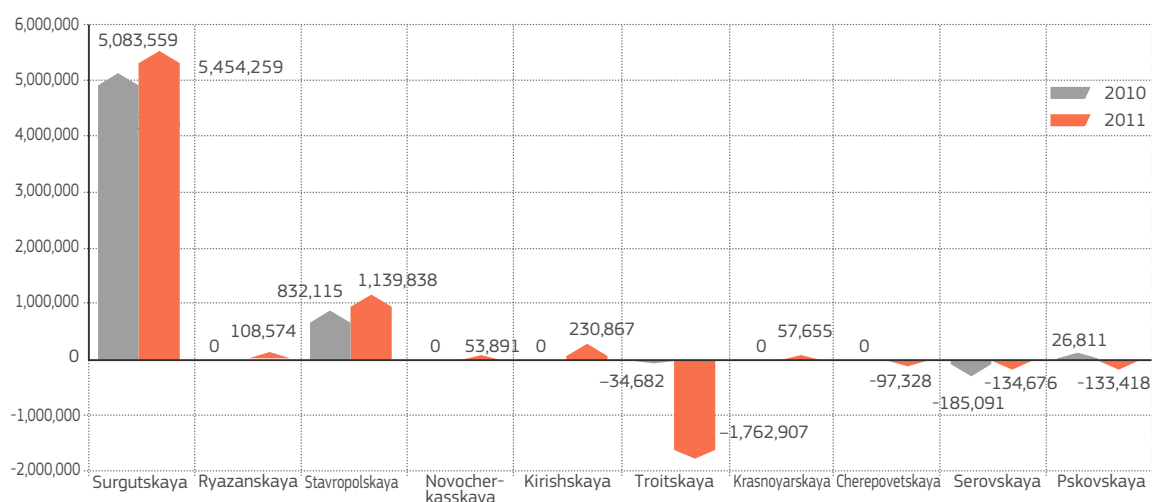
## 2.4. PROFIT

### Sales profit

At the end of 2011, the sales profit of JSC “OGK-2” was **4,916,755 thousand rubles**, which is 14.3% less than in 2010. Troitskaya GRES experienced the most significant decrease in sales profit due to

a high failure rate of electric equipment, and the Pskovskaya GRES – due to a significant decrease of electricity sales in all sectors of the wholesale electricity and capacity market due to the worsening of the scheme and mode situation in the North-Western UPS.

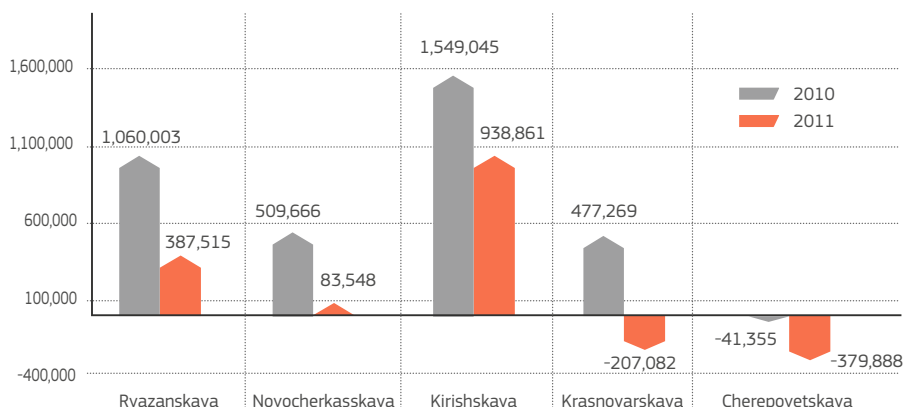
#### Sales profit by GRES of JSC “OGK-2” in 2010–2011 (thousand rubles)



	2010	2011	Change, %
<b>Total:</b>	<b>5,722,712</b>	<b>4,916,755</b>	<b>-14</b>
Surgutskaya GRES-1	5,083,559	5,454,259	7
Ryazanskaya GRES	0	108,574	0
Stavropolskaya GRES	832,115	1,139,838	37
Novocherkasskaya GRES	0	53,891	0
Kirishskaya GRES	0	230,867	0
Troitskaya GRES	-34,682	-1,762,907	4,983
Krasnoyarskaya GRES-2	0	57,655	0
Cherepovetskaya GRES	0	-97,328	0
Serovskaya GRES	-185,091	-134,676	-27
Pskovskaya GRES	26,811	-133,418	-598

At the end of 10 months in 2011, the sales profit of JSC “OGK-6” was **852,953 thousand rubles**, which is 77.0% less than in 2010.

### Sales profit by GRES of JSC "OGK-6" in 2010–2011 (thousand rubles)



	2010	10 months 2011	Change, %
<b>Total:</b>	<b>3,554,628</b>	<b>822,953</b>	<b>-77</b>
Ryazanskaya GRES	1,060,003	387,515	-63
Novocherkasskaya GRES	509,666	83,548	-84
Kirishskaya GRES	1,549,045	938,861	-39
Krasnoyarskaya GRES-2	477,269	-207,082	-143
Cherepovetskaya GRES	-41,355	-379,888	819

### EBITDA

EBITDA stands for earnings before interest, taxes, depreciation and amortization. This indicator accurately shows a company's financial performance, and makes it possible to compare companies with one another, as it is not dependant on the taxation system, loan cost, or accepted corporate system of depreciation of fixed and intangible assets.

EBITDA = profit before taxation (line 140, form 2) – interest receivable (line 060, form 2) – income from participation in other organizations (line 080, form 2) + interest payable (line 070, form 2) + depreciation for the applicable period (line 740, form 5).

As of the end of 2011, the EBITDA of JSC "OGK-2" made up 3,663,187 thousand rubles, or 29% less than in 2010. Profitability of EBITDA by revenue in 2011 made up 6.0%, or 3.8 percentage points lower than EBITDA profitability in 2010 (9.8%).

Index	2010	2011	Change, %
EBITDA (thousand rubles)	5,151,892	3,663,187	-29

As of the end of 10 months of 2011, EBITDA of JSC “OGK-6” made up 1,590,771 thousand rubles, or 72% less than in 2010. Profitability of EBITDA

by revenue in 2011 made up 3.7%, or 7.3 percentage points lower than EBITDA profitability in 2010 (11.0%).

Index	2010	10 months 2011	Change, %
EBITDA (thousand rubles)	5,655,121	1,590,771	-72

## Net profit

As of the end of 2011, net profit of JSC “OGK-2” made up **1,138,101 thousand rubles** or 64.3% lower than in 2010. Net profit in 2011 decreased due to the fact that the growth rate of semi-fixed costs exceeded the growth rate of revenue, as well as the decrease of other income against the growth of other expenses.

As a result of this, the net profit for one share in 2011 was equal to **0.019 rubles** and decreased by 0.078 rubles in relation to its 2010 level.

As of the end of 10 months of 2011, net loss of JSC “OGK-6” made up **293,133 thousand rubles**, which is 3,133,574 thousand rubles less than in 2010. Net profit in 2011 decreased due to the termination of the Company’s business starting November 1, 2011 as a result of accession to JSC “OGK-2” as well as the decrease in other income against the growth of other expenses.

## Returns of JSC “OGK-2” in 2010–2011

Index	2010	2011	Change
ROS Return on sales (Profit from sales/Revenue)	10.9	8.0	-26.6
Return on net profit (Net profit/ Revenue)	0	108,574	0
ROE Return on equity (Net profit/Average annual equity and reserves)	6.1	1.9	-69.4
ROA Return on assets (Net profit/Assets)	8.0	2.3	-70.6
	6.5	1.0	-85.1

## Returns of JSC “OGK-6” in 2010–2011

Index	2010	2011	Change
ROS Return on sales (Profit from sales/Revenue)	6.9	1.9	-72.5
Return on net profit (Net profit/ Revenue)	0	108,574	0
ROE Return on equity (Net profit/Average annual equity and reserves)	5.5	-0.7	-112.2
ROE Return on equity (Net profit/Assets)	7.1	-0.7	-110.2
	5.0	-0.4	-109.0

## 2.5. BALANCE STRUCTURE

### Balance structure for 2010–2011

Index		2010	Share in the balance	2011	Share in the balance	Change, %
		Thousand rubles	%	Thousand rubles	%	
<b>Assets</b>	Non-current assets	29,253,402	62.29	86,609,195	73.54	196.07
	Current assets	17,712,075	37.71	31,166,929	26.46	75.96
	<b>Total</b>	<b>46,965,477</b>	<b>100.00</b>	<b>117,776,124</b>	<b>100.00</b>	<b>150.77</b>
<b>Liabilities</b>	Capital and reserves	38,053,980	81.03	75,701,776	64.28	98.93
	Long-term liabilities	5,473,835	11.66	28,514,213	24.21	420.92
	Short-term liabilities	3,437,662	7.31	13,560,135	11.51	294.46
	<b>Total</b>	<b>46,965,477</b>	<b>100.00</b>	<b>117,776,124</b>	<b>100.00</b>	<b>150.77</b>

### 2.5.1. Assets

According to the 2011 financial statements of JSC “OGK-2”, the value of the company’s assets is 117,776,124 thousand rubles. In the assets structure, the share of non-current assets grew from

62.29% to 73.54% and the share of current assets reduced from 37.71% to 26.46%. The increase in non-current assets was primarily caused by reorganization in 2011 by accession of JSC “OGK-6” to JSC “OGK-2”.

### Assets structure in 2010–2011

		December 31, 2010		December 31, 2011		Change, %
		Thousand rubles	% of total assets	Thousand rubles	% of total assets	
<b>Non-current assets</b>	Fixed assets	9,630,311	62.29	32,568,585	73.54	238.19
	Construction in progress	3,763,651		35,466,929		842.35
	Long-term financial investments	555,548		1,653,641		197.66
	Other (deferred tax assets, long-term advance payments for capital construction, etc.)	15,303,892		16,920,040		10.56
<b>Current assets</b>	Reserves	2,515,718	37.71	6,426,357	26.46	155.45
	Long-term accounts receivable	15,943		56,496		254.36
	Short-term accounts receivable	9,424,482		24,193,053		156.70
	Short-term financial investments	2,677,123		68,475		-97.44
	Cash	3,023,447		337,851		-88.83
	Other (VAT and other current assets)	55,362		84,697		52.99

## Non-current assets

### Fixed Assets

In 2011, the fixed assets of JSC "OGK-2" increased by 238.19% to 32,568,585 thousand rubles, which took place primarily due to reorganization of JSC "OGK-6" in form of accession to JSC "OGK-2" in 2011.

As of the end of 2011, buildings, facilities and relay devices, which account for 18,239,014 thousand rubles, or 56.0%, and plant equipment and vehicles with 14,199,817 thousand rubles, or -43.6%, made up the majority of fixed assets.

### Structure of JSC "OGK-2" fixed assets in 2010–2011

Index	December 31, 2010		December 31, 2011		Change, %
	Thousand rubles	Share, %	Thousand rubles	Share, %	
Buildings, facilities and relay devices	6,214,005	64.53	18,239,014	56.00	193.51
Plant equipment, vehicles	3,375,754	35.05	14,199,817	43.60	320.64
Land plots and natural resources sites	19,401	0.20	64,407	0.20	231.98
Other fixed assets	21,151	0.22	65,347	0.20	208.95
<b>TOTAL:</b>	<b>9,630,311</b>	<b>100.00</b>	<b>32,568,585</b>	<b>100.00</b>	<b>238.19</b>

### Construction in progress

As of the end of 2011, construction in progress made up 35,466,929 thousand rubles (30.11% of

the total value of assets). This balance item has increased by 9.4 times in comparison with the start of the year due to reorganization of JSC "OGK-6" in form of accession to JSC "OGK-2" in 2011.

	As of December 31, 2010	As of December 31, 2011	Change, %
Investments in non-current assets	3,722,785	27,301,049	633.35
Equipment to be installed	40,866	8,165,880	19,882.09
<b>Total</b>	<b>3,763,651</b>	<b>35,466,929</b>	<b>842.35</b>

### Long-term financial investments

As of December 31, 2010, long-term financial investments constituted 1,653,641 thousand rubles. Long term financial investments include the shares of the four subsidiary companies: Open

Joint-Stock Company Voskhod Agricultural Plant Plant (OJSC SKV), Open Joint-Stock Company Novomichurinskoe Motor Transport Enterprise (JSC Novomichurinskoe ATP), Open Joint-Stock Company Chaika and Limited Liability Company OGK-Investproekt, 90,454,910 ordinary shares of JSC

RusHydro (0.03% of the charter capital of JSC RusHydro). The growth of long-term investments as opposed to the beginning of the year is primarily connected with accession of JSC "OGK-6" to JSC "OGK-2" in 2011.

The balance value of financial investments to charter capitals of other companies is 641,983 thousand rubles (including reserve created in case of devaluation of the financial investment into OJSC SKV to the amount of 30,659 thousand rubles).

Name of the shares	Par value, rub.	Quantity	Balance sheet amount, thousand rubles
Ordinary JSC Novomichurinskoe ATP Shares	1.00	22,112,522	18,053
Ordinary JSC Voskhod Agricultural Plant Shares	1.00	29,894,981	0
Ordinary OJSC Chaika Shares		6,803,000	6,650
LLC OGK-Investproekt	–	100% share	530,000
Ordinary JSC RusHydro Shares	1.00	90,454,910	87,280
<b>Total</b>			<b>641,983</b>

## Current assets

### Current assets structure in 2010–2011

Index	December 31, 2010		December 31, 2011		Change, %
	Thousand rubles	%	Thousand rubles	%	
Reserves	2,515,718	14.20	6,426,357	20.62	155.45
of which:					
Raw materials, of which:	2,514,502	14.20	6,348,326	20.37	152.47
Fuel oil	533,182	3.01	1,416,919	4.55	165.75
Coal	456,901	2.58	2,093,577	6.72	358.21
Other fuel	13,144	0.07	432,013	1.39	3,186.77
Accounts receivable	9,440,425	53.30	24,249,549	77.81	156.87
Short-term financial investments	2,677,123	15.12	68,475	0.22	-97.44
Cash	3,023,447	17.07	337,851	1.08	-88.83
Other (VAT and other current assets)	55,362	0.31	84,697	0.27	52.99
<b>Total current assets</b>	<b>17,712,075</b>	<b>100.00</b>	<b>31,166,929</b>	<b>100.00</b>	<b>75.96</b>

The majority of current assets are made up of accounts receivable (77.81). Current assets have increased by 75.96% since the beginning of the year

and totaled 31,166,929 thousand rubles which is connected with accession of JSC "OGK-6" to JSC "OGK-2" in 2011.



## Accounts receivable in 2010–2011

		December 31, 2010		December 31, 2011		Change, %
		Thousand rubles	%	Thousand rubles	%	
By period of occurrence	Long-term accounts receivable	15,943	0.17	56,496	0.23	254.36
	Short-term accounts receivable	9,424,482	99.83	24,193,053	99.77	156.7
By type	Purchasers and customers	2,053,631	21.75	6,587,790	27.17	220.79
	Advances made	7,306,591	77.4	11,917,362	49.14	63.1
	Other debtors	80,203	0.85	5,744,397	23.69	7062.32
	<b>TOTAL</b>	<b>9,440,425</b>	<b>100</b>	<b>24,249,549</b>	<b>100</b>	<b>156.87</b>

At the end of 2011, JSC “OGK-2” accounts receivable increased by 2.6 times in comparison with the beginning of the year up to 24,249,549 thousand rubles. The increase in the accounts receivable was due to reorganization of JSC “OGK-6” in form of accession to JSC “OGK-2” in 2011.

An allowance for doubtful accounts as of the end of 2011 made up 3,874,530 thousand rubles, or 1,866,334 thousand rubles more than figures of 2010. This increase is connected with the accession of JSC “OGK-6” to JSC “OGK-2” and reserve generation as of December 31, 2011.

As of December 31, 2011, from the overall accounts receivable, 6.95%, or 1,684,416 thousand rubles, was overdue. By the end of 2011 this

figure has been reduced by 1,195,598 thousand rubles in comparison with the beginning of the year.

## 2.5.2. Liabilities

As of December 31, 2012, JSC “OGK-2’s” the total liabilities amount to 117,776,124 thousand rubles, of which 75,701,776 thousand rubles or 64.28% are capital and reserves, 28,514,213 thousand rubles or 24.21% are long-term liabilities (loans and credits comprise 93.12% of long-term liabilities) and 13,560,135 thousand rubles or 11.51% are short-term liabilities (loans and credits comprise 40.96% of short-term liabilities).

## Liabilities structure in 2010–2011

		December 31, 2010		December 31, 2011		Change, %
Capital and reserves		38,053,980	81.03	75,701,776	64.28	98.93
Long-term liabilities	Loans and credits	5,000,000	11.66	26,553,808	24.21	431.08
	Other	473,835		1,960,405		313.73
Short-term liabilities	Loans and credits	–	7.31	5,554,467	11.51	–
	Accounts payable	3,292,749		7,366,398		123.72
	Other	144,913		639,270		341.14
Balance currency		46,965,477	100	117,776,124	100	150.77

## Capital and reserves

Capital and reserves in 2011 increased to 75,701,776 thousand rubles due to accession of JSC "OGK-6" to JSC "OGK-2" in 2011, i.e. due to an increase in the charter and additional capitals. JSC "OGK-2" net profit in 2011 was 1,138,101 thousand rubles.

## Reserve capital

The Company's charter stipulates the creation of a reserve fund that is 5% of the Company's charter capital. In accordance with a Resolution of the General Meeting of Shareholders (Minutes of JSC "OGK-2" No. 4 dd. June 22, 2011), as a result of the Company's work in 2010, 159,611 thousand rubles of JSC "OGK-2" net profit were used to create a reserve fund. As of December 31, 2011, the reserve fund was 1.96% of the size of the charter capital.

### Structure of reserve capitals as of December 31, 2011

No.	Reason for generation	Amount, thousand rubles
1	Reserves generated in accordance with the constituent documents, including:	
	a) from the Company's 2005 profit	118,621
	b) due to reorganization by merger	51,412
	c) from the Company's 2006 profit	7,339
	d) from the Company's 2009 profit	85,419
	e) from the Company's 2010 profit	159,611
	<b>TOTAL</b>	<b>422,402</b>

## Accounts payable (excluding load debts)

### Accounts payable in 2010–2011

		December 31, 2010		December 31, 2011		Change, %
		Thousand rubles	%	Thousand rubles	%	
By period of occurrence	Long-term accounts payable	53,805	1.61	216,066	2.85	301.57
	Short-term accounts payable	3,292,749	98.39	7,366,398	97.15	123.72
	<b>TOTAL:</b>	<b>3,346,554</b>	<b>100</b>	<b>7,582,464</b>	<b>100</b>	<b>126.58</b>
By type	Suppliers and contractors	2,610,900	78.02	6,178,017	81.48	136.62
	Taxes and duties payable (including state non-budgetary funds)	351,700	10.51	478,948	6.32	36.18
	Other creditors	254,070	7.59	644,744	8.5	153.77
	Debt to personnel	129,884	3.88	277,029	3.65	113.29
	Debt to participants	–	–	3,726	0.05	–
	<b>(founders) for payment of income</b>	<b>3,346,554</b>	<b>100</b>	<b>7,582,464</b>	<b>100</b>	<b>126.58</b>

As of December 31, 2011, JSC "OGK-2" accounts payable amounted to 7,582,464 thousand rubles, a 4,235,910 thousand ruble increase from the beginning of the year.

The primary cause of the increase in accounts receivable is the accession of JSC "OGK-6" to JSC "OGK-2" in 2011.

Out of overall accounts payable, as of December 31, 2011, 5.62 %, or 426,335 thousand rubles was overdue. The 9,233 thousand ruble increase of overdue accounts payable at the end of 2011

was primarily due to accession of JSC "OGK-6" to JSC "OGK-2" in 2011.

### Loans and credits

As of December 31, 2011, the financial debt of JSC "OGK-2" is **32,086,358 thousand rubles**. In short-term liabilities, line 1510 of the balance sheet shows the primary debt concerning short-term credits and loans to the amount of 5,532,550 thousand rubles and accrued interest payable on a bonded loan that amounted to 21,917 thousand rubles.

### Loans and credits in 2010–2011

Index	December 31, 2010, thousand rubles	December 31, 2011, thousand rubles
Long-term loans and credits, including	5,000,000	26,553,808
Bank credits	0	0
Other loans and credits	5,000,000	26,553,808
Short-term loans and credits, including	0	5,532,550
Bank credits	0	4,000,000
Other loans and credits	0	0
Bonded loan	0	1,532,550
<b>TOTAL</b>	<b>5,000,000</b>	<b>32,086,358</b>

As of December 31, 2011, the united JSC "OGK-2" credit portfolio amounted to 32,086,358 thousand rubles and consists of a 1,532,550 thousand ruble bonded loan with a 5 year repayment period (established in April 2007) and with a 7.25% interest rate (from April 23, 2010 to April 19, 2012) and of long-term loans to the amount of 26,553,808 thousand rubles and with a 7.25–8.4 % annual interest rate, and of short-term credits to the amount of 4,000,000 thousand rubles with a 5.8% annual interest rate. In comparison with December 31, 2010, the credit portfolio increased

by 27,086,358 thousand rubles. The changes in the credit portfolio are caused by reorganization of JSC "OGK-2" in form of JSC "OGK-6" accession to JSC "OGK-2".

### Financial Indices of JSC "OGK-2" for 2011

The indicators of the financial condition of a joint-stock company are its financial indices, which are calculated on the basis of financial statements (balance sheet (form 1)) and the profit and loss statement (form 2).

Financial indices as of December 31, 2011 are presented in the following table:

Name	Formula for calculating indices	Norm	Index
<b>Liquidity indices</b>			
Absolute liquidity ratio	(Cash+Short-term financial investments) / Short-term liabilities	> 0.15	0.03
Quick assets ratio	(Cash+Short-term financial investments+Accounts receivable of less than 12 months) / Short-term liabilities	> 0.95	1.81
Current liquidity ratio	Current assets / Current liabilities	> 2	2.30
<b>Financial soundness indices</b>			
Equity to total assets ratio	Equity / Total assets	> 0.8	0.64
<b>Returns indices</b>			
Return on sales (ROS)	(Gross profit / Sales revenue) 100	> 15%	10.1%
Return on equity (ROE)	(Net profit / Equity) 100	> 5%	1.5%
Return on assets (ROA)	(Net profit / Total assets) 100	> 3%	1.0%
<b>Indices of business activity</b>			
Dynamics of accounts receivable*	(Accounts receivable at the end of the reporting period – Accounts receivable at the end of the base period) / Accounts receivable at the end of the base period	< –10	–
Dynamics of accounts payable*	(Accounts payable at the end of the reporting period – Accounts payable at the end of the base period) / Accounts payable at the end of the base period	< –10	–
Ratio of accounts receivable to accounts payable	Accounts receivable at the end of the reporting period / Accounts payable at the end of the reporting period	> 1	3.2%

\* Due to reorganization of JSC “OGK-2” in form of accession with JSC “OGK-6” on November 1, 2011, financial indices for business activity used to demonstrate the dynamics of accounts receivable and accounts payable cannot be analyzed because the reporting data used to calculate these indices reflects the activity of the two companies after the merger, and the base data reflects the financial standing of JSC “OGK-2” as of January 1, 2011.

The indices for current and short-term liquidity are within the normal range:

- the current liquidity ratio, which characterizes both the overall assurance of the company’s short-term liabilities using current assets for carrying out business activities and the timely repayment of its term liabilities, amounted to 2.30 (the norm is >2) as of December 31, 2011. This attests to the fact

that the Company’s short-term liabilities are covered by its current assets;

- the quick assets ratio, which evaluates what share of current short-term liabilities which the company could pay-off in the case that its standing becomes critical, supposing that inventory reserves do not have any sort of liquidation value, amounted to 1.81 (the norm is larger than 0.95).

The equity to total assets ratio shows the share of equity in assets and specifies the degree of financial independence from creditors. The value of the ratio attests to the fact that the share of the Company's equities to the total amount is more than 64%.

The ratio of accounts receivable to accounts payable shows that the Company's accounts receivable as of December 31, 2011 covers its accounts payable by more than 3 times.

As of December 31, 2011, and taking into account the Company's performance, the Company was in profit.



# More capacity

and power to give us the energy, new opportunities,  
and strength to achieve new goals



# Industrial Activity

3.1. Electricity Generation
3.2. Heat Generation
3.3. Specific Consumption of Equivalent Fuel for Generation of Electricity and Heat
3.4. Fuel Consumption
3.5. Power Generation Equipment Maintenance and Repair

## 3. INDUSTRIAL ACTIVITY

### 3.1. ELECTRICITY GENERATION

Starting from 2005, there was strong growth in electricity consumption in Russia. This was halted by the global financial recession in 2008 and, as a result of this, the growth rate of industrial output decreased. From November 2008 onwards, the generation of electricity in Russia began to drop. In November 2008, generation of electricity dropped by 5.75% and in December 2008 — by 5%. However, the situation stabilized by the end of 2009 and

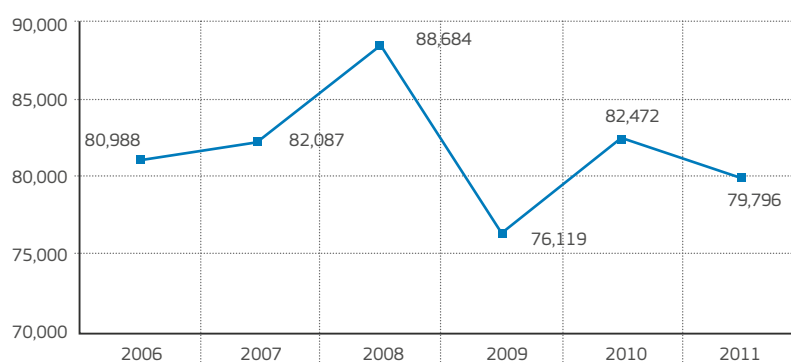
in 2011 generation practically returned to its pre-crisis level, which equaled 1,021 billion kWh, which is 1.6% larger than in 2010.

Electricity consumption in the Unified Power System of Russia in 2010 was 1,000.0 billion kWh, 1.1% larger than the amount of consumption in 2010. UPS of Russia power plants generated 1,021.1 billion kWh (1.6% more than in 2010).

#### Electricity generation, million kWh

	2006	2007	2008	Change	2009	Change	2010	Change	2011	Change
Russia in general, million kWh	996,078	1,016,000	1,023,000	1%	978,600	-4%	1,004,720	5%	1,021,100	1.6%
OGK-2, million kWh	80,988	82,087	88,684	1.08%	76,119	-0.14%	82,472	1.08%	79,796	-0.03%
OGK-2 share in electricity generation in Russia	8.1%	8.1%	8.7%	7.4%	7.8%	-10.3%	8.2%	5.1%	7.8%	-4.9%

#### Generation of electricity at OGK-2, million kWh

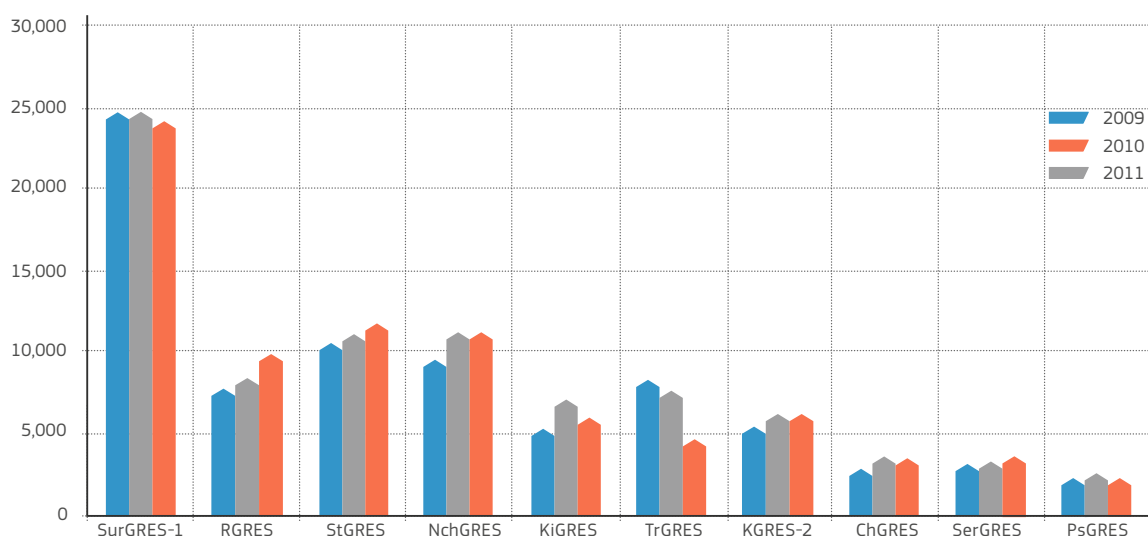




The share of JSC "OGK-2" on the Russian electricity market within the period from 2008 to 2011 has remained at the level of 8% from the all-Russian

level. The decrease in power generation in 2011 was caused by a significant power generation reduction by the Troitskaya GES and Kirishskaya GES branches.

### Dynamics of electricity generation from 2009–2011, million kWh



### Dynamics of electricity generation from 2009–2011, million kWh

	2009	2010	2011
<b>OGK-2, total</b>	<b>76,119</b>	<b>82,472</b>	<b>79,796</b>
Surgutskaya GES-1	24,437	24,406	23,768
Ryazanskaya GES	7,393	8,089	9,517
Stavropolskaya GES	10,211	10,757	11,379
Novocherkasskaya GES	9,213	10,847	10,914
Kirishskaya GES	4,956	6,779	5,640
Troitskaya GES	7,866	7,295	4,263
Krasnoyarskaya GES-2	5,019	5,860	5,896
Cherepovetskaya GES	2,373	3,311	3,184
Serovskaya GES	2,793	2,893	3,302
Pskovskaya GES	1,860	2,236	1,933

## Electricity generation in 2011, million kWh

	Surgutska- ya GRES-1	Ryazan- skaya GRES	Stavropol- skaya GRES	Novocher- kasskaya GRES	Kirishska- ya GRES	Troitska- ya GRES	Kras- noyar- skaya GRES-2	Chere- povetska- ya GRES	Serovs- kaya GRES	Pskovs- kaya GRES	OGK-2
January	2,243,370	750,039	1,090,086	957,307	564,866	413,601	633,333	271,489	296,547	154,574	7,375,213
February	2,015,775	789,523	1,171,487	1,021,192	590,218	557,190	602,973	245,038	287,624	204,563	7,485,584
March	2,126,024	705,916	1,019,768	973,108	537,776	450,276	438,270	245,788	303,293	192,691	6,992,909
April	1,914,555	787,561	923,324	841,535	442,826	358,973	301,081	199,293	258,024	163,105	6,190,276
May	2,074,679	629,364	672,346	719,499	402,891	356,850	341,408	251,607	326,141	124,399	5,899,186
June	1,979,879	874,399	642,608	835,496	397,384	342,924	403,722	245,406	260,382	127,406	6,109,606
July	1,914,800	1,006,687	762,663	985,325	452,348	426,694	389,881	273,685	197,767	146,434	6,556,284
August	1,875,949	829,145	872,374	827,935	372,573	317,063	389,283	328,072	232,309	104,717	6,149,420
September	2,008,927	855,757	846,592	889,879	483,624	363,091	432,953	324,854	291,325	224,101	6,721,103
October	1,807,142	859,146	984,172	954,915	501,973	159,284	612,276	290,607	293,886	152,776	6,616,177
November	1,797,219	883,413	1,195,108	1,117,277	491,178	245,391	631,555	278,735	264,108	206,494	7,110,479
December	2,009,265	546,307	1,198,343	790,544	402,831	271,828	718,820	229,851	290,450	131,872	6,590,111
<b>TOTAL</b>	<b>23,767,584</b>	<b>9,517,257</b>	<b>11,378,871</b>	<b>10,914,013</b>	<b>5,640,489</b>	<b>4,263,165</b>	<b>5,895,555</b>	<b>3,184,425</b>	<b>3,301,855</b>	<b>1,933,132</b>	<b>79,796,346</b>

## Capacity factor

**For reference:** The capacity factor (CF) is equal to the ratio of actual electric power generation for a given period to the possible electric power generation for the same period under conditions of operating at installed capacity without shutdowns. The CF indicates the level of capacity utilization for electric power generation.

$$CF = (V_e) / (N_{inst} \cdot t) \cdot 100, \%$$

where:

$V_e$  is the volume of electric power generated for the period, kWh;

$N_{inst}$  is the installed capacity, kWh;

$t$  is the number of calendar hours in a period, in hours.

The CF depends directly on the generation of the plants, which varies in accordance with electricity demand. The technical state of the equipment allows it to be fully loaded. Throughout the year it is not uncommon for the equipment to be fully loaded during peak periods.

In 2011, the capacity factor decreased from 53% to 51%. The decrease in the plants' CF was connected with the decrease in generation.

The largest CF in 2010 was at Surgutskaya GRES-1: 83%, and at Serovskaya GRES: 70%. The largest growth in CF in 2011 versus 2010 took place at Serovskaya GRES, by 8%. At Ryazanskaya GRES figures grew by 4%, and at Stavropol'skaya GRES by 3%, while all the other branches' CF remained at the level of the previous year or decreased.

### The JSC “OGK-2” capacity factor by plant

	2009	2010	2011
<b>OGK-2, total</b>	<b>37%</b>	<b>53%</b>	<b>51%</b>
Surgutskaya GRES-1	85%	85%	83%
Ryazanskaya GRES	29%	31%	35%
Stavropolskaya GRES	49%	51%	54%
Kirishskaya GRES	27%	37%	31%
Novocherkasskaya GRES	50%	59%	59%
Troitskaya GRES	44%	40%	24%
Krasnoyarskaya GRES-2	46%	54%	54%
Cherepovetskaya GRES	43%	60%	58%
Serovskaya GRES	61%	62%	70%
Pskovskaya GRES	49%	59%	51%

## 3.2. HEAT GENERATION

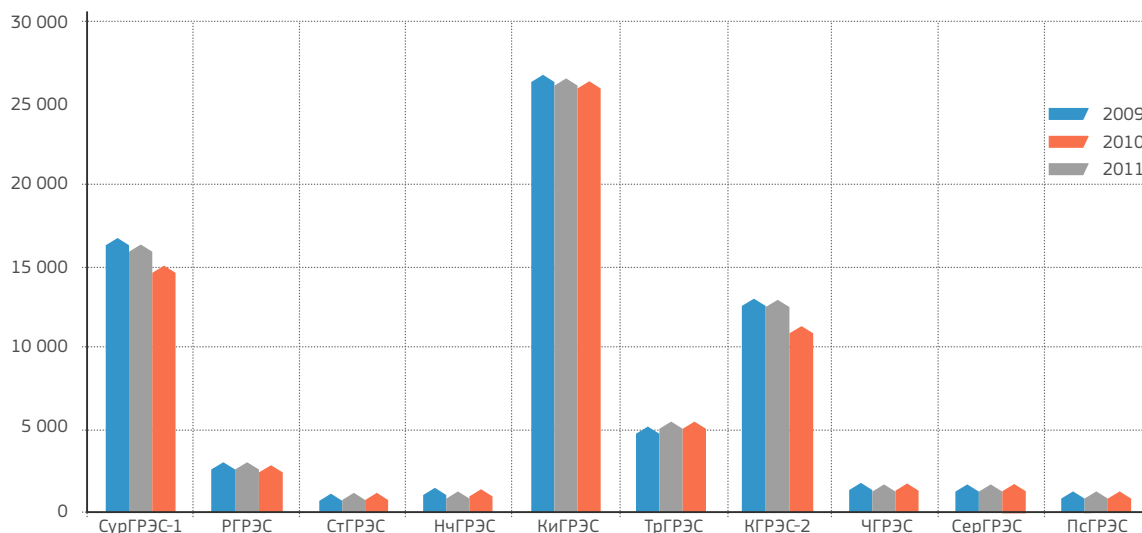
Overall production of heat energy at JSC “OGK-2” in 2011 made up 6,333 thousand Gcal, 401 thousand Gcal or 6% less than in 2010. The delivery of heat energy took place according to consumer orders.

Kirishskaya GRES, Surgutskaya GRES-1 and Krasnoyarskaya GRES-2 have the largest share in generation of heat energy at JSC “OGK-2.”

The other plants produce small volumes of heat sufficient for their own needs and those of nearby villages.

Heat energy generation at JSC “OGK-2” has a seasonal character. The main income from sales of heat energy is received in the period from October to March.

### Dynamics of heat generation in 2009–2011, thousand Gcal



### Dynamics of heat generation by OGK-2 plants from 2009–2011, thousand Gcal

	2009	2010	2011
<b>OGK-2, total</b>	<b>6,774</b>	<b>6,734</b>	<b>6,333</b>
Surgutskaya GRES-1	1,642	1,604	1,467
Ryazanskaya GRES	260	261	231
Stavropolskaya GRES	68	66	73
Novocherkasskaya GRES	96	79	85
Kirishskaya GRES	2,648	2,635	2,604
Troitskaya GRES	486	513	501
Krasnoyarskaya GRES-2	1,260	1,263	1,089
Cherepovetskaya GRES	113	115	110
Serovskaya GRES	119	116	95
Pskovskaya GRES	82	83	77

### 3.3. CONSUMPTION OF EQUIVALENT FUEL USED TO GENERATE ELECTRICITY AND HEAT

**For reference:** Using different types of fuel (solid, liquid and gaseous) makes a generalized quantitative calculation of their consumption for power generation impossible without a special procedure for converting different units (tons, m<sup>3</sup>) into a comparable form.

For this reason, in technical records, physical fuel is converted into equivalent fuel.

An equivalent fuel unit is an accounting unit used to compare the effectiveness of different types of fuel and their total amounts. The accepted equivalent unit is 1 kg of fuel with a heating value of 7,000 kcal/kg (29.31 MJ/kg). The relationships between units of equivalent and physical fuel are expressed by the following formula:

$$B_e = \frac{Q_p}{7000} B_p = \mathfrak{J} \cdot B_p$$

Where:

$B_e$  is the amount of equivalent fuel, kg;

$B_p$  is the amount of physical solid and liquid (kg) as well as gaseous fuel (thousand m<sup>3</sup>);

$Q_p$  is the heating value of physical solid and liquid or gaseous fuel in accordance with the chemical laboratory data, kcal/kg (MJ/kg) kcal/m<sup>3</sup> (MJ/m<sup>3</sup>), respectively;

$$\mathfrak{J} = \frac{Q_p}{7000} - \text{caloric equivalent.}$$

The average calorific values are 7,900 kcal / m<sup>3</sup>, and 9,800 kcal/kg for fuel oil; for coal the calorific value varies depending on the coal grade from 2,200 kcal/kg to 6,250 kcal/kg.

Data on the consumption of fuel in equivalent units is used for planning and analyzing the specific consumption of fuel for producing a unit of energy and for calculating the cost of production of heat and electricity.

Using equivalent fuel is particularly convenient for comparing the efficiency of different heat and power installations. The value of SCEF is also influenced by the GRES mode of operation. The SCEF of a plant increases if its coal units are operational.

Using equivalent fuel allows a fuel mix or a total energy mix of the overall industry to be made up.

In 2011 the specific consumption of equivalent fuel for generation of electricity throughout JSC "OGK-2" remained at its previous level.

### Specific consumption of equivalent fuel for generating electricity from 2009–2011, gef/kWh

	2009	2010	2011
<b>OGK-2, total</b>	<b>354</b>	<b>354</b>	<b>354</b>
Surgutskaya GRES-1	326	323	325
Ryazanskaya GRES	347	354	346
Stavropolskaya GRES	329	330	330
Novocherkasskaya GRES	373	368	364
Kirishskaya GRES	350	343	340
Troitskaya GRES	403	422	458
Krasnoyarskaya GRES-2	390	386	393
Cherepovetskaya GRES	377	369	370
Serovskaya GRES	464	466	464
Pskovskaya GRES	332	330	332

### Specific consumption of equivalent fuel for heat generation from 2009–2011, kgef/Gcal

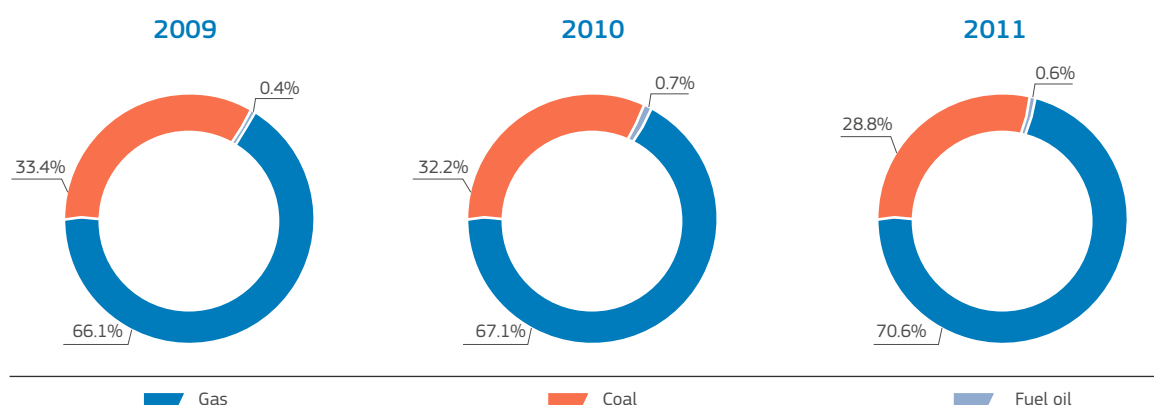
	2009	2010	2011
<b>OGK-2, total</b>	<b>152</b>	<b>152</b>	<b>154</b>
Surgutskaya GRES-1	143	140	144
Ryazanskaya GRES	183	184	184
Stavropolskaya GRES	171	172	172
Novocherkasskaya GRES	195	193	190
Kirishskaya GRES	141	142	141
Troitskaya GRES	170	171	180
Krasnoyarskaya GRES-2	162	165	168
Cherepovetskaya GRES	184	184	184
Serovskaya GRES	184	182	185
Pskovskaya GRES	152	152	154

On the whole, the SCEF for heat generation at JSC “OGK-2” in 2011 increased by 2 gef/Gcal, which

is connected with a reduction in heat generation in comparison with 2010.

### 3.4. FUEL CONSUMPTION

Fuel mix of OGK-2 and OGK-2 plants, %



	2009			2010			2011		
	Coal	Gas	Fuel oil	Coal	Gas	Fuel oil	Coal	Gas	Fuel oil
<b>OGK-2</b>	33	66	0	32	67	1	29	71	1
Surgutskaya GRES-1	0	45	0	0	40	0	0	39	0
Ryazanskaya GRES	7	11	5	10	10	3	11	12	17
Stavropolskaya GRES	0	19	3	0	18	3	0	19	9
Novocherkasskaya GRES	24	6	2	21	10	1	22	10	0
Kirishskaya GRES	0	11	41	0	13	56	0	11	35
Troitskaya GRES	33	0	44	31	0	34	22	0	33
Krasnoyarskaya GRES-2	22	0	4	25	0	2	29	0	3
Cherepovetskaya GRES	4	3	1	5	4	0	4	4	3
Serovskaya GRES	9	2	0	9	2	0	12	2	0
Pskovskaya GRES	0	3	0	0	4	0	0	3	0

In 2011, JSC "OGK-2" had the following fuel mix: 29% coal, 71% gas and 1% fuel oil. As compared with 2010, the coal component dropped by 3% and the gas component increased by 4%. The fuel oil component remained unchanged from 2010.

The fuel supply strategy is aimed at optimizing the fuel mix in order to minimize fuel costs. It provides for the maximum possible replacement of expensive fuel (fuel oil) with other types of fuel, making fuel purchases through tenders, and conclusion of long-term contracts for fuel supply.

Coal consumption throughout JSC “OGK-2” was 14 million tons of physical fuel, which is 2.2 million tons or 16% less than in 2010. The significant decrease in coal consumption in 2011 is primarily due to the significant decrease in power generation at Troitskaya GRES by 71% in 2011 and, as a result, a decrease in the coal consumption by 1.9 million tons in comparison with 2010.

Gas consumption in 2011 increased by 0.2 million m<sup>3</sup> (a 1% increase) and reached 17 million m<sup>3</sup>. This growth in gas consumption was due to the increase in power generation at Stavropolskaya GRES and gas generation at Ryazanskaya GRES.

Consumption of fuel oil in 2011 amounted to 117 thousand tons, which is 33 thousand tons less than the amount of fuel oil consumed in 2010.

### Fuel consumption for generation in physical units

Type of Fuel / Branch	Amount in millions of tons, millions of m <sup>3</sup>		
	2009	2010	2011
<b>Gas, OGK-2, total</b>	<b>15,135.5</b>	<b>16,642.6</b>	<b>16,836.8</b>
Surgutskaya GRES-1	6,737.4	6,722.9	6,531.7
Ryazanskaya GRES	1,604.0	1,597.8	1,966.1
Stavropolskaya GRES	2,814.2	2,964.0	3,138.0
Novocherkasskaya GRES	948.9	1,614.6	1,710.7
Kirishskaya GRES	1,693.4	2,137.0	1,841.1
Troitskaya GRES		0.0	0.0
Krasnoyarskaya GRES-2		0.0	0.0
Cherepovetskaya GRES	471.4	639.8	725.4
Serovskaya GRES	349.0	349.1	385.6
Pskovskaya GRES	517.2	617.5	538.1
<b>Coal, OGK-2, total</b>	<b>14,992.0</b>	<b>15,881.8</b>	<b>13,697.9</b>
Surgutskaya GRES-1		0.0	0.0
Ryazanskaya GRES	1,375.6	1,838.6	1,648.6
Stavropolskaya GRES	2.3	0.0	0.0
Novocherkasskaya GRES	2,949.8	2,786.0	2,607.7
Kirishskaya GRES		0.0	0.0
Troitskaya GRES	5,213.2	4,978.2	3,101.6
Krasnoyarskaya GRES-2	3,560.2	4,042.5	4,104.6
Cherepovetskaya GRES	459.5	730.4	505.0
Serovskaya GRES	1,431.3	1,506.1	1,730.5
Pskovskaya GRES			0.0
<b>Fuel oil, OGK-2, total</b>	<b>81.9</b>	<b>150.7</b>	<b>117.3</b>
Surgutskaya GRES-1	0.0	0.0	0.0
Ryazanskaya GRES	4.3	5.1	20.6
Stavropolskaya GRES		5.0	10.6
Novocherkasskaya GRES	2.0	1.8	0.0
Kirishskaya GRES	34.3	83.8	40.0
Troitskaya GRES	37.1	51.9	38.4
Krasnoyarskaya GRES-2	3.4	2.9	4.0
Cherepovetskaya GRES	0.7	0.2	3.7
Serovskaya GRES	0.0	0.0	0.0
Pskovskaya GRES	0.0	0.0	0.0



### Fuel consumption from 2009–2011, equivalent fuel in tons

Type of Fuel / Branch	Amount in millions of tons of equivalent fuel		
	2009	2010	2011
<b>Fuel, OGK-2, total</b>	<b>26,464</b>	<b>28,621</b>	<b>27,612</b>
<b>Gas, OGK-2, total</b>	<b>17,502</b>	<b>19,197</b>	<b>19,496</b>
Surgutskaya GRES-1	7,834	7,753	7,572
Ryazanskaya GRES	1,846	1,840	2,269
Stavropolskaya GRES	3,257	3,441	3,635
Novocherkasskaya GRES	1,094	1,879	2,020
Kirishskaya GRES	1,941	2,446	2,112
Troitskaya GRES		0	0
Krasnoyarskaya GRES-2		0	0
Cherepovetskaya GRES	540	732	832
Serovskaya GRES	396	397	438
Pskovskaya GRES	594	709	618
<b>Coal, OGK-2, total</b>	<b>8,846</b>	<b>9,215</b>	<b>7,956</b>
Surgutskaya GRES-1			0
Ryazanskaya GRES	637	916	876
Stavropolskaya GRES		0	0
Novocherkasskaya GRES	2,156	1,908	1,752
Kirishskaya GRES		0	0
Troitskaya GRES	2,954	2,834	1,766
Krasnoyarskaya GRES-2	1,968	2,263	2,284
Cherepovetskaya GRES	312	433	287
Serovskaya GRES	819	862	991
Pskovskaya GRES		0	0
<b>Fuel oil, OGK-2, total</b>	<b>117</b>	<b>209</b>	<b>160</b>
Surgutskaya GRES-1	0	0	0
Ryazanskaya GRES	6	7	27
Stavropolskaya GRES	3	7	14
Novocherkasskaya GRES	3	2	0
Kirishskaya GRES	48	118	56
Troitskaya GRES	51	71	53
Krasnoyarskaya GRES-2	5	4	5
Cherepovetskaya GRES	1	0	5
Serovskaya GRES	0	0	0
Pskovskaya GRES	0	0	0

### Fuel cost structure from 2009–2011, million rubles

	2009	2010	2011
<b>Total cost of fuel used</b>	<b>43,486</b>	<b>57,460</b>	<b>63,380</b>
Gas	30,144	41,462	48,614
Coal	12,705	14,704	13,755
Fuel oil	637	1,294	1,011

### 3.4.1. Gas consumption

In 2011, consumption of natural gas at JSC "OGK-2" branches increased slightly (by 1%) in comparison with 2010.

The gas component of the JSC "OGK-2" fuel mixture increased by 3.5% in 2011.

In order to reduce costs incurred by penalties for insufficient or excessive gas use, JSC "OGK-2" took the following actions:

1. The supplier was sent a prompt request to reduce the contractual gas volumes or a resolution was passed on reducing the consumption of replacement fuel types in order to avoid insufficient gas use.
2. Dispatch schedules were agreed in order to reduce the risk of penalties for excessive daily gas use in the event of uneven loading of the gas-fuel oil units.

### 3.4.2. Coal consumption

The contract for the supply of Kansk-Achinsky coal for the needs of Ryazanskaya GRES was ex-

tended in 2011 on the condition that the coal supply prices were kept at their 2010 levels excluding transportation in the first six months, i.e. the actual coal supply price has not been changed since 2008. The increase in price for Kansk-Achinsky coal, excluding the railway rate in the second half of 2011, did not exceed 5%.

The price for Podmoskovny coal, supplied under long-term supply contract, excluding transportation in Q1 2011, was maintained at the 2010 level, i.e. it has not actually changed since 2009. The growth of price for Podmoskovny coal in Q2-Q4 2011 amounted to 6%.

Ryazanskaya GRES was supplied with Podmoskovny basin coal on the basis of a long-term supply contract concluded in 2007.

Krasnoyarskaya GRES-2 was supplied with Borodinsky coal on the basis of a long-term supply contract concluded in 2007. According to the supply contract, the coal price in the first six months was kept at the 2010 level, in the second half of the year the price was increased by 8%.

A supply contract for Pereyaslovsky coal was extended in 2011 on the condition that the supply price was kept at its 2010 level, i.e. the coal sup-

#### Main gas suppliers

Supplier	Share in the total fuel supply, %		
	2009	2010	2011
CJSC Gazprom Mezhtregiongaz Sever	12	17	18
OJSC Surgutneftegaz	22	12	9
LLC Gazprom Mezhtregiongaz Stavropol	21	21	21
LLC Peterburgregiongaz	12	14	12
OJSC Ryazanregiongaz	11	11	13
LLC Rostovregiongaz	7	11	12

ply price, excluding transportation, has not actually been changed since 2009. The price for a ton of equivalent fuel of Pereyaslovsky coal as compared with that for Borodinsky coal is 18% less if transportation is carried out using the Krasnoyarskaya GRES-2 car fleet, and is 6% less if transportation is carried out using a car fleet from independent carriers. 1,366 thousand tons (34%) of Pereyaslovsky coal were supplied in 2011; 115 million rubles (including VAT) were saved by purchasing alternative coal.

The supply contracts for Rostov coal was extended for Q1 2011; prices were maintained at their 2010 levels, and, during the second through fourth quarters of 2011, increased by 10%. The coal supply price in Q1 2012 was maintained at the level of the last price of 2011.

The coal supply contract for the needs of Cherepovetskaya GRES was concluded after conducting an open tender; an increase in coal prices versus 2010 amounted to 10%.

The increase in the price of coal supplied to Troitskaya GRES, subject to delivery in 2011, equaled 12%. Due to changes in railway rates for coal transportation in the first half of 2011, costs for coal transportation decreased, which enabled us to

reduce the coal price, subject to transportation, by 1% in the second half of the year.

The increase in the price of coal supplied to Serovskaya GRES, subject to delivery in 2011, equaled 12%. Due to changes in railway rates for coal transportation in the first half of 2011, costs for coal transportation decreased, which enabled us to reduce the coal price, subject to transportation, by 1% in the second half of the year.

**Transportation of coal to the branches of JSC "OGK-2" in 2011 was carried out using car fleets from independent carriers and exceeded the rates specified in Price list 10-10 of Russian Railways OJSC.**

### 3.4.3. Fuel oil consumption

In 2011, fuel oil was delivered to Stavropolskaya GRES, Kirishskaya GRES, Troitskaya GRES and Krasnoyarskaya GRES-2 branches of JSC "OGK-2".

Framework contracts for the delivery of fuel oil in 2011 to meet the needs of the Krasnoyarsk GRES-2 JSC "OGK-2" branch were concluded on the basis of an open tender that resulted in the selection of three winners. Suppliers were select-

### Main coal suppliers

Supplier	Share in the total coal supply, %		
	2009	2010	2011
LLC Resursenergougol	41	36	30
CJSC Trading House Elite	8	16	16
LLC UTK	11	7	10
LLC Russky Ugol	10	10	7
LLC Donskoy Ugol	8	8	8

ed on the basis of closed bids when fuel oil was required. In 2011, fuel oil was supplied by LLC RN — Krasnoyarsknefteprodukt, the subsidiary company of JSC Rosneft Oil Company.

Framework contracts for the delivery of fuel oil in 2011 for the needs of the JSC “OGK-2” branch Troitskaya GRES were concluded on the basis of requests for bid proposals, that resulted in the selection of four winners. Suppliers were selected on the basis of closed bids when fuel oil was required.

Framework contracts for the delivery of fuel oil in 2011 to meet the needs of the Stavropolskaya GRES JSC “OGK-2” branch were concluded on the basis of an open tender that resulted in the selection of three winners. In December 2011, fuel oil was supplied by OJSC Gazprom Neftekhim Salavat on the basis of closed bids.

Fuel oil for the needs of Kirishskaya GRES in 2011 was supplied by Kirishinefteorgsintez Refinery. Fuel oil was purchased at SPIMEX through TSB-Broker LLC.

### Main fuel oil suppliers

Supplier	Share in the total fuel oil supply, %		
	2009	2010	2011
CJSC Gazprom Neftekhim Salavat	0	0	14
LLC Energotrading	84	4	0
LLC Mib-oil	0	39	40
OJSC Surgutneftegaz	0	55	36
LLC RN Krasnoyarsknefteprodukt	0	2	4

### 3.5. MAINTENANCE AND REPAIR OF POWER GENERATING EQUIPMENT

The 2011 repair and maintenance program provided for work aimed at keeping equipment in a working condition, increasing its reliability, improving economic performance indicators, and fulfilling the requirements imposed by supervisory authorities.

Particular attention during the year was drawn to the organization of work with primary equipment manufacturers by concluding contracts for 3–5 years, which not only enabled us to solve technical issues more quickly, but also increase the quality and decrease the time allocated for repairs of primary equipment. Based on positive experiences of organizing maintenance services of the dust and vacuum system, work was carried out in 2011 to transfer other secondary equipment, separate technological schemes, and systems (high-pressure fittings, heating and controlling equipment, electric equipment, fuel supply equipment etc.) to maintenance service on the basis of 3 year contracts. The concept of maintenance service of primary and secondary equipment will allow for the division of responsibility for the condition of equipment between the owners, the equipment operators and the manufacturing plant, which issues recommendations, as well as ensure that the subcontractors are interested in providing high-quality services and ensuring trouble-free operation of equipment after repairs are carried out.

In 2011, a brand new medium-term contract was drawn up for the performance of standard repairs of primary and secondary equipment. Implementation of this contract enabled us to minimize the time spent on such tasks and still keep expenditure at a stable level. It also allowed us to optimize the planning process for JSC “OGK-2” branches and the workload of subcontractors. A pilot contract was successfully tested at Novocherkasskaya GRES JSC “OGK-2” branch, and positive feedback has led to certain elements being implemented at other JSC “OGK-2” branches.

Taking into account the fact that the quality and time of equipment repair largely depends on subcontractors, work aimed at optimizing business relations was carried out during the whole year. The most problematic issues were revealed and plans to increase the quality of joint planning, to prepare for repairs, and increase productivity were developed. Work was organized to create joint plans for primary equipment repair schedules, taking into account the possibility of work and workload during the winter season. We also thoroughly examined the possibility of offering joint training sessions for both JSC “OGK-2” and subcontractor repairmen and operators.

In 2011, we gained experience in operating and maintaining the GTU-110 gas turbine unit at the Ryazanskaya GRES JSC “OGK-2” branch. What is more, we are now actively drawing up a standard contract for long-term maintenance service of two gas turbines with Siemens generators at the Kirishskaya GRES JSC “OGK-2” branch

Responsive management through the process for power system maintenance and repair and thorough fulfillment of, and compliance with, all of the regulations and standards in force in the industry and in the Company allowed for a successful 2011 repair and maintenance campaign.

Ensuring the secure and trouble-free operation of equipment, including during the autumn-winter period, further development of maintenance service of current and new equipment, including CCGTU-360 at the Adlerskaya TPP JSC “OGK-2” branch, as well as the organization of work aimed at increasing the quality of planning, preparation, and repair work, including by way of engaging contractors, are the primary areas of work and goals for 2012.



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future



# Sales of Electricity and Heat

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4.1. Information on the Electricity Market Structure

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4.2. Electricity Sales

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4.3. Capacity Sales

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4.4. Heat Supply

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4.5. Electricity, Capacity, and Heat Sales Revenue Structure

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## 4. SALES OF ELECTRICITY AND HEAT

### 4.1. INFORMATION ON THE STRUCTURE OF THE ELECTRICITY MARKET

The wholesale electricity and capacity market is the primary market for sales of products generated by the Company's branches. In addition to this, the Company supplies electric power, heat, and water to local consumers and industrial enterprises on the retail market, including housing and public utility organizations. Electricity retail markets are a sector for distributing electricity outside the wholesale market with the participation of electricity consumers.

The wholesale electricity and capacity market (hereinafter referred to as the "wholesale market") is the sector for distributing electricity within the Unified Energy System of Russia in the Russian Federation economic area with the participation of major producers and major buyers of electric power that have wholesale market status and operate on the basis of the wholesale market regulations.

The wholesale electricity and capacity market is divided into two price zones: the First Price Zone (Europe and the Urals) and the Second Price Zone (Siberia). The territories of the Russian Federation on which the competitive market cannot operate, for one reason or another, are regarded as non-price zones. Nine JSC "OGK-2" branches: Surgutskaya GRES-1, Ryazanskaya GRES, Stavropolskaya GRES, Novocherkasskaya GRES, Kirishskaya GRES, Troitskaya GRES, Cherepovetskaya GRES, Serovskaya GRES and Pskovskaya GRES operate in the First Price Zone and the Krasnoyarskaya GRES-2 operates in the Second Price Zone.

Generating capacity (hereinafter referred to as "capacity") is traded in order to ensure reliable and uninterrupted supply of electricity on the wholesale market. It is a special product, the purchase of which provides market participants with the right to claim availability of generating equipment for power generation of a fixed quality to the amount required to meet the participant's electricity needs, taking into account the necessary reserve.

The wholesale market is a system of contractual relations between participants/entities interconnected by a unified technological process of the generation, transmission, distribution and consumption of electricity in the UES of Russia.

Wholesale market participants are electricity and capacity suppliers and electricity and capacity buyers with the status of a wholesale market entity after having signed the mandatory contracts for a participant in the wholesale market.

The functioning of the wholesale market commercial infrastructure is ensured by the Not-for-Profit Partnership Market Council for Arrangement of the Effective System of Electricity and Capacity Retail and Wholesale Trade (hereinafter — "NP Market Council") established in accordance with the Federal law On electric power.

Responsibility for arrangement of purchases and sales of electricity on the wholesale market (trade system of the wholesale market) is borne by the Joint-Stock Company Trade System Administrator of the Wholesale Electricity Market (JSC ATS).



The settlement system between the power wholesale market participants is supported by JSC Center of Financial Settlements, a clearing company.

In accordance with Russian Federation Government Decree No. 205 dd. April 7, 2007, the process of stage-by-stage liberalization of the electricity market which started in 2006, was completed in January 2011. From this moment on, the country has had a competitive wholesale market, the sale of electricity and capacity on which is carried out on the basis of free unregulated prices, except for the amounts of electricity and capacity designated for supply to the population and to their equivalent consumers, for which state rate regulation remains in force.

In 2011, the company traded electricity and capacity on the wholesale electricity and capacity market in accordance with the Regulations of the Wholesale Electricity and Capacity Market, which were approved by Russian Federation Government Decree No. 1172 dd. December 27, 2010, using the following mechanisms:

**4.1.1. Regulated contracts (RC)** is the trade of electricity (capacity) at regulated prices (rates) on the basis of regulated electricity and capacity purchase and sale contracts.

Due to the completion of the stage-by-stage liberalization of the electricity market, beginning in 2011, regulatory contracts (RCs) are concluded in the wholesale market price zones only in relation to the amounts of electricity and capacity designated for supply to the population and to their equivalent consumers, as well as to guaranteeable suppliers operating on the territory of the Republics of the North Caucasus, the Tyva Republic and the Republic of Buryatia.

The schedule for registering contracting parties and the delivery schedule for regulated contracts are determined by JSC ATS so that the aggregate cost

of base volumes of electricity and capacity established by regulated contracts do not exceed the cost of delivery of base volumes established using indicative prices (rates) of consumers.

The functioning of the RC system is based on the following provisions:

- Two products, namely electricity and capacity, are sold (purchased) according to the regulated contracts that were entered into.
- The prices for electricity and capacity under each regulated contract are set equal to the contractor's rates for electricity and capacity.
- The contractor supplies the contract volume of electricity and capacity that it produced or (for electricity only) purchased on the market at the Day-Ahead Market competitive prices or through non-regulated bilateral contracts. The purchaser pays for the contract volume regardless of its own planned consumption.
- Purchasers and contractors enter into RCs based on the standard form approved by the NP Market Council Supervisory Board and constituting an addendum to the agreement on joining the wholesale market trading system.
- The final cost of capacity for RCs is calculated with consideration of the reduction in cost of capacity caused by the incomplete fulfillment of obligations for maintaining generating equipment for electricity production.

**4.1.2. On the non-regulated electricity market** electricity is traded at free (unregulated) prices. The non-regulated electricity market has several sectors.

**Day-Ahead Market (DAM)** is electricity trade at free (non-regulated) prices determined through the competitive selection of bid prices from con-

tractors submitted twenty-four hours before the commencement of the corresponding supply. The basis of the Day-Ahead Market is the competitive day-ahead bid selection conducted by JSC ATS with determination of hourly equilibrium hub prices and supply (purchase) volumes.

The DAM is structured on the following principles:

- Volumes of electricity that are not part of RCs and are the result of short-term production and consumption planning are sold.
- “Missing” volumes of electricity for RCs and also volumes of electricity used by suppliers in order to fulfill their obligations under RCs with the help of other suppliers are purchased.
- Volumes of electricity are purchased to guarantee the supply of electricity under NCECs and retail market supply contracts. In addition to this, electricity which exceeds the volumes for consumption is purchased.
- Special purpose software calculates the optimal hourly equilibrium prices (hub prices), volumes of production, and consumption with consideration of input restraints and technological losses.
- To take part in the competitive selection, DAM participants submit bids for the amount of electricity supplied for the selected collection of included generation equipment, as well as for the amount of planned consumption. With regard to electricity volumes which correspond to the power plant’s minimum technical requirements, the wholesale market participants submit price-driven bids only.

- The system operator plans power modes and operating modes of electricity suppliers and purchasers based on the results of the day-ahead competitive bid selection the following day.

- Purchase and sale contracts and commissions are settled with the unified party — JSC FSC in order to ensure electricity purchase and sale on the DAM.

**The balancing market (BM)** electricity trade at free (non-regulated) prices determined through competitive selection of bids of suppliers and participants with regulated consumption carried out at least one hour prior to electricity supply for the purposes of forming a balanced electricity generation and consumption mode.

This is the market on which bids for current generation or consumption are traded one hour before actual generation (consumption). Electricity is traded on the balancing market according to the following principles:

- Participant price bids, submitted on the DAM and adjusted to account for active price-accepting bids for change in the planned production amounts, are used in BM trading.
- The differences in actual generation/ consumption volumes from those planned as per the results of the DAM trading are tendered.
- Volumes of electricity on the BM are purchased according to the indicators and/or at upper (lower) balancing prices.
- Purchase and sale contracts and commissions are settled with the unified party — JSC FSC in order to ensure purchase and sale on the BM.

### 4.1.3. Non-regulated capacity market

Since January 1, 2011, the Company has traded capacity on the wholesale market using the following mechanisms:

**Competitive selection of capacity (CSC)** is capacity traded at free (non-regulated) prices and is determined through competitive selection of bid prices to sell capacity.

The Company submits bids to sell capacity in order to participate in the competitive selection of the former with regard to capacity of the generating equipment recorded on the budgeted balance sheet for the corresponding calendar year.

Prices are determined within the free flow zones (FFZ), which allows for the determination of local price signals for capacity purchasers and suppliers.

According to the Regulations of the Wholesale Market, in FFZ, in which the Russian Anti-monopoly Service detected an insufficient level of competition, CSC is carried out applying the highest capacity price in order to prevent wholesale market participants from manipulating capacity prices.

Based on the results of competitive capacity selection, a unified (marginal) capacity price is defined for a FFZ for all suppliers, selected in this FFZ. This price corresponds to the highest of the prices specified in the suppliers' price bids selected for CSC in this FFZ. Cost of capacity purchased by buyers in this FFZ on the basis of CSC results is also calculated on the basis of this price.

For generators, for which the highest prices were indicated in price bids for CSC, the capacity sales price for CSC is determined by the Federal Tariff Service of the Russian Federation in accordance with the Procedure for Determining Capacity Price

for Generating Facilities, for which the Highest Prices in the Price Bids for CSC were Specified, approved by the Russian Federal Tariff Service Order No. 483-э on October 13, 2010.

Purchase and sale contracts and commissions are settled with the unified party — JSC FSC in order to ensure electricity purchase and sales in the CSC.

As a result of CSC, the Company is required to ensure its generating equipment is permanently ready to generate electricity.

To fulfill its obligations regarding the capacity quality, the Company entered into agreements for the transfer of capacity by the wholesale market participants — electricity and capacity suppliers with all the suppliers of the wholesale energy market and a unified party JSC FSC.

**Non-regulated contracts on capacity (NCC)** – electrical power is traded at free (non-regulated) prices on the basis of electricity and capacity purchase and sale contracts, on the condition that the capacity sold under NCC is selected according to CSC.

### 4.1.4. Capacity supply agreements

**(CSAs)** are concluded by suppliers, established as a result of reorganization of generating subsidiaries of JSC RAO "UES of Russia", with respect to generating facilities that are included in the list of generating facilities for CSAs approved by the Government of the Russian Federation.

On the one hand, CSAs guarantee the obligations of suppliers to fulfill the approved investment program, and on the other hand, they guarantee the payment of capacity of new (renovated) generating facilities.

The term for supplying capacity under a CSA is 10 years. Capacity price under a CSA is specified in the contract on the basis of parameters approved by the Russian Federation Government.

CSA provides for a non-penalty delay of industrial commissioning of facilities for a term not exceeding one year, on the condition that any such delay is announced before carrying out long-term CSC for the corresponding year.

In 2011, the Company supplied capacity to JSC "OGK-2" branch Ryazanskaya GRES under a CSA.

**4.1.5. Contracts for the sale and purchase of capacity produced at generating facilities that supply capacity in forced mode (CFM)** are concluded by suppliers that were not selected during CSC and received the status of "forced generators".

Prices for capacity produced at generating facilities that supply capacity and electricity in forced mode are determined by the Federal Tariff Service of the Russian Federation.

The procedure for determining prices for "forced generators" allows for a part of the cost to be determined by the method of economically viable costs, all the other costs are included in the rate by way of setting standard parameters for these costs.

In 2011, JSC "OGK-2" branches Serovskaya GRES and Pskovskaya GRES supplied capacity in forced mode.

## 4.2. ELECTRICITY SALES

### 4.2.1. Physical indicators

The total volume of electricity sales in 2011 amounted to 84,823 million kWh, 9% less than the volume of electricity sales in 2010. The total volume of in-house electricity sales on the wholesale market in 2011 decreased by 3.3% vs. 2010, which is caused by the reduction in electricity generation volumes. The volume of purchased electricity re-

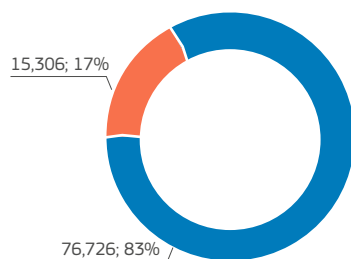
duced by 37.4%, primarily due to the lack of NCEC/NCC transactions in 2011, which then led to the purchase of electricity on DAM for the Company's own supply.

Sales volume on the retail market increased by 0.2 million kWh (or by 0.02%). The largest supplier of electricity on the retail market is the JSC "OGK-2" branch Kirishskaya GRES.

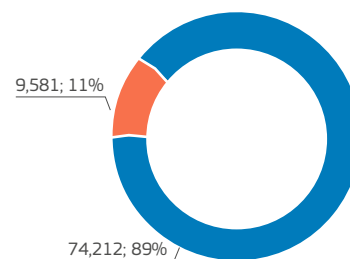
### Wholesale electricity sales breakdown in 2010–2011, million kWh

Plant name	Total electricity sales			Total electricity purchases			Total in-house electricity sales		
	2010	2011	Change, %	2010	2011	Change, %	2010	2011	Change, %
Surgutskaya GRES-1	26,284	24,659	-6.2	2,816	1,829	-35.0	23,468	22,830	-2.7
Ryazanskaya GRES	8,410	8,165	-2.9	1,736	860	-50.5	6,674	7,305	9.5
GRES-24	1,667	2,110	26.6	674	358	-46.9	993	1,752	76.4
Stavropolskaya GRES	12,101	11,702	-3.3	1,750	739	-57.8	10,351	10,963	5.9
Novocherkasskaya GRES	11,165	11,140	-0.2	948	841	-11.3	10,217	10,299	0.8
Kirishskaya GRES	8,084	6,022	-25.5	2,755	1,784	-35.2	5,329	4,238	-20.5
Troitskaya GRES	9,065	4,698	-48.2	2,477	969	-60.9	6,588	3,729	-43.4
Krasnoyarskaya GRES-2	6,257	6,403	2.3	955	1,079	13.0	5,302	5,324	0.4
Cherepovetskaya GRES	3,264	3,325	1.9	180	364	102.2	3,084	2,961	-4.0
Serovskaya GRES	3,045	3,515	15.4	426	514	20.7	2,619	3,001	14.6
Pskovskaya GRES	2,690	2,054	-23.6	589	244	-58.6	2,101	1,810	-13.9
<b>TOTAL</b>	<b>92,032</b>	<b>83,793</b>	<b>-9.0</b>	<b>15,306</b>	<b>9,581</b>	<b>-37.4</b>	<b>76,726</b>	<b>74,212</b>	<b>-3.3</b>

### Volume of in-house and purchased electricity sales on the wholesale electricity market in 2010, million kWh



### Volume of in-house and purchased electricity sales on the wholesale electricity market in 2011, million kWh



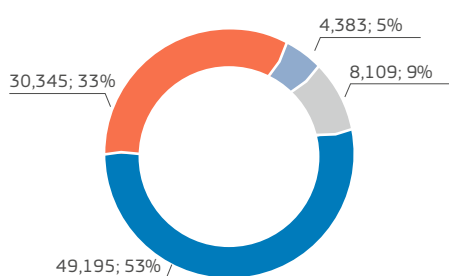
■ Purchased electricity sales

■ In-house electricity sales

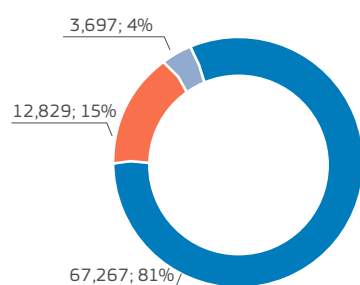
## Electricity sales volume by sector in 2010–2011, million kWh

Plant name	RC		DAM		BM		NCEC/NCC		Wholesale market, total		Retail market		Total	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
Surgutskaya GRES-1	8,586	3,873	15,194	20,442	276	344	2,228	0	26,284	24,659			26,284	24,659
Ryazanskaya GRES	3,145	1,272	3,840	6,222	683	671	742	0	8,410	8,165	4.6	3.6	8,414.6	8,168.6
GRES-24	659	300	847	1,749	161	61	0	0	1,667	2,110			1,667	2,110
Stavropolskaya GRES	3,602	1,600	6,935	9,624	504	478	1,060	0	12,101	11,702			12,101	11,702
Novocherkasskaya GRES	3,929	1,400	5,963	9,285	548	455	725	0	11,165	11,140			11,165	11,140
Kirishskaya GRES	2,809	989	3,092	4,419	1,145	614	1,038	0	8,084	6,022	1,021.9	1,025.2	9,105.9	7,047.2
Troitskaya GRES	2,452	1,345	5,193	3,006	230	347	1,190	0	9,065	4,698	2.8	0.8	9,067.8	4,698.8
Krasnoyarskaya GRES-2	2,199	908	3,481	5,320	171	175	406	0	6,257	6,403			6,257	6,403
Cherepovetskaya GRES	1,088	531	1,744	2,460	432	334	0	0	3,264	3,325	0.3	0.2	3,264.3	3,325.2
Serovskaya GRES	1,217	403	1,441	2,987	123	125	264	0	3,045	3,515			3,045	3,515
Pskovskaya GRES	659	208	1,465	1,753	110	93	456	0	2,690	2,054			2,690	2,054
<b>TOTAL</b>	<b>30,345</b>	<b>12,829</b>	<b>49,195</b>	<b>67,267</b>	<b>4,383</b>	<b>3,697</b>	<b>8,109</b>	<b>0</b>	<b>92,032</b>	<b>83,793</b>	<b>1,029.6</b>	<b>1,029.8</b>	<b>93,061.1</b>	<b>84,822.8</b>

### Volume of electricity sales on the wholesale electricity market in 2010, million kWh



### Volume of electricity sales on the wholesale electricity market in 2011, million kWh



RC DAM BM NCEC

RC DAM BM

### Electricity purchase on the wholesale electricity market by sector in 2010–2011 (million kWh)

Plant name	DAM		BM		NCEC/NCC <sup>3</sup>		Total	
	2010	2011	2010	2011	2010	2011	2010	2011
Surgutskaya GRES-1	2,229	894	587	935	0	0	2,816	1,829
Ryazanskaya GRES	1,291	339	445	521	0	0	1,736	860
GRES-24	496	177	178	181	0	0	674	358
Stavropolskaya GRES	1,218	437	532	302	0	0	1,750	739
Novocherkasskaya GRES	770	639	178	202	0	0	948	841
Kirishskaya GRES	2,323	1,456	306	328	126	0	2,755	1,784
Troitskaya GRES	1,430	573	1,047	396	0	0	2,477	969
Krasnoyarskaya GRES-2	595	712	360	367	0	0	955	1,079
Cherepovetskaya GRES	71	227	109	137	0	0	180	364
Serovskaya GRES	286	312	140	202	0	0	426	514
Pskovskaya GRES	507	125	82	119	0	0	589	244
<b>TOTAL</b>	<b>11,216</b>	<b>5,891</b>	<b>3,964</b>	<b>3,690</b>	<b>126</b>	<b>0</b>	<b>15,306</b>	<b>9,581</b>

#### 4.2.2. Electricity prices on the wholesale market

##### Electricity tariffs

Electricity generation tariffs are established each year by Federal Tariff Service Order pursuant to Decree No. 1178 On Price Formation with Regard to Electric Power Prices (Tariffs) passed by the Government of the Russian Federation on December 29, 2011.

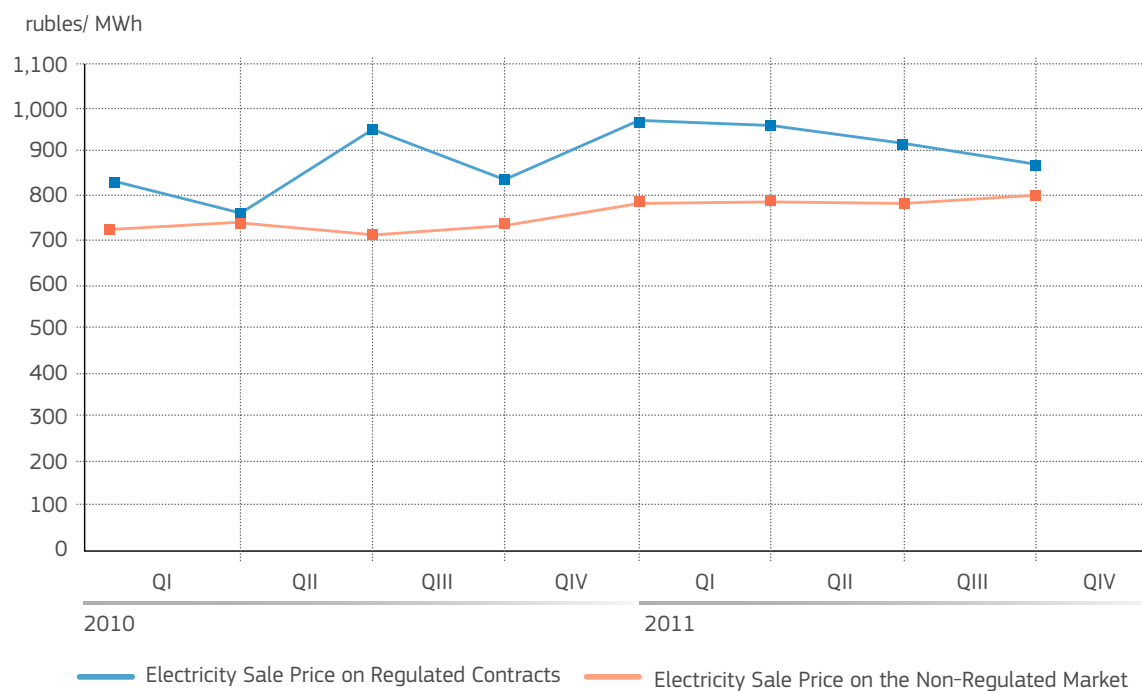
Tariffs for 2011 were established by Federal Tariff Service of Russia Order No 498-э/3 On wholesale market participants — electricity (capacity) producers that supply electricity (capacity) within the wholesale market price zones under contracts

concluded in accordance with the laws of the Russian Federation with guaranteeing suppliers (energy-saving companies, energy-selling companies that sell electricity (capacity) to population and/or to their equivalent consumers), in order to provide for the consumption of electricity by population and/or their equivalent consumers, as well as with wholesale market participants, specified by the Russian Federation Government, which are purchasers of electricity (capacity) operating in certain areas of the wholesale market price zones, for which the Russian Federation Government established specific conditions of operation on wholesale and retail markets; and on prices (tariffs) on electricity (capacity), supplied by the aforementioned wholesale market participants within the wholesale market price zones.

<sup>3</sup> NCECs/NCCs were not concluded in 2011.

### Electricity tariff rates in 2010—2011, in rubles/MWh

Plant name	2010	2011
Surgutskaya GRES-1	574.81	588.21
Ryazanskaya GRES	948.78	1012.54
GRES-24	867.56	959.90
Stavropolskaya GRES	941.37	1054.92
Novocherkasskaya GRES	810.57	914.00
Kirishskaya GRES	927.48	1032.18
Troitskaya GRES	575.94	630.17
Krasnoyarskaya GRES-2	378.39	402.85
Cherepovetskaya GRES	830.66	918.63
Serovskaya GRES	885.48	1014.32
Pskovskaya GRES	855.89	978.68





On the free (non-regulated) electricity market the equilibrium hub price index of JSC "OGK-2" power plants in the First Price Zone throughout 2011 was higher than the 2009 price figures. This is due to increasing consumption in the Russian Federation, particularly, in the first half of 2011, as well as the growth of fuel prices.

During the first half of 2011, the prices on the free market tended to grow slightly.

This was caused by a gradual increase in energy consumption in the Russian Federation and the growth of natural gas prices. During the second half of the year, however, the prices tended to drop due to changes in the regulatory system for the wholesale electricity market.

In the Second Price Zone, the free market equilibrium price index in the Krasnoyarskaya GES-2 area grew steadily with fluctuations due to seasonal factors and market conditions.

### Actual JSC OGK-2 electricity sale prices by wholesale market sector in 2010–2011, rubles/MWh

Plant name	Sales price <sup>4</sup>							
	RC		DAM		BM		NCEC/NCC	
	2010	2011	2010	2011	2010	2011	2010	2011
Surgutskaya GES-1	548	588	767	820	679	743	846	0
Ryazanskaya GES	949	1,013	922	1,029	922	1,041	1,054	0
GRES-24	868	960	967	1,018	681	918	0	0
Stavropolskaya GES	941	1,055	980	1,095	919	1,039	1,011	0
Novocherkasskaya GES	811	914	919	1,023	886	931	1,104	0
Kirishskaya GES	927	1,032	909	986	1,053	1,085	1,046	0
Troitskaya GES	576	630	815	982	634	512	830	0
Krasnoyarskaya GES-2	378	403	467	522	425	429	508	0
Cherepovetskaya GES	831	919	912	1,008	837	930	0	0
Serovskaya GES	885	1,014	884	1,018	773	961	982	0
Pskovskaya GES	856	979	945	975	867	999	948	0
<b>TOTAL</b>	<b>733</b>	<b>792</b>	<b>838</b>	<b>926</b>	<b>878</b>	<b>912</b>	<b>926</b>	<b>0</b>

<sup>4</sup> The prices are weighted average sale (purchase) prices of electricity calculated as sale (purchase) value of electricity (capacity) divided by the corresponding volumes. Actual value is indicated, i.e. it includes both immediate sale (purchase) value according to competitive bidding results and value adjustment. The value on the DAM is adjusted in accordance with clause 80 of Decree No. 643 of the Government of the Russian Federation: On the Regulations for the Wholesale Electricity (Capacity) Market in the Transition Period. The value adjustment on BM is carried out in accordance with clause 9.1 of the Regulations for the Determination of Volumes, Initiatives and Value of Deviations.

### Actual JSC OGK-2 electricity purchase prices by wholesale market sector in 2010–2011, rubles/MWh

Plant name	Purchase price					
	DAM		BM		NCEC/NCC <sup>5</sup>	
	2010	2011	2010	2011	2010	2011
Surgutskaya GRES-1	842	816	600	643	0	0
Ryazanskaya GRES	949	984	996	1062	0	0
GRES-24	799	929	1015	877	0	0
Stavropolskaya GRES	976	1058	918	977	0	0
Novocherkasskaya GRES	1,057	1010	965	999	0	0
Kirishskaya GRES	921	919	1,028	1008	1,045	0
Troitskaya GRES	863	961	934	1069	0	0
Krasnoyarskaya GRES-2	464	519	447	515	0	0
Cherepovetskaya GRES	922	982	1,031	1006	0	0
Serovskaya GRES	941	1012	954	1038	0	0
Pskovskaya GRES	939	944	843	965	0	0
<b>TOTAL</b>	<b>888</b>	<b>891</b>	<b>859</b>	<b>871</b>	<b>1,045</b>	<b>0</b>

#### 4.2.3. Revenue from electricity sales

In 2011, there was a 54% drop in revenue from electricity sales under regulated contracts, which was caused by an increase in the liberalized portion of the market.

In 2011, there was a significant increase in revenue from the sale of electricity on the DAM as compared with analogous figures from the previous year. The reasons for the increase in value were: an increase in the volume of electricity sales on the DAM, which was tied to an increase in the liberalized portion of the market, as well as DAM price growth.

<sup>5</sup> NCECs were not concluded in 2011.

### Amount of revenue from electricity sales in 2010–2011, million rubles (excluding VAT)

Plant	RC		DAM		BM		NCEC/NCC		Wholesale market, total		Retail market		Total	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
Surgutskaya GRES-1	4,703	2,278	11,660	16,765	18,436	18,436	1,886	0	18,436	19,298			18,436	19,298
Ryazanskaya GRES	2,984	1,288	3,539	6,403	7,936	7,936	783	0	7,936	8,389	7.6	7.8	7,943.6	8,396.8
GRES-24	571	288	819	1,780	1,500	1,500	0	0	1,500	2,124			1,500	2,124
Stavropolskaya GRES	3,391	1,688	6,794	10,537	11,719	11,719	1,071	0	11,719	12,721			11,719	12,721
Novocherkasskaya GRES	3,184	1,280	5,478	9,501	9,947	9,947	800	0	9,947	11,205			9,947	11,205
Kirishskaya GRES	2,605	1,021	2,810	4,356	7,706	7,706	1,086	0	7,706	6,044	1,508.8	1,767.7	9,214.8	7,811.7
Troitskaya GRES	1,412	848	4,230	2,953	6,776	6,776	988	0	6,776	3,979	4.4	1.6	6,780.4	3,980.6
Krasnoyarskaya GRES-2	832	366	1,625	2,779	2,735	2,735	206	0	2,735	3,220			2,735	3,220
Cherepovetskaya GRES	904	487	1,590	2,479	2,855	2,855	0	0	2,855	3,276	1.1	0.6	2,856.1	3,276.6
Serovskaya GRES	1,078	408	1,274	3,041	2,706	2,706	259	0	2,706	3,569			2,706	3,569
Pskovskaya GRES	564	203	1,384	1,709	2,476	2,476	433	0	2,476	2,005			2,476	2,005
<b>TOTAL</b>	<b>22,228</b>	<b>10,155</b>	<b>41,203</b>	<b>62,303</b>	<b>74,792</b>	<b>74,792</b>	<b>7,512</b>	<b>0</b>	<b>74,792</b>	<b>75,830</b>	<b>1,521.9</b>	<b>1,777.7</b>	<b>76,313.9</b>	<b>77,607.7</b>

## 4.3. CAPACITY SALES

### 4.3.1. Quantitative capacity sales indicators

16,312 MW were sold in 2011, which is 8% less than in 2010 due to changes in the regulatory system for the wholesale electricity and capacity market.

### Capacity sales by capacity market sector in 2010–2011, MW per month

Plant name	RC		CSC <sup>6</sup>		CSA		CFM		NCEC/NCC		Retail market		TOTAL	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
Surgutskaya GRES-1	1,298	863	69	2	0	0	0	0	1,913	2,214			3,280	3,079
Ryazanskaya GRES	1,186	714	27	1,272	0	0	0	0	1,437	502			2,650	2,488
GRES-24	196	0	169	0	0	384	0	0	0	0			365	384
Stavropolskaya GRES	1,058	646	7	1,667	0	0	0	0	1,336	0			2,401	2,313
Novocherkasskaya GRES	916	566	287	1,438	0	0	0	0	908	0			2,111	2,004
Kirishskaya GRES	888	545	59	1,341	0	0	0	0	1,156	0	120	121	2,223	2,007
Troitskaya GRES	897	541	3	1,002	0	0	0	0	1,159	0			2,059	1,543
Krasnoyarskaya GRES-2	534	252	54	841	0	0	0	0	662	0			1,250	1,093
Cherepovetskaya GRES	340	166	290	368	0	0	0	0	0	9			630	543
Serovskaya GRES	278	128	20	0	0	0	0	318	230	0			528	446
Pskovskaya GRES	250	115	33	0	0	0	0	297	149	0			432	412
<b>TOTAL</b>	<b>7,841</b>	<b>4,536</b>	<b>1,018</b>	<b>7,931</b>	<b>0</b>	<b>384</b>	<b>0</b>	<b>615</b>	<b>8,950</b>	<b>2,725</b>	<b>120</b>	<b>121</b>	<b>17,929</b>	<b>16,312</b>

### Capacity purchase by capacity market sector in 2010–2011, MW

Plant name	CSC		CSA		CFM		NCEC/NCC		Total	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
Surgutskaya GRES-1	0	0	0	0	0	0	0	0	0	0
Ryazanskaya GRES	1	3	0	0.2	0	0	0	0	1	3.2
GRES-24	1	0	0	0	0	0	0	0	1	0
Stavropolskaya GRES	15	4	0	0.3	0	0	0	0	15	4.3
Novocherkasskaya GRES	11	5	0	0.3	0	0	0	0	11	5.3
Kirishskaya GRES	91	86	0	5.7	0	19.7	91	0	182	111.4
Troitskaya GRES	0	0	0	0	0	0	0	0	0	0
Krasnoyarskaya GRES-2	1	1	0	0	0	0.3	0	0	1	1.3
Cherepovetskaya GRES	2	0	0	0	0	0	0	0	2	0
Serovskaya GRES	6	3	0	0.2	0	0	0	0	6	3.2
Pskovskaya GRES	4	1	0	0.1	0	0.4	0	0	4	1.5
	<b>132,0</b>	<b>103,0</b>	<b>0,0</b>	<b>6,8</b>	<b>0,0</b>	<b>20,4</b>	<b>91,0</b>	<b>0,0</b>	<b>223,0</b>	<b>130,2</b>

<sup>6</sup> Capacity sales volumes of GRES-24 in the CSC sector of 2010 include sales volumes under CSAs.

### 4.3.2. Capacity sale prices

Tariffs for 2011 were established by the Federal Tariff Service of Russia Order No 498-э/3 On wholesale market participants — electricity (capacity) producers that supply electricity (capacity) within the wholesale market price zones under contracts concluded in accordance with the laws of the Russian Federation with guaranteeing suppliers (energy-saving companies, energy-selling companies that sell electricity (capacity) to population and/or to their equivalent consumers), in order to

provide for the consumption of electricity by population and/or their equivalent consumers, as well as with wholesale market participants, specified by the Russian Federation Government, which are purchasers of electricity (capacity) operating in certain areas of the wholesale market price zones, for which the Russian Federation Government established specific conditions of operation on wholesale and retail markets; and on prices (tariffs) on electricity (capacity), supplied by the aforementioned wholesale market participants within the wholesale market price zones.

#### Dynamics of change to capacity prices for 2010–2011, rubles/MW per month

Plant name	RC		CSC		NCEC/NCC	
	2010	2011 <sup>7</sup>	2010	2011	2010	2011
Surgutskaya GRES-1	69,109.3	93,298.0	95,607.5	102,642.5	106,391.5	118,071.5
Ryazanskaya GRES	83,446.8	93,177.7	128,803.2	122,765.9	111,483.9	125,314.3
GRES-24	156,214.6	0.0	309,381.0	0.0	0.0	0.0
Stavropolskaya GRES	60,356.5	78,563.0	195,797.5	118,422.8	95,225.0	0.0
Novocherkasskaya GRES	107,881.2	124,836.7	122,915.3	118,125.8	114,346.4	0.0
Kirishskaya GRES	84,315.6	100,834.1	102,319.3	117,887.7	114,609.8	0.0
Troitskaya GRES	72,842.4	87,605.8	361,759.1	97,121.7	106,062.6	0.0
Krasnoyarskaya GRES-2	116,887.6	138,197.0	143,024.7	126,263.1	145,667.2	0.0
Cherepovetskaya GRES	129,014.1	151,434.6	127,690.1	117,723.4	0.0	134,010.5
Serovskaya GRES	81,103.1	132,219.8	97,277.6	0.0	117,933.9	0.0
Pskovskaya GRES	106,374.9	132,565.5	112,552.5	0.0	112,309.9	0.0

<sup>7</sup> During 2011, capacity rate was changed at the following plants: Pskovskaya GRES, Serovskaya GRES and Surgutskaya GRES-1. The table shows average annual prices.

### 4.3.3. Price indicators for capacity sales/purchases

In accordance with Russian Federation Government Decree No. 205 dd. April 7, 2007, the share of liberalized capacity in 2011 was 100%.

#### Revenue from capacity sales in 2010–2011, million rubles (excluding VAT)

Plant name	RC		CSC		CSA		CFM		NCEC/NCC		Wholesale market TOTAL		Retail market		TOTAL	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
Surgutskaya GRES-1	1,078	966	81	3	0	0	0	0	2,442	3,137	3,601	4,106			3,601	4,106
Ryazanskaya GRES	1,188	799	42	1,873	0	0	0	0	1,922	755	3,152	3,427			3,152	3,427
GRES-24	368	0	629	0	0	888	0	0	0	0	997	888			997	888
Stavropolskaya GRES	767	608	15	2,369	0	0	0	0	1,527	0	2,309	2,977			2,309	2,977
Novocherkasskaya GRES	1,186	848	424	2,039	0	0	0	0	1,247	0	2,857	2,887			2,857	2,887
Kirishskaya GRES	898	659	72	1,897	0	0	0	0	1,590	0	2,560	2,556	524	635	3,084	3,191
Troitskaya GRES	785	569	12	1,167	0	0	0	0	1,476	0	2,273	1,736			2,273	1,736
Krasnoyarskaya GRES-2	749	418	92	1,275	0	0	0	0	1,157	0	1,998	1,693			1,998	1,693
Cherepovetskaya GRES	527	301	444	520	0	0	0	0	0	15	971	836			971	836
Serovskaya GRES	270	202	23	0	0	0	0	521	325	0	618	723			618	723
Pskovskaya GRES	319	182	45	0	0	0	0	479	201	0	565	661			565	661
<b>TOTAL</b>	<b>8,135</b>	<b>5,552</b>	<b>1,879</b>	<b>11,143</b>	<b>0</b>	<b>888</b>	<b>0</b>	<b>1,000</b>	<b>11,887</b>	<b>3,907</b>	<b>21,901</b>	<b>22,490</b>	<b>524</b>	<b>635</b>	<b>22,425</b>	<b>23,125</b>

### Actual capacity purchase cost in 2010–2011, million rubles (excluding VAT)

Plant name	CSC		CSA		CFM		NCEC/NCC		TOTAL	
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011
Surgutskaya GRES-1	0	0	0	0	0	0	0	0	0	0
Ryazanskaya GRES	1	4	0	1	0	0	0	0	1	5
GRES-24	2	0	0	0	0	0	0	0	2	0
Stavropolskaya GRES	29	8	0	1	0	0	0	0	29	9
Novocherkasskaya GRES	20	10	0	2	0	0	0	0	20	12
Kirishskaya GRES	182	155	0	32	0	38	133	0	315	225
Troitskaya GRES	0	0	0	0	0	0	0	0	0	0
Krasnoyarskaya GRES-2	3	1	0	0	0	1	0	0	3	2
Cherepovetskaya GRES	5	0	0	0	0	0	0	0	5	0
Serovskaya GRES	12	6	0	1	0	0	0	0	12	7
Pskovskaya GRES	7	3	0	1	0	0,7	0	0	7	4,7
<b>TOTAL</b>	<b>261</b>	<b>187</b>	<b>0</b>	<b>38</b>	<b>0</b>	<b>39.7</b>	<b>133</b>	<b>0</b>	<b>394</b>	<b>265</b>

## 4.4. HEAT SUPPLY

The main activity of branches on the heat market is heat supply to industrial enterprises and housing and public utilities structures.

Heat is sold by the branches using three types of contract:

- hot water supply for heating support;
- hot water supply for domestic needs;
- heat power supply in the form of steam for enterprise process needs.

During 2011, JSC “OGK-2” branches supplied 6,051 thousand Gcal of heat energy under heat supply

contracts. All contractual obligations were fulfilled in compliance with the terms and conditions of contracts without any failures to meet supply schedules and maintain heat carrier temperatures.

### Kirishskaya GRES

Kirishskaya GRES accounts for more than 42.5% of the total volume of heat produced by JSC “OGK-2” plants. This is conditioned by the industrial infrastructure of Kirishi, in particular, the industrial, construction and agricultural enterprises in Kirishi, which are supplied with heat energy and water from Kirishskaya GRES under direct agreements. Besides this, the plant provides the town with hot water for heating and water supply systems through the municipal housing and public utilities infrastructure.

### Surgutskaya GRES-1

Surgutskaya GRES-1 supplies heat energy in the form of hot water and steam. The main consumers are OJSC Ural Heat Distribution Company which accounts for 94% of the total volume of heat energy supplied by the plant, and a major consumer — OJSC Reinforced Concrete Products Plant.

### Krasnoyarskaya GRES-2

Krasnoyarskaya GRES-2 supplies and sells heat to the city's industrial enterprises as well as heat energy and hot water to a municipal enterprise (Teplovye Seti Municipal Unitary Enterprise) which is a wholesale buyer and resells heat to municipal housing and public utilities enterprises in Zelenogorsk. The Zelenogorsk municipal industrial infrastructure consumes virtually none of the heat energy from the GRES; therefore, Teplovye Seti is the major consumer on the retail market. It accounts for 99% of consumption.

### Troitskaya GRES

Troitskaya GRES is the only heat supplier for the village surrounding the plant and for the central part of Troitsk. The plant's share on the heat energy market of Troitsk is 86%.

The plant supplies heat to CJSC Troitsk Energy Systems and CJSC Troitsk Energy Company, which are wholesale purchasers and resellers of heat energy. These companies supply 60% and 85% of heat to the population respectively.

### Ryazanskaya GRES

Ryazanskaya GRES is the major enterprise of Novomichurinsk. Ryazanskaya GRES supplies and sells heat energy to industrial enterprises and heat energy and hot water to Novomichurinskoe Municip-

pal Housing and Public Utilities Enterprise (Novomichurinskoe Utilities) which is a wholesale buyer and reseller, as well as to residents living in private houses. The main heating system that has been transferred from the Novomichurinskoe Utilities is on the balance of Ryazanskaya GRES.

### Cherepovetskaya GRES

Cherepovetskaya GRES is the major enterprise of Kadui settlement, Vologda Region. The plant sells heat energy and hot water to industrial enterprises as well as heat energy and hot water to the settlement's inhabitants. The major wholesale buyer and reseller is LLC TransResource, which is an organization supplying heat to consumers and maintaining leased municipal heating systems.

### Serovskaya GRES

Serovskaya GRES is the only heat supplier for the inhabitants of the Energetikov settlement in the city of Serov.

The major consumer of the heat energy supplied by the plant is CJSC Serovenergo, which has been in operation since August 2007 and supplies 85% of the heat energy to the population. The share of other consumers is 5.4% of the total productive supply of Serovskaya GRES.

### Novocherkasskaya GRES

Novocherkasskaya GRES is the major enterprise in the Donskoi settlement. Large-scale consumers of heat energy generated by GRES are Zhilremont-7 LLC, condominium partnerships and individual entrepreneurs. The heat supply retail market has not developed as Novocherkassk is 20 km away from the Donskoi settlement. Heating systems in the Donskoi settlement are on the balance of Novocherkasskaya GRES.



## Pskovskaya GRES

Pskovskaya GRES is the only heat supplier for the inhabitants of the Energetikov microdistrict in the Dedovichi settlement. The main consumer of the heat energy supplied by the plant (79%) is the Municipal Housing and Public Utilities Enterprise of the Dedovichi district, which is a wholesale purchaser and reseller.

All of the main heating systems as well as a large part of the microdistrict's internal heating systems

(around 60% of the total spread) are on the balance of the Pskovskaya GRES JSC "OGK-2" branch.

## Stavropolskaya GRES

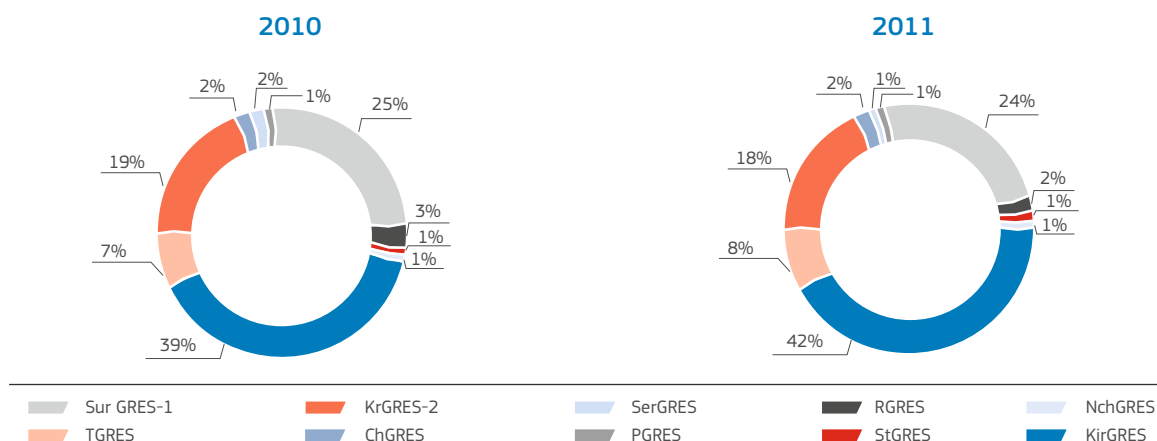
Stavropolskaya GRES is the only heat supplier for the inhabitants of the Solnechnogorsk settlement, Stavropol Territory.

The main consumer of heat energy in the Solnechnogorsk settlement is CJSC SKS, which supplies 95% of heat to the population.

### Productive heat supply and breakdown by consumer in 2010–2011, thousands of Gcal

Plant name	2010				2011			
	Heat supplied, thousand Gcal/year	Housing and public utilities share, %	Industrial enterprises' share, %	Other consumers' share, %	Heat supplied, thousand Gcal/year	Housing and public utilities share, %	Industrial enterprises' share, %	Other consumers' share, %
Surgutskaya GRES-1	1,584.3	94.63	5.26	0.12	1,450.8	94.26	5.60	0.14
Ryazanskaya GRES	173.9	75.55	-	24.45	145.18	71.89		28.11
Stavropolskaya GRES	60.6	99.84	0.16		67.74	99.87	0.13	
Novocherkasskaya GRES	56.7	74.01	9.82	16.17	61.76	75.68	8.74	15.58
Kirishskaya GRES	2,599.9	21.18	78.47	0.35	2,568.9	19.84	79.89	0.27
Troitskaya GRES	477.4	70.92	0.53	28.56	461.8	70.42	0.69	28.89
Krasnoyarskaya GRES-2	1,236.9	-	0.20	99.80	1,066.4		0.45	99.55
Cherepovetskaya GRES	98.1	24.57	3.16	72.27	96.0	92.53	1.75	5.72
Serovskaya GRES	99.5	96.59		3.41	84.4	96.74		3.26
Pskovskaya GRES	54.1	79.28	3.11	17.6	48.1	78.72	3.35	17.93
<b>TOTAL</b>	<b>6,446.8</b>	<b>43.27</b>	<b>33.18</b>	<b>23.55</b>	<b>6,051.3</b>	<b>43.46</b>	<b>35.54</b>	<b>21.01</b>

## Total productive heat supply by power plants in 2010–2011, Gcal



## Dynamics of heat tariffs in 2010–2011, rubles/Gcal (excluding VAT)

Plant name	2010 <sup>8</sup>	2011 <sup>8</sup>
Surgutskaya GRES-1	324.83	311.56
Ryazanskaya GRES	654.05	847.60
Stavropolskaya GRES	621.93	684.52
Novocherkasskaya GRES	1,274.67	1,390.53
Kirishskaya GRES	635.84	685.43
Troitskaya GRES	456.73	495.23
Krasnoyarskaya GRES-2	379.33	420.26
Cherepovetskaya GRES	645.58	764.30
Serovskaya GRES	574.40	600.90
Pskovskaya GRES	764.16	850.28
OGK-2, total	503.16	547.01

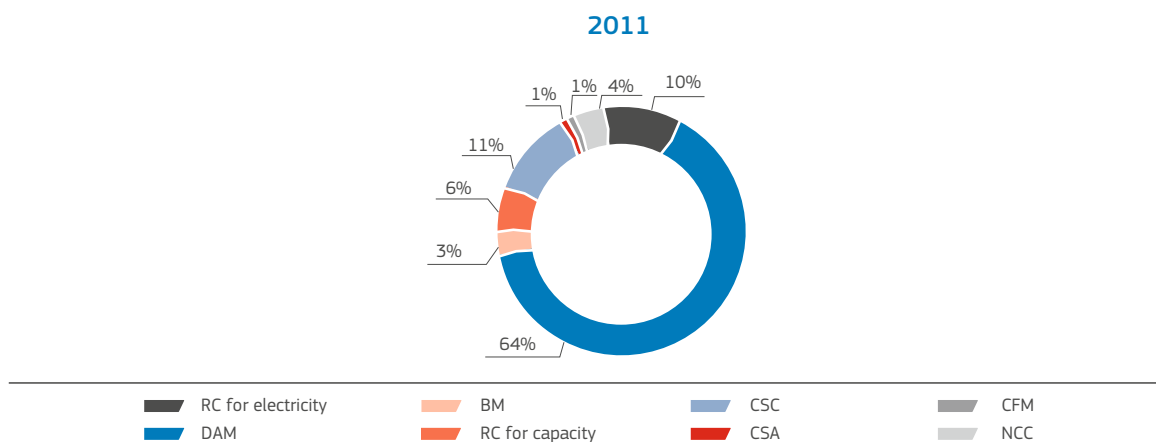
## Total revenue from heat sales in 2010–2011, million rubles (excluding VAT)

Plant name	2010	2011
Surgutskaya GRES-1	514.6	452.01
Ryazanskaya GRES	117.1	123.05
Stavropolskaya GRES	37.7	46.37
Novocherkasskaya GRES	72.2	85.88
Kirishskaya GRES	1,653.2	1,760.84
Troitskaya GRES	218.1	228.72
Krasnoyarskaya GRES-2	469.2	448.19
Cherepovetskaya GRES	63.3	73.40
Serovskaya GRES	57.1	50.72
Pskovskaya GRES	41.3	41.00
OGK-2, total	3,243.8	3,310.15

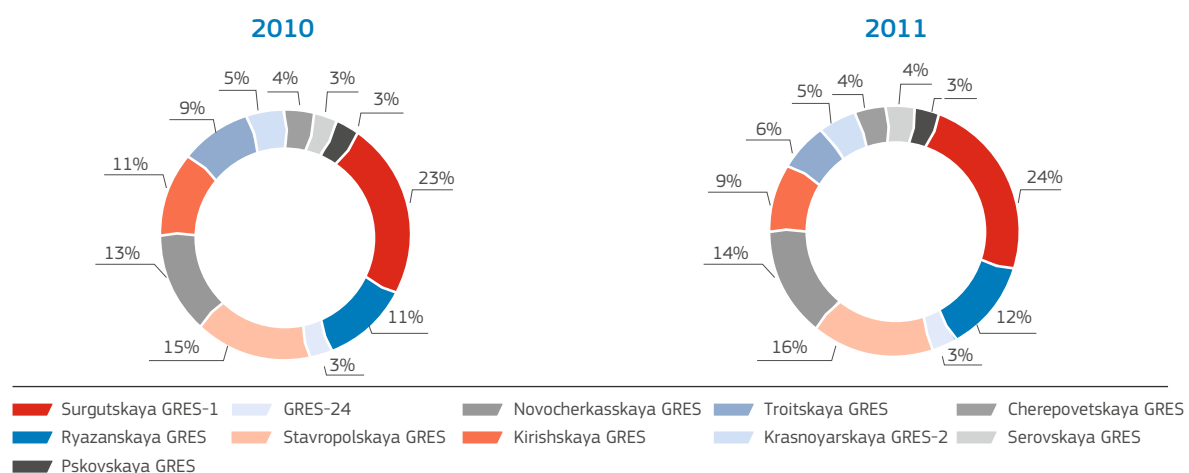
<sup>8</sup> Actual average rates.

## 4.5. ELECTRICITY AND CAPACITY WHOLESALE REVENUE STRUCTURE

The majority of JSC “OGK-2’s” revenue comes from electricity (77%) and capacity sales (23%). The more electricity is sold, the greater its share in the revenue structure is, since the payment for capacity is now more or less stable.



### The structure of electricity and capacity sales revenues on the wholesale market in 2010–2011<sup>9</sup>



<sup>9</sup> This data does not include revenues from trade on the retail market.



# More innovations,

new technologies, and highly efficient operational methods, which provide new opportunities and instill an impulse for further development



# Investment Activities

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5.1. Large-scale Investment Projects

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5.2. Modernization of the Existing Industrial Facilities

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5.3. The Results of Investment Activity in 2011

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# 5. INVESTMENT ACTIVITIES

JSC "OGK-2" is carrying out investment activity along the following lines:

- carrying out priority investment projects that are part of the Capacity Supply Agreement (CSA);
- updating the existing industrial facilities.

## 5.1. PRIORITY PROJECTS

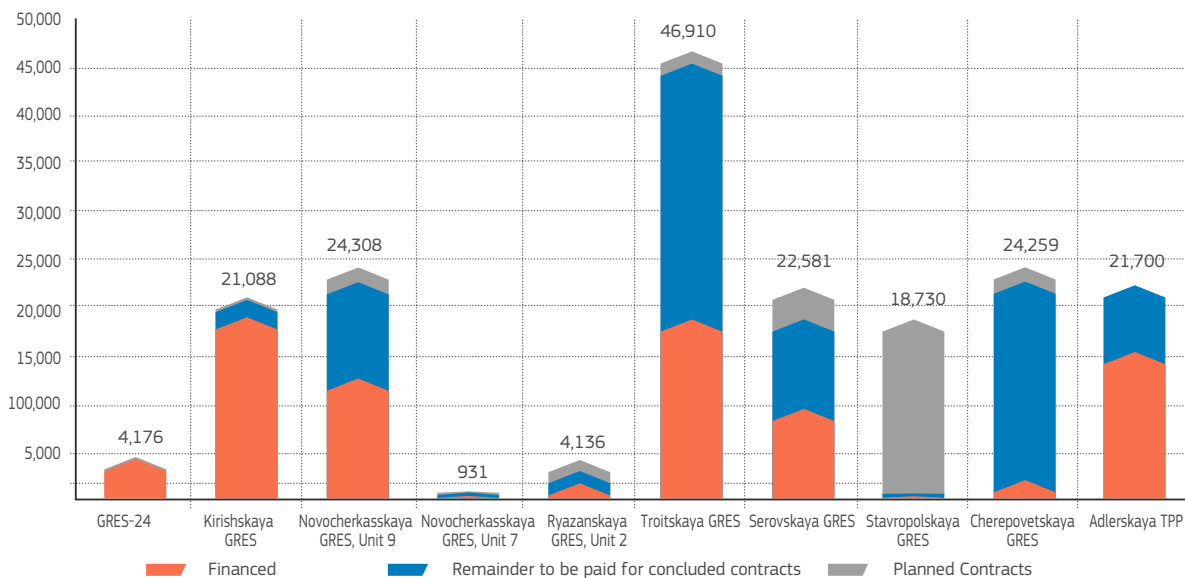
In 2011, JSC "OGK-2" performed work on the following priority investment projects which are part of CSAs:

### Priority Investment Projects

Project	Deadlines	Increase of capacity (MW)	Expected project cost (million rubles, incl. VAT)	Concluded contracts cost* (million rubles, incl. VAT)	Drawn on project (reported)* (million rubles, excl. VAT)	Financed (million rubles, incl. VAT)	Financed in 2011 (million rubles, incl. VAT)
"Addition of a Gas Turbine to GRES-24 Steam Turbine Unit No. 1, 310 MW" (CCGT Unit-420)	Q2 2010	110.0	4,176.4	4,176.4	3,556.7	4,168.8	33.67
"Modernization of the Condensing Section of Kirishskaya GRES on the Basis of Combined Cycle Technology," Unit No. 6 (CCGT Unit-800)	Postponed from Q4 2011 to February 1, 2012	540.0	21,088.24	20,907.61	16,745.01	18,635.23	4,485.5
"Construction of Energy Unit No. 9 with CFB Technology at the Novochoerkasskaya GRES," Unit No. 9 (330 MW)	Q4 2014	330.0	24,308.2	2,2776.05	9,760.97	12,508.46	2,546.14
"Reconstruction of Energy Unit No. 7 at the Novochoerkasskaya GRES" (300 MW)	Q4 2012	36.0	931.0	850.93	27.48	340.90	234.4
"Reconstruction of Energy Unit No. 2 (270 MW) at the Ryazanskaya GRES with replacement of basic equipment"	Q4 2014	60.0	4136.44	2758.87	397.75	1964.47	259.25
"Troitskaya GRES. Construction of Energy Units for STU-660 (Plants No. 10, 11) and Allocation of the First Starting Complex – Energy Unit of Plant No. 10)"	Q4 2014	660.0	46,909.54	45,399.36	3855.97	18,928.90	5798.59
"Sеровskaya GRES. Construction of Energy Units for Plants No. 9, 10 (CCGT Unit-420) and Allocation of the First Starting Complex – Energy Unit of Plant No. 9"	Q4 2014	420.0	22,580.67	18,778.87	554.26	9670.23	275.84
"Stavropolskaya GRES. Construction of Energy Units for CCGT Unit-420 (Plant No. 9)"	Q4 2016	420.0	18,730.34	697.84	423.70	535.88	21.48
"Construction of Energy Unit No. 4 at the Cherepovetskaya GRES on the Basis of Steam and Gas Technology," Unit No. 4 (CCGT Unit-420"	Q4 2014	420.0	24,259.14	22,906.94	507.35	2166.55	1256.12
"Adlerskaya TPP. "Construction of 2 Energy Units (CCGT Unit-180 MW) for Adlerskaya TPP)"	Q4 2012	360.0	21,699.74	22,355.9	14,940.10	15,471.42	6534.42
<b>Total for the investment program</b>	<b>3,356.0</b>	<b>184,643.31</b>	<b>157,432.37</b>	<b>50,769.29</b>	<b>84,390.84</b>	<b>21,445.41</b>	<b>21 445,41</b>

\* As of December 31, 2011.

### Financing of priority investment projects at JSC “OGK-2” plants as of december 31, 2011, including vat, million rubles



### Completed Projects:

#### Addition of a Gas Turbine to GRES-24 Steam Turbine Plant No. 1, 310 MW (CCGT Unit-420)

During the 2008—2010 period, a 310 MW gas turbine was added to the steam turbine unit.

The following activities were performed during the execution of the project:

- Installation of a GTE-110 gas turbine engine produced by JSC NPO Saturn in a set with a TTK-110-2U3-G type generator;
- Reconstruction of a P-74 boiler unit, including installation of a GTE diffuser for the disposal of exhaust gasses in the furnace of the existing P-74 boiler, construction of a gas heater-condenser (GHC), installation of a furnace for burning-off additional gas (Fig. 1).

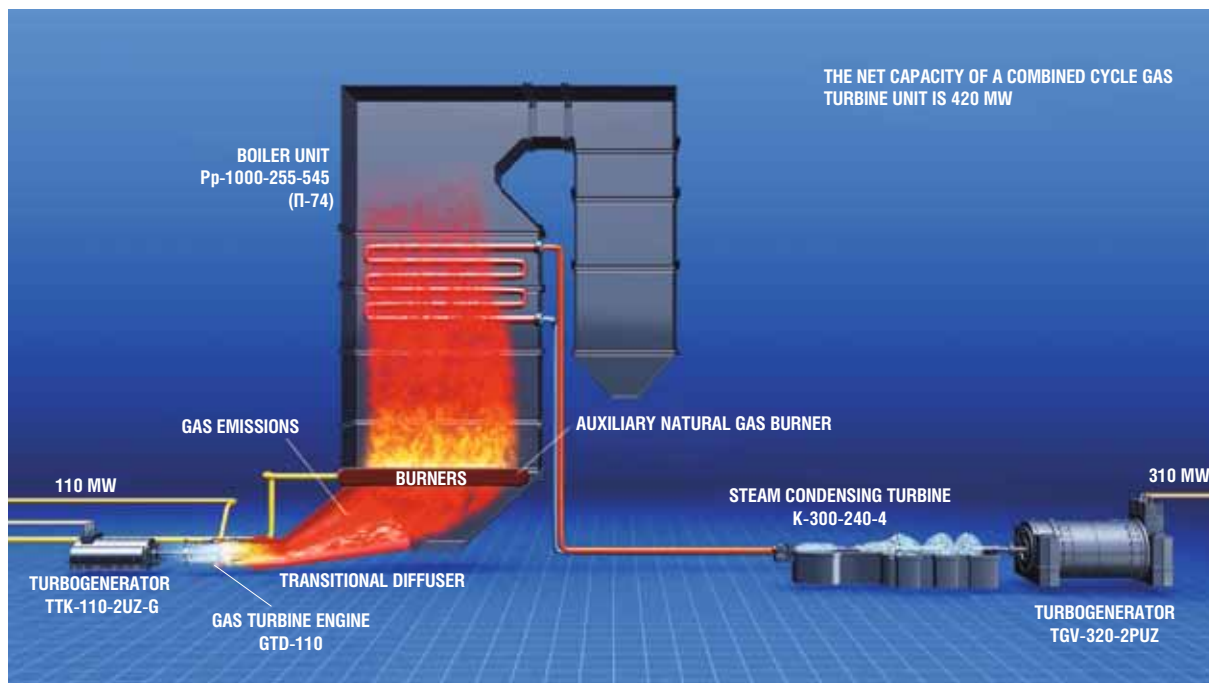


Fig. 1. Schematic diagram of the CCGTU-420 combined cycle gas turbine unit at GRES-24

### Key technical and economic performance indicators of the project

Aspect	Indicators per year
Number of hours of installed capacity use (h)	5,500
Installed electric capacity (MW)	420
Production of electricity (million kWh)	2,310
Consumption for own needs (%)	4.01
Productive electricity supply (million kWh)	2,217.3
Specific consumption of the equivalent fuel for supplied electricity generation (g/kWh)	300.0

After the reconstruction, which added another 110 MW of capacity, the installed capacity was 420 MW.

The unit was commissioned during the second quarter of 2010.

### Modernization of the Condensing Section of Kirishskaya GRES on the Basis of Combined Cycle Technology, Unit No. 6 (CCGT Unit-800)

Construction of the unit was carried out from May 2008 to January 2012 (45 months).



The following activities were performed during the execution of the project:

- Construction of the CCGTU-800 building on the temporary end of the main building of the Kirishskaya GRES and the installation of two SGT5-PAC4000F gas turbine units manufactured by Siemens and two three-circuit utilizing boilers (UB) manufactured by OJSC EMALians;
- Modernization of the K-300-240-1 steam turbine (OJSC Silovye Mashiny) at energy unit No. 6, 242 MW;
- Construction of a gas supplying pipeline with a gas preparation point (GPP) and a gas heating unit;
- Expansion of the 330 kW open switchgear by 4 compartments.

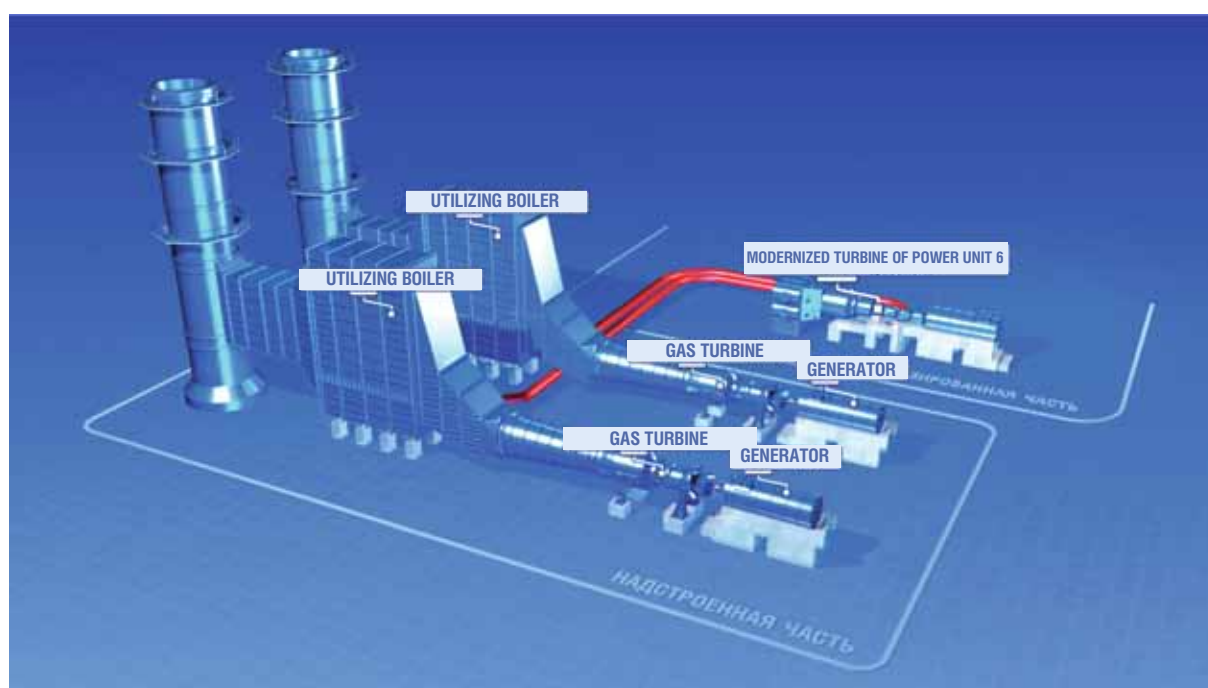


Fig. 2. Schematic diagram of the CCGTU-800 combined cycle gas turbine unit at Kirishskaya GRES

### Key technical and economic performance indicators of the project

Aspect	Project indicators per year
Number of hours of installed capacity use (h)	5,625
Installed electric capacity (MW)	800
Production of electricity (million kWh)	500
Consumption for own needs (%)	2.08
Productive electricity supply (million kWh)	4,406.3
Specific consumption of the equivalent fuel for supplied electricity generation (g/kWh)	221.5

The installed capacity after the reconstruction is 775 MW, the available capacity is 802.515 MW.

Special consumption of equivalent fuel was reduced from 324 g/kWh to 221 g/kWh, efficiency grew from 38% to 55%.

The unit was commissioned in January 2012.

### In-Progress Projects

Serovskaya GRES. Construction of Energy Units for Plants No. 9, 10 (CCGT Unit-420) and Allocation of the First Starting Complex – Energy Unit of Plant No. 9

Project “Serovskaya GRES. Construction of Energy Units for Plants No. 9, 10 (CCGT Unit-420) and Allocation of the First Starting Complex - Energy Unit at Plant No. 9” is aimed at covering the electricity

deficit in the Serovo-Bogoslovsky energy hub. Project implementation includes the development and approval of project documentation, the manufacture and delivery of primary and secondary equipment, and the construction, installation, commissioning, and adjustment work for the two newly installed combined-cycle energy units.

The project provides for the installation of a single-shaft condensation unit CCGTU-420 on the basis of SIEMENS equipment. The project includes: construction of detached buildings and structures to support the technological process, including the construction of the main building, erection of a gas preparation point with booster compressors, construction of a cooling tower, a gas fuel system, a water preparation building and a building with a switchgear complex with SF6 gas insulation (SGC SF6 GI – 220 kW), all on the site of the complex.

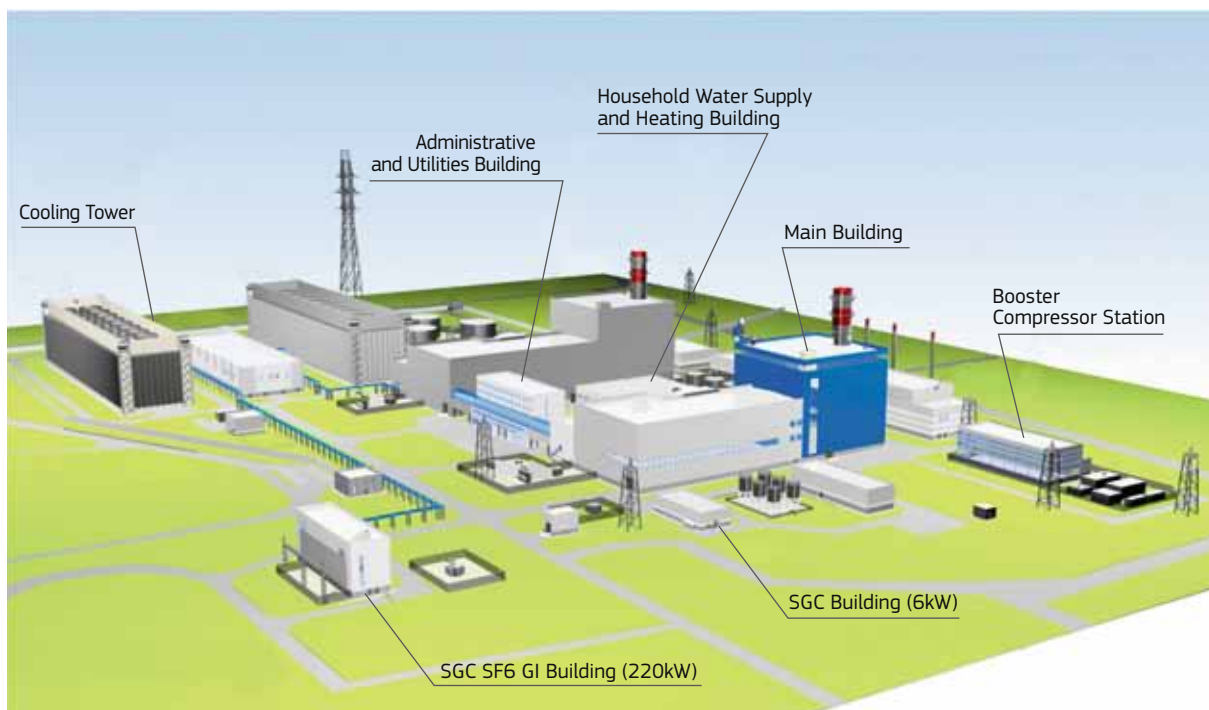


Fig. 3. Layout of construction project

## Key technical and economic performance indicators of the project

Aspect	Project indicators per year
Number of hours of installed capacity use (h)	5,956
Installed electric capacity (MW)	420
Production of electricity (million kWh)	2,498.5
Consumption for own needs (%)	5.5
Productive electricity supply (million kWh)	2,362
Specific consumption of the equivalent fuel for supplied electricity generation (g/kWh)	229.4

In 2011, the preparatory stage of the construction site was completed; activities are now being carried out under agreement to conduct design and survey work under the general contract.

According to the plan, the unit will be put into operation on November 30, 2014.

### Stavropolskaya GRES. Construction of an Energy Unit for CCGTU-420 (Plant No. 9)

Energy unit No. 9 (CCGTU-420) at the Stavropolskaya GRES is being constructed in order to increase the installed capacity of the GRES, which will allow it to cover the estimated capacity deficit of the Kuban energy system, satisfy a growing need for electricity during peak hours as well as ensure the system security of the Southern UPS of Russia. The installation of new capacity will increase the competitiveness of the Stavropolskaya GRES on the electricity market and the efficiency of the plant's operation, as well as increase the volume of electricity supplies. Implementation of state-of-the-art technology will allow for a reduction in reduce pollutant emissions and improve the environmental situation in the region.

According to the plan, the construction of energy unit No. 9 will be carried out on the temporary end of the existing main building (main site); the liquid fluid station will be located to the north-west, i.e. at the site of the existing fuel oil station; the existing OSG 110 kW will be extended by two compartments. Structures that belong to energy unit No. 9 (CCGTU-420) are to be constructed on the site of the existing Stavropolskaya GRES. All designed buildings and structures refer to the following functional zones: production, auxiliary facilities, and a warehouse. This project does not require construction of a separate utilities area. The available site for construction with an area of around 35 ha, availability of necessary production infrastructure, access railway and motor road, water supply source, evaporation pond, existing systems of utilities, including household and industrial water supply systems, household and industrial and storm water discharge systems, and the availability of highly professional engineers and workers who operate at the power plant will all contribute towards the viability of the project.

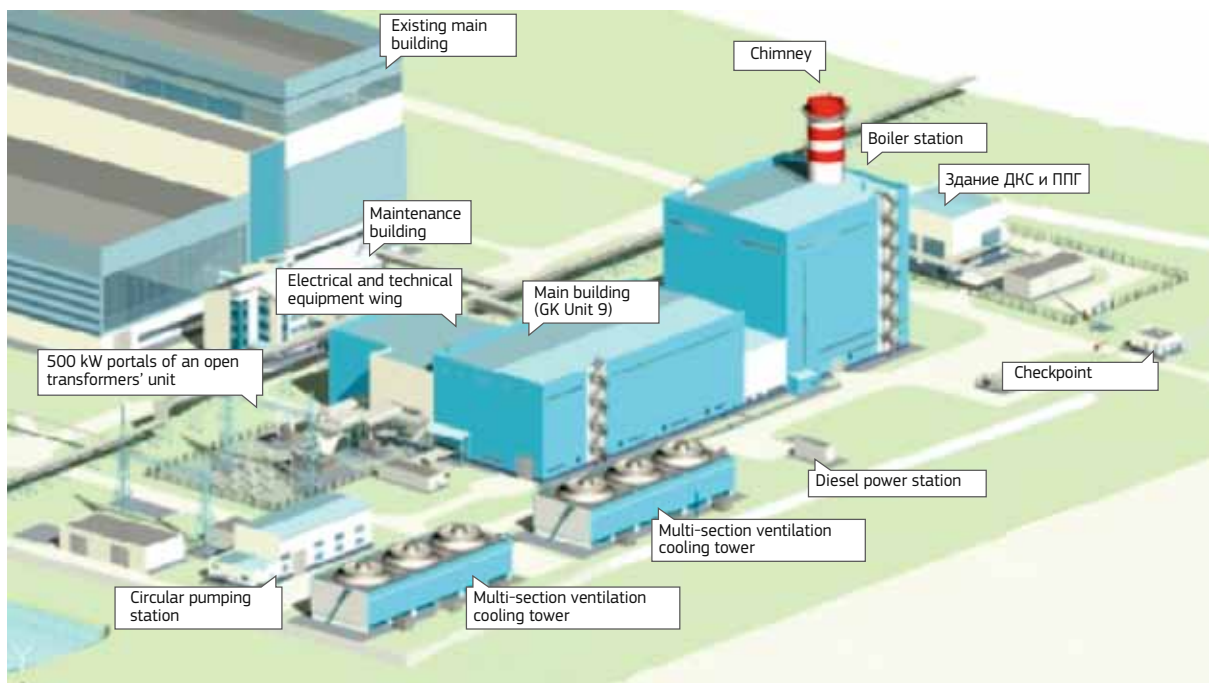


Fig. 4. Layout of construction projects

### Key technical and economic performance indicators of the project

Aspect	Project indicators per year
Number of hours of installed capacity use (h)	6,000
Installed electric capacity (MW)	419
Production of electricity (million kWh)	2,514.0
Consumption for own needs (%)	3.2
Productive electricity supply (million kWh)	2,433.8
Specific consumption of the equivalent fuel for supplied electricity generation (g/kWh)	2,21.7

In 2011, KIEP Public Company, a subsidiary of OJSC Gruppa E4, developed design estimates for energy unit No. 9 of CCGTU-420 at the Stavropolskaya GRES and submitted them to Glavgosexpertiza Rossii Federal Unitary Enterprise for examination.

According to the plan, the unit will be put into operation on November 30, 2016.

### Construction of Energy Unit No. 4 at the Cherepovetskaya GRES on the Basis of Combined Cycle Technology, Unit No. 4 (420 MW)

The project investor is LLC OGK-Investproekt. Commissioning of energy unit No. 4 of CCGTU-420 at the Cherepovetskaya GRES will make the plant

more competitive on the electricity market, will improve the plant's economic indicators due to a reduction in specific fuel consumption and an increase in electricity generation, and will help to diversify the use of fuel at the plant.

The project includes: construction of a complex of detached buildings and structures that support

the technological process, including the construction of the main building, on the site of the branch and also the erection of a gas preparation point with booster compressors, construction of cooling towers, a gas fuel system, a water preparation building and a building with a switchgear complex with SF6 gas insulation (SGC SF6 GI — 220 kW), (Fig. 5).

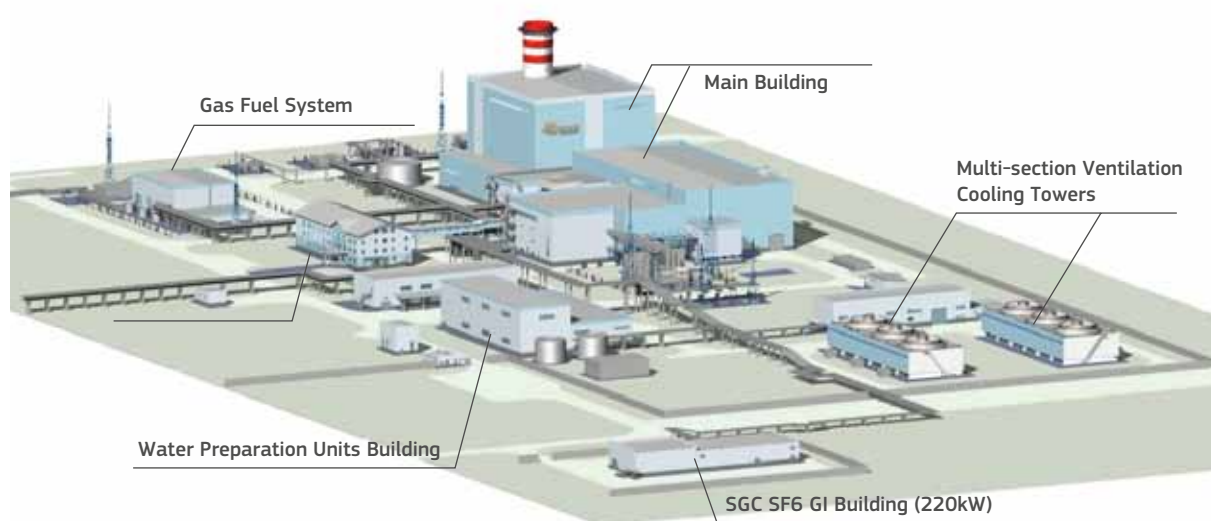


Fig. 5. Layout of construction projects

### Key technical and economic performance indicators of the project

Aspect	Project indicators per year
Number of hours of installed capacity use (h)	5,455
Installed electric capacity (MW)	420
Production of electricity (million kWh)	2,291
Consumption for own needs (%)	3.5
Productive electricity supply (million kWh)	2,210.9
Specific consumption of the equivalent fuel for supplied electricity generation (g/kWh)	220.1



As of December 31, 2011, a general turnkey contract was concluded with OJSC Gruppa E4 which includes the development of design and working estimates, the delivery of primary equipment, and the performance of assembly and installation work. The following contracts were concluded: a contract for the fulfillment of duties of a customer-developer with LLC MRES between JSC Mosenergo and Siemens Aktiengesellschaft for a supply of 1x SCC5-4000F SS single-shaft power unit, manufactured by Siemens, for the purposes of ensuring technological connection with OJSC FGC UES.

In 2011, Glavgoekspertiza Rossii Federal Unitary Enterprise submitted a positive expert opinion for the design documentation to be approved, and issued a construction permit.

The following preparatory construction and installation work has begun: vertical planning of a site for the production areas, a site for temporary administrative and utilities structures, the main site, and a site for SGC SF6 GI 220 kW. Work has begun on temporary electricity supply, on primary buildings and structures of CCGTU-420 and on the main unit, which involves construction of a pile footing for the power unit and a base for the turbine compartment.

According to the plan, the unit will be put into operation on November 30, 2014.

### **Adlerskaya TPP. Construction of 2 Energy Units (CCGTU-180 MW) at Adlerskaya TPP**

Construction of Adlerskaya TPP with a capacity of no less than 360 MW (design and survey work, construction) (clause 130 of the Program of Construction of Olympic Games Structures and Promotion of Sochi as a Ski Resort, approved by Decree of the Russian Federation Government No. 991 dd. December 29, 2007, version No. 126 dd. February 14, 2012).

The project investor is LLC Gazprominvestproekt.

Using two energy units of CCGTU-180T, Adlerskaya TPP will provide sufficient heat and electricity to the Olympic Games structures located in the Imeretin Valley and the structures aimed at promoting Sochi as a ski resort.

According to the plan, electricity from the TPP will be supplied via 110 and 220 kW lines, and heat will be supplied via a closed two-pipe heating system (direct and return heating water). Construction of a district heating substation with a heating capacity of 10 Gcal/h and an open heat supply system is planned for the Blinovo microdistrict on the site of the plant.



Fig. 6. Layout of the Adlerskaya TPP construction projects

The buildings' architecture and layout were designed to make efficient use of the area and height in order to organize production, auxiliary, warehouse, and administrative and utilities premises that are convenient and easy to use.

#### **Buildings on the Industrial Site as per the Project:**

- the main building;
- an administrative and utilities complex;
- a building for SGC SF6 GI 110 and 220 kW;
- a building for heating, ventilation and air conditioning;
- a gas fuel system;
- a diesel fuel system;
- an oil system;
- a fire-fighting pumping station;
- storm and oily water treatment facilities;
- a compressor house;
- a building for electrical and technical equipment of gas turbines;
- a checkpoint;
- a building for secondary equipment for a gas turbine and a shutoff valve unit;
- a building for secondary equipment of a utilizing boiler;
- a building for a district heating substation.

Apart from buildings, the following structures will be located on the site: an open installation of gas turbines with utilizing boilers, a dry ventilation cooling tower, chimneys, a plant unit for installation of transformers along the "D" low of the main building, a diesel generator, tanks for emergency discharge of oil from transformers, steam and gas turbines, cables and technological racks, a pumping station for extinguishing fire at the diesel fuel warehouse using foam, a civil defense and emergency structure, a weather station etc. (Fig. 6).

### **Key technical and economic performance indicators of the project**

Aspect	Project indicators per year
Number of hours of installed capacity use (h)	6,500
Installed electric capacity (MW)	378
Heat capacity (Gcal/h)	227.8
Annual electricity generation at the TPP (million kWh)	2,457
Annual heat generation at the TPP (thousand Gcal)	644.6
Electricity consumption for own needs (%)	5.6
Heat consumption for own needs (%)	0.36
Annual electricity supply (million kWh)	2319.4
Annual heat supply (thousand Gcal)	642.3
Specific consumption of the equivalent fuel for supplied electricity generation (g/kWh)	226.4
Specific consumption of the equivalent fuel for supplied heat generation (kg/Gcal)	154.4

As of December 31, 2011, contracts are concluded for the development of design and working estimates, delivery of primary equipment and performance of preparatory and general construction work.

In 2011, a large part of construction and design work with regard to Adlerskaya TPP (construction readiness of unit No. 1 – 90%, of unit No. 2 – 60%) was carried out; 95% of all the equipment was supplied. Active commissioning and adjustment work was carried out at the end of 2011.

According to the plan, the unit will be put into operation at the end of 2012.

### **Construction of Energy Unit No. 9 using CFB Technology at the Novochoerkasskaya GRES, Unit No. 9 (330 MW)**

Implementation of this project will make Novochoerkasskaya GRES more competitive on the electricity and capacity market and will improve the plant's economic indicators due to reduced specific fuel consumption and increased electricity generation.

The project includes: on-site construction of the complex of detached buildings and structures which support the technological process, including enlarging the main building at the temporary end and enlarging the coal warehouse, as well as building additional technological infrastructure for the plant, including construction of cooling towers and new fuel feed tunnels (Fig. 7).

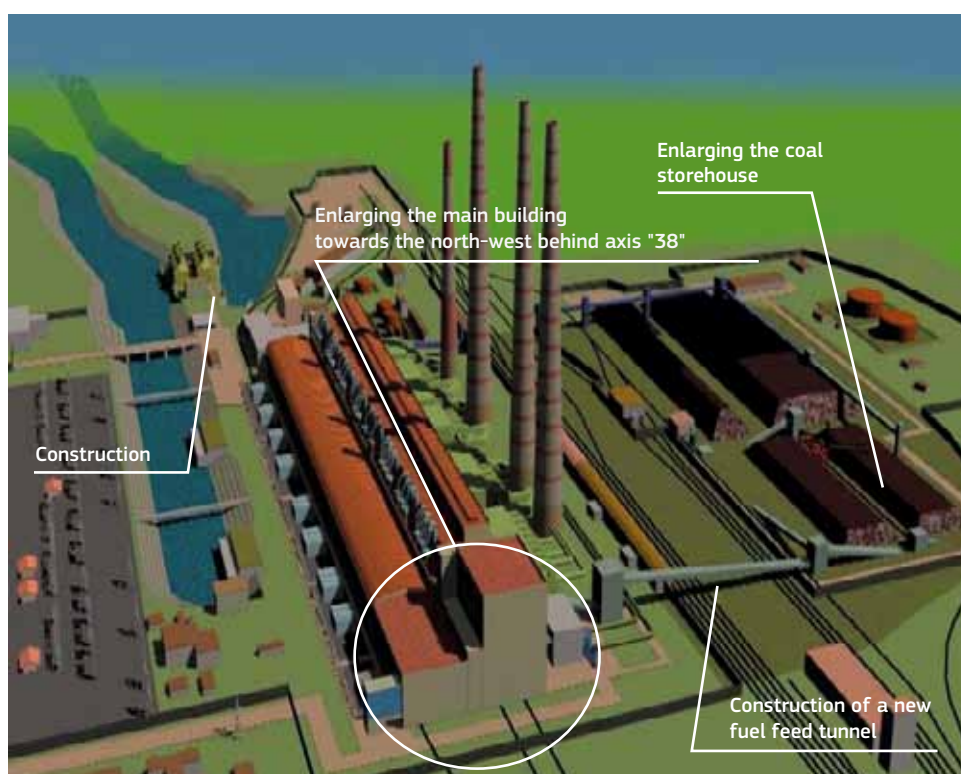


Fig. 7. Layout of construction projects



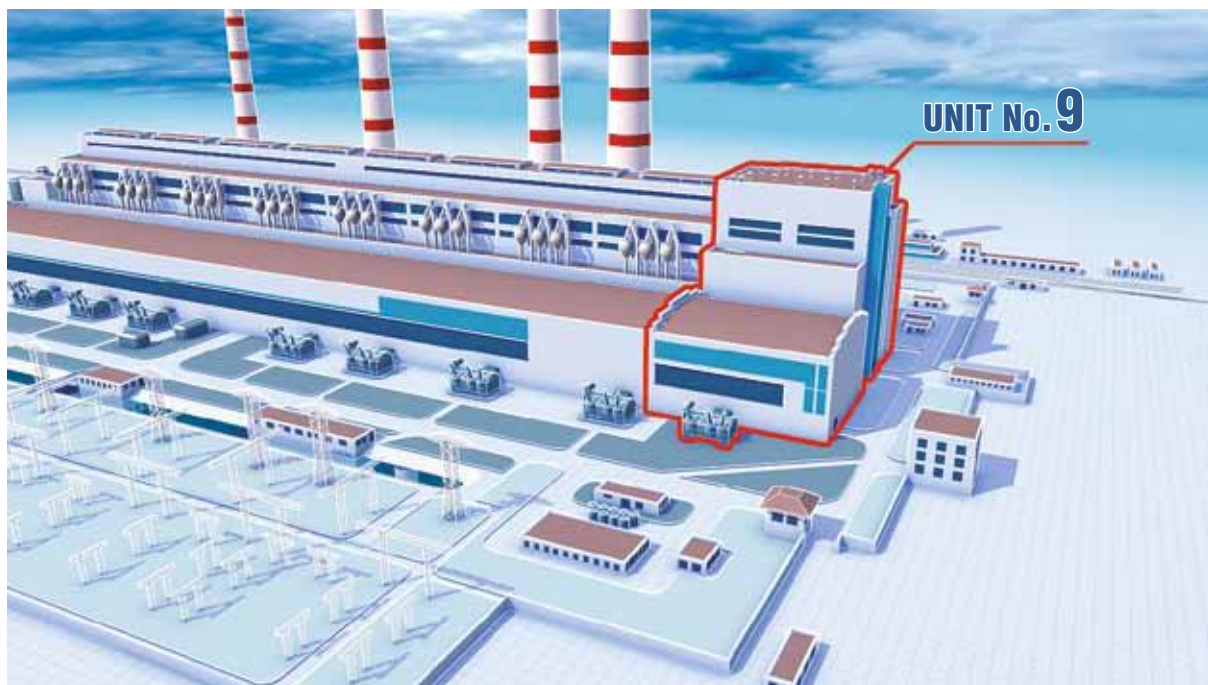


Fig. 8. Unit No. 9 of Novocherkasskaya GRES

Primary schematic diagram for a boiler with a circulating fluidized bed: the material of the bed is brought to the suspension state (so called “fluidized bed”) by blowing air through the substance of the bed placed on a lattice/ air distributor. At high air speeds the bed expands and some particles of the bed along with the unburned fuel particles are carried away from the bed by the departing gas. The largest of the carried away particles are sepa-

rated by a cyclone and returned to the fluidized bed resulting in the most complete fuel consumption possible. The velocity of the air is approximately 5 m/s. Fuel is burned at a base temperature of 850—900 °C, as opposed to 1,600 °C in usual coal-dust boilers, which allows for a sharp reduction in NO<sub>x</sub> emissions. Figure 9 shows a schematic diagram of the power unit.

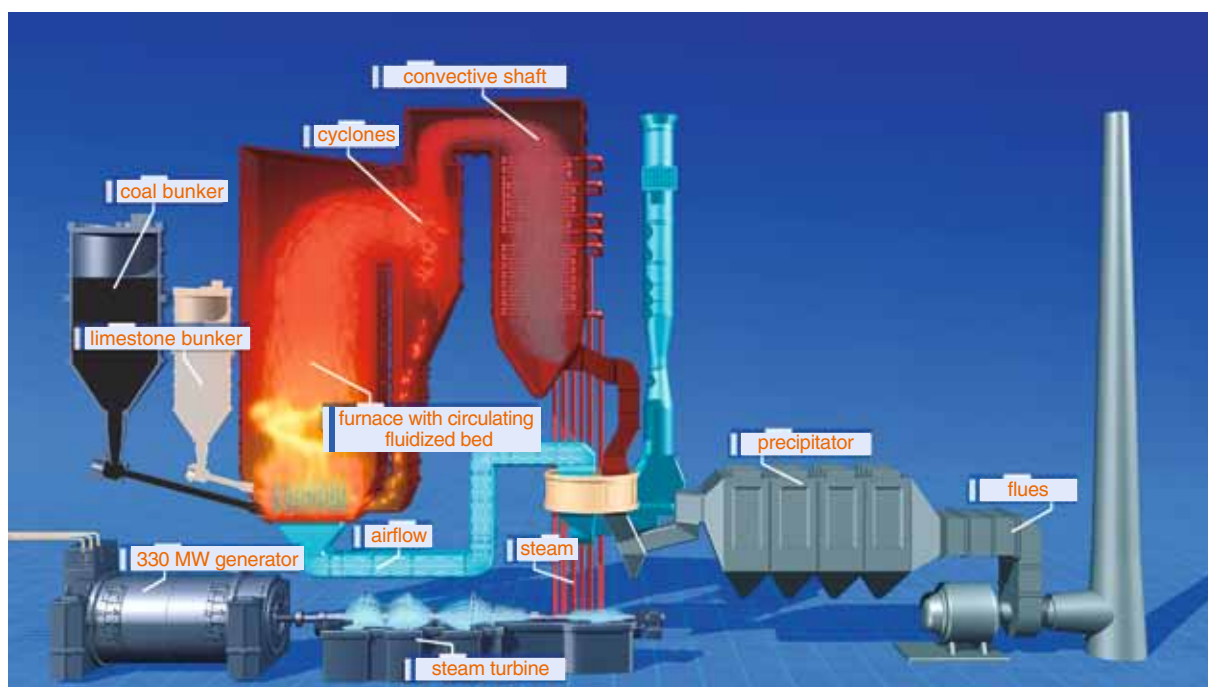


Fig. 9. Schematic Diagram of the Power Unit

### Key technical and economic performance indicators of the project

Aspect	Project indicators per year
Number of hours of installed capacity use (h)	6,500
Installed electric capacity (MW)	330
Production of electricity (million kWh)	2,145
Consumption for own needs (%)	7.6
Productive electricity supply (million kWh)	1,981.3
Specific consumption of the equivalent fuel for supplied electricity generation (g/kWh)	308.1

As of December 31, 2011, contracts were concluded for the development of design and working estimates, for the supply of primary equipment (the steam-turbine unit with the generator, boilers using CFB technology, parts of secondary equipment), and for the performance of preparatory and general construction work. A general contract was concluded for the construction of energy unit No. 9.

In 2011, design estimates were developed. The steam turbine with a generator and boilers using CFB technology was delivered. The metal structures of the boiler's first level and of the case for the engineering hall were assembled.

According to the plan, the unit will be put into operation on November 30, 2014.

**Troitskaya GRES. Construction of Energy Units for STU-660 (Plants No. 10, 11) and Allocation of the First Starting Complex – Energy Unit at Plant No. 10**

This project, once implemented, will make Troitskaya GRES more competitive on the electricity and capacity market and will improve the plant's economic indicators due to reduced spe-

cific fuel consumption and increased electricity generation.

The project provides for the construction of a coal dust power unit (plant No. 10 – starting complex No. 1) with an installed unit capacity of 660 MW, and the infrastructure of starting complex No. 2 (plant No. 11), which is technologically connected with the construction of starting complex No. 1.



Fig. 10. Layout of Troitskaya GRES



Fig. 11. Unit No. 10

### Key technical and economic performance indicators of the project

Aspect	Project indicators per year
Number of hours of installed capacity use (h)	7,000
Installed electric capacity (MW)	660
Production of electricity (million kWh)	4,620
Consumption for own needs (million kWh)	231
Annual electricity supply (million kWh)	4,389
Specific consumption of the equivalent fuel for supplied electricity generation (g/kWh)	292

As of December 31, 2011, a general turnkey contract was concluded concerning the development of design and working estimates, equipment delivery, and assembly and installation work.

In 2011, within the scope of the general contract, design documentation was developed; construction of the base for the chimney, the boiler compart-

ment, the engineering hall and the cooling tower are in their final stages the final stage. Supply of metal structures for the first level of the boiler has begun.

According to the plan, the unit will be put into operation on November 30, 2014.



### Reconstruction of Energy Unit No. 2 (270 MW) at the Ryazanskaya GRES with Replacement of Basic Equipment

This project, once implemented, will make Ryazanskaya GRES more competitive on the electricity and capacity market and will improve the plant's

economic indicators due to reduced specific fuel consumption and increased electricity generation. The unit has developed a park and individual resource of primary nodes and has low efficiency and reliability indicators. There are plans for a thorough modernization and increased installed capacity.



Fig. 12. Reconstruction of Energy Unit No. 2 at the Ryazanskaya GRES

The project includes: replacement of the complex's turbo-unit with a turbo-generator, reconstruction of the boiler unit with revised project indicators and

the partial replacement and modernization of auxiliary equipment.

#### Key technical and economic performance indicators of the project

Aspect	Project indicators per year
Number of hours of installed capacity use (h)	6,500
Installed electric capacity (MW)	330
Production of electricity (million kWh)	2,145
Consumption for own needs (%)	13.5
Productive electricity supply (million kWh)	1,855.4
Specific consumption of the equivalent fuel for supplied electricity generation (g/kWh)	328.0

As of December 31, 2011, contracts were concluded for the delivery of primary equipment (the steam turbine and turbo-generator) and completion of project tasks.

In 2011, work on the project included the development of project documentation. A positive state expert opinion was received for the project documentation. OJSC Podolsk Engineering Plant (ZIO) finished the boiler examination. Primary equipment (the steam turbine and turbo-generator) is being manufactured. Contracts were concluded for the construction of secondary equipment.

According to the plan, the unit will be put into operation on November 30, 2014.

### **Reconstruction of Energy Unit No. 7 at Novocherkasskaya GRES with an Increase in Installed Capacity to 300 MW**

This project, once implemented, will make Novocherkasskaya GRES more competitive on the electricity and capacity market and will improve the plant's economic indicators due to reduced specific fuel consumption and increased electricity generation.



Fig. 13. Reconstruction of Energy Unit No. 7 at the Novocherkasskaya GRES

The project includes: reconstruction of the turbine's low pressure cylinder; replacement of the low pressure rotor with a modernized, welded and forged rotor; replacement of the housing of the 2nd — 5th level diaphragms and of the diaphragm seals

and end seal; reconstruction of the generator; and replacement of the TGV-300 generator with a modernized TGV-300 generator containing a UNITROL thyristor excitation system.

### Key technical and economic performance indicators of the project

Aspect	Project indicators per year
Number of hours of installed capacity use (h)	6,167
Installed electric capacity (MW)	300
Production of electricity (million kWh)	1,850
Consumption for own needs (%)	5.2
Productive electricity supply (million kWh)	1,752.9
Specific consumption of the equivalent fuel for supplied electricity generation (g/kWh)	333.7

As of December 31, 2011, contracts were concluded for the following: development of project and working documentation for the modernization of energy unit No. 7, project and working documentation for the reconstruction of the turbo-units' low pressure cylinder at unit No. 7, summary project and working documentation for the reconstruction of unit No. 7, and construction and installation work for the replacement of energy unit No. 7. Contracts were concluded for the delivery of a TGV-330-2MUZ turbo-generator with a UNITROL 6000 thyristor excitation system and for the delivery of equipment needed for the reconstruction of the turbine's low pressure cylinder at unit No. 7.

Tender results were received for the following: commissioning and adjusting the generator of unit No. 7 in the idle mode, for the installation of elec-

trical and engineering equipment for the generator of unit No. 7, for the control of project implementation for the modernization of the generator of unit No. 7, for the supervision of the installation of equipment needed for the reconstruction of the turbo-unit's low pressure cylinder at unit No. 7, for the reconstruction of the turbo-unit's low pressure cylinder at unit No. 7.

In 2011, a TGV-220-2MUZ turbo-generator and equipment for the reconstruction of the turbine's low pressure cylinder at unit No. 7 were in the process of being manufactured within the framework of the project.

According to the plan, the unit will be put into operation on December 31, 2012.

## 5.2. TECHNICAL REEQUIPMENT AND MODERNIZATION OF THE EXISTING INDUSTRIAL FACILITIES

The Company also implements projects that are not included in the CSAs and are aimed at maintaining the existing operational security, availability and safety of the generating equipment and infrastructure of the power plants (projects of technical re-equipment and modernization - TR&M).

According to the investment program plan for 2011, the Company was expected to use capital investments to the amount of 4,574,102.6 thousand rubles (excluding VAT) and financing to the amount of 5,973,053.2 thousand rubles (including VAT) for TR&M projects. In 2011, 4,761,984.0 thousand rubles of capital investments (104%) and 5,897,659.1 thousand rubles (99%) of financing were actually used.

### Fulfillment of the program for technical re-equipment and modernization of the existing industrial facilities of JSC "OGK-2" in 2010–2011, thousand rubles

Name of the JSC "OGK-2" branch	2010		2011	
	Implemented, excl. VAT	Financed, incl. VAT	Implemented, excl. VAT	Financed, incl. VAT
<b>OGK-2 total, including:</b>	<b>3,056,307.6</b>	<b>2,822,078.0</b>	<b>4,761,984.0</b>	<b>5,897,659.1</b>
Surgutskaya GRES-1	121,881.6	136,819.4	201,816.9	214,112.1
Ryazanskaya GRES	348,911.1	405,652.6	515,765.8	571,515.9
Stavropolskaya GRES	98,742.6	76,387.2	347,082.3	497,588.2
Novocherkasskaya GRES	289,104.0	285,398.0	302,489.0	383,175.0
Kirishskaya GRES	341,791.1	374,000.6	383,599.7	582,006.7
Troitskaya GRES	1,165,424.8	896,447.9	2,369,741.4	2,912,391.0
Krasnoyarskaya GRES-2	261,473.3	298,792.5	365,461.3	350,185.1
Cherepovetskaya GRES	210,517.2	185,210.1	130,795.1	197,887.2
Serovskaya GRES	119,431.1	73,521.2	55,781.3	63,635.0
Pskovskaya GRES	23,829.9	20,765.2	23,873.7	32,335.6
Executive office	75,200.9	69,083.3	65,577.5	92,827.2

All primary work planned for 2011, was completed in accordance with the program for the technical reequipping and modernization of primary equipment. The overall implementation level throughout JSC "OGK-2" amounted to 104%. Measures taken allowed worn-out equipment to be replaced by more modern and cost-efficient equipment, and increased the performance reliability and qual-

ity of electricity supplied as well as providing for the Company's competitive edge on the liberalized electricity market.

The major projects completed in 2011 in accordance with the program for the technical re-equipment and modernization include the following:



■ The “Reconstruction of 26T Transformer” Project at the Ryazanskaya GRES, within the framework of which a TRDNS-40000/35-UKhL1 transformer was supplied, assembled and installed to meet the plant’s own needs and to replace the one that had broken down. The unit is commissioned, thus, the operation of energy unit No. 6 was restored within a short period of time;

■ The “Reconstruction of Sectional Demineralizing Equipment of Unit No. 6 (Replacement of Filters)” Project at the Kirishskaya GRES, within the framework of which existing filters were replaced and additional filters were installed for filtering pipe condensate;

■ The “Modernization of Anti-emergency Automatic Equipment (AEAE) for the OSG-330 kW” Project at the Kirishskaya GRES, within the framework of which a new microprocessor AEAE complex was commissioned, which replaced the old devices and supplemented the existing ones, satisfies the main requirements for the AEAE as well as the Russian

requirements for safety, operation speed, selectivity, and sensitivity;

■ The “Installation of an Electro-deionization Unit” Project at the Novocherkasskaya GRES, within the framework of which H-OH filters of the water preparation unit were replaced with an electro-deionization unit for water filtering. Use of chemical agents was reduced by 140 tons a year, the volume of waste water was reduced by 48 thousand m<sup>3</sup> a year;

■ The “Turnkey Work for the Implementation of a Dry Ash and Slag Handling System at Energy Unit No. 7” Project at the Troitskaya GRES, within the framework of which a dry ash and slag handling system was introduced at energy unit No. 7. Estimated annual performance of the unit is 265 thousand tons, which allows for a projected 12 year payback period of the project on the condition that all the ash produced by the dry ash and slag handling system will be sold.

### 5.3. GENERAL RESULTS OF INVESTMENT ACTIVITY IN 2011

Volumes of investments and new fixed assets at OGK-2 branches in 2011, thousand rubles

Name of the branch	Volume of investments <sup>10</sup>	New fixed assets <sup>11</sup>	Financed
	(excluding VAT)	(excluding VAT)	(including VAT)
<b>Total</b>	<b>14,191,211.75</b>	<b>3,675,643.13</b>	<b>19,841,551.14</b>
Surgutskaya GRES-1	201,816.90	170,430.05	214,112.10
Ryazanskaya GRES	913,511.17	301,162.50	864,440.98
Stavropolskaya GRES	367,280.60	170,521.28	519,064.40
Novocherkasskaya GRES	1,703,493.03	281,496.75	3,163,721.97
Kirishskaya GRES	5,290,038.74	418,833.58	5,067,503.15
Troitskaya GRES	4,855,332.50	1,847,464.10	8,710,976.80
Krasnoyarskaya GRES-2	365,461.26	204,489.96	350,185.13
Cherepovetskaya GRES	154,404.85	148,744.13	486,917.14
Serovskaya GRES	250,421.50	44,437.82	339,466.60
Pskovskaya GRES	23,873.70	24,997.90	32,335.60
Moscow executive office	65,577.49	63,065.06	92,827.27
<b>- including CSAs:</b>			
"Addition of a Gas Turbine to GRES-24 Steam Turbine Unit No. 1, 310 MW" (CCGT Unit-420)	0.00	0.00	33,669.60
"Modernization of the Condensing Section of Kirishskaya GRES on the Basis of Combined Cycle Technology", Unit No. 6 (CCGT Unit-800)	4,906,439.08	50.00	4,485,496.42
"Construction of Energy Unit No. 9 at the Novocherkasskaya GRES using CFB Technology", Unit No. 9 (330 MW)	1,382,337.71	27,075.75	2,546,143.09
"Reconstruction of Unit No. 7 at the Novocherkasskaya GRES (300 MW)"	18,666.32	0.00	234,403.88
"Reconstruction of Energy Unit No. 2 (270 MW) at the Ryazanskaya GRES with Replacement of Basic Equipment"	397,745.37	2,188.60	259,255.48
"Troitskaya GRES. Construction of Energy Units for STU-660 (Plants No. 10, 11) and Allocation of the First Starting Complex - Energy Unit of Plant No. 10)"	2,485,591.10	490,877.95	5,798,585.81
"Serovskaya GRES. Construction of Energy Units for Plants No. 9, 10 (CCGT Unit-420) and Allocation of the First Starting Complex - Energy Unit of Plant No. 9"	194,640.18	18,962.20	275,831.63
"Stavropolskaya GRES. Construction of an Energy Unit for CCGTU-420 (Plant No. 9)"	20,198.28	0.00	21,476.20

<sup>10</sup> Volumes of work performed according to 2011 reports.

<sup>11</sup> Information concerning fixed assets, the use of which began in 2011, taking into account construction projects which began at an earlier date.

### Projects Financed by External Investors:

Name of the branch	Volume of investments	New fixed assets	Financed
	(excluding VAT)	(excluding VAT)	(including VAT)
"Construction of Energy Unit No. 4 at the Cherepovetskaya GRES on the Basis of Combined Cycle Technology", Unit No. 4 (CCGT Unit-420)	371,379.54	6,433.94	1,256,121.57
"Adlerskaya TPP. Construction of 2 Energy Units (CCGTU-180 MW) at Adlerskaya TPP"	14,940,103.36	0.00	6,534,419.00



# More reliability

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# Securities and Charter Capital

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6.1. Structure of the Company's Charter Capital

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6.2. Information on Securities

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6.3. JSC "OGK-2" and JSC "OGK-6" Securities Trading Results in 2011

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6.4. Dividends

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# 6. SECURITIES AND CHARTER CAPITAL

## 6.1. STRUCTURE OF THE COMPANY'S CHARTER CAPITAL

As of December 31, 2011, the JSC "OGK-2" register includes 308,481 persons, of which 307,751 are individuals, 693 are legal entities, 34 are nominees, and 3 are trustees.

### Number of OGK-2 shareholders as of December 31, 2011

Shareholder type	Number of shareholders	Number of shares	% of the total number of shares
Owners – legal entities	693	shares, issue 1-02-65105-D 5,290,737 shares,	4.27
		shares, issue 1-02-65105-D-004D 2,508,131,604 shares	
Owners – individuals	307,751	shares, issue 1-02-65105-D 650,966,278 shares,	1.93
		shares, issue 1-02-65105-D-004D 494,587,025 shares	
Nominees	34	shares, issue 1-02-65105-D 29,706,375,586 shares,	89.83
		shares, issue 1-02-65105-D-004D 23,590,638,458 shares	
Trustees	3	shares, issue 1-02-65105-D-004D 23,590,638,458 shares	0.01
		shares, issue 1-02-65105-D-004D 1,491 shares	
Company's business account	1	shares, issue 1-02-65105-D 2,351,934	3.96
<b>Total</b>	<b>308,482</b>	<b>59,327,926,960</b>	<b>100</b>

### List of registered persons who have more than 5% of shares on their business accounts as of December 31, 2011

No.	Registered person type	Name	Number of shares	Share in charter capital, %
1.	Nominee	Limited Liability Company Depository and Corporate Technologies	33,395,501,604	56.2897
2.	Nominee	Non-bank Creditor Closed Joint-Stock Company National Settlement Depository	7,925,909,701	13.3595
3.	Nominee	Closed Joint-Stock Company "Depository – Clearing Company"	4,723,823,542	7.9622
4.	Nominee	Open Joint-Stock Company Joint-Stock Bank ROSSIYA	4,197,121,283	7.0744

The Company's largest stockholders as of December 31, 2011 were: Joint-Stock Company "Centerenergyholding," which owns 50.52% of the charter capital, Limited Liability Company "Invest-Generatsiya," which owns 6.73% of the charter capital, and Joint-Stock Company "INTER RAO UES", which owns 5.7% of the charter capital.

0.0061153089% of JSC "OGK-2" shares are owned by the Russian Federation, of which:

- 0.0061146920% of shares belongs to the Chukotka Autonomous District;
- 0.0000001450% — to the Rostov Region;

- 0.0000001652% — to the Orenburg Region;
- 0.0000003068% — to the Vologda Region.

The number of shares owned by non-residents directly included on the register of shareholders amounts to 11,995,673,366 shares (20.2 % of the charter capital) as of December 31, 2011.

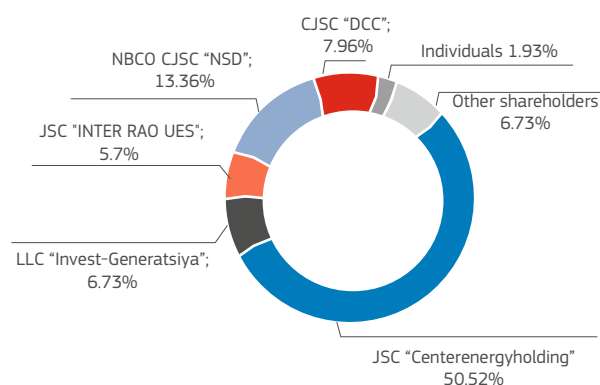
The Company is one of Russia's leading power generating companies in terms of its amount of publicly traded shares, which exceeds 30%.

No significant changes occurred in the structure of the JSC "OGK-2" charter capital during 2011.

### Shareholders owing no less than 5% of shares as of December 31, 2011

No.	Shareholder name	Number of shares <sup>12</sup>	Share in charter capital, %
1	Joint-Stock Company "Centerenergyholding"	29,970,066,506	50.52
2	Limited Liability Company "Invest-Generatsiya"	3,992,562,311	6.73
3	Joint-Stock Company "INTER RAO UES"	3,382,241,029	5.7

### Breakdown of JSC "OGK-2" share capital In 2011



## 6.2. INFORMATION ON SECURITIES

### Shares

As of December 31, 2011, the Company's charter capital was 21,518,239,108.392 rubles and was divided into 59,327,926,960 registered ordinary

shares, each of which has a par value of 0.3627 rubles (around 36 kopecks). The Company has not issued any preference shares.

<sup>12</sup> As of May 17, 2012, the date that the list was drawn-up of persons with a right to participate in the Annual General Meeting of Shareholders.



**Total number of registered issues of shares:**

	Event	Date the issue was registered	State registration number	Number of ordinary shares issued	Par value in rubles
1.	Primary issue	11.05.2005	1-01-65105-D	10,769,803,935	1.0
2.	First issue	21.03.2006	1-01-65105-D-001D	14,547,265,563	1.0
3.	Second issue	31.08.2006	1-01-65105-D-002D	44,857,010	1.0
4.	Third issue	31.08.2006	1-01-65105-D-003D	88,257,396	1.0
5.	Fourth issue	31.08.2006	1-01-65105-D-004D	621,543,725	1.0
6.	Fifth issue	31.08.2006	1-01-65105-D-005D	409,168,128	1.0
7.	Sixth issue	31.08.2006	1-01-65105-D-006D	61	1.0
8.	Primary issue (after conversion)	19.04.2007	1-02-65105D	26,480,895,818	0.3627
9.	First issue	07.08.2007	1-02-65105-D-001D	6,252,026,095	0.3627
10.	Second issue	01.04.2008	1-02-65105-D-002D	1,452,433	0.3627
11.	Third issue	01.04.2008	1-02-65105-D-003D	194,036	0.3627
12.	Fourth issue	25.08.2011	1-02-65105-D-004D	26,593,358,578	0.3627
13.	Primary issue (after conversion)	16.03.2012	1-02-65105-D	59,327,926,960	0.3627
Total number of shares in circulation			59,327,926,960	0.3627	

The shares of JSC “OGK-2” have been traded on the CJSC MICEX and JSC RTS Stock Exchanges since July 2006. In December, 2009, JSC “OGK-2” shares were included into the Quote List A1 of CJSC MICEX Stock Exchange. JSC “OGK-2” additional issue shares are also included into Quote List A1 of CJSC MICEX Stock Exchange. JSC “OGK-2” shares had been included in the Quote List A2 of JSC RTS until JSC RTS merged with CJSC MICEX Stock Exchange in December 2011.

Since October 2008, JSC “OGK-2” shares have been taken into account while calculating the industry share index of power companies MICEX Power (MICEX PWR).

**Global depository receipts program**

Since October 2007, Deutsche Bank Trust Company Americas, within the framework of JSC RAO “UES of Russia” restructuring, launched a global depository receipts (GDR) program for JSC “OGK-2” shares. One depository receipt certifies the right with respect to 100 registered ordinary shares of the Company. The program was opened in accordance with Regulation S and Rule 144A. The GDR program was established to observe the rights of holders of depository receipts for RAO “UES of Russia” shares. According to Regulation S, the GDR was assigned the ISIN international code — US 6708482095; according to Rule 144 A — US 6708481006.

Until January 1, 2011 (the date of JSC "OGK-6" accession to JSC "OGK-6" joining JSC "OGK-2") the, GDR of the Company had been included in the Official List of the UK Listing Authority. Since October 4, 2007, unconditional trading on the main market of the London Stock Exchange has begun under "OGK2".

Information regarding approval from the Federal Commission on admission of this category (type) of securities for circulation outside the Russian Federation: Order of the Russian Federal Financial Markets Service No. 07-1737/пз-н dd. August 7, 2007.

Period	Number of GRDs		
	As per Regulation S	As per Rule 144A	Total
2011	2,126,634	15,032	2,141,666

The total volume of the GDR program decreased in 2011 and amounted to 2.14 million receipts (0.04% of the charter capital) as of the end of 2011. On the whole, the number of GDRs was decreasing throughout the entire reporting year. First of all, this is connected with the withdrawal of foreign investments due to the lack of liquidity of foreign investors during the economic crisis. The share of GDRs in the charter capital was also diluted after the accession of JSC "OGK-6" to JSC "OGK-2".

The trade volume of GDR for JSC "OGK-2" shares at the London Stock Exchange in 2011 was 3.1 million USD versus 26.2 million USD in 2010.

## Bonds

Series 02 bonds of the Company (State Registration number 4-02-65105-D) were issued on August 25, 2011 in order to convert into them bonds of JSC "OGK-6" (series 01 bonds, state registration number 4-01-65106-D, which had been in circulation since April 26, 2007) due to the Companies' reorganization.

JSC "OGK-2" bonds were placed on November 1, 2011; trade of bonds at CJSC MICEX Stock Exchange began in January 2012. As of December 31, 2011 1,532,550 bonds are in circulation.

There are 3,467,450 bonds on the issuer account of JSC "OGK-2". Bonds that JSC "OGK-6" had bought out in April 2008 (due to the resolution passed on the Company's reorganization) and in April 2010 (when establishing the new coupon yield rate on April 7, 2010) were converted into the aforementioned bonds.

The yield for the first-eighth coupons was paid for JSC "OGK-6" bonds (series -01), whereas the yield for the ninth and tenth coupons is being paid for JSC "OGK-2" bonds (series 02).

### Schedule of yield payments for series 01 bonds

Coupon No.	Payment date	Coupon rate, % per annum	Coupon amount, rubles	Par value redemption, rubles
1	25.10.2007	7.55	37.65	-
2	24.04.2008	7.55	37.65	-
3	23.10.2008	7.55	37.65	-
4	23.04.2009	7.55	37.65	-
5	22.10.2009	7.55	37.65	-
6	22.04.2010	7.55	37.65	-
7	21.10.2010	7.25	36.15	-
8	21.04.2011	7.25	36.15	-

**Schedule of yield payments for series 02 bonds**

9	20.10.2011	7.25	36.15	-
10	19.04.2012	7.25	36.15	

The Company's obligations for payment of the first through ninth coupon yields were fulfilled on schedule and in full.

**JSC "OGK-6" series 01 bond issue parameters according to the resolution on issue**

Registration date	Volume of issue, million rubles	Maturity of bonds, years	Coupon payment frequency	Redemption		Early redemption of	
				Redemption date	Redemption price, % of par value	Prior redemption date	Prior redemption price, % of par value
22.03.2007	5,000	5	twice a year	19.04.2012	100	29.04.2010	100

**JSC "OGK-2" series 02 bond issue parameters according to the resolution on issue**

Registration date	Volume of issue, million rubles	Maturity of bonds, years	Coupon payment frequency	Redemption	
				Redemption date	Redemption price, % of par value
25.08.2011	5,000	until 19.04.2012	twice a year	19.04.2012	100

## 6.3. JSC "OGK-2" AND JSC "OGK-6" SECURITIES TRADING RESULTS IN 2011

In 2011, the market price of one JSC "OGK-2" share on the MICEX dropped by 57.8% from 1.794 rubles on December 31, 2010 to 0.7577 rubles on December 31, 2011. The market price of one JSC "OGK-6" share on the MICEX dropped by 46.2% from 1.427 rubles on December 31, 2010 to 0.7672 rubles on October 31, 2011.

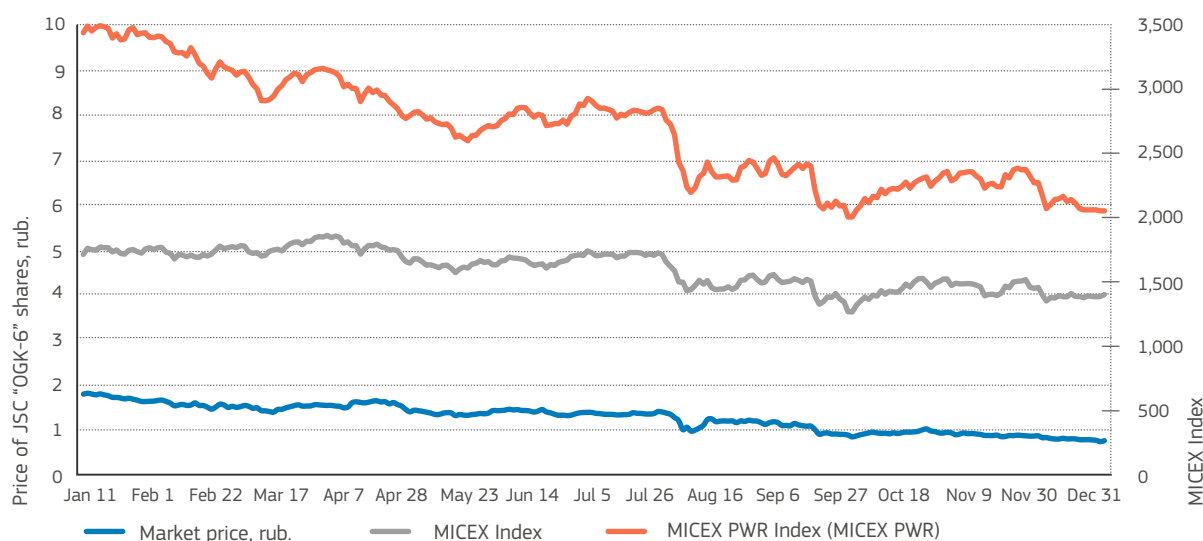
On the RTS the market price of one JSC "OGK-2" share dropped by 56% from 1.874 rubles on December 31, 2010 to 0.826 rubles on December 16, 2011 (the last of trade at JSC RTS as at a separate stock exchange); the market price of one JSC "OGK-6" share dropped by 47.3% from 1.3659 rubles on December 31, 2010 to 0.72 rubles on December 16, 2011.

At the same time, during the year the MICEX index dropped by 16.9% from 1687.99 points on December 31, 2010 to 1402.23 points on December 30, 2011. The RTS index dropped by 22.4% from 1770.28 points on December 31, 2010 to 1373.73 points on December 16, 2011. In 2011, the MICEX Power index dropped by 40.2% from 3435.32 points on December 31, 2010 to 2053.02 points on December 30, 2011.

The main reason for the drop in prices on JSC "OGK-2" and JSC "OGK-6" shares was the reduction of net profit figures and the growth of the two companies' net debt. In the same period, the compa-

nies' capitalization, calculated as a product of the total number of all issued shares by their market value (calculated in accordance with Federal Commission for the Securities Market of the Russian Federation Decree No. 03-52/ps dd. December 24, 2003) dropped by 23.6% from 58,725,815,677.3 billion rubles (\$233 per kW of installed capacity) to 44,887,509,537.94 billion rubles (\$147 per kW of installed capacity) for JSC "OGK-2" and dropped by 46.2% from 46,073,550,756.64 billion rubles (\$215 per kW of installed capacity) to 24,770,587,344.4 billion rubles (\$181 per kW of installed capacity) for JSC "OGK-6" (until November 1, 2011 - the date of reorganization).

### Dynamics of the JSC "OGK-2" share price and CJSC MICEX Stock Exchange stock indices in 2011



## OGK-2 capitalization in 2010–2011

Date	Number of issued shares.	MICEX market price, rubles <sup>13</sup>	Capitalization, rubles.	Capitalization/installed capacity		Net debt, thousand rubles <sup>14</sup>	EV <sup>15</sup> , \$/kW
				rubles/kW	\$/kW		
31.12.2010	32,734,568,382	1.794	58,725,815,677.3	6,746	222	2,737,194	233
31.10.2011	59,327,926,960	0.7577	44,887,509,537.94	2,512	78	39,707,706	147

## OGK-6 capitalization in 2010–2011

Date	Number of issued shares.	MICEX market price, rubles <sup>16</sup>	Capitalization, rubles.	Capitalization/installed capacity		Net debt, thousand rubles <sup>17</sup>	EV <sup>18</sup> , \$/kW
				rubles/kW	\$/kW		
31.12.2010	32,287,001,231	1.427	46,073,550,756.64	5,029	165	13,720,815	233
31.10.2011	32,287,001,231	0.7672	24,770,587,344.4	2,704	90	24,942,285	147

## CJSC MICEX Stock Exchange

In the period from January 11, 2011` to December 31, 2011, 344,040 market trades were made

on the MICEX with JSC "OGK-2" shares; the trade volume constituted about 13,939 million shares or 16,536 million rubles.

<sup>13</sup> Market price calculated in accordance with the Procedure for the calculation of the market price of equity securities and investment units of unit investment funds accepted for circulation via trading organizers (approved by the Federal Commission for Securities Market of the Russian Federation Decree No. 03-52/ps dd. December 24, 2003).

<sup>14</sup> Net debt = Long-term loans and credits + Short-term loans and credits – Cash assets – Short-term financial investments – Short-term deposits accounted in Long-term financial investments.

<sup>15</sup> EV (Enterprise Value) = Capitalization + Net debt.

<sup>16</sup> Market price, calculated in accordance with the Procedure for calculation of market price of equity securities and investment units of unit investment funds accepted for circulation via trading organizers (approved by Federal Commission for Securities Market of the Russian Federation Decree No. 03-52/ps dd. December 24, 2003).

<sup>17</sup> Net debt = Long-term loans and credits + Short-term loans and credits – Cash assets – Short-term financial investments – Short-term deposits accounted in Long-term financial investments.

<sup>18</sup> EV (Enterprise Value) = Capitalization + Net debt.

### Results of trading JSC "OGK-2" shares on CJSC MICEX Stock Exchange in 2011, main trading mode

	January 2011	February 2011.	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011
Number of market trades	16,295	26,683	25,365	33,009	19,497	17,642	15,786	39,989	37,658	39,159	39,091	33,866
Trade volume, million shares	547	834	1,023	1,686	545	530	624	1,355	1,185	1,463	2,081	2,066
Trade volume, million rubles	946	1,312	1,523	2,679	761	735	846	1,536	1,246	1,360	1,917	1,675

In the period from January 11, 2011 to October 31, 2011, 189,527 market trades were made on the MICEX with JSC "OGK-6" shares; the trade volume

constituted around 9,278 million shares or 10,688 million rubles.

### Results of trading JSC "OGK-6" shares on CJSC MICEX Stock Exchange from January to October 2011, main trading mode

	January 2011	February 2011.	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011
Number of market trades	,125	23,920	26,028	27,099	13,076	11,718	9,442	22,415	18,605	16,099
Trade volume, million shares	1,119	920	1,313	1,545	472	382	456	1,185	913	972
Trade volume, million rubles	1,606	1,248	1,679	2,029	536	430	500	1,181	769	713

For the period from December 22, 2011 (starting date of trading of shares with state registration number 1-02-65105-D-004D) to December 31, 2011, 1,534 market trades were made on the MICEX

with JSC "OGK-2" additional issue shares, into which shares of JSC "OGK-6" were converted as a result of reorganization; the trade volume constituted around 103 million shares or 77 million rubles.

### Results of trading JSC "OGK-2" additional issue shares on CJSC MICEX Stock Exchange in December 2011, main trading mode

	December 2011
Number of market trades	1,534
Trade volume, million shares	103
Trade volume, million rubles	77

## JSC RTS

In the period from January 11, 2011 to December 19, 2011, 23 transactions were executed on JSC RTS with JSC “OGK-2” shares; the trade volume

constituted 1,253 thousand shares or 1,223 thousand rubles.

### Results of trading JSC “OGK-2” shares on JSC RTS market in 2011

	January 2011	February 2011.	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011
Number of market trades and trades based on direct quotes	1	-	-	13	-	-	-	-	1	8	-	-
Trade volume in shares	500	-	-	2,700	-	-	-	-	250,000	1,000,000	-	-
Trade volume, rubles	855	-	-	4,438.9	-	-	-	-	260,000	958,063	-	-

In the period from January 11, 2011 to October 31, 2011, 54 transactions were executed on JSC RTS with JSC “OGK-6” shares; the trade volume consti-

tuted 36,333 thousand shares or 1,348 thousand rubles.

### Results of trading JSC “OGK-6” shares on JSC RTS market from January to October 2011

	January 2011	February 2011.	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011
Number of market trades and trades based on direct quotes	3	8	2	1	9	1	3	12	2	13
Trade volume, million shares	1,234,145	5,000,000	1,000,000	2,500,000	4,651,000	2,103,600	1,180,302	11,150,000	1,000,000	6,403,330
Trade volume, million rubles	58,178.41	232,600	44,250	117,500	192,211.1	83,723.28	46,080.76	396,339.39	27,500	150,207.1

## Bonds

JSC "OGK-6" series 01 bonds were traded on Quote List B of CJSC MICEX Stock Exchange from November 15, 2007 to October 31, 2011.

On November 1, due to reorganization of JSC "OGK-6" in form of accession to JSC "OGK-2", JSC "OGK-6" bonds were converted into JSC "OGK-2" bonds (series 02 bonds, state registration number 4-02-65106-D).

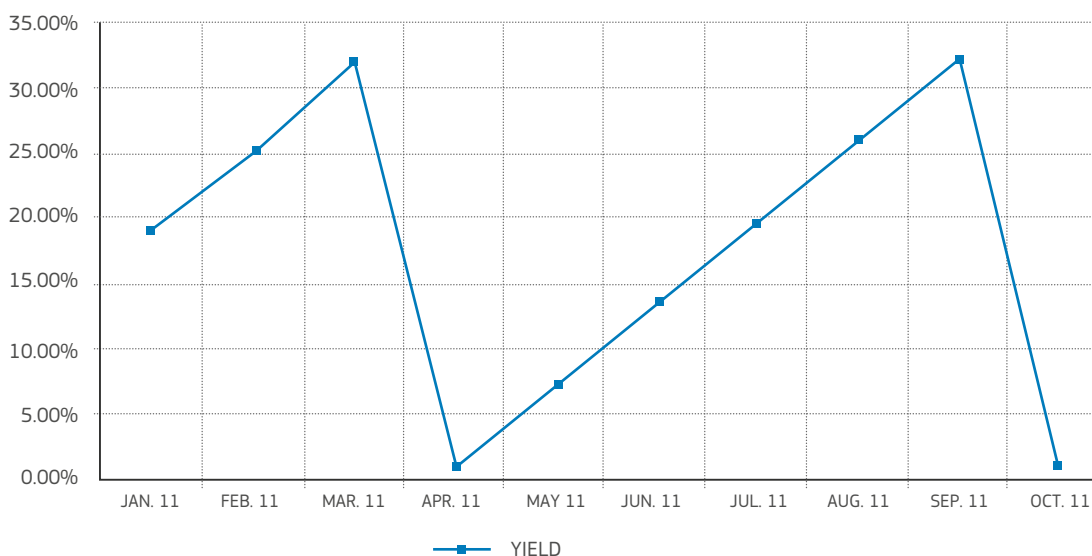
For the period from January to October 2011, 173 trades were made with JSC "OGK-6" series 01

bonds on the CJSC MICEX Stock Exchange in main trading mode; the trade volume on bonds was 3,031 million rubles.

The reduction in yield during 2011 is connected to the surplus of short-term bank liquidity as well as the reduction of interest rates by the Central Bank of Russia, which led to a significant reduction in prices for borrowed resources, including on the bonds market.

Trading of JSC "OGK-2" series 02 bonds (state registration number 4-02-65165D-D) started in January 2012 on the CJSC MICEX Stock Exchange.

### Accumulated coupon yield of series 01 bonds of JSC "OGK-6" in 2011



## 6.4. DIVIDENDS

As of December 31, 2011, 1.9 million rubles of dividends payable to the shareholders of JSC "OGK-2" and 1.8 million rubles of dividends payable to the shareholders of JSC "OGK-6" remained from the totals for 2010.

In 2011, 1.1 million rubles of dividends payable to minority shareholders for shares of JSC "OGK-6" for Q1 2008 were written-off in connection with the expiration of the statute of limitations.

The debt was primarily caused by shareholders' failure to submit true and complete data as required for the payment of dividends.



### Payment of "OGK-2" share dividends

Period, for which the dividends are paid	Date of the resolution by the General Meeting of Shareholders regarding payment of dividends	To be paid by	Dividend per share, rubles	Dividends accrued, million rubles	Amount paid, million rubles	Debt as of December 31, 2011, million rubles
2011	21.06.2011	21.08.2011	0.0048759	159.6	157.7	1.9

### Payment of "OGK-6" share dividends

Period, for which the dividends are paid	Date of the resolution by the General Meeting of Shareholders regarding payment of dividends	To be paid by	Dividend per share, rubles	Dividends accrued, million rubles	Amount paid, million rubles	Debt as of December 31, 2011, million rubles
2011	21.06.2011	21.08.2011	0.00439874	142	140.2	1.8

The JSC "OGK-2" and JSC "OGK-6" Boards of Directors introduced changes to the dividend policy (approved in 2010), which establishes the principles for distribution of Company profit. This document states that 5% to 35% of net profit may be directed towards the payment of dividends in the event that a reserve fund is established in full compliance with the Charter (5% of the charter capital). Up to 95% but no less than 35% of net profits are reserved for use on the Company's investment projects. Dividends are calculated on

the basis of the volume of net profits, which is expressed in accordance with the Russian Accounting Standards.

In accordance with this document, a number of principles must be observed when calculating dividends: transparency of the calculation mechanism, balanced short-term (income) and long-term (Company development) shareholder interests, focus on increasing the investment attractiveness and capitalization of the Company.



# More partners,

friends and co-workers. Because a big team can  
achieve the best and most ambitious goals



# Structure and Principles of Corporate Governance

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7.1. Principles and Documents

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7.2. Information on Administrative and Control Bodies

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## 7. STRUCTURE AND PRINCIPLES OF CORPORATE GOVERNANCE

### 7.1. PRINCIPLES AND DOCUMENTS

The Company's corporate governance means the aggregate of processes enabling management and control over its activities, including relations between shareholders, the Board of Directors, and the Company's executive bodies on behalf of shareholders. The Company considers corporate governance as a means to improve the Company's performance, raise its reputation, and increase capitalization.

The Company's corporate governance is carried out in accordance with the Corporate Governance Code adopted by the Company and is based on the following principles:

■ **Accountability.** The Code provides for the accountability of the Company's Board of Directors to all shareholders in accordance with the applicable law and serves as guidance for the Board of Directors in drawing up Resolutions and establishing control over the activities of the Company's executive bodies.

■ **Fairness.** The Company commits itself to defending the shareholders' rights and ensuring fair treatment of all shareholders. The Board of Directors shall give all shareholders the opportunity to receive efficient protection in the event that their rights are violated.

■ **Transparency.** The Company shall provide for the scheduled disclosure of reliable information regarding all significant facts related to its activities, including its financial status, social and environmental data, performance, ownership, and management structure. It shall also grant free access to such information to interested parties.

■ **Responsibility.** The Company shall acknowledge all the interested parties' rights as stipulated by the applicable law and strive towards cooperation with such persons for the purposes of its development and assurance of financial sustainability.

In its corporate governance practices, JSC "OGK-2" strives to adhere to the primary principles formulated in the Code of Corporate Conduct recommended for application by the Federal Financial Markets Service. The information regarding meeting the primary requirements of the Code of Corporate Conduct is given in the appendix hereto.

The Company has adopted the following documents regulating interaction in the sphere of corporate governance.

#### Charter of the Company

The Charter is the constituent document of the Company. The Charter includes information regarding the Company's legal status, objectives, types of activities, charter capital, and shareholders' rights. The document also describes the Company's bodies, their competence and operating procedures.

On July 20, 2010, a new version of the Charter of JSC "OGK-2" came into force, having been approved by the General Meeting of Shareholders of JSC "OGK-2" on June 24, 2010. Amendments to the Charter of JSC "OGK-2" were registered on December 16, 2011. The following amendments to the Charter were introduced:

■ due to reorganization of JSC "OGK-2" in form of accession with JSC "OGK-6, changes were made in

information about the Company's charter capital and the number of ordinary registered uncertified shares, into which the charter capital is divided;

- change in the number of shares, authorized for additional placement by the Company.

### **Corporate Governance Code of JSC "OGK-2"**

The Corporate Governance Code was approved by the Board of Directors on September 26, 2006 (Minutes No. 43/43 dd. September 26, 2006). The purposes of the Corporate Governance Code are the improvement and systematization of the corporate governance of JSC "OGK-2", making it more transparent and confirming the Company's commitment to follow good practice in this area.

### **Regulations on Information Policy**

The Regulations on information policy were approved by Resolution of the Board of Directors dd. September 7, 2009 (Minutes No. 3 dd. September 10, 2009). The Regulations establish the content of the information disclosed by the Company and the frequency, terms and procedure for its disclosure.

### **Regulations on Insider Information**

The Regulations on insider information were approved by Resolution of the Board of Directors dd. December 16, 2011 (Minutes No. 35 dd. December 19, 2011). The Regulations are aimed at preventing the use of non-public information for the benefit of certain individuals. Control over the use of insider information is carried out by a separate structural unit within the Company.

### **Regulations on the General Meeting of Shareholders**

The Regulations on the general meeting of shareholders were approved by the Annual General Meeting of Shareholders of JSC "OGK-2"

on June 26, 2010 (Minutes No. 3 dd. June 25, 2010). The Regulations establish the types, formats, periods and procedures for holding a General Meeting of Shareholders, the procedure for introducing proposals and issues to the agenda of the Annual General Meeting of Shareholders, and the procedure for nominating candidates for Company bodies. The procedure for holding a General Meeting of Shareholders specifies the functions of the General Meeting operating bodies and others.

### **Regulations on the Board of Directors**

The Regulations on the board of directors were approved by the Annual General Meeting of Shareholders of JSC "OGK-2" on June 24, 2010 (Minutes No. 3 dd. June 25, 2010). The Regulations establish the procedure for holding meetings of the Board of Directors and for passing resolutions and establishing the rights, obligations and responsibilities of the members of the Board of Directors, specifying the functions of the Chair, Deputy Chair, and Secretary of the Board of Directors and also the committees and commissions of the Board of Directors.

### **Regulations on the General Director**

The Regulations on the general director were approved by the Annual General Meeting of Shareholders of JSC "OGK-2" on June 25, 2009 (Minutes No. 2 dd. June 6, 2009). The Regulations establish his/her rights, obligations and responsibilities and also the procedure for monitoring the activities of the General Director.

### **Regulations on the Management Board**

The Regulations on the management board were approved by the Annual General Meeting of Shareholders of JSC "OGK-2" on June 25, 2009 (Minutes No. 2 dd. June 26, 2009). The Regulations establish the rights and obligations of members of the Management Board and the procedure for convening and holding meetings of the Management Board and passing resolutions.

### **Regulations on the Procedure for the Payment of Bonuses and Remuneration to Members of the JSC “OGK-2” Board of Directors**

The Regulations on the procedure for the payment of bonuses and remuneration to members of JSC “OGK-2’s” board of directors were approved by resolution of the Annual General Meeting of Shareholders of JSC “OGK-2” on June 25, 2009 (Minutes No. 2 dd. June 26, 2009). The Regulations establish the procedure for the payment and amount of bonuses and remuneration paid to the members of the Board of Directors.

### **Regulations on the Audit Commission**

The Regulations on the audit commission were approved by the Annual General Meeting of Shareholders of JSC “OGK-2” on June 24, 2010 (Minutes No. 3 dd. June 25, 2010). The Regulations establish the tasks to be performed by the Audit Commission as well as its rights and obligations. They also establish the procedure for carrying out audits.

### **Regulations on the Payment of Bonuses and Remuneration to Members of the Audit Commission**

The Regulations on the payment of bonuses and remuneration to members of the audit committee were approved by resolution of the Annual General Meeting of Shareholders of JSC “OGK-2” on June 27, 2008 (Minutes No. 1 dd. June 27, 2008). The Regulations establish the amount, form and terms of bonus and remuneration payments made to the members of the Audit Commission and professionals (experts) engaged by the Audit Commission.

### **Regulations on the Board of Directors’ Committee for Strategy and Business Planning**

The Regulations on the board of directors’ committee for strategy and business planning were approved by resolution of the Board of Directors dd. February 18, 2011 (Minutes No. 12 dd. February 18, 2011). The Regulations establish the purposes, objectives and

competence of the Board of Directors’ Committee for Strategy and Business Planning as well as the procedure for its formation. They also detail the rights and obligations of the chair and members of the Committee and the procedure for holding meetings.

### **Regulations on the Board of Directors’ Audit Committee**

The Regulations on the board of directors’ audit committee were approved by resolution of the Board of Directors dd. November 28, 2006 (Minutes No. 49 dd. November 28, 2006). The Regulations establish the purposes, objectives and competence of the Board of Directors’ Audit Committee as well as the procedure for its formation. They also detail the rights and obligations of the chair and members of the Committee and the procedure for holding meetings.

### **Regulations on the Board of Directors’ Committee for Reliability**

The Regulations on the board of directors’ committee for reliability were approved by the resolution of the Board of Directors dd. November 30, 2005 (Minutes No. 15 dd. November 30, 2005). The Regulations establish the purposes, objectives and competence of the Board of Directors’ Reliability Committee as well as the procedure for its formation. They also detail the rights and obligations of the chair and members of the Committee and the procedure for holding meetings.

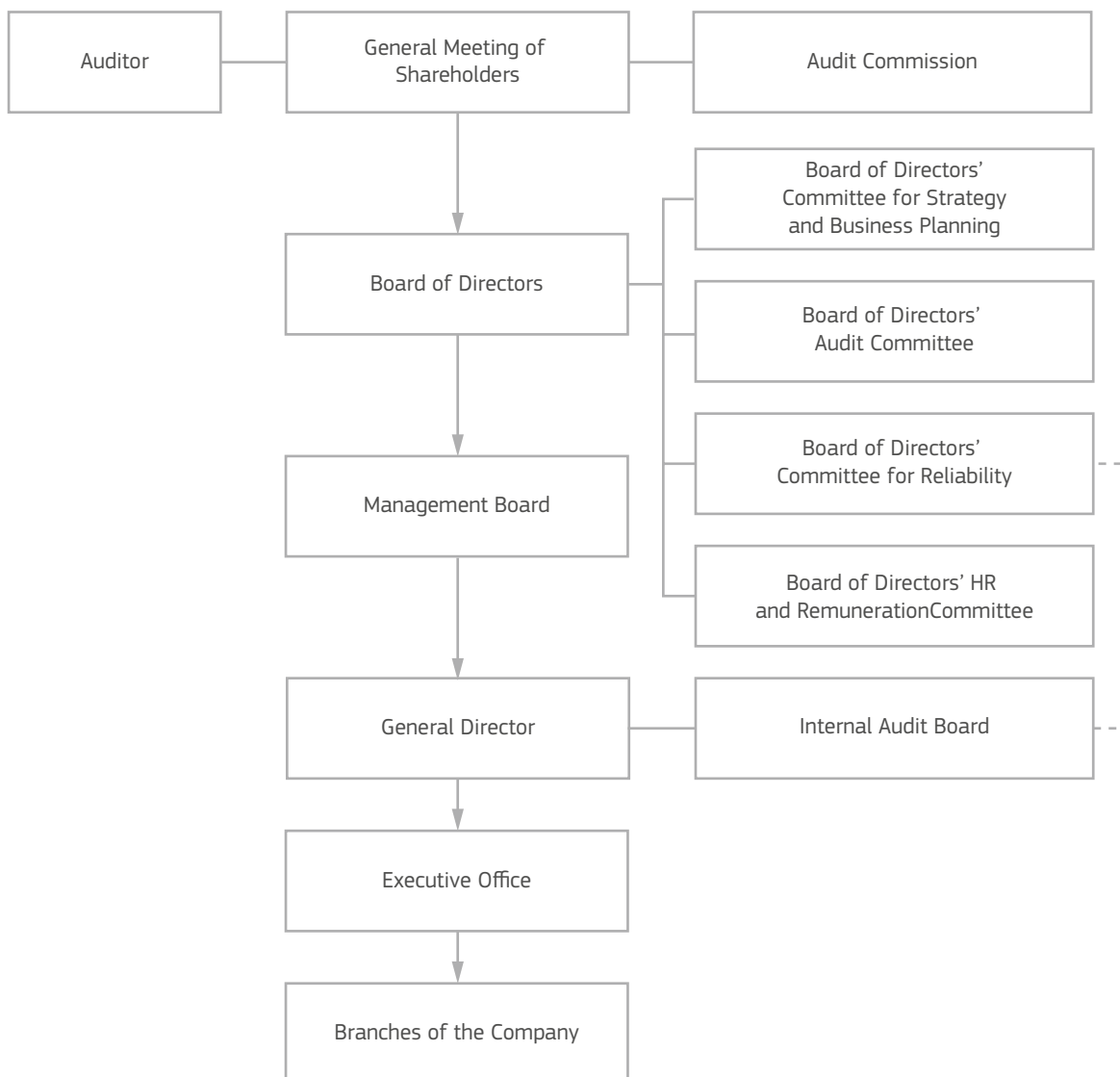
### **Regulations on the Board of Directors’ HR and Remuneration Committee**

The Regulations on the board of directors’ HR and remuneration committee were approved by resolution of the Board of Directors dd. August 6, 2007 (Minutes No. 79 dd. August 6, 2007). The Regulations establish the purposes, objectives and competence of the Board of Directors’ HR and Remuneration Committee, as well as the procedure for its formation. They also detail the rights and obligations of the chair and members of the committee and the procedure for holding meetings.

Texts of the documents are published on the Company’s website: [www.ogk2.ru](http://www.ogk2.ru)

## 7.2. INFORMATION ON ADMINISTRATIVE AND CONTROL BODIES

### JSC “OGK-2” Corporate Governance Structure





## General Meeting of Shareholders

The Company's General Meeting of Shareholders is the superior management body. The General Meeting of Shareholders entitles shareholders to participate in the management of the Company by making resolutions on the most important issues related to the Company's business within the competence of the General Meeting of Shareholders. The Board of Directors, executive bodies, and the Audit Commission are accountable to the General Meeting of Shareholders. The competence of the General Meeting of Shareholders and the timelines and procedure for preparing and holding a General Meeting of Shareholders, and the forms in which it can be held, are established in the Federal Law On Joint-Stock Companies, in the Charter, and in the Regulations on the procedure for preparation and holding of the General Meeting of Shareholders of JSC "OGK-2".

Board of Directors. Changes to the Membership of the Board of Directors. Share Fraction Owned by the Members of the Board of Directors.

General management of the Company is exercised by the Board of Directors, which passes resolutions on significant issues related to the Company's activities within the competence established in the Charter. The procedure for the activities of the Company's Board of Directors is regulated by the Charter and the Regulations on the Board of Directors of JSC "OGK-2". The Board of Directors is a collective body made up of 11 persons. Members of the Board of Directors are elected by the General Meeting of Shareholders for a period lasting until the next Annual General Meeting of Shareholders. By resolution of the General Meeting of Shareholders, the authority of all members of the Board of Directors may be terminated early. Persons elected to the Board of Directors may be re-elected an unlimited number of times. Candidates for election to the Board of Directors may be nominated by shareholders with at least 2% of the Company's voting shares and also by the Board of Directors in the event that the number of candidates put forward by shareholders is insufficient to form a Board of Directors.

In 2011, changes were made to the structure of the Board of Directors.

Membership of the Board of Directors for the Period from June 25, 2010 to June 21, 2011:

On June 24, 2010 the Annual General Meeting of Shareholders of JSC "OGK-2" (Minutes No. 3 dd. June 25, 2010) elected the Company's Board of Directors as follows:

- Denis Vladimirovich Fedorov
- Boris Felixovich Weinsicher
- Anatoly Anatolyevich Gavrilenko
- Igor Anatolyevich Golenishchev
- Denis Viktorovich Kulikov
- Alexey Alexandrovich Mityushov
- Fedor Yuryevich Opadchy
- Artur Mikhailovich Trinoga
- Mikhail Leonidovich Khodursky
- Damir Akhatovich Shavaleyev
- Pavel Olegovich Shatsky.

According to the FFMS of Russia Code of Corporate Conduct recommended for joint-stock companies by Order no. 421/p, the following persons were acknowledged to be the Company's independent directors:

- Boris Felixovich Weinsicher
- Anatoly Anatolyevich Gavrilenko
- Denis Viktorovich Kulikov
- Fedor Yuryevich Opadchy
- Artur Mikhailovich Trinoga
- Mikhail Leonidovich Khodursky
- Damir Akhatovich Shavaleyev.

On June 21, 2011 the Annual General Meeting of Shareholders of JSC "OGK-2" (Minutes No. 4 dd. June 22, 2011) elected the Company's Board of Directors as follows:

- Denis Vladimirovich Fedorov
- Anatoly Anatolyevich Gavrilenko
- Igor Anatolyevich Golenishchev
- Irina Yuryevna Korobkina
- Denis Viktorovich Kulikov
- Alexey Alexandrovich Mityushov



- Oleg Nikolayevich Tarasov
- Artur Mikhailovich Trinoga
- Mikhail Leonidovich Khodursky
- Damir Akhatovich Shavaleyev
- Pavel Olegovich Shatsky.

According to the FFMS of Russia Code of Corporate Conduct recommended for joint-stock companies by Order no. 421/p, the following persons were acknowledged to be the Company's independent directors:

- Anatoly Anatolyevich Gavrilenko
- Irina Yuryevna Korobkina
- Denis Viktorovich Kulikov
- Oleg Nikolayevich Tarasov
- Artur Mikhailovich Trinoga
- Mikhail Leonidovich Khodursky
- Pavel Olegovich Shatsky
- Damir Akhatovich Shavaleyev.

In 2011, the Board of Directors held 26 meetings, one of which was held in praesentia. 122 issues were considered.

The amount and procedure for bonus and remuneration payments made to the members of the Board of Directors was established in accordance with the Procedure for the payment of bonuses and remuneration to members of JSC "OGK-2's" Board of Directors on June 25, 2009 by the Annual General meeting of Shareholders (Minutes No. 2 dd. June 26, 2009).

Basic remuneration is the remuneration paid to the members of the Board of Directors of the Company for participating in the meetings of the Board of Directors.

For participating in a meeting of the Board of Directors, a member of the Board of Directors shall be paid remuneration to the amount equal to 4 (four) minimum monthly base rates of a first-category worker, as established by the Industry Pay Rate Agreement in the Russian Electrical Power Sector (hereinafter referred to as the "Agreement") as of the day of the meeting of the Company's Board of Directors with adjustment

for inflation levels established by the Agreement, within one calendar month of the meeting of the company's Board of Directors. The remuneration paid to the chair of the Board of Directors (Deputy Chair or another individual who chairs a meeting of the Board of Directors) for each meeting where he/she fulfilled functions of the chair of the Board of Directors (hereinafter referred to as "fulfillment of the functions of the chair") is subject to a 50% increase.

The minimum monthly base rate of a first-category worker as established by the Industry Pay Rate Agreement was equal to 4,207 rubles as of January 1, 2011, 4,367 rubles as of April 1, 2011, 4,417 rubles as of July 1, 2011 and 4,405 rubles as of October 1, 2011.

An additional part of remuneration is paid to the members of the Board of Directors of the Company at the end of the financial year in the event that the Company generates net profit.

A resolution to pay an additional part of remuneration to the members of the Board of Directors is passed by the Company's General Meeting of Shareholders. A resolution of the Company's General meeting of Shareholders on paying an additional part of remuneration to the members of the Board of Directors establishes its total amount. The total amount of an additional part of remuneration based on the Company's performance may not exceed 5 (five) percent of the Company's net profit generated during the financial year in which the current membership of the Board of Directors was elected. An additional part of remuneration is paid within a month after the Company's General Meeting of Shareholders is held. An additional part of remuneration based on the Company's performance is not paid to the members of the Board of Directors who participate in less than half of the meetings of the Board of Directors (from the point he/she is elected to the point when his/ her powers are terminated). The company doesn't calculate an additional part of remuneration for the members of the Board of Directors if net profit isn't generated.

In 2011, the General Meetings of Shareholders of JSC “OGK-2” and JSC “OGK-6” passed a resolution to pay an additional part of remuneration to the members of the Board of Directors.

The table below shows the total amount of remuneration, accrued for all persons who were members of the Board of Directors of JSC “OGK-2” and JSC “OGK-6” in 2011.

#### JSC “OGK-2”, thousand rubles

Type of remuneration	2011
For meetings	5,615.3
For net profit	23,941.7
<b>Total</b>	<b>29,557</b>

#### JSC “OGK-6”, thousand rubles

Type of remuneration	10 months of 2011
For meetings	3,618.6
Additional remuneration paid as per the resolution of the Annual General Meeting of Shareholders (Minutes No. 12 dd. June 22, 2011)	21,303.3
<b>Total</b>	<b>24,921.9</b>

### Committees of the Board of Directors

On November 28, 2006, the JSC “OGK-2” Board of Directors resolved to establish the Board of Directors’ Committee for Strategy and Business Planning (Minutes No. 49/49 dd. December 4, 2006). The committee is an advisory body that ensures the efficient execution of functions related to the general management of the Company by the Board of Directors.

The Committee’s purpose is to develop and present recommendations (opinions) to the Board of Directors and executive bodies of the Company with regard to issues related to setting the business priorities, strategic aims and main principles of the Company’s strategic development and business planning.

The number of members in the Committee is determined by a resolution of the Company’s Board of Directors. The members of the Committee are

elected by the Company’s Board of Directors by a majority vote from the candidates, presented by the members of the Company’s Board of Directors.

In the period from July 22, 2010 to July 11, 2011, the Board of Director’s Strategy and Business Planning Committee (Minutes No. 1 dd. July 25, 2010) included the following members:

- Pavel Olegovich Shatsky – Chair of the Committee, member of JSC “OGK-2’s” Board of Directors, First Deputy General Director of LLC Gazprom Energyholding
- Natalia Vasilyevna Vaytulenis, Deputy General Director for Economics and Finance at JSC “OGK-2”
- Maria Konstantinovna Zavriyeva – Deputy Head of the Economics Division – the Head of the Economic Modeling and Analysis Subdivision of LLC Gazprom Energyholding

- Evgeny Nikolayevich Zemlyanoy – Deputy Head of the Subdivision of Power Sector Development of the Division of Power Sector Development and

- Power Industry Marketing of the Department of Marketing and Processing of Gas and Liquid Carbohydrates of JSC “Gazprom”

- Natalia Alexandrovna Zlotkina – Chief Specialist of the Business Planning Subdivision of LLC Gazprom Energyholding

- Irina Yuryevna Korobkina – Deputy Head of the Division of Power Sector Development and Power Industry Marketing of the Department of Marketing and Processing of Gas and Liquid Carbohydrates of JSC “Gazprom”

- Alexey Alexandrovich Mityushov – General Director of JSC “OGK-2”

- Lyudmila Anatolyevna Sergeeva – Head of the Corporate Management Department of JSC “SO UES”

- Oleg Anatolyevich Stasev – Deputy General Director for Strategic Development at LLC Gazprom Energyholding

- Dmitry Alexeyevich Syrovatkin – Chief Specialist of the Subdivision of Power Sector Development of the Division of Power Sector Development and

- Power Industry Marketing of the Department of Marketing and Processing of Gas and Liquid Carbohydrates of JSC “Gazprom”

- Alexander Viktorovich Shevchuk – Deputy Executive Director of the Association for Protection of Investors’ Rights.

On July 12, 2011, a new Board of Directors’ Committee for Strategy and Business Planning was elected (Minutes No. 23 dd. July 15, 2011). By resolution of the Board of Directors dd. November 22, 2011 (Minutes No. 32 dd. November 25, 2011)

changes were made to the structure of the Committee, and the Board of Directors’ Committee for Strategy and Business Planning included the following members:

- Pavel Olegovich Shatsky – Chair of the Committee, member of JSC “OGK-2’s” Board of Directors, First Deputy General Director of LLC Gazprom Energyholding

- Denis Nikolayevich Bashuk – Head of Production Management at LLC Gazprom Energyholding

- Natalia Vasilyevna Vaytulenis, Deputy General Director for Economics and Finance at JSC “OGK-2”

- Maria Konstantinovna Zavrieva – Deputy Head of the Economics Division – the Head of the Economic Modeling and Analysis Subdivision of LLC Gazprom Energyholding

- Dmitry Rufimovich Kiselev – Head of the Subdivision of Business Planning of the Economics Division of LLC Gazprom Energyholding

- Irina Yuryevna Korobkina – Deputy Head of the Division of Power Sector Development and Power Industry Marketing of the Department of Marketing and Processing of Gas and Liquid Carbohydrates of JSC “Gazprom”

- Roman Viktorovich Litvinov – Chief Specialist of the Subdivision of Power Sector Development and Power Industry Marketing of the Division of Power Sector Development and Power Industry Marketing of the Department of Marketing and Processing of Gas and Liquid Carbohydrates of JSC “Gazprom”

- Alexander Vladimirovich Rogov – Head of the Subdivision of Power Sector Development and Power Industry Marketing of the Division of Power Sector Development and Power Industry Marketing of the Department of Marketing and Processing of Gas and Liquid Carbohydrates of JSC “Gazprom”

- Lyudmila Anatolyevna Sergeeva – Head of the Corporate Management Department of JSC “SO UES”
- Nikita Yuryevich Osin – Lead Specialist of the Risk Analysis and Management Subdivision of LLC Gazprom Energyholding
- Alexander Viktorovich Shevchuk – Deputy Executive Director of the Association for Protection of Investors’ Rights.

On November 28, 2006, the JSC “OGK-2” Board of Directors resolved to establish the Board of Directors’ Audit Committee (Minutes No. 49/49 dd. December 4, 2006). The aims of the Committee are the development and presentation of recommendations (opinions) to the Board of Directors with regard to audit and internal control. In accordance with the Regulations on the Board of Directors’ Audit Committee, the Committee’s competence includes evaluation of candidates for the Company’s auditors, review of the Company auditor’s opinion, evaluation of the effectiveness of internal control procedures and preparation of proposals for their improvement.

The Audit Committee gives the Board of Directors economically efficient and legally relevant recommendations (opinions) with respect to the issues referred to the Committee’s competence and informs the Board of Directors of the Company’s risks in accordance with schedule.

The number of members of the Committee is established by resolution of the Company’s Board of Directors and is no less than 3 (three) and no more than 5 (five) people. The members of the Committee are elected by the Company’s Board of Directors by the majority of votes of the members of the Board of Directors participating in the meeting of the Board of Directors.

In the period from July 22, 2010 to July 11, 2011, the Audit Committee of the Board of Directors (Minutes No. 1 dd. July 25, 2010) included the following members:

- Igor Anatolyevich Golenishchev – Chair of the Committee, Head of the Division of Debt and Project Financing of JSC “Gazprom”
- Anatoly Anatolyevich Gavrilenko – General Director of CJSC Leader
- Denis Vladimirovich Fedorov – Head of the Division of Power Sector Development and Power Industry Marketing of the Department of Marketing and Processing of Gas and Liquid Carbohydrates of JSC “Gazprom”.

By resolution of the Board of Directors dd. July 12, 2011 (Minutes No. 23 dd. July 15, 2011) the following members of the Board of Directors’ Audit Committee were elected:

- Igor Anatolyevich Golenishchev – Chair of the Committee, Head of the Division of Debt and Project Financing of JSC “Gazprom”
- Anatoly Anatolyevich Gavrilenko – General Director of CJSC Leader
- Irina Yuryevna Korobkina – Deputy Head of the Division of Power Sector Development and Power Industry Marketing of JSC “Gazprom”.

For the purpose of ensuring the Board of Directors functions effectively in the sphere of production activity analysis, assessment of the technical status, power facilities operation and maintenance level, and evaluation of engineering teams performance, on November 30, 2005, the Board of Directors of JSC “OGK-2” resolved to establish the Board of Directors’ Committee for Reliability (Minutes No. 15/15 dd. December 5, 2005). The number of members in the Committee is determined by a resolution of the Company’s Board of Directors. The members of the Committee are elected by the Company’s Board of Directors from among the candidates nominated by the members of the Company’s Board of Directors.

In the period from July 22, 2010 to July 11, 2011, the Committee for Reliability of the Board of Directors

tors (Minutes No. 1 dd. July 25, 2010) included the following members:

- Artur Mikhailovich Trinoga – Chair of the Committee, Head of the Power Engineering Subdivision of the Division of the Power Sector Development and Power Industry Marketing of JSC “Gazprom”
- Andrey Viktorovich Lishuidi – Deputy Head of the Department of General Inspection of JSC “SO UES”
- Evgeny Alexandrovich Popov – Chief Specialist of the Power Engineering Subdivision of the Division of Power Sector Development and Power Industry Marketing of JSC “Gazprom”
- Dmitry Ernstovich Rozhkov – Deputy Head of the Production Division, Head of the Production and Technical Management Subdivision of LLC Gazprom Energyholding
- Dmitry Alexeyevich Syrovatkin – Chief Specialist of the Subdivision of Power Sector Development of the Division of Power Sector Development and
- Power Industry Marketing of the Department of Marketing and Processing of Gas and Liquid Carbohyrates of JSC “Gazprom”
- Nikolay Alexandrovich Tatarinov – JSC “OGK-2” Deputy General Director for Production and Chief Engineer.

By resolution of the Board of Directors (Minutes No. 23 dd. July 15, 2011) the following members

of the Board of Directors’ Committee for Reliability were elected:

- Denis Nikolayevich Bashuk – Chair of the Committee, Head of Production Management at LLC Gazprom Energyholding
- Anatoly Vladimirovich Volkov – Head of the Production and Technical Management Division of JSC “OGK-2”
- Viktor Vladimirovich Okhotin – Deputy Director for Technical Control and Head of the Technical Audit Department of JSC “SO UES”
- Sergey Vadimovich Pokrovsky – Expert of the Association for the Protection of Investors’ Rights
- Sergey Valeryevich Radchenko – Head of the Technical Audit and Inspection Subdivision of the Production Division of LLC Gazprom Energyholding
- Dmitry Ernstovich Rozhkov – Head of the Production Division of LLC Gazprom Energyholding
- Mikhail Vladimirovich Sorokin – Deputy Head of the Power Engineering Subdivision of the Division of Power Sector Development and
- Power Industry Marketing of the Department of Marketing and Processing of Gas and Liquid Carbohyrates of JSC “Gazprom”
- Nikolay Alexandrovich Tatarinov – JSC “OGK-2” Deputy General Director for Production and Chief Engineer.

## INFORMATION ON MEMBERS OF THE BOARD OF DIRECTORS

### 1. Denis Vladimirovich Fedorov (Chairman)

**Year of birth:** 1978

**Education:**

Bauman Moscow State Technical University, 2001

Holder of 0.005% shares in JSC "OGK-2" as of December 31, 2011.



#### Employment for the past 5 years:

Period		Company name	Title
From	To		
2010	present	JSC Kauno Elektrinė, Nadezhda Foundation for the Development of Education, Science and Technology	Member of the Board
2010	present	Not-for-Profit Energy Producers' Council	Member of the Supervisory Board
2010	present	CJSC Mezhtregionenergostroy	Chair of the Board of Directors
2010	present	JSC Fuel and Energy Sector Mosenergo	Member of the Board of Directors
2010	present	JSC Tyumen Power Sales Company	Chairman of the Board of Directors
2010	2011	JSC RAO Energy Systems of East,	Member of the Board of Directors
2009	present	CJSC Fortis Energy	Member of the Board
2009	present	JSC "Centerenergyholding"	General Director
2009	present	LLC Gazprom Energyholding	General Director
2008	present	JSC "OGK-2"	Chairman of the Board of Directors
2008	present	JSC Mosenergo, JSC TGK-1, JSC "Centerenergyholding"	Member of the Board of Directors
2008	2011	JSC "OGK-6"	Chairman of the Board of Directors
2008	present	CJSC Kaunas Heat and Power Plant	Member of the Board
2007	present	JSC "Gazprom"	Head of the Division of Power Sector Development and Power Industry Marketing

Period		Company name	Title
From	To		
2006	2008	JSC Mezhtregionenergosbyt	General Director
2006	2007	LLC Gazenergoprom Corporation	Head of the Division of Investment Technologies and Technological Projects
2006	2007	LLC Mezhtregiongaz	Advisor to the General Director

## 2. Anatoly Anatolyevich Gavrilenko

**Year of birth:** 1972

**Education:**

Lomonosov Moscow State University, 1995, Lomonosov Moscow State University, 2001

Holds no shares in JSC "OGK-2" as of December 31, 2011



### Employment for the past 5 years:

Period		Company name	Title
From	To		
2011	present	JSC Mosenergosbyt, JSC TGK-1	Member of the Board of Directors
2008	present	JSC "OGK-2", JSC "GAZKON", JSC "GAZ – Servis"	Member of the Board of Directors
2008	2011	JSC "OGK-6"	Member of the Board of Directors
2007	present	JSC Gazprombank, JSC Gazprom Neftkhim Salavat, JSC Glavnaya Doroga	Member of the Board of Directors
2007	2011	JSC SIBUR Holding, JSC Stolichny Trakt	Member of the Board of Directors
2007	2008	JSC Rostelekom, JSC VolgaTelekom	Member of the Board of Directors
2006	2007	JSC Mosenergosbyt	Member of the Board of Directors
2005	present	JSC Mosenergo, JSC Moscow United Electric Grid Company, LLC Sochi-Briz	Member of the Board of Directors
2005	2008	JSC Moscow Municipal Electric Grid Company, JSC Moscow Heating System Company	Member of the Board of Directors
2004	present	CJSC Leader (Pension Fund Asset Management Company)	General Director, Member of the Board of Directors

### 3. Igor Anatolyevich Golenishchev

**Year of birth:** 1963

**Education:** higher

Holds no shares in JSC "OGK-2" as of December 31, 2011



#### Employment for the past 5 years:

Period		Company name	Title
From	To		
2010	present	LLC SeverEnergiya, CJSC Achimgaz, JSC "Centerenergyholding"	Member of the Board of Directors
2009	present	JSC "OGK-2"	Member of the Board of Directors
2009	present	Gazprominvestproekt	General Director
2007	present	Systems	Member of the Board of Directors
2004	present	JSC "Gazprom"	Head of the Division of Debt and Project Financing



#### 4. Irina Yuryevna Korobkina

**Year of birth:** 1976

**Education:** State University of Management, 2002  
Moscow State Law Academy, 2006

Holds no shares in JSC "OGK-2" as of  
December 31, 2011



#### Employment for the past 5 years:

Period		Company name	Title
From	To		
2011	present	LLC Mezhtregionenergostroy, LLC PPTK	Member of the Board of Directors
2010	present	JSC "Centerenergyholding", JSC Mezhtregionteplosetenergoremont	Member of the Board of Directors
2010	2011	JSC "OGK-6"	Member of the Board of Directors
2009	2009	JSC "Centerenergyholding"	General Director
2008	present	JSC "Gazprom"	Deputy Head of the Division of Power Sector Development and Power Industry Marketing
2007	2008	JSC Atomredmetzoloto	Chief Specialist, Acting Director of the Department of the Corporate Secretary
2005	2007	JSC Integrated Energy Systems	Legal Advisor
2005	2006	JSC Roscomsys	Secretary of the Management Board

## 5. Denis Viktorovich Kulikov

**Year of birth:** 1975

**Education:** higher

Holds no shares in JSC "OGK-2" as of December 31, 2011



### Employment for the past 5 years:

Period		Company name	Title
From	To		
2010	present	JSC Volga Interregional Distribution Grid Company, JSC North-Western Interregional Distribution Grid Company	Member of the Board of Directors
2010	2011	JSC VolgaTelekom, JSC Dalsvyaz, JSC Uralsvyazin-form, JSC TsentriTelekom	Member of the Board of Directors
2009	2011	JSC Baikalvestkom, JSC Integrated Power Company	Member of the Board of Directors
2008	2011	JSC North-Western Telecom	Member of the Board of Directors
2007	present	Association for Protection of Investors' Rights	Executive Director
2007	present	JSC "OGK-2"	Member of the Board of Directors
2007	2011	JSC Moscow Integrated Power Company	Member of the Board of Directors
2007	2008	JSC Southern Interregional Distribution Grid Company	Member of the Board of Directors
2006	2008	JSC "OGK-5"	Member of the Board of Directors
2004	2011	JSC Southern Telecommunications Company (JSC UTK)	Member of the Board of Directors

## 6. Alexey Alexandrovich Mityushov

Year of birth: 1975

**Education:**

Ustinov Baltic State Technical University, 1997

Holds no shares in JSC "OGK-2" as of  
December 31, 2011



### Employment for the past 5 years:

Period		Company name	Title
From	To		
2010	present	JSC Mezhhregionenergogaz, JSC Mezhhregionteploenergo, JSC Gazprom Neftekhim Salavat, JSC Gazprom Gas Distribution, JSC Mosenergo, JSC TGK-1	Member of the Board of Directors
2008	present	JSC "OGK-2"	Member of the Board of Directors, General Director (since 2010)
2008	2011	JSC "OGK-6"	General Director, Member of the Board of Directors
2007	present	LLC Gazprom Energy	General Director
2010	present	JSC Mezhhregionteploenergo	Member of the Board of Directors
2003	2007	JSC Mezhhregionteploenergo	General Director

## 7. Oleg Nikolayevich Tarasov

**Year of birth:** 1977

**Education:** higher

Holds no shares in JSC "OGK-2" as of December 31, 2011



### Employment for the past 5 years:

Period		Company name	Title
From	To		
2011	present	JSC "OGK-2", JSC Fortum, JSC Volga Territorial Generating Company	Member of the Board of Directors
2005	present	JSC "SO UES"	Head of the Corporate Management Department, Deputy Head of Corporate Development, Deputy Head of Strategic Development and Organizational Development

## 8. Artur Mikhailovich Trinoga

Year of birth: 1971

### Education:

Kyiv International University of Civil Aviation, 1995

Holds no shares in JSC "OGK-2" as of December 31, 2011



### Employment for the past 5 years:

Period		Company name	Title
From	To		
2011	present	State Unitary Enterprise St. Petersburg Fuel and Power Complex	General Director
2011	present	LLC Production and Technology Integration Enterprise	Chairman of the Board of Directors
2010	present	CJSC Kauno Elektrinė	Member of the Management Board
2010	present	JSC "OGK-2", JSC Tyumen Power Sales Company, JSC "Centerenergyholding"	Member of the Board of Directors
2010	2011	JSC "OGK-6"	Member of the Board of Directors
2010	2011	JSC Mezhhregionteplosetenergoemont	Chairman of the Board of Directors
2009	present	CJSC Energoinvest-ME	Chairman of the Board of Directors
2008	2011	JSC "Gazprom"	Deputy Head of the Division of Power Sector Development and Power Industry Marketing of the Department of Marketing and Processing of Gas and Liquid Carbohyrates, Head of the Power Engineering Subdivision
2003	2008	LLC Mostransgaz, Chief Power Engineering Specialist Subdivision	Deputy Head of the Subdivision

## 9. Mikhail Leonidovich Khodursky

**Year of birth:** 1971

**Education:**

Ordzhonikidze Moscow Aviation Institute, 1994

International University, 1996

Moscow State University of

Technology and Management, 2004

Holds no shares in JSC "OGK-2" as of  
December 31, 2011



### Employment for the past 5 years:

Period		Company name	Title
From	To		
2010	present	LLC Gazprom Energyholding	Deputy General Director for Economics and Finance
2010	present	JSC Fuel and Energy Sector Mosenergo	Member of the Board of Directors
2010	present	JSC Mosenergo	Deputy General Director for Finance
2010	2011	JSC "OGK-6"	Member of the Board of Directors
2008	present	JSC "OGK-2"	Member of the Board of Directors
2007	2010	CJSC Gazenergoprombank	Chairman of the Board
2006	2007	LLC Mezhhregiongaz	Advisor to the General Director
2006	2006	CJSC Gazenergoprombank	Advisor to the Chairman of the Board on Regional Issues, Deputy Chairman of the Board
2004	2006	Gas Industry Joint-stock Bank Gazprombank (CJSC)	Head of the Individual Financing Services Division

## 10. Damir Akhatovich Shavaleyev

Year of birth: 1975

### Education:

YUfa State Petroleum Technological University, Plants and Machinery of Chemical Companies and Construction Material Enterprises, 1998

Saint Petersburg State Technical University, Finance and Credit, 2002

Holder of 0.005% shares in JSC "OGK-2" as of December 31, 2011



### Employment for the past 5 years:

Period		Company name	Title
From	To		
2010	2011	JSC "OGK-6," JSC SIBUR — Chemical Fertilizers	Member of the Board of Directors
2009	present	JSC "OGK-2"	Member of the Board of Directors
2008	present	LLC Salavatsky Petrochemical Complex	General Director, Member of the Board of Directors
2005	present	JSC Gazprom Neftekhim Salavat	General Director, Member of the Board of Directors

## 11. Pavel Olegovich Shatsky

**Year of birth:** 1972

**Education:**

Russian New University, 1996

Russian State Agrarian Correspondence University, 2002

State University of Management, 2002

Holds no shares in JSC "OGK-2" as of December 31, 2011



### Employment for the past 5 years:

Period		Company name	Title
From	To		
2010	present	JSC RAO Eastern ES, JSC Holding MRSK	Member of the Board of Directors
2010	present	JSC "Centerenergyholding"	Chairman of the Board of Directors
2010	2011	JSC "OGK-6"	Deputy Chairman of the Board of Directors
2009	present	JSC "OGK-2"	Deputy Chairman of the Board of Directors
2009	present	JSC Fuel and Energy Sector Mosenergo	Member of the Board of Directors
2008	present	LLC Gazprom Energyholding	First Deputy General Director
2006	2008	JSC SUEK	Deputy Director of Power Engineering, Mergers and Acquisitions



## EXECUTIVE BODIES

### General Director

The General Director is the sole executive body of the Company and is entitled to act on behalf of the Company without power of attorney. The General Director heads the Management Board acting as Chair of the Management Board. The General Director is accountable to the General Meeting of Shareholders and the Company's Board of Directors. The General Director is appointed by the Board of Directors. The General Director is responsible for the implementation of the Company's objectives, strategy and policies.

The issues of monetary incentives for the General Director are managed by a labor contract and by the Regulations on monetary incentives for Senior Managers of JSC "OGK-2," as approved by resolution of the Board of Directors of JSC "OGK-2" dd. October 27, 2011 (Minutes No. 29 dd. October 27, 2011). Bonuses are awarded to the General Director for meeting key performance indicators (quarterly and yearly) established annually by the Company's Board of Directors, as well as for performance of particularly important tasks (work) and in the event that the General Director receives state and industry awards.

### Management Board

The Management Board is the collective executive body of the Company which manages the Company's day-to-day operations. The Management Board is accountable to the General Meeting of Shareholders and the Company's Board of Directors. Members of the Management Board are appointed by the Board of Directors. The Management Board is responsible for the implementation of the Company's objectives, strategy and policies. The General Director is the Chair of the Company's Management Board. The activity of the Management Board is regulated by the Charter and the Regulations on the Management Board. The Management Board develops long-term plans for the main areas of business and

submits them to the Board of Directors for consideration. The Management Board also performs the following roles previews, develops, and submits recommendations regarding specific issues within the competence of the Board of Directors to the latter; examines reports from Deputy General Directors; passes resolutions on the conclusion of which have a value equal to more than 5% of the book value of the Company's assets (excluding deals which Company's Board of Directors authorizes). Members of the Management Board are elected by the Board of Directors in the number determined by the Board of Directors. In accordance with the resolution of the Board of Directors dd. November 25, 2011 (Minutes No. 32 dd. November 25, 2011) the Management Board consists of 10 persons.

The remuneration system for members of the Management Board is established by their labor contracts, as well as by the Regulations on monetary incentives for Senior Managers of JSC "OGK-2," as approved by resolution of the Board of Directors dd. October 27, 2011 (Minutes No. 29 dd. October 31, 2011).

The system of senior managers' bonuses is based on meeting key performance indicators (KPI) for accounting periods (quarterly and yearly). Quarterly and yearly KPI, their values, methods for calculating indicators, and the procedure for calculating the amount of bonuses shall be approved by the Company's Board of Directors.

The amount of quarterly bonuses subject to meeting the set KPI values accounts for up to 0.5 of the official salary. The amount of annual bonuses subject to meeting established KPI values is up to 6 (six) official salaries.

In addition to the above,, regulations on monetary incentives for Senior Managers provide for the following one-off bonuses:

- a bonus for reaching a certain indicator established by the Company's Board of Directors (a special bonus);

- a bonus for performing particularly important tasks;
- a bonus in the case that a senior manager receives a state, industrial, and/or corporate award.

The table below presents the total amount of payments made to all persons that were members of the Company's Management Board, including the Chair of the Management Board, in 2011:

#### "OGK-2", thousand rubles

Type of remuneration	2011
Salary	20,600
Premiums	5,709
Bonuses	90,286
Employment Termination Payments	393
Pension and Medical Insurance	3,568
<b>Total</b>	<b>120,556</b>

#### "OGK-6", thousand rubles

Type of remuneration	10 months of 2011
Salary	28,490.00
Premiums	7,541.10
Bonuses	31,431.70
Employment Termination Payments	-
Pension and Medical Insurance	637.30
<b>Total</b>	<b>68,100.1</b>

In 2011 the following changes to the Management Board took place:

On November 22, 2011, the following members of the Management Board were elected at the meeting of the Board of Directors: Deputy General Di-

rector for Corporate Governance and Personnel Management, Alexander Stepanovich Kolesnikov, Deputy General Director for Marketing and Sales, Anatoly Viktorovich Yakovlev, and Chief Accountant, Bary Zakievich Dolgoarshynnykh.

## MEMBERS OF THE MANAGEMENT BOARD:

### 1. Alexey Alexandrovich Mityushov (Chairman)

Year of birth: 1975

**Education:**

Ustinov Baltic

State Technical University, 1997

Holds no shares in JSC "OGK-2" as of  
December 31, 2011



#### Employment for the past 5 years:

Period		Company name	Title
From	To		
2010	present	JSC Mezhregionenergogaz, JSC Mezhregion-teploenergo, JSC Gazprom Neftekhim Salavat, JSC Gazprom Gas Distribution, JSC Mosenergo, JSC TKG-1	Member of the Board of Directors
2008	present	JSC "OGK-2"	Member of the Board of Directors, General Director (since 2010)
2008	2011	JSC "OGK-6"	General Director, Member of the Board of Directors
2007	present	LLC Gazprom Energy	General Director
2010	present	JSC Mezhregionteploenergo	Member of the Board of Directors
2003	2007	JSC Mezhregionteploenergo	General Director

## 2. Natalia Vasilyevna Vaytulenis

**Year of birth:** 1959

**Education:**

Saratov Economics Institute, 1982

Holds no shares in JSC "OGK-2" as of December 31, 2011



### Employment for the past 5 years:

Period		Company name	Title
From	To		
2010	2011	JSC "OGK-6"	Deputy General Director for Economics and Finance
2008	present	JSC "OGK-2"	Deputy General Director for Economics and Finance
2007	2008	JSC Volga Interregional Distribution Grid Company	Chief Accountant
2006	2007	JSC Volga Interregional Distribution Company	Chief Accountant

## 3. Valery Alexeyevich Gulyaev

**Year of birth:** 1957

**Education:**

Vologda Polytechnical institute, 1980,  
Rostov State Construction  
University, 1999

Holder of 0.00246% shares in JSC "OGK-2" as of December 31, 2011.



**Employment for the past 5 years:**

Period		Company name	Title
From	To		
2011	present	JSC Holding MRSK	Member of the Board of Directors
2010	present	JSC "OGK-2"	Deputy General Director for Procurement and Logistics
2005	2011	JSC "OGK-6"	Deputy General Director for Resource Planning

**4. Viktor Viktorovich Svistunov**

**Year of birth:** 1970

**Education:**

Mashtots Yerevan University, 2006

Holds no shares in JSC "OGK-2" as of December 31, 2011

**Employment for the past 5 years:**

Period		Company name	Title
From	To		
2012	present	JSC "OGK-2"	Deputy General Director for Wholesale Market Activities
2010	2011	JSC "OGK-6"	Advisor to the General Director
2008	2011	JSC "OGK-2"	Deputy General Director for IT and Power Markets
2002	2008	Non-profit Partnership Wholesale Power Market Trading System Administrator	Head of the Subdivision, Deputy Department Head, Head of the Sales Department

## 5. Sergey Anatolyevich Sizev

**Year of birth:** 1962

**Education:**

Novosibirsk Electrotechnical Institute, 1987

Holds no shares in JSC "OGK-2" as of December 31, 2011



### Employment for the past 5 years:

Period		Company name	Title
From	To		
2012	present	JSC "OGK-2"	Deputy General Director for Investments
2011	present	LLC OGK-Investproekt	Member of the Board of Directors
2010	2011	JSC "OGK-2"	Deputy General Director for Major Construction
2008	2011	JSC "OGK-6"	Deputy General Director for Investments
2005	2008	JSC "OGK-6"	Deputy General Engineer – Head of the Production and Technical Division

## 6. Nikolay Alexandrovich Tatarinov

**Year of birth:** 1959

**Education:**

Krasnoyarsk Polytechnical Institute, 1981

Holds no shares in JSC "OGK-2" as of December 31, 2011



**Employment for the past 5 years:**

Period		Company name	Title
From	To		
2010	present	JSC "OGK-2"	Deputy General Director for Production – Chief Engineer
2005	2011	JSC "OGK-6"	Deputy General Director for Production – Chief Engineer

**7. Sergey Yevgenyevich Ivanin**

**Year of birth:** 1979

**Education:**

Moscow State Law Academy, 2001

Holds no shares in JSC "OGK-2" as of December 31, 2011

**Employment for the past 5 years:**

Period		Company name	Title
From	To		
2012	present	JSC "OGK-2"	Deputy General Director for Law Matter and Administrative Questions
2010	2011	JSC "OGK-2"	Deputy General Director for Law Matter and General Questions
2010	2011	JSC "OGK-6"	Advisor to the General Director
2007	2010	JSC Gazprom Energy	Deputy General Director for Legal and General Support
2004	2007	Kazakov&Partners Attorneys at Law	Partner, Lawyer

## 8. Alexander Stepanovich Kolesnikov

**Year of birth:** 1957

**Education:**

Ordzhonikidze Moscow Aviation  
Institute 1983

Holds no shares in JSC "OGK-2" as of  
December 31, 2011



### Employment for the past 5 years:

Period		Company name	Title
From	To		
2012	present	JSC "OGK-2"	Deputy General Director For Contractual Relations and Personnel Management
2010	2011	JSC "OGK-2"	Deputy General Director for Corporate Governance and Personnel Management, Advisor to the General Director
2008	present	LLC DCT	Member of the Board of Directors
2005	2011	JSC "OGK-6"	Deputy General Director for Corporate Governance and Personnel Management

## 9. Anatoly Viktorovich Yakovlev

**Year of birth:** 1962

**Education:**

Moscow Institute of Railroad Transport of  
the Order of Lenin and the Order of the Red  
Banner of Labor, 1984  
Moscow State Open University,  
Economics and Management of Fuel and Energy  
Companies, 1997

Holds no shares in JSC "OGK-2" as of  
December 31, 2011





### Employment for the past 5 years:

Period		Company name	Title
From	To		
2012	present	JSC "OGK-2"	Deputy General Director for Retail Markets
2010	2011	JSC "OGK-2"	Deputy General Director for Marketing and Sales, Advisor to the General Director
2005	2011	JSC "OGK-6"	Deputy General Director for Marketing and Sales, Head of the Wholesale Market Division

## 10. Bary Zakiyevich Dolgoarshynnykh

Year of birth: 1952

### Education:

Timiryazev Moscow Agricultural Academy, 1978

Holds no shares in JSC "OGK-2" as of December 31, 2011



### Employment for the past 5 years:

Period		Company name	Title
From	To		
2011	present	JSC "OGK-2"	Chief Accountant
2009	present	LLC ANT-Inform	Director of the Department of Outsourcing Accounting Processes
2005	2011	JSC "OGK-6"	Chief Accountant

## AUDIT COMMISSION

The Company's Audit Commission is elected by the General Shareholders' Meeting to supervise the Company's financial and economic activities. The Audit Commission is a collegial body comprising five persons. The Audit Commission's activities are regulated by the Charter and the Regulations on the Audit Commission.

For participating in the audit of financial and economic activities a member of the Audit Commission is paid a lump-sum remuneration amounting to twenty-five minimum monthly base rates of a first category worker fixed by the Industry Pay Rate Agreement as of the audit period with indexation applied in accordance with the Industry Pay Rate Agreement.

The remuneration indicated herein is paid within a week of drawing up a report on the results of the audit.

The procedure and deadlines for the payment of bonuses are established by the Company's Board of Directors.

The remuneration paid to the Head of the Audit Commission has increased by 50%. Members of

the Audit Commission are indemnified against expenses related to participation in meetings of the Audit Commission and audits as per the indemnification rates for travel expenses in effect at the time of meetings or audits.

In 2011, members of the Audit Commission were paid remuneration of: 600 thousand rubles.

From June 22, 2010 to June 21, 2011, the Audit Commission elected by resolution of the Annual General Shareholders' Meeting of JSC "OGK-2" (Minutes No. 4 dd. June 22, 2011) operated in the Company with the following membership:

- Margarita Ivanovna Mironova
- Petr Vadimovich Korunov
- Evgeniy Nikolayevich Zemlyanoy
- Olesya Vladimirovna Frolova
- Mikhail Yevgenyevich Karatonov.

On June 21, 2011, the Annual General Meeting of Shareholders of JSC "OGK-2" (Minutes No. 4 dd. June 22, 2011) elected the Company's Audit Commission with the following membership:

## 1. Evgeniy Nikolayevich Zemlyanoy

**Year of birth:** 1985

**Education:** higher

Holds no shares in JSC "OGK-2" as of  
December 31, 2011

### Employment for the past 5 years:

Period		Company name	Title
From	To		
2009	present	JSC "Gazprom"	Deputy Head of the Subdivision of Power Industry Marketing of the Division of Power Sector Development and Power Industry Marketing of the Department of Marketing and Processing of Gas and Liquid Carbohydrates
2007	2009	JSC "Gazprom"	Chief Specialist of the Subdivision of Electricity Sector Development

## 2. Margarita Ivanovna Mironova (Chairman)

**Year of birth:** 1964

**Education:** higher

Holds no shares in JSC "OGK-2" as of  
December 31, 2011

### Employment for the past 5 years:

Period		Company name	Title
From	To		
2010	present	LLC Gazprom Energy Holding	Head of the Internal Audit Division
2008	present	JSC Mosenergo`	Head of the Internal Audit Service
2008	present	JSC "OGK-2"	Member of the Audit Commission
2005	present	LLC Gazprom Mezhhregiongaz	Head of the Internal Audit Division

### 3. Petr Vladimirovich Korunov

**Year of birth:** 1978

**Education:** higher

Holds no shares in JSC "OGK-2" as of December 31, 2011

#### Employment for the past 5 years:

Period		Company name	Title
From	To		
2010	present	JSC "OGK-2"	Member of the Audit Commission
2007	present	JSC "Gazprom"	Chief Economist of the Subdivision of Control over Financial and Economic Activities of Gas Supply Companies
2005	2007	JSC Gazsvyaz	2nd grade Engineer

### 4. Yuri Andreyevich Linovitsky

**Year of birth:** 1983

**Education:** higher

Holds no shares in JSC "OGK-2" as of December 31, 2011

#### Employment for the past 5 years:

Period		Company name	Title
From	To		
2011	present	JSC "OGK-2"	Member of the Audit Commission
2010	present	LLC Gazprom Energy Holding	Chief Specialist, Deputy Head of the Internal Audit Division
2007	2010	CJSC BDO Unicon	Consultant, Chief Consultant
2006	2007	Russian Federal Tax Service Moscow Inspectorate No. 7	3rd grade Specialist, 3rd Class Secretary of the State Civil Service of the In-house Audit Subdivision

**5. Nikolay Nikolayevich Gerasimets****Education:** higher**Year of birth:** 1973

Holds no shares in JSC "OGK-2" as of December 31, 2011

**Employment for the past 5 years:**

Period		Company name	Title
From	To		
2010	present	JSC "OGK-2"	Chairman of the Audit Commission
2010	present	JSC "Gazprom"	Head of the Subdivision of Information Support of the Organizational Division of the Internal Audit Department
2005	2010	JSC "Gazprom"	Deputy Head of the Internal Audit Subdivision of JSC "Gazprom" Administration of the Internal Audit Division

**AUDITOR**

The Company's Auditor is approved annually by the General Shareholders' Meeting to audit the Company's financial and economic activities in accordance with the legal regulations of the Russian Federation on the basis of a contract concluded with the former. The amount of payment provided for the services of the Auditor is determined by the Company's Board of Directors.

By resolution of the Annual General Shareholders' Meeting of JSC "OGK-2" (Minutes No. 3 dd. June 24, 2010) Closed Joint-Stock Company KPMG was appointed the Company's Auditor on June 24, 2010. On June 21, 2011, the Annual General Shareholders' Meeting of JSC "OGK-2" appointed Closed Joint-Stock Company KPMG as the Company's Auditor again (Minutes No. 4 dd. June 22, 2011).

**Amount of payment for auditing services in 2011**

Subject of the Agreement	Sum of services rendered in 2011, thousand rubles	Sum of services paid for in 2011, thousand rubles
Auditing financial statements prepared in accordance with the requirements of Russian legislation (Russian Accounting Standards) for 2010	4,956	1,982
Auditing financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) for 2010	3,894	2,336
Auditing financial statements prepared in accordance with the requirements of Russian legislation (Russian Accounting Standards) for 2011	0	2,212
Auditing financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) for 2011	0	1,190
Auditing financial statements included in the securities prospectus for 2009 and 2010	3,693.4	3,693.4
Other services, including special auditing tasks performed by the auditor	5,375	5,375
<b>Total:</b>	<b>17,918.4</b>	<b>16,789.4</b>



# More joy,

more pleasant and positive emotions. Warmth and energy come from the heart and becomes the light that we give to everyone around us



# Our Team

8.1. Personnel Structure

8.2. Remuneration

8.3. Pension Program

## 8. OUR TEAM

The main aim of the JSC “OGK-2” HR policy is to maintain and enhance the efficiency of the Company’s core resource — its employees.

### The main aims of HR policy in 2011:

- increasing the quality of personnel by attaining competitive targets (optimal number of personnel; optimal personnel category ratio: workers, specialists, managers; optimal age makeup; optimal level of personnel turnover; and optimal selection of employees by professional level and education);
- securing personnel to key positions and occupations;
- evaluating the work performance of personnel at the Company’s branches;
- working with reserve staff on lead specialist and management positions;
- providing a competitive salary level and social benefits and guarantees in the regions where our branches are located.

### The main tasks for 2012:

- improving the organizational structure of the executive bodies and Company branches;
- implementing a new personnel incentive scheme aimed at attaining the key performance indicators;
- evaluating the work performance of personnel at the Company’s branches;
- ensuring stable social and work relations during events aimed at recruiting the optimal number of employees;

■ standardization of the HR document management system and organizational work at the Company’s branches;

■ organizing and carrying out collective negotiations with representatives of labor unions in order to conclude a new JSC “OGK-2” Collective Labor Agreement.

## 8.1. PERSONNEL STRUCTURE

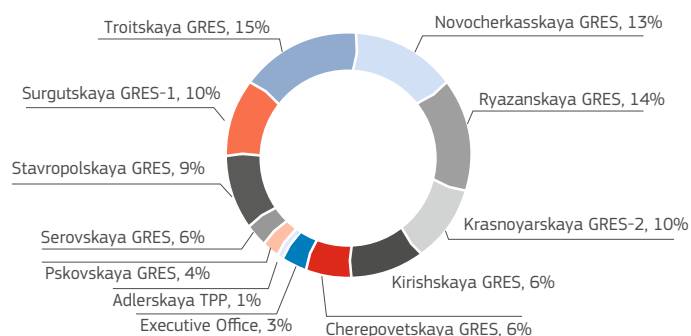
A total of 10,093 persons were employed at JSC “OGK-2” as of December 31, 2011, including 1,588 managers, 2,147 specialists, 90 office workers and 6,268 workers.

The number of employees by branch and executive body of JSC “OGK-2”, as of December 31, 2011:

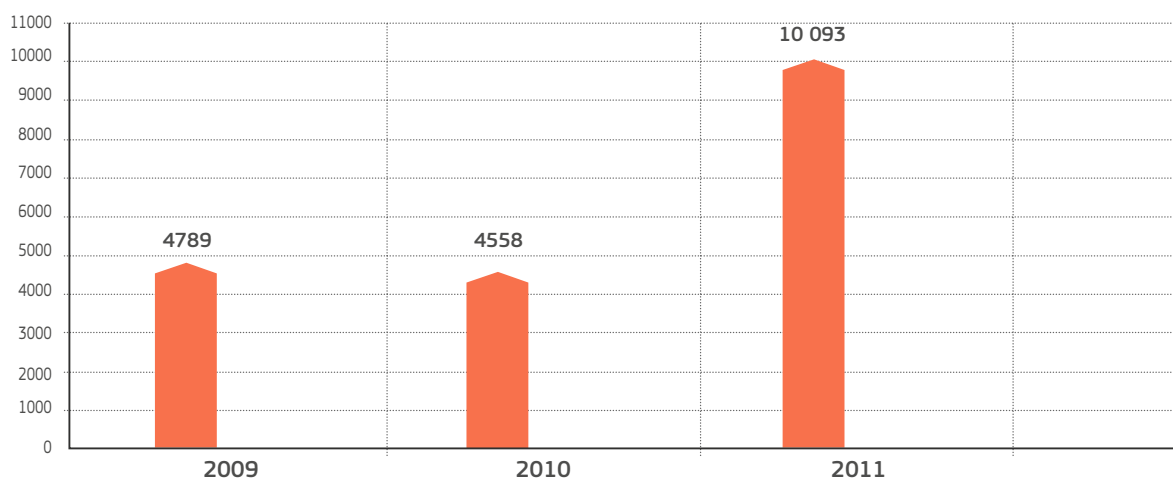
Branch	Total Number of Employees
Surgutskaya GRES-1	1,042
Ryazanskaya GRES	1,434
Stavropolskaya GRES	885
Novocherkasskaya GRES	1,318
Kirishskaya GRES	902
Troitskaya GRES	1,535
Krasnoyarskaya GRES-2	1,024
Cherepovetskaya GRES	560
Serovskaya GRES	570
Pskovskaya GRES	394
Adlerskaya TPP	100
Executive Office	329
<b>OGK-2, TOTAL</b>	<b>10,093</b>



### Personnel structure by branch and executive body of the Company as of December 31, 2011



### Changes in the total number of Company personnel from 2009–2011



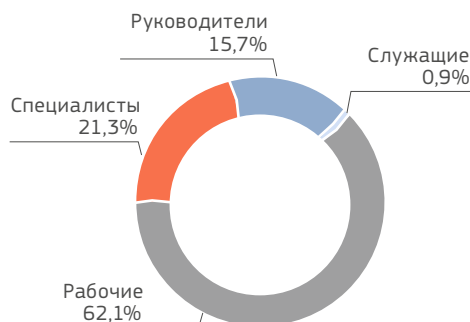
In 2011, the number of employees increased; the increase in the total number of workers at the Company during 2010 was 5,535 individuals (45.2%).

The main reason for the increase in the number of employees was finalization of the reorganization of JSC "OGK-2" in form of accession of JSC "OGK-6" to JSC "OGK-2".

### Personnel Category

Category	December 31, 2009	December 31, 2010	December 31, 2011
Managers	735	743	1,588
Specialists	852	853	2,147
Office Workers	31	5	90
Workers	3,171	2,957	6,268

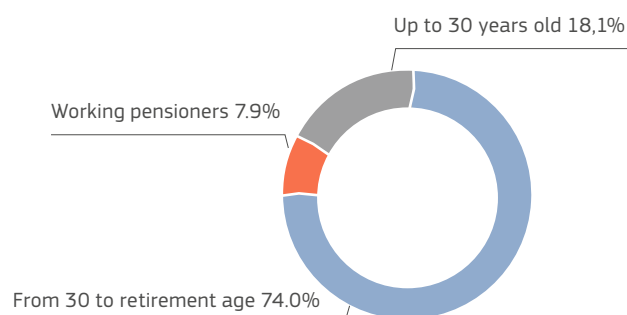
## Personnel according to category as of December 31, 2011



## Age profile of personnel

	December 31, 2009	December 31, 2010	December 31, 2011
Up to 30 years old	1,335	860	1,831
From 30 to retirement age	3,199	3,438	7,466
Working pensioners	255	260	796

## Age profile of personnel as of December 31, 2011

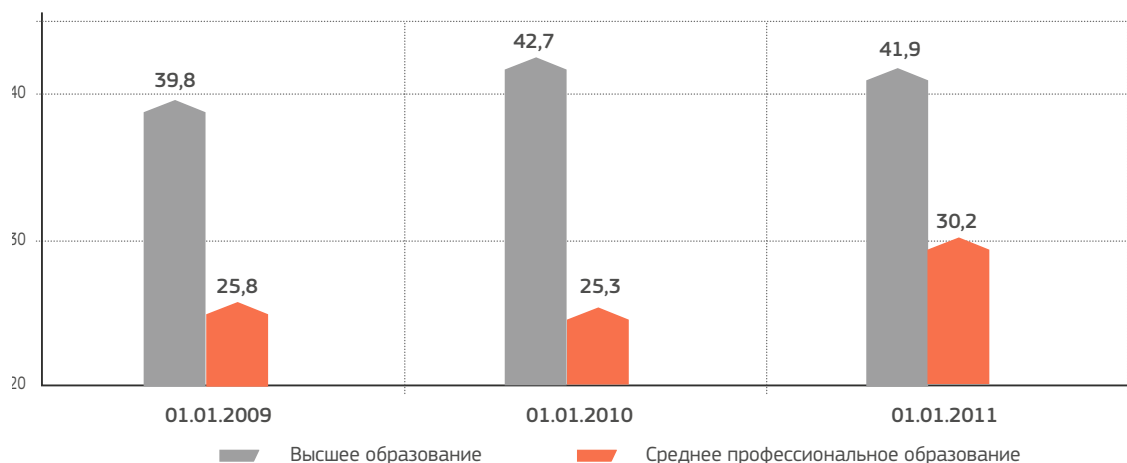


In 2011, the share of employees aged up to 30 years old was 18.1% and the share of working pensioners was 7.9%. This means that "OGK-2" has experienced and well-established personnel in addition to employees with potential for the future.

## Education Level

In 2011, the share of Company employees having completed higher education was 41.9%, and the share of employees having undergone vocational training was 30.2%.

### Dynamics of change in the share of employees having completed higher education and/or undergone vocational training in the Company's branches in 2008–20011, %



The Company's management recognizes the importance of continuous education and further training of its staff. In 2011, expenditure on educating and retraining personnel totaled 26,883.67 thousand rubles. In 2011, the share of personnel who trained and/or retrained during a break from work was 34.7% of the total number of the Company's personnel.

In accordance with the agreements concluded between the Company and its employees, 50 employees at the branches have completed a higher education course and/or vocational training at the expense of JSC "OGK-2".

## 8.2. REMUNERATION

In 2011, the amount of funds spent on labor remuneration for branch employees grew by 13.8% versus 2010; the growth rate of consumer prices in 2011 was 6.1%.

When calculating salaries in 2011, salary indexation as stipulated by the business plan approved by the Company was applied to the official salaries (pay rates) of branch employees.

A significant factor that influenced the change in salary was the introduction of new Regulations on Incentives and Remuneration of Employees that provided for an increase in the fixed part of the salary at the expense of a reduction in the variable part thereof. Additional funds were allocated for the implementation of these Regulations and for the implementation of a well-balanced approach to calculating salaries at branches.

Branches of "OGK-2"	Average monthly salary of workers, in rubles		
	2010	2011	% growth
Managers	54,656	62,852	15
Specialists and technical operators	32,720	37,397	14.3
Workers	25,636	29,315	14.4
GRES, total	31,119	35,756	14.9

## Collective Labor Contract

On May 1, 2011, JSC "OGK-2" branches approved new collective labor contracts. In comparison with 2010, these contracts provide for an increase to the amount of certain benefits and guarantees, such as vacation pay, provision of trips for treatment and recreation for employees and their children at discount prices, maternal pay etc.

The branches' collective labor contracts are based on a single format and approach to establishing benefits, guarantees, and compensations, including larger payments than those stipulated by the Russian Federation laws. The collective labor contracts are valid until May 1, 2014.

## 8.3. PENSION PROGRAM

In order to ensure the social security of the Company's workers and veteran employees, a system of Nongovernmental Pension Programs (NPPs) is implemented at the Company in accordance with the principles contained in the strategy of the Nongovernmental Pension Plan for the Company's employees.

The Nongovernmental Pension Program for employees of JSC "OGK-2" is designed to provide an

adequate quality of life for the Company's employees of retirement age and to efficiently resolve staff issues related to attraction, retention and motivation of personnel. The base nongovernmental pension fund for the realization of the NPP system for employees of JSC "OGK-2" is the Nongovernmental Pension Fund of the Power Industry (NPFPI).

The NPP system for employees of JSC "OGK-2" includes corporate and parity financing.

The corporate financing program embodies pension programs in the context of which the Company arranges additional NPPs for its employees using internal funds on the basis of the respective Regulations on the NPP and the NPP contract concluded with the Nongovernmental Pension Fund. 74% of the Company's employees are participants in the corporate financing program as part of the NPP system.

The parity financing program is based on the principle that employee and employer are able to finance the individual pension for the employee jointly and in equal proportions.

In 2011, the total amount of financing of all the Company's joint accounts opened with the NPFPI and its branches was 154.7 million rubles.





# Caring more

about nature and wanting a cleaner, brighter, and  
purer world



# Environmental Protection

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9.1. Environmental Protection Activities

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9.2. Air Emissions of Pollutants

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9.3. Waste Formation and Storage

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9.4. Water Consumption

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## 9. ENVIRONMENTAL PROTECTION

Environmental protection is a key priority across every industry, particularly the electrical power industry. We know that electricity generation at thermoelectric power plants has a significant impact on the environment (air, water and soil) due to the subsequent formation of pollutants. Overall, there are several types of heat generation which merit being singled out for their impact on the environment:

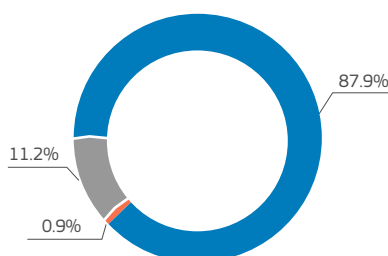
- emissions of air pollutants (including greenhouse gases);
- waste formation (including ash and slag);
- discharge of pollutants into bodies of water.

In 2011, 3,566.9 thousand tons of waste – 13.6% less than in 2010 – were formed as a result of JSC “OGK-2’s” activities. In addition to this, 4,575 million m<sup>3</sup> of water (for production and other purposes) was used, which is 4.9 % less than in 2010.

In 2011, environmental protection expenses made up 499,588 thousand rubles, which is 8% more than in 2010.

In accordance with environmental policy, the Company constantly monitors the environment and carries out work to neutralize and dispose of any waste formed as a result of the plant’s operation. The environmental activity taken by OGK-2 complies with all the Russian environmental legislation requirements.

### Payment for allowed discharge (emissions) in 2011



Water discharge

Air emissions

Waste disposal

	Thousand rubles			
	2008	2009	2010	2011
Water discharge	3,193	1,820	2,076	2,581
Air emissions	39,268	37,985	37,469	31,997
Waste disposal	242,824	225,265	315,078	252,065
<b>Total</b>	<b>285,285</b>	<b>265,070</b>	<b>354,623</b>	<b>286,643</b>



## 9.1. ENVIRONMENTAL PROTECTION ACTIVITIES

In 2011, the following actions were taken to reduce emissions of air pollutants, reduce the discharge of pollutants into bodies of water, and manage hazardous waste.

### Surgutskaya GRES-1

In 2011, the plant's gas supply system, which contains a low-toxicity burners installation at unit No. 7, underwent reconstruction. This resulted in a reduction in nitrogen emissions. According to the environmental protection legislation and the procedure for treating surface waters, waterside structures underwent maintenance; diving work was carried out; grids at unit pump stations were cleaned; ground water was monitored. The sludge tank was cleaned following an order from the state control authorities. Devices for controlling the quality of natural and drain waters were purchased in order to ensure analytical control over the emission of pollutants into the bodies of water. The amount of waste generation and the time for waste collection and disposal were adjusted, which avoided the generation and disposal of extra waste, and, as a result, extra payments.

Within the framework of environmental management, an internal environmental audit was carried out at the plant in the reporting year in accordance with the approved schedule. The audit was carried out to receive professional and objective information on the status of environmental actions at structural divisions.

### Ryazanskaya GRES

A project for the construction of sanitary control zones for the Artesian water intake was developed in 2011 following an order of the Federal Service on Customers' Rights Protection and Human Well-being Surveillance No. 6П dd. September 30, 2008, clause 16 of the Water Code of the Russian Federation dd. June 30, 2006 No. 74-ФЗ. Reclama-

tion work at the Novomichurinskoye reservoir was carried out in order to prevent high aquatic plants from overgrowing, stop the service water system from fouling, and restore the biological equilibrium at the reservoir. The water biological resources of the reservoir were monitored in order to receive and analyze information on the impact of the production activities at the JSC "OGK-2's" Ryazanskaya GRES on water biological resources taking into account the efficiency of the reclamation work.

### Troitskaya GRES

During 2011, electric filters at the unit of plant No. 8 were reconstructed; this required 818,905 thousand rubles (excluding VAT). 38,494.2 t/year less coal ash (in the case of maximum load of power units as per the maximum permissible emission project) will be discharged after the work is completed.

In 2011, dust control in ash disposal areas was implemented by planting perennial herbs in the ash disposal area of Lake Shubarkel, Republic of Kazakhstan; this required 4,480 thousand rubles. Household plumbing systems on the industrial site and in treatment facilities were repaired (this involved the replacement of certain pipeline sections). This work was targeted at preventing the soil from being polluted by waste water.

The sludge basins at Unit Pump Stations 1 and 2 were cleaned; the technical condition of dams was evaluated; the available volume of the 2nd and 3d sections of the ash disposal area was checked; a section of the ash discharge pipeline was replaced; the 1st and 2nd sections of the ash disposal area were reclaimed; the ash disposal area was divided into zones.

A project evaluating the environmental impact of the Troitskaya GRES ash disposal area, located on Lake Shubarkel in the Republic of Kazakhstan, and a project for the construction of a water stop for the clarified water channel at section No. 2, were developed.

## Novocherkasskaya GRES

In 2011, the following work was carried out with the aim of reducing sewage discharge, air emissions and the environmental impact of production and consumer waste:

- air pollution in the Novocherkasskaya GRES operating region continued to be monitored. According to the results of the weekly monitoring, the amount of components such as coal dust (suspended matter), sulfur dioxide, nitric dioxide, nitric oxide and carbon monoxide identified in the air were not deemed to be excessive;
- the technical modernization of ash collectors installed at unit No. 5 (Building 5 B);
- there was an examination of the impact of the Novocherkasskaya GRES on the environmental condition of the bodies of water (analysis of the chemical composition of the surface water intake and of water after the waste water is discharged into the Don River);
- metrological calibration and metrological certification of meters for cooling water pumped from the water supply source by circulating pumps at power units of the power station; the SIRENA metering system for cooling water underwent maintenance;
- an electro-deionization unit that belongs to the plant's water preparation system was commissioned;
- the floor of the head race was cleared of silt;
- pressure observation wells on the territory of the Novocherkasskaya GRES as well as ash and sludge disposal areas were observed and water analyses were supervised;

■ the sanitary protection area was developed and improved; the territory on which the GRES is situated was landscaped;

■ reclamation of the first section of the ash disposal area was completed.

## Krasnoyarskaya GRES-2

A number of actions were taken in 2011 to help reduce the pollution of surface water:

- cleaning of pontoon traps at sump wash water outlets;
- cleaning of the enterprise's water protection zone;
- cleaning of the highland ash and slag removal drainage canals.

In 2011, the following actions were taken with an aim to reducing water use for production needs:

- repeated use of run-off water from the outlet channel – 42,241.44 thousand m<sup>3</sup>/year, including heating the inlet channel during the winter period to the amount of 41,275.94 thousand m<sup>3</sup>/year, repeated use of run-off water from the outlet channel during preparation of makeup water for boilers in units Nos. 1—8 to the amount of 413.8 thousand m<sup>3</sup>/year and for hydraulic ash disposal makeup – 551.7 thousand m<sup>3</sup>.

Measures taken in 2011 aimed at reducing the use of water also included: transfer of circulation pumps CP-6B; 7A,B and 8A from the second rotational speed to the first; reduction in the number of starts and stops of primary equipment; reduction in the number of hours, during which the power units work in a one-boiler mode.

In order to reduce the emission of pollutants into the atmosphere, a complete overhaul was performed on fuel supply repairs to the aspiration facilities I-AV-5, II-AV-3A and II-AV-3B and standard fuel supply repairs to the aspiration facilities I-AK-6A, I-AK-1A and I-AK-1.

### Cherepovetskaya GRES

A number of actions were taken in 2011 aimed at reducing the pollution of surface water:

- determining the efficiency of a fish protection structure (FPS);
- developing a project for the reconstruction of the plumbing system from the pumping station to the water treatment station (pressure header for raw water from the 1st-elevation pumping station to the water treatment station);
- production laboratory control of water quality;
- monitoring of the ash and sludge disposal area (control of the quality of atmospheric air and soil within the ash and sludge disposal area and on the border of the sanitary protection zone);
- reconstruction of the ash discharge pipelines;
- repairs to the aspiration facilities;
- repairs to the dust collection facilities;
- taking measurements at the sources of pollution and on the border of the sanitary protection zone.

### Pskovskaya GRES

In 2011, a new project of regulatory allowable discharges was developed and approved. This project took into account background total iron and aluminum concentration in source water.

On the basis of this project, new permits were received on December 20, 2011 for the discharge of pollutants into water with increased allowable concentrations, which minimizes the chance of exceeding the maximum permissible concentration levels in the future.

Measures aimed at reducing the discharge of waste water and air emissions are carried out according to the schedule agreed upon with the regional environmental protection authorities for the Pskov Region. The environmental service of the Pskovskaya GRES carries out internal production control over the fulfillment of measures aimed at preventing accidental and other instantaneous releases and discharges of pollutants into the environment, as well as measures aimed at reducing discharges of pollutants during periods of unfavorable weather conditions.

During 2011, measures were carried out that had been specified in the Pskovskaya GRES Comprehensive Measures Plan for the Protection of Environment in 2009–2012, and agreed upon with the Natural Resources Committee for the Pskov Region.

In 2011:

- contracts with organizations for carrying out regular observations were concluded;
- a project for the creation of a sanitary protection zone was developed; a sanitary-epidemiological inspection report was received;
- a draft of standards for the generation of waste and limits of waste disposal was developed, this draft is now filed with the Federal Service for the Supervision of Natural Resources and awaiting approval;
- a project for regulatory allowable discharges was developed.

## 9.2. EMISSIONS OF AIR POLLUTANTS

The total volume of pollutants treated in 2011 made up 3,329 thousand tons, or 779 thousand tons (19.0%) less than in 2010. 3,150 thousand

tons of pollutants were collected and neutralized, which is 728 thousand tons (18.8%) less than in 2010.

### Dynamics of collecting and neutralizing air pollutants, tons

Index	Total treated pollutants			Pollutants collected and neutralized			Share of neutralized pollutants, %		
	2009	2010	2011	2009	2010	2011	2009	2010	2011
<b>"OGK-2", total</b>	<b>4,034,678</b>	<b>4,108,351</b>	<b>3,329,081</b>	<b>3,760,791</b>	<b>3,877,599</b>	<b>3,150,879</b>	<b>93</b>	<b>94</b>	<b>96</b>
Surgutskaya GRES-1	0	0	0	0	0	0	0	0	0
Ryazanskaya GRES	208,564	206,148	168,319	201,077	198,273	162,226	96	96	97
Kirishskaya GRES	0	0	0	0	0	0	0	0	0
Stavropolskaya GRES	5	2.5	2.8	4.8	2.2	2.6	96	88	92
Troitskaya GRES	2,148,412	1,993,357	1,236,578	1,997,203	1,907,231	1,183,490	93	96	95
Novocherkasskaya GRES	795,593	811,396	789,505	734,755	760,813	746,519	92	94	94
Krasnoyarskaya GRES-2	235,853	288,685	296,970	218,397	266,399	273,997	93	92	92
Cherepovetskaya GRES	79,750	222,936	164,307	71,377	189,241	141,761	90	85	85
Serovskaya GRES	566,501	585,826	673,398	537,977	555,640	642,881	95	95	95
Pskovskaya GRES	0	0	0	0	0	0	0	0	0

Every JSC "OGK-2" plant neutralizes at least than 85% of pollutants treated.

Due to the fact that the Surgutskaya GRES-1, Stavropolskaya GRES, Kirishskaya GRES and Pskovskaya GRES use gas as a primary fuel, pollutants formed

as a result of the operation of this plant mainly contain sulfur dioxide (SO<sub>2</sub>), carbon monoxide (CO) and nitric oxides, which are impossible to neutralize since no such procedures have been developed as of yet.

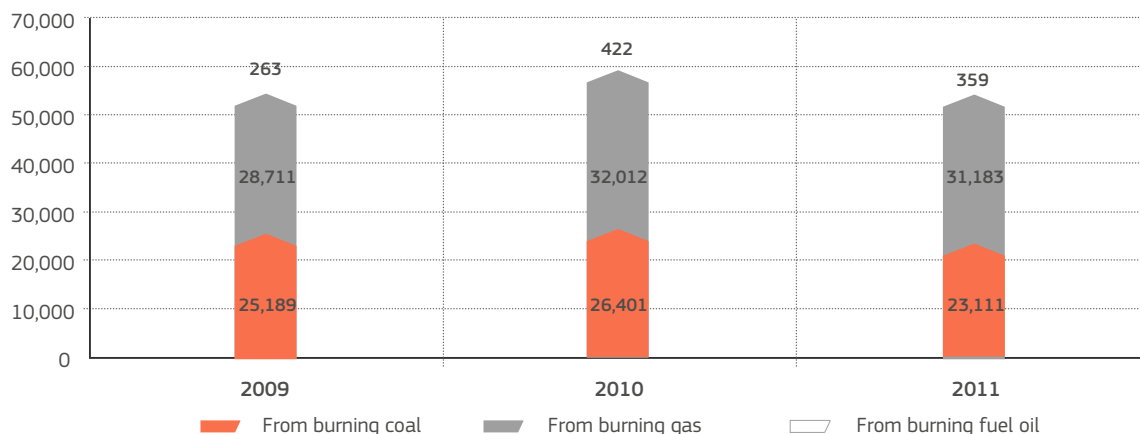
### Dynamics of emissions of air pollutants, tons

Plant name	Total emissions of air pollutants		
	2009	2010	2011
<b>OGK-2, total</b>	<b>462,290</b>	<b>457,856</b>	<b>377,882</b>
Surgutskaya GRES-1	19,100	17,570	17,013
Ryazanskaya GRES	29,760	36,955	35,865
Stavropolskaya GRES	12,600	12,68	12,870
Novocherkasskaya GRES	93,758	85,322	77,565
Kirishskaya GRES	3,566	6,195	3,833
Troitskaya GRES	209,870	176,010	107,008
Krasnoyarskaya GRES-2	44,415	58,938	58,121
Cherepovetskaya GRES	12,251	39,236	26,358
Serovskaya GRES	35,900	36,310	37,718
Pskovskaya GRES	1,070	132	1,227

### Dynamics of greenhouse gas emissions, thousand tons

Plant name	2009	2010	2011	Change 2011/2010, %
<b>OGK-2, total</b>				
Surgutskaya GRES-1	12,765	12,737	12,376	97
Ryazanskaya GRES	4,982	5,795	5,088	88
Stavropolskaya GRES	5,350	5,686	5,978	105
Novocherkasskaya GRES	8,505	9,499	9,361	99
Kirishskaya GRES	3,245	4,242	3,553	84
Troitskaya GRES	8,072	7,876	4,905	62
Krasnoyarskaya GRES-2	5,641	6,475	6,580	102
Cherepovetskaya GRES	1,751	2,476	2,285	92
Serovskaya GRES	2,885	2,995	3,493	117
Pskovskaya GRES	967	1,154	1,034	93

### Dynamics of greenhouse gas emissions in 2008–2011, thousand tons



## 9.3. WASTE FORMATION AND STORAGE

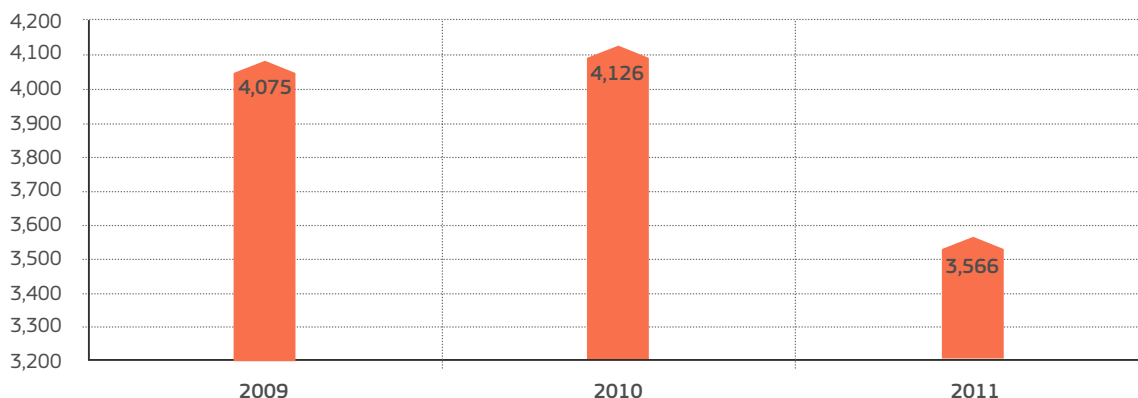
In 2011, 3,566 thousand tons of waste were formed in the process of generating electricity and heat, which is 13.6% less than in 2010. The largest share of waste is comprised of ash and slag formed during coal burning. This waste is stored in special dumps.

In 2011, waste disposal costs totaled 286,644 thousand rubles. The largest share of waste was formed at the Novocherkasskaya GES (1,040

thousand tons) and Troitskaya GES (1,208 thousand tons) branches of JSC "OGK-2."

The transfer from storing ash and slag waste to selling it as dry ash and as ash and slag to be delivered from the current storages is a potential way in which to reduce waste disposal costs. If the market for consuming and using potential methods for ash and slag recycling develops in the proper manner, it will be possible to stop building ash and slag dumps and gradually close and recultivate the existing dumps and use them for production purposes.

### Dynamics of waste formation in 2009–2011, thousand tons



## 9.4. WATER CONSUMPTION

In 2011, the total volume of natural surface and ground water consumption as well as of water supplied by third-party companies, made up 4,606.8 million m<sup>3</sup>, this includes 4,570.15 million m<sup>3</sup> of water used for production purposes. Recycled water consumption amounted to 6,387.3 million m<sup>3</sup>.

The JSC "OGK-2" plants (except Ryazanskaya GRES, Surgutskaya GRES-1 and Troitskaya GRES) use a once-through water supply system, meaning that cooled water is discharged into a natural body of water and cannot be reused. Serovskaya GRES uses a once-through and recycled water supply system (with partial intake of circulating water from the reservoir).

Under this water consumption system, payments are calculated based on the water intake amount multiplied by the water tax rate (or payment for the use of a body of water). In 2011, water payments totaled 1.5 billion rubles. For generating companies, water costs are determined by the share of recycled water supply in the general water supply system of the Company. The larger this share, the smaller the costs are.

Some branches of JSC "OGK-2" use water recycling elements:

- At Novocherkasskaya GRES, water can be discharged from an outlet to an inlet channel using special flushing valves. This system is actively used when the temperature is low;

- At Kirishskaya GRES, two water cooling towers were installed in the water supply system for power units Nos. 5 and 6.

It is possible to reduce the amounts of water tax (payment for using a body of water) charged for the branches' industrial water supply by increasing the share of recycled water with the help of or-

ganizing the recirculation of industrial water from the outlet channel to the inlet channel and also the recirculation of industrial water around the circulation pumps. The reduction of specific water consumption (m<sup>3</sup>/MW) is also possible by optimizing the technological modes for using cooled water depending on the loads of power units.

### Ryazanskaya GRES, Surgutskaya GRES-1 and Troitskaya GRES

Currently the reduction of costs at the expense of the reduction of the water tax is not feasible at these plants due to the water recycling system they employ.

### Novocherkasskaya GRES

The plant has a channel for recirculating industrial water from the outlet channel to the inlet channel. Optimal management of technological modes has been achieved (the lowest figures for specific water consumption). The most promising method has been to organize the recirculation of industrial water around the circulation pumps in order to reduce the consumption of industrial water when low-loads are employed, especially at night.

### Kirishskaya GRES

In the short-term, the main method is organizing recirculation of industrial water around the circulation pumps and optimizing technological modes for reducing specific water consumption. In the long-term, the main method is increasing the amount of recycled water.

### Krasnoyarskaya GRES-2

The plant can use all three methods for reducing water tax. Work is being performed to optimize the technological modes of water consumption during unloading of equipment.

## Cherepovetskaya GRES

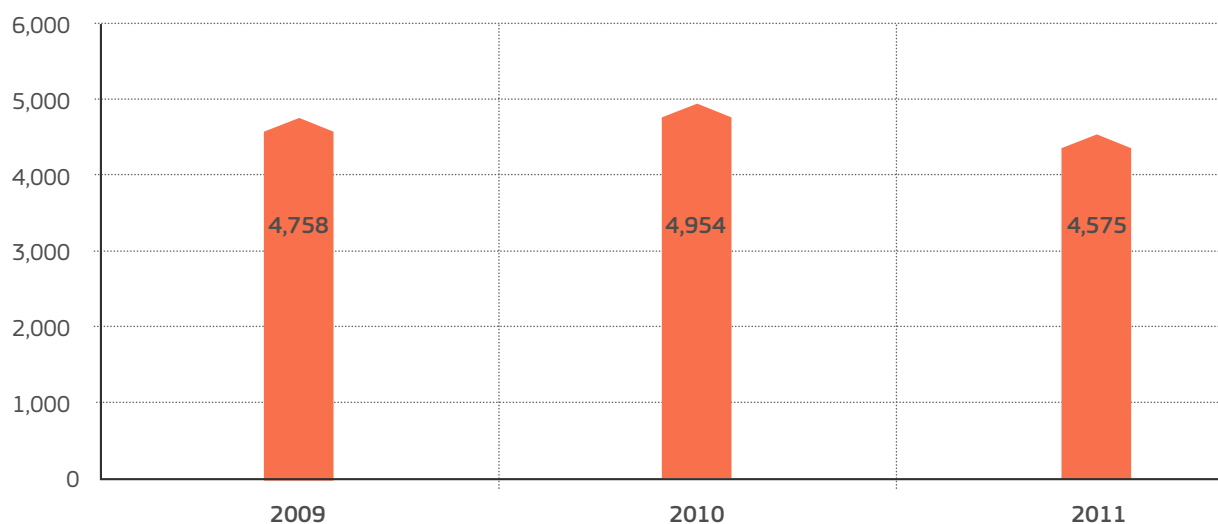
At present, a facility is in place for the discharge of effluents treated to standard quality from an outlet to an inlet channel, for repeated use.

In addition to this, in 2011 a plan was developed to equip all of the circulation pumps with recirculation systems.

## Stavropolskaya GRES, Serovskaya GRES and Pskovskaya GRES

It is reasonable to consider the possibility of transfer from the once-through water supply system to the recycled water supply system at these power plants.

Dynamics of water consumption in 2009–2011, million m<sup>3</sup>









# More efficiency

and fulfilling one's potential in any area  
and to any degree



# Financial Statements

10.1. Audit Report for the 2011 Financial Statements in Accordance with Russian Accounting Standards (RAS)

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10.2. The Company's 2011 Financial Statements in Accordance with Russian Accounting Standards (RAS)

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10.3. Audit Report for the 2011 Consolidated Financial Statements in Accordance with International Financial Reporting Standards (IFRS)

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10.4. The Company's 2011 Consolidated Financial Statements in Accordance with International Financial Reporting Standards (IFRS)

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# 10. FINANCIAL STATEMENTS

## 10.1. AUDIT REPORT FOR THE 2011 FINANCIAL STATEMENTS IN ACCORDANCE WITH RUSSIAN ACCOUNTING STANDARDS (RAS)

The texts of the audit report of ZAO KPMG on the financial statements of JSC "OGK-2" for 2011 and on the final financial statements of JSC "OGK-6" for 10 months in 2011 are presented below. The aforementioned financial statements are not included in this annual report. Hence, all references in the audit report to the attached financial statements pertain to documents not presented herein. This audit report is only applicable to the 2011 financial statements of JSC "OGK-2" and to the final financial statements of JSC "OGK-6" for 10 months in 2011. Copies of the audit reports and the financial statements of JSC "OGK-2" for 2011 and the final financial statements of JSC "OGK-6" for 10 months in 2011 are available in electronic form on the JSC "OGK-2" website ([www.ogk2.ru](http://www.ogk2.ru)) in the Shareholders and Investors Section.

### Audit report for the 2011 financial statements of JSC "OGK-2"



ОАО «Вторая генерирующая компания оптового рынка электроэнергии»  
Аудиторское заключение  
по бухгалтерской отчетности за 2011 год

#### Аудиторское заключение

Аktionерам Открытого акционерного общества «Вторая генерирующая компания оптового рынка электроэнергии»

Мы провели аудит прилагаемой к настоящему Аудиторскому заключению бухгалтерской отчетности Открытого акционерного общества «Вторая генерирующая компания оптового рынка электроэнергии» (далее – «Общество») за 2011 год.

Бухгалтерская отчетность на 71 листе состоит из:

- бухгалтерского баланса по состоянию на 31 декабря 2011 года;
- отчета о прибылях и убытках за 2011 год;
- приложений к бухгалтерскому балансу и отчету о прибылях и убытках, в том числе:
  - отчета об изменениях капитала за 2011 год;
  - отчета о движении денежных средств за 2011 год;
  - пояснений к бухгалтерскому балансу и отчету о прибылях и убытках;
- пояснительной записки.

#### Ответственность Общества за бухгалтерскую отчетность

Руководство Общества несет ответственность за составление и достоверность данной бухгалтерской отчетности в соответствии с российскими правилами составления бухгалтерской отчетности и за систему внутреннего контроля, необходимую для составления бухгалтерской отчетности, не содержащей существенных искажений вследствие недобросовестных действий или ошибок.

#### Ответственность аудитора

Наша ответственность заключается в выражении мнения о достоверности бухгалтерской отчетности во всех существенных отношениях на основе проведенного нами аудита. Мы проводили аудит в соответствии с федеральными стандартами аудиторской деятельности. Данные стандарты требуют соблюдения применимых этических норм, а также планирования и проведения аудита таким образом, чтобы получить достаточную уверенность в том, что бухгалтерская отчетность не содержит существенных искажений.

Аудит включал проведение аудиторских процедур, направленных на получение аудиторских доказательств, подтверждающих числовые показатели в бухгалтерской отчетности и раскрытие в ней информации. Выбор аудиторских процедур является предметом нашего суждения, которое основывается на оценке риска существенных искажений, допущенных вследствие недобросовестных действий или ошибок. В процессе оценки данного риска нами рассмотрена система внутреннего контроля, обеспечивающая составление и достоверность бухгалтерской отчетности, с целью выбора соответствующих аудиторских процедур, но не с целью выражения мнения об эффективности внутреннего контроля.

Аудит также включал оценку надлежащего характера применяемой учетной политики и обоснованности оценочных показателей, полученных руководством Общества, а также оценку представления бухгалтерской отчетности в целом.

**Audit report for  
the 2011 financial  
statements of  
JSC "OGK-2"**



ОАО «Вторая генерирующая компания оптового рынка электроэнергии»  
Аудиторское заключение  
по бухгалтерской отчетности за 2011 год

Мы полагаем, что полученные в ходе аудита аудиторские доказательства дают достаточные основания для выражения мнения о достоверности бухгалтерской отчетности.

*Мнение*

По нашему мнению, прилагаемая к настоящему Аудиторскому заключению бухгалтерская отчетность Общества отражает достоверно во всех существенных отношениях его финансовое положение по состоянию на 31 декабря 2011 года, результаты его финансово-хозяйственной деятельности и движение денежных средств за 2011 год в соответствии с российскими правилами составления бухгалтерской отчетности.

*Важные обстоятельства*

Не изменяя мнения о достоверности бухгалтерской отчетности, мы обращаем внимание на информацию о реорганизации Общества в форме присоединения к нему ОАО «ОГК-6», проведенную 1 ноября 2011 года, приведенную в пункте 2 пояснительной записки.

Директор ЗАО «КПМГ»  
№24/10 от 1 октября 2010 года

1 марта 2012 года



Алтухов К.В.

## Audit report for the final financial statements of JSC "OGK-6" for 10 months of 2011



ОАО «Шестая генерирующая компания оптового рынка электроэнергии»  
Аудиторское заключение  
по заключительной бухгалтерской отчетности за январь - октябрь 2011 года

### Аудиторское заключение

Акционерам Открытого акционерного общества «Вторая генерирующая компания оптового рынка электроэнергии» - правопреемника Открытого акционерного общества «Шестая генерирующая компания оптового рынка электроэнергии»

Мы провели аудит прилагаемой к настоящему Аудиторскому заключению заключительной бухгалтерской отчетности Открытого акционерного общества «Шестая генерирующая компания оптового рынка электроэнергии» (далее – «Общество») за январь - октябрь 2011 года.

Заключительная бухгалтерская отчетность на 76 листах состоит из:

- бухгалтерского баланса по состоянию на 31 октября 2011 года;
- отчета о прибылях и убытках за январь - октябрь 2011 года;
- приложений к бухгалтерскому балансу и отчету о прибылях и убытках, в том числе:
  - отчета об изменениях капитала за январь - октябрь 2011 года;
  - отчета о движении денежных средств за январь - октябрь 2011 года;
  - пояснений к бухгалтерскому балансу и отчету о прибылях и убытках;
- пояснительной записки.

#### Ответственность Общества за бухгалтерскую отчетность

Руководство Общества несет ответственность за составление и достоверность данной заключительной бухгалтерской отчетности в соответствии с российскими правилами составления бухгалтерской отчетности и за систему внутреннего контроля, необходимую для составления заключительной бухгалтерской отчетности, не содержащей существенных искажений вследствие недобросовестных действий или ошибок.

#### Ответственность аудитора

Наша ответственность заключается в выражении мнения о достоверности заключительной бухгалтерской отчетности во всех существенных отношениях на основе проведенного нами аудита. Мы проводили аудит в соответствии с федеральными стандартами аудиторской деятельности. Данные стандарты требуют соблюдения применимых этических норм, а также планирования и проведения аудита таким образом, чтобы получить достаточную уверенность в том, что заключительная бухгалтерская отчетность не содержит существенных искажений.

Аудит включал проведение аудиторских процедур, направленных на получение аудиторских доказательств, подтверждающих числовые показатели в заключительной бухгалтерской отчетности и раскрытие в ней информации. Выбор аудиторских процедур является предметом нашего суждения, которое основывается на оценке риска существенных искажений, допущенных вследствие недобросовестных действий или ошибок. В процессе оценки данного риска нами рассмотрена система внутреннего контроля, обеспечивающая составление и достоверность заключительной бухгалтерской отчетности, с целью выбора соответствующих аудиторских процедур, но не с целью выражения мнения об эффективности внутреннего контроля.

Аудит также включал оценку надлежащего характера применяемой учетной политики и обоснованности оценочных показателей, полученных руководством Общества, а также оценку представления заключительной бухгалтерской отчетности в целом.

**Audit report for  
the final financial  
statements of JSC  
"OGK-6" for 10 months  
of 2011**



ОАО «Шестая генерирующая компания оптового рынка электроэнергии»  
Аудиторское заключение  
по заключительной бухгалтерской отчетности за январь - октябрь 2011 года

Мы полагаем, что полученные в ходе аудита аудиторские доказательства дают достаточные основания для выражения мнения о достоверности заключительной бухгалтерской отчетности.

*Мнение*

По нашему мнению, прилагаемая к настоящему Аудиторскому заключению заключительная бухгалтерская отчетность Общества отражает достоверно во всех существенных отношениях его финансовое положение по состоянию на 31 октября 2011 года, результаты его финансово-хозяйственной деятельности и движение денежных средств за январь - октябрь 2011 года в соответствии с российскими правилами составления бухгалтерской отчетности.

*Важные обстоятельства*

Не изменяя мнения о достоверности заключительной бухгалтерской отчетности, мы обращаем внимание на информацию о реорганизации Общества в форме присоединения к ОАО «ОГК-2», проведенную 1 ноября 2011 года, приведенную в пункте 1 пояснительной записки.

Директор ЗАО «КПМГ»  
(доверенность от 01.10.2010 года № 24/10)

22 февраля 2012 года



## 10.2. FINANCIAL STATEMENTS OF JSC “OGK-2” FOR 2011 AND THE FINAL FINANCIAL STATEMENTS OF JSC “OGK-6” FOR 10 MONTHS IN 2011 IN ACCORDANCE WITH RAS

### Balance sheet of JSC “OGK-2” for 2011

					Codes
		Form as per the All-Russian Classifier of Management Documentation			0710001
		Date (dd.mm.yyyy.)			31 12 2011
Company: Open Joint-Stock Company “The Second Wholesale Power Market Generating Company”		All-Russian Classifier of Businesses and Organizations			76851389
Taxpayer Identification Number		Taxpayer ID			2607018122
Type of activity: Generation of electricity using heating plants		All-Russian Classifier of Economic Activities			40.10.11
Organizational and legal form / form of ownership:					
Open Joint-Stock company / joint private and foreign ownership		All-Russian Classifier of Legal Forms / All-Russian Classifier of Forms of Ownership			47/34
Measurement unit: thousand rubles		All-Russian Classifier of Measurement Units			384
Location (address): Solnechnogorsk settlement, 356128, Izobilnensky District, Stavropol Territory, Russian Federation					

Notes	Index	Code	As of December 31, 2011	As of December 31, 2010	As of December 31, 2009
<b>ASSETS</b>					
<b>I. NON-CURRENT ASSETS</b>					
	Intangible assets, including:	1110	45,690	-	-
	intellectual property rights	1111	45,690	-	-
	Research and development results	1120	-	-	125
1.1	Fixed assets, including:	1130	68,035,514	13,393,962	10,860,280
	Articles of fixed assets, including:	1131	32,568,585	9,630,311	9,046,164
	land plots and natural resources sites	1132	64,407	19,401	18,033
	buildings, facilities, plant and equipment	1133	32,238,526	9,531,383	8,956,632
1.2	Capital investments in progress	1134	35,466,929	3,763,651	1,814,116
1.1	Interest-bearing investments in tangible assets	1140	9,595	6,425	6,494
2.1	Financial investments, including:	1150	1,653,641	555,548	2,548,508



Form as per the All-Russian Classifier of Management Documentation 0710001 p. 2

Notes	Index	Code	As of December 31, 2011	As of December 31, 2010	As of December 31, 2009
<b>АКТИВ</b>					
	investments in subsidiaries	1151	554,703	6,650	6,650
	investments in other companies	1153	87,280	74,128	51,334
	loans issued to companies for a period of more than 12 months	1154	13,016	-	-
	Deferred tax assets	1160	304,136	137,588	127,929
	Other non-current assets, including:	1170	16,560,619	15,159,879	18,590,571
	VAT on acquired assets	1172	11,512	8,828	8,886
	<b>Total for Section I</b>	<b>1100</b>	<b>86,609,195</b>	<b>29,253,402</b>	<b>32,133,907</b>
<b>II. CURRENT ASSETS</b>					
3.1	Reserves, including	1210	6,426,357	2,515,718	2,402,341
	raw materials, materials, and other similar assets	1211	6,348,326	2,514,502	2,402,341
	WIP costs	1213	2,447	-	-
	finished goods and goods for resale	1214	75,579	1,216	-
	shipped goods	1215	5	-	-
	VAT on acquired assets	1220	78,462	32,912	118,753
4.1	Accounts receivable, including:	1230	24,249,549	9,440,425	9,178,705
	Accounts receivable (payment expected over 12 months after the reporting date), including:	1231	56,496	15,943	200,761
	buyers and customers	1232	20,718	8,502	122,035
	other debtors	1234	35,778	7,441	78,726
	Accounts receivable (payment expected within 12 months after the reporting date), including:	1235	24,193,053	9,424,482	8,977,944
	buyers and customers	1236	6,567,072	2,045,129	3,382,396
	advances made	1238	11,917,362	7,306,591	5,234,836
	other debtors	1239	5,708,619	72,762	360,712
2.1	Financial investments (except for monetary equivalents), including:	1240	68,475	2,677,123	3,405,394
	loans issued for a period of less than 12 months	1241	3,368	2,899	15,376

Form as per the All-Russian Classifier of Management Documentation 0710001 p. 3

Notes	Index	Code	As of December 31, 2011	As of December 31, 2010	As of December 31, 2009
<b>ASSETS</b>					
<b>II. CURRENT ASSETS</b>					
	Cash and cash equivalents, including:	1250	337,851	3,023,447	1,540,660
	settlement accounts	1252	337,762	3,023,345	1,540,648
	currency accounts	1253	-	1	12
	other cash and cash equivalents	1259	89	101	-
	Other current assets	1260	6,235	22,450	47,113
	<b>Total for Section II</b>	<b>1200</b>	<b>31,166,929</b>	<b>17,712,075</b>	<b>16,692,966</b>
	<b>BALANCE</b>	<b>1600</b>	<b>117,776,124</b>	<b>46,965,477</b>	<b>48,826,873</b>
<b>LIABILITIES</b>					
<b>III. CAPITAL AND RESERVES</b>					
	Charter capital (share capital, authorized fund, partners' contributions)	1310	21,518,239	11,872,828	11,872,828
	Own shares acquired from shareholders	1320	(4,045,327)	(6,458)	-
	Reassessment of non-current assets	1340	210,505	210,742	215,159
	Capital surplus (without reassessment)	1350	55,632,598	24,569,868	24,569,868
	Reserve capital	1360	422,402	262,791	177,372
	Retained earnings (uncovered loss)	1370	1,963,359	1,144,209	(1,954,785)
	<b>Total for Section III</b>	<b>1300</b>	<b>75,701,776</b>	<b>38,053,980</b>	<b>34,880,442</b>
<b>IV. LONG-TERM LIABILITIES</b>					
	Loans and credits, including:	1410	26,553,808	5,000,000	-
	loans for which repayment is expected more than 12 months after the reporting date	1412	26,553,808	5,000,000	-
	Deferred tax liabilities	1420	1,744,339	420,030	476,752
	Estimated liabilities	1430	-	-	-
4.3	Other liabilities	1450	216,066	53,805	7,663
	<b>Total for Section IV</b>	<b>1400</b>	<b>28,514,213</b>	<b>5,473,835</b>	<b>484,415</b>

Form as per the All-Russian Classifier of Management Documentation 0710001 4.3

Notes	Index	Code	As of December 31, 2011	As of December 31, 2010	As of December 31, 2009
<b>LIABILITIES</b>					
<b>V. SHORT-TERM LIABILITIES</b>					
	Loans and credits, including:	1510	5,554,467	-	9,606,657
	credits from banks for which repayment is expected within 12 months after the re- porting date	1511	4,000,000	-	4,605,602
	loans for which repayment is expected within 12 months after the reporting date	1512	1,554,467	-	-
	current portion of long-term credits and loans	1513	-	-	5,001,055
4.3	Accounts payable, including:	1520	7,366,398	3,292,749	3,725,487
	suppliers and contractors	1521	5,961,951	2,557,095	2,622,575
	salaries payable	1522	277,029	129,884	125,104
	payables to state non-budgetary funds	1523	134,098	30,054	34,547
	taxes and duties payable	1524	344,850	321,646	631,930
	other creditors, including:	1525	644,744	254,070	311,331
	advances received	1527	32,244	42,782	13,754
	other payables	1528	612,500	211,288	297,577
	income payable to shareholders (founders)	1529	3,726	-	-
	Deferred income	1530	11,013	5,787	6,026
6	Estimated liabilities	1540	628,257	139,126	123,846
	<b>Total for Section V</b>	<b>1500</b>	<b>13,560,135</b>	<b>3,437,662</b>	<b>13,462,016</b>
	<b>BALANCE</b>	<b>1700</b>	<b>117,776,124</b>	<b>46,965,477</b>	<b>48,826,873</b>

## “OGK-2” profit and loss statement of for 2011

Company: Open Joint-Stock Company “The Second Wholesale Power Market Generating Company”

Taxpayer Identification Number

Type of activity: Generation of electricity using heating plants

Organizational and legal form / form of ownership:

Open Joint-Stock company / joint private and foreign ownership

Measurement unit: thousand rubles

Location (address): Solnechnogorsk settlement, 356128, Izobilnensky District, Stavropol Territory, Russian Federation

	Codes
Form as per the All-Russian Classifier of Management Documentation	0710002
Date (dd.mm.yyyy.)	31 12 2011
All-Russian Classifier of Businesses and Organizations	76851389
Taxpayer ID	2607018122
All-Russian Classifier of Economic Activities	40.10.11
All-Russian Classifier of Legal Forms / All-Russian Classifier of Forms of Ownership	47/34
All-Russian Classifier of Measurement Units	384

Notes	Index	Code	For the reporting period	For the same period of the previous year
	Revenue	2110	61,387,184	52,423,623
	from sale of electricity and capacity	2111	59,839,520	51,476,086
	others	2118	1,547,664	947,537
5	Cost of sales	2120	(55,213,029)	(45,831,991)
	sale of electricity and capacity	2121	(53,451,812)	(44,987,955)
	others	2128	(1,761,217)	(844,036)
	Gross profit (loss)	2100	6,174,155	6,591,632
5	General and administrative expenses	2220	(1,257,400)	(868,920)
	Sales profit (loss)	2200	4,916,755	5,722,712
	Income from participation in other companies	2310	354	-
	Interest receivable	2320	25,620	335,851
	Interest payable	2330	(770,968)	(534,968)
	Other income	2340	1,100,067	2,107,941

Form as per the All-Russian Classifier of Management Documentation 0710002 p. 2

Notes	Index	Code	For the reporting period	For the same period of the previous year
	Other expenses	2350	(3,367,746)	(3,367,711)
	Reorganization expenses	2360	(38,307)	-
	Profit (loss) before tax	2300	1,865,775	4,263,825
	Income tax, including:	2405	(39,451)	(1,150,192)
	current income tax	2410	(819,197)	(1,146,726)
	income tax from previous years	2411	779,746	(3,466)
	including: from line 2405			
	permanent tax liabilities (assets)	2421	354,365	231,046
	change to deferred tax liabilities	2430	(761,020)	56,722
	change in deferred tax assets	2450	72,951	9,659
	Others	2460	(154)	(18)
	Net profit (loss)	2400	1,138,101	3,179,996
<b>FOR REFERENCE:</b>				
	Total financial performance for the period	2500	1,138,101	3,179,996
	Basic earnings (losses) per share	2900	0.0313	0.0972

## Final financial statements of JSC "OGK-6" for 10 months in 2011

Company: Open Joint-Stock Company "The Sixth Wholesale Power Market Generating Company"

Taxpayer Identification Number

Type of activity: Generation of electricity using heating plants

Organizational and legal form / form of ownership:

Open Joint-Stock company / combined

Measurement unit: thousand rubles

Location (address): Bldg. 3, 101 Vernadskogo Prospect, Moscow 119526

	Codes
Form as per the All-Russian Classifier of Management Documentation	0710001
Date (dd.mm.yyyy.)	31 10 2011
All-Russian Classifier of Businesses and Organizations	76928058
Taxpayer ID	6164232756
All-Russian Classifier of Economic Activities	40.10.11
All-Russian Classifier of Legal Forms / All-Russian Classifier of Forms of Ownership	47/34
All-Russian Classifier of Measurement Units	384

Notes	Index	Code	As of October 30, 2011	As of December 31, 2010	As of December 31, 2009
<b>ASSETS</b>					
<b>I. NON-CURRENT ASSETS</b>					
1.1	Intangible assets, including:	1110	46,179	50,532	39,601
-	intellectual property	1111	8	9	-
-	goodwill rights	1112	-	-	-
-	others	1119	46,171	50,523	39,601
1.5	Research and development results	1120	-	-	-
-	Fixed assets, including:	1130	47,848,828	43,392,244	32,621,164
2.1	Articles of fixed assets, including:	1131	21,036,421	22,190,324	17,453,384
-	land plots and natural resources	1132	35,851	36,395	30,941
-	buildings, facilities, plant and sites	1133	20,827,787	21,962,842	17,228,536
2.2	Capital investments in progress equipment	1134	26,812,407	21,201,920	15,167,780
-	Interest-bearing investments in tangible	1140	3,282	-	-
3.1	Financial investments, including:	1150	605,396	654,467	102,035
-	investments in subsidiaries	1151	552,614	578,712	48,712

Form as per the All-Russian Classifier of Management Documentation 0710001 p. 2

Notes	Index	Code	As of October 30, 2011	As of December 31, 2010	As of December 31, 2009
<b>AKTIV</b>					
-	investments in other companies	1153	51,410	74,128	51,333
-	loans issued to companies for a period of more than 12 months	1154	-	-	-
-	Deferred tax assets	1160	93,597	110,189	136,885
-	Other non-current assets, including:	1170	1,054,766	1,919,630	1,626,481
-	expenses for the development of natural resources	1171	-	-	-
-	VAT on acquired assets	1172	3,790	49,448	49,289
<b>Total for Section I</b>		<b>1100</b>	<b>49,652,048</b>	<b>46,127,062</b>	<b>34,526,166</b>
<b>II. CURRENT ASSETS</b>					
4.1	Reserves, including:	1210	3,885,107	3,664,357	3,294,519
-	raw materials, materials and other similar assets	1211	3,880,251	3,660,878	3,291,091
-	WIP costs	1213	2,636	1,607	1,730
-	finished goods and goods for resale	1214	2,215	1,867	1,693
-	shipped goods	1215	5	5	5
-	VAT on acquired assets	1220	58,778	17,304	13,084
5.1	Accounts receivable, including:	1230	11,765,090	5,044,513	9,271,492
-	Accounts receivable (payment expected more than 12 months after the reporting date), including:	1231	496,059	393,103	113,607
-	buyers and customers	1232	467,843	364,130	77,323
-	advances made	1233	11,893	8,741	7,023
-	other debtors	1234	16,323	20,232	29,261
-	Accounts receivable (payment expected within 12 months after the reporting date), including:	1235	11,269,031	4,651,410	9,157,885
-	buyers and customers	1236	3,308,763	2,020,346	2,492,395
-	debt of shareholders (founders) for contributions to the charter capital	1237	-	-	-
-	advances made	1238	2,556,730	1,807,049	5,790,302
-	other debtors	1239	5,403,538	824,015	875,188

Form as per the All-Russian Classifier of Management Documentation 0710001 p. 3

Notes	Index	Code	As of October 30, 2011	As of December 31, 2010	As of December 31, 2009
<b>ASSETS</b>					
3.1	Financial investments (except for cash equivalents), including:	1240	-	24,714	417,553
-	loans issued for a period of less than 12 months	1241	-	-	-
-	Cash and cash equivalents, including:	1250	24,683	2,074,482	1,197,075
-	cash on hold	1251	42	61	111
-	settlement accounts	1252	11,142	543,926	48,210
-	currency accounts	1253	-	-	-
-	other cash and cash equivalents	1259	13,499	1,530,495	1,148,754
-	Other current assets, including:	1260	289,403	9,771	28,248
-	expenses for the development of natural resources	1261	-	-	-
-	<b>Total for Section II</b>	<b>1200</b>	<b>16,023,061</b>	<b>10,835,141</b>	<b>14,221,971</b>
-	<b>BALANCE</b>	<b>1600</b>	<b>65,675,109</b>	<b>56,962,203</b>	<b>48,748,137</b>
<b>LIABILITIES</b>					
<b>III. CAPITAL AND RESERVES</b>					
-	Charter capital (share capital, authorized fund, partners' contributions)	1310	15,497,760	15,497,760	15,497,760
-	Own shares acquired from shareholders	1320	-	-	-
-	Reassessment of non-current assets	1340	3,178,654	3,179,108	3,180,008
-	Capital surplus (without reassessment)	1350	18,989,847	18,989,847	18,989,847
-	Reserve capital	1360	613,951	471,929	331,274
-	Retained earnings (uncovered loss)	1370	2,427,929	3,003,548	302,861
-	State Social Fund	1380	-	-	-
-	<b>Total for Section III</b>	<b>1300</b>	<b>40,708,141</b>	<b>41,142,192</b>	<b>38,301,750</b>
<b>IV. LONG-TERM LIABILITIES</b>					
-	Loans and credits, including:	1410	16,765,000	10,132,550	4,926,005
-	credits from banks for which repayment is expected more than 12 months after the reporting date	1411	-	-	2,051,869



Form as per the All-Russian Classifier of Management Documentation 0710001 p. 4

Notes	Index	Code	As of October 30, 2011	As of December 31, 2010	As of December 31, 2009
-	loans for which repayment is expected more than 12 months after the reporting date	1412	16,765,000	10,132,550	2,874,136
-	Deferred tax liabilities	1420	563,323	377,054	123,135
<b>LIABILITIES</b>					
5.3	Other liabilities, including:	1450	81,528	536,402	769,259
-	notes payable	1451	-	-	-
-	investment payment debt	1452	-	-	-
-	<b>Total for Section IV</b>	<b>1400</b>	<b>17,409,851</b>	<b>11,046,006</b>	<b>5,818,399</b>
<b>V. SHORT-TERM LIABILITIES</b>					
-	Loans and credits, including:	1510	4,057,144	21,613	64,793
-	credits from banks for which repayment is expected within 12 months after the reporting date	1511	2,413,525	-	-
-	loans for which repayment is expected within 12 months after the reporting date	1512	1,535,898	-	-
-	current portion of long-term credits and loans	1513	107,721	21,613	64,793
5.3	Accounts payable, including:	1520	3,378,610	4,674,768	4,555,859
-	suppliers and contractors	1521	2,987,956	3,364,103	2,409,388
-	salaries payable	1522	149,254	103,433	117,826
-	payables to state non-budgetary funds	1523	38,506	22,539	15,342
-	taxes and duties payable	1524	53,975	653,227	503,903
-	other credits, including:	1525	147,028	530,339	1,502,289
-	notes payable	1526	-	-	-
-	advances received	1527	43,650	64,840	1,320,973
-	other payables	1528	103,378	465,499	181,316
-	income payable to shareholders (founders)	1529	1,891	1,127	7,111
-	Deferred income	1530	5,536	6,776	7,336
7.0	Estimated liabilities	1540	115,827	70,848	-
-	Other liabilities	1550	-	-	-
-	<b>Total for Section V</b>	<b>1500</b>	<b>7,557,117</b>	<b>4,774,005</b>	<b>4,627,988</b>
-	<b>BALANCE</b>	<b>1700</b>	<b>65,675,109</b>	<b>56,962,203</b>	<b>48,748,137</b>

## JSC "OGK-6" profit and loss statement for 10 months in 2011

Company: Open Joint-Stock Company "The Sixth Wholesale Power Market Generating Company"

Taxpayer Identification Number

Type of activity: Generation of electricity using heating plants

Organizational and legal form / form of ownership:

Open Joint-Stock company / combined

Measurement unit: thousand rubles

	Codes
Form as per the All-Russian Classifier of Management Documentation	0710002
Date (dd.mm.yyyy.)	31 10 2011
All-Russian Classifier of Businesses and Organizations	76928058
Taxpayer ID	6164232756
All-Russian Classifier of Economic Activities	40.10.11
All-Russian Classifier of Legal Forms / All-Russian Classifier of Forms of Ownership	47/41
All-Russian Classifier of Measurement Units	384

Notes	Index	Code	For the reporting period	For the same period of the previous year
-	Revenue	2110	43,389,363	40,839,384
-	Sales of electricity	2111	30,286,588	28,100,761
-	Sales of capacity	2112	10,605,146	10,475,750
-	Sales of heat	2113	1,903,580	1,835,499
-	Sales of other goods	2114	310,555	265,344
-	Leasing property	2115	143,389	130,258
-	Sales of other works and services	2116	140,105	31,772
-		2117	-	-
-	others	2118	-	-
6.0	Cost of sales	2120	(40,279,776)	(37,077,186)
-	Sales of electricity	2121	(28,536,070)	(26,667,888)
-	Sales of capacity	2122	(9,733,313)	(8,625,626)
-	Sales of heat	2123	(1,562,796)	(1,506,627)
-	Sales of other goods	2124	(249,109)	(120,016)
-	Leasing property	2125	(57,520)	(46,434)
-	Sales of other works and services	2126	(140,968)	(110,595)
-		2127	-	-
-	others	2128	-	-
-	Gross profit (loss)	2100	3,109,587	3,762,198
-	Selling and marketing costs	2210	(47,875)	(46,985)
-	General and administrative expenses	2220	(2,238,759)	(1,819,782)

Form as per the All-Russian Classifier of Management Documentation 0710002 p. 2

Notes	Index	Code	For the reporting period	For the same period of the previous year
-	Sales profit (loss)	2200	822,953	1,895,431
-	Income from participation in other companies	2310	1,912	-
-	Interest receivable	2320	18,518	84,504
-	Interest payable	2330	(765,774)	(302,631)
-	Other income	2340	323,365	862,779
-	Other expenses	2350	(1,340,684)	(614,580)
-	Reorganization expenses	2360	-	-
-	Profit (loss) before tax	2300	(939,710)	1,925,503
-	Income tax, including:	2405	964,643	(276,932)
-	current income tax	2410	(218,052)	(411,149)
-	income tax from previous years	2411	1,182,695	134,217
-	including: from line 2405			
-	permanent tax liabilities (assets)	2421	(591,492)	(45,265)
-	change to deferred tax liabilities	2430	(186,850)	(84,689)
-	change to deferred tax assets	2450	1,984	21,327
-	Other	2460	(133,200)	(44)
-	Net profit (loss)	2400	(293,133)	1,585,165
<b>FOR REFERENCE:</b>				
-	Result of reassessment of non-current assets that are not included in the net profit (loss) of the period	2510	-	-
-	Result of other transactions that are not included in the net profit (loss) of the period	2520	-	-
-	Total financial performance for the period	2500	(293,133)	1,585,165
-	Base earnings (losses) per share	2900	(0.009)	0.049
-	Diluted earnings (losses) per share	2910	-	-

JSC "OGK-2" and JSC "OGK-6" management obtained the above information from the full set of the financial statements of JSC "OGK-2" for 2011 and the final financial statements of JSC "OGK-6" for 10 months in 2011. The Annual Report does not include the above financial statements in full. Full copies of the financial statements of JSC "OGK-2" for 2011 and the final financial statements of JSC "OGK-6" for 10 months in 2011 according to Russian Accounting Standards are available in electronic form on the JSC "OGK-2" website ([www.ogk2.ru](http://www.ogk2.ru)) in the Shareholders and Investors Section.

## 10.3. AUDIT REPORT FOR THE 2011 CONSOLIDATED FINANCIAL STATEMENTS OF JSC “OGK-2” IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The text of the audit report by ZAO KPMG on the consolidated financial statements of JSC “OGK-2” for 2011, drawn up in accordance with the International Financial Reporting Standards, is presented below. The audit report is only applicable to the 2011 financial statements of JSC “OGK-2,” drawn up in accordance with the International Financial Reporting Standards. The indicated statements and auditing reports were drawn up in English and are not included in this Annual Report. The text of the audit report and consolidated financial statements of JSC “OGK-2” for 2011 in accordance with the IFRS can be found on the JSC “OGK-2” website ([www.ogk6.ru](http://www.ogk6.ru)) both in English and in a Russian translation in the Shareholders and Investors Section.

### Audit report for JSC “OGK-2”

We have audited the accompanying consolidated financial statements of JSC “OGK-2” (the “Company”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position as at 31 December 2011, the consolidated income statement and consolidated statements of comprehensive income, changes in equity, and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

#### Management’s Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors’ responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of

the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the accuracy of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a firm basis for our audit opinion.

## Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2011, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

*ZAO KPMG  
April 20, 2012*

## 10.4. CONSOLIDATED FINANCIAL STATEMENTS OF JSC “OGK-2” IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

Consolidated statement of financial standing as of December 31, 2011 (thousand rubles)

	Notes	As of December 31, 2011	As of December 31, 2010
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	6	106,497,335	92,102,951
assets	7	1,297,359	1,578,057
Other non-current assets	8	3,211,158	3,211,345
<b>Total non-current assets</b>		<b>111,005,852</b>	<b>96,892,353</b>
<b>Current assets</b>			
Cash assets and cash equivalents	9	359,116	5,362,378
Trade and other receivables	10	13,585,399	9,396,684
Inventories	11	6,158,002	5,932,819
Current income tax prepayments		894,405	34,794
Other current assets	12	-	34,201
<b>Total current assets</b>		<b>20,996,922</b>	<b>20,760,876</b>
<b>TOTAL ASSETS</b>		<b>132,002,774</b>	<b>117,653,229</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	13		
Ordinary shares		21,518,239	11,872,828
Treasury shares		(4,058,238)	(12,037)
Share premium		23,916,508	23,916,508
Retained earnings		41,378,820	51,121,762
<b>Total equity</b>		<b>82,755,329</b>	<b>86,899,061</b>

	Notes	As of December 31, 2011	As of December 31, 2010
<b>Non-current liabilities</b>			
Deferred income tax liabilities	14	5,953,188	4,908,984
Non-current debt	15	27,168,240	15,134,527
Retirement benefit obligations	20	1,682,222	1,530,399
Restoration provision	21	521,670	518,038
Other long-term liabilities	16	241,261	602,925
<b>Total non-current liabilities</b>		<b>35,566,581</b>	<b>22,694,873</b>
<b>Current liabilities</b>			
Current debt and current portion of non-current debt	17	5,601,708	10,290
Trade and other payables	18	7,431,510	6,958,994
Other taxes payable	19	597,478	583,660
Current income tax payable		-	457,611
Restoration provision	21	50,168	48,740
<b>Total current liabilities</b>		<b>13,680,864</b>	<b>8,059,295</b>
<b>Total liabilities</b>		<b>49,247,445</b>	<b>30,754,168</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>132,002,774</b>	<b>117,653,229</b>

### Consolidated income statement for the year ended December 31, 2011 (thousand rubles)

	Notes	Year ended December 31, 2011	Year ended December 31, 2010
<b>Profit for the year</b>		<b>291,156</b>	<b>4,670,190</b>
Net change in fair value of available-for-sale investments (net of income tax)	13	(48,781)	41,030
<b>Total comprehensive income for the year</b>		<b>242,375</b>	<b>4,711,220</b>
<b>Attributable to the shareholders of JSC "OGK-2"</b>		<b>242,375</b>	<b>4,711,220</b>

## Consolidated statement of cash flows for the year ended December 31, 2011 (thousand rubles)

	Notes	Year ended December 31, 2011	Year ended December 31, 2010
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before income tax		422 363	6 412 463
Adjustment to reconcile profit before income tax to net cash provided by operations:			
Depreciation of property, plant and equipment	6	3 610 463	3 116 202
Charge/(reversal) of property, plant and equipment Impairment	6	7 208	(4 615)
Amortization of intangible assets	7	72 075	68 551
Charge of provision for impairment of trade and other receivables	23	1 206 926	1 124 919
Reversal of provision for inventories obsolescence	23	(4 144)	(56 670)
Finance income	24	(138 849)	(548 969)
Finance costs	25	1 934 398	1 347 863
Increase in retirement benefit obligations	23	145 446	194 847
Employee share option plant		-	1 792
Loss on disposal of assets	23	516 520	30 846
Other non-cash items		26 848	42 733
<b>Operating cash flows before working capital changes and income tax paid</b>		<b>7 799 254</b>	<b>11 729 962</b>
<b>Working capital changes</b>			
(Increase) / decrease in trade and other receivables		(5 297 025)	3 307 505
Payments with respect to retirement benefit obligations		(188 268)	(66 263)
Increase in inventories		(294 203)	(458 984)
Decrease in other current assets		34 201	19 216
Increase in other non-current assets		-	(230 412)
Decrease in trade and other payables		(672 545)	(1 614 189)
Decrease in other non-current liabilities		(43 339)	(295 143)
Increase/(decrease) in taxes payable, other than income tax		267 989	(329 733)
Income tax paid in cash		(666 093)	(1 478 204)
<b>Net cash generated from operating activities</b>		<b>939 971</b>	<b>10 583 755</b>



	Notes	Year ended December 31, 2011	Year ended December 31, 2010
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(17,146,175)	(11,446,234)
Proceeds from sale of property, plant and equipment		23,551	56,457
Purchase of intangible assets		(119,099)	(17,868)
Increase in other non-current assets		(1,700)	-
Proceeds from deposits		-	2,792,450
Interest received		45,935	393,526
<b>Net cash used in investing activities</b>		<b>(17,197,488)</b>	<b>(8,221,669)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from short-term borrowings		25,529,822	19,900,000
Repayment of long-term borrowings		13,401,877	13,600,000
Repayment of short-term borrowings		(21,529,821)	(24,500,000)
Repayment of short-term borrowings (bonds)		-	(8,388,258)
Interest paid		(1,664,458)	(1,026,715)
Payments under finance lease		(105,250)	(38,468)
Finance lease advance		(14,300)	-
Expenses for issue of shares		(38,307)	-
Dividend paid by the Group to shareholders of OGK-2		(279,107)	-
Purchase of treasury shares	13	(4,046,201)	(6,458)
Refund of premium paid to secure settlement of share-based payments		-	709,688
<b>Net cash generated from financing activities</b>		<b>11,254,255</b>	<b>249,789</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(5,003,262)</b>	<b>2,611,875</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>9</b>	<b>5,362,378</b>	<b>2,750,503</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>9</b>	<b>359,116</b>	<b>5,362,378</b>

The information presented above was taken from the translation of the full set of JSC “OGK-2” consolidated financial statements for 2011, which were drawn up in accordance with the English language version of the International Financial Reporting Standards. The Annual Report does not include the above consolidated financial statements in full. The full version of the 2011 consolidated financial statements in accordance with the IFRS, as well as their Russian language translations, can be found in electronic format on the JSC “OGK-2” website ([www.ogk2.ru](http://www.ogk2.ru)) in the Shareholders and Investors section.



# More harmony,

more security, and more stability. Only by observing the  
universal balance will you find peace



# Appendices

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**Appendix 1.** Information on Observance of the Code of Corporate Conduct by JSC “OGK-2”

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**Appendix 2.** Information on Major Transactions and Related Party Transactions Concluded by JSC “OGK-2” in 2011

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**Appendix 3.** JSC “OGK-2” Primary Equipment Characteristics

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# 11. APPENDICES

## Appendix 1

### Information on Observance of the Code of Corporate Conduct by JSC "OGK-2" in 2011

No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4
<b>General Meeting of Shareholders</b>			
1.	Shareholders shall be notified of a Annual General Meeting of shareholders no less than 30 days before the meeting is due to be held, regardless of the issues on the agenda, unless legislation provides for a longer period.	Not observed	<p>In accordance with clause 17.12. of the Charter: " Notification of a General Meeting of shareholders shall be made no later than 20 (twenty) days prior to the date of the meeting, while the notification of the Annual General Meeting of shareholders or of the a General Meeting of shareholders, the agenda of which contains questions of Company reorganization, shall be made no later than 30 (thirty) days prior to the date of the meeting.</p> <p>A notification shall be sent (or delivered against receipt) to each person specified in the list of people with the right to participate in the General Meeting of shareholders, or shall be published in a publication accessible to all Company shareholders: in the Izvestiya and (or) Rossiskaya Gazeta newspapers.</p> <p>Furthermore, the notification shall be published on the Company's website."</p>
2.	Shareholders shall have access to the list of people who have the right to participate in the General Meeting of shareholders, starting from the day of the notification of a General Meeting of shareholders until the close of the General Shareholders' Meeting in praesentia, or, in the event of a General Meeting of shareholders in absentia, until the cut-off date for acceptance of voting ballots.	Observed	In accordance with clause 4, article 51 of the Federal Law On Joint-Stock Companies, the list of people who have the right to participate in the General Meeting of shareholders shall be presented by the Company for examination at the request of the people included on the list and holding no less than 1% of the votes.
3.	Shareholders shall have access to information (materials) subject to provision in preparation for a General Shareholders' Meeting by means of electronic communications, including via the Internet.	Observed	In accordance with clause 17.16. of the Charter: "... information (materials) shall be posted on the Company's website no later than 10 (ten) days prior to the date of the General Meeting of shareholders ..."
4.	Shareholders shall be entitled to introduce an issue to the agenda of a General Meeting of shareholders or to call a General Meeting of shareholders without provision of an extract from the shareholder registry if the record of the shareholder's rights is made in the shareholder registry management system, or, in the event that the shareholder's rights are recorded on a DEPO account, the DEPO account statement shall be sufficient to exercise the above-mentioned rights.	Observed	In accordance with clause 17.2. of the Charter: "The shareholder(s) holding in aggregate at least 2 (two) per cent of the voting shares of the Company may include items into the agenda of the Annual General Meeting of shareholders of the Company and to nominate candidates to the Board of Directors of the Company, the Audit Commission of the Company which number shall not exceed the numerical structure of the relevant body. Such proposals shall be submitted to the Company no later than 60 (sixty) days after the end of the fiscal year."

No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4
5.	A requirement for the obligatory presence of the General Director, members of the Management Board, members of the Board of Directors, members of the Audit Commission and the Joint-Stock Company Auditor at the General Meeting of shareholders shall be specified in the Charter or internal documents of the Joint-Stock Company.	Not observed	According to the second paragraph of clause 5.2.2. of the Code of Corporate Governance: "The Company, whenever possible, shall ensure the presence at the General Meeting of shareholders of members of the Board of Directors, executive bodies, the Audit Commission and the Company's Auditor and shall authorize them to answer shareholders' questions."
6.	Candidates shall be present at the General Meeting of shareholders in the event that issues regarding the election of members of the Board of Directors, the General Director, members of the Management Board and members of the Audit Commission, as well as the issue of appointing the Joint-Stock Company's Auditor are under consideration.	Not observed	The Company's Charter and internal documents do not contain any provisions stipulating their obligatory presence at the Annual General Meeting of shareholders.
7.	The procedure for registering participants in the General Shareholder's Meeting shall be specified in the Joint-Stock Company's internal documents.	Observed	<p>In accordance with Article 9, Clause 9.1. of the Regulations on the General Meeting of shareholders: "Registration for participation in the Company's General Meeting of shareholders shall be conducted for the individuals (or their representatives) included on the list of people with the right to participate in the General Meeting of shareholders with the exception of those people (or their representatives) whose ballots were received no later than two days before the date of the meeting. Individuals (or representatives) having the right to participate in a meeting, the bulletins for which were received no later than two days before the date of the meeting, shall be entitled to attend the meeting.</p> <p>If the Company or Company registrar, fulfilling the functions of a returning board, receives notification of the change (or recall) of a representative, an individual with a right to participate in the meeting (including a new representative acting on the basis of a proxy card), before the registration of an individual's representative who is entitled to participate in the meeting, then the representative must be registered in order to participate in the meeting.</p> <p>In the case of acquisition of shares that are transferred after the date on which that the list of individuals with a right to participate in a General Meeting of shareholders is drawn up, the individual must be registered to participate in the meeting if that individual is given a proxy card by an individual included in the list of individuals with a right to participate in the meeting."</p>
<b>Board of Directors</b>			
8.	The authority of the Board of Directors for annual approval of the financial and economic plan of the Joint-Stock Company shall be mentioned in the Joint-Stock Company's Charter.	Observed	In accordance with sub-clause 65, clause 20.1, Article 20 of the Charter, the Company's Board of Directors shall be competent to resolve the following matters: "Approval of business plans (adjusted business plans) including the program of re-equipment, reconstruction and development and the report on the results of their fulfillment, approval (adjustment) of the list and values of the Company's cash flow control indicators and consideration of the adjustments of the cash flow adjustments adopted by the Management Board of the Company"
9.	Procedure for risk management in the Joint-Stock Company shall be approved by the Board of Directors.	Partially observed	The Company has the Regulations On Credit Policy, approved by the Board of Directors on November 28, 2008 (Minutes No. 7 dd. December 31, 2008).

No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4
10.	The right of the Board of Directors to suspend the authority of the General Director appointed by the General Shareholders' Meeting shall be mentioned in the Joint-Stock Company's Charter.	Not applicable	In accordance with sub-clause 25, clause 20.1, article 20 of the Charter: "appointment (election) of the Company's General Director and early termination of his or her authority," shall be within the competence of the Board of Directors.
11.	The right of the Board of Directors to establish requirements for the qualifications and amount of bonuses of the General Director, members of the Management Board and managers of main structural subdivisions of the Joint-Stock Company shall be mentioned in the Joint-Stock Company's Charter.	Partially observed	In accordance with sub-clause 27 and sub-clause 32, clause 20.1, article 20 of the Charter: "Bringing the General Director of the Company and the members of the Management Board of the Company to disciplinary responsibility and their motivation in accordance with the labor laws of the Russian Federation" and "Agreement upon candidates for certain positions of the Executive Body of the Company to be determined by the Board of Directors of the Company," shall be within the competence of the Company's Board of Directors.
12.	The right of the Board of Directors to approve the terms and conditions of contracts with the General Director and members of the Management Board shall be mentioned in the Joint-Stock Company's Charter.	Not applicable	No right of the Board of Directors to approve the terms and conditions of contracts with the General Director and members of the Management Board is mentioned in the Company's Charter.
13.	A requirement shall be mentioned in the Charter or internal documents of the Joint-Stock Company that when approving terms and conditions of contracts with the General Director (managing company/manager) and members of the Management Board, the votes of members of the Board of Directors who are the General Director or members of the Board shall not be considered when counting the votes.	Not applicable	No right of the Board of Directors to approve the terms and conditions of contracts with the General Director and members of the Management Board is mentioned in the Company's Charter.
14.	No less than three independent directors meeting the requirements of the Code of Corporate Conduct shall be members of the Joint-Stock Company's Board of Directors.	Observed	<b>The independent directors are:</b> <ul style="list-style-type: none"> <li>– Anatoly Anatolyevich Gavrilenko</li> <li>– Irina Yuryevna Korobkina</li> <li>– Denis Viktorovich Kulikov</li> <li>– Oleg Nikolayevich Tarasov</li> <li>– Artur Mikhailovich Trinoga</li> <li>– Mikhail Leonidovich Khodursky</li> <li>– Pavel Olegovich Shatsky</li> <li>– Damir Akhatovich Shavaleyev</li> </ul>
15.	Persons who were found guilty of economic crimes or crimes against the state, interests of state service, or service in local government bodies, or to whom administrative penalties were applied for violations in the field of business, finance, taxes and duties and the securities market shall not be members of the Joint-Stock company's Board of Directors.	Observed	No such persons are present on the Board of Directors.
16.	Persons who are participants, the General Director (manager), members of a management body, or employees of a legal entity in competition with the Joint-Stock Company shall not be members of the Joint-Stock company's Board of Directors.	Not applicable	<p>As of December 31, 2011</p> <p>D.V. Fedorov, A.A. Gavrilenko and A.A. Mityushov are members of the Board of Directors of JSC TGK-1 and JSC Mosenergo;</p> <p>M.L. Khodursky is a member of the Board of Directors of JSC Mosenergo.</p>

No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4
17.	A requirement for election of the Board of Directors by cumulative vote shall be mentioned in the Joint-Stock Company's Charter.	Observed	<p>In accordance with article 15, clause 15.1. sub-clause 4 of the Charter: "Electing members of the Company's Board of Directors and early termination of their authority. A resolution on electing members of the Board of Directors shall be passed on the basis cumulative voting."</p> <p>Also, in accordance with article 18, clause 18.1. of the Charter: "Resolutions at the General Meeting of shareholders shall be conducted on the principle of "one Company voting share, one vote," with the exception of cumulative voting on the issue of electing members of the Company's Board of Directors. During cumulative voting, the number of votes for each shareholder shall be multiplied by the number of individuals which shall be elected to the Company's Board of Directors, and shareholders shall be entitled to use all the votes to which they are thus entitled either for one candidate or share them between two or more candidates. The candidates elected into the Company's Board of Directors shall be the candidates with the largest number of votes."</p>
18.	The obligation of the members of the Board of Directors not to take actions that will or may lead to a conflict between their interests and the interests of the Joint-Stock Company and, in the event of such a conflict, to disclose information concerning this conflict to the Board of Directors shall be mentioned in the Joint-Stock Company's internal documents.	Observed	<p>In accordance with clause 4.1.6. of the Code of Corporate Governance of the Company approved by the Resolution of the Board of Directors dd. September 26, 2006 (Minutes No.43/43 dd. October 2, 2006), "members of the Board of Directors shall not take actions which may lead to a conflict between their interests and the interests of the Joint-Stock Company. In the event of such a conflict, a member of the Board of Directors shall inform other members of the Board of this conflict and shall not vote on the relevant issues."</p>
19.	The obligation of the members of the Board of Directors to notify the Board of Directors in writing of any intention to execute trades with securities of the Joint-Stock Company of which they are members of the Board of Directors, or of its subsidiary (affiliated) companies as well as to disclose information regarding trades with such securities executed by them shall be mentioned in the Joint-Stock Company's internal documents.	Observed	<p>In accordance with clause 4.1. of the Regulations On the Company's Insider Information, approved by the Board of Directors on March 29, 2011 (Minutes No. 14 dd. March 30, 2011), "members of the Company's Board of Directors shall disclose information on holding the Company's securities to the Audit Committee under the Company's Board of Directors."</p> <p>In accordance with clause 4.2. of the Regulations On the Company's Insider Information, "no later than on the third day of the month following the accounting month, insiders shall provide the Subdivision responsible for supervising the use of insider information with a written declaration of trades executed with securities of the Company and/or its subsidiaries and affiliates in the accounting month."</p>
20.	A requirement for holding a meeting of the Board of Directors no less than once every six weeks shall be mentioned in the Joint-Stock Company's internal documents.	Not applicable	<p>In accordance with article 8, clause 8.2. of the Regulations On the Company's Board of Directors, approved by the Annual General Meeting of Shareholders on June 24, 2010 (Minutes No. 3 dd. June 25, 2010): "Meetings of the Board of Directors shall be conducted when necessary but no less frequently than once per quarter in accordance with the Plan of Operations approved by the Board of Directors."</p>
21.	Meetings of the Joint-Stock Company's Board of Directors throughout the year for which the Annual Report of the Joint-Stock Company is compiled shall be held no less than once every six weeks.	Observed	<p>Between January 1, 2011 and December 31, 2011, 26 meetings of the Company's Board of Directors were held. Meetings were held no less than once every six weeks.</p>
22.	A procedure for holding meetings of the Board of Directors shall be mentioned in the Joint-Stock Company's internal documents.	Observed	<p>The procedure for holding meetings of the Company's Board of Directors is specified by article 22 of the Charter, as well as by the Provision on the Board of Directors.</p>

No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4
23.	A provision shall be specified in the Joint-Stock Company's internal documents concerning the necessity for the Board of Directors' approval of transactions of the Joint-Stock Company if it involves a sum of 10 percent or more of the value of the Company's assets, with the exception of transactions concluded in the course of regular economic activity.	Observed	In accordance with article 20, clause 20.1, sub-clauses 49 and 50 of the Charter, the competency of the Company's Board of Directors includes "The preliminary approval of resolutions regarding conclusion of transactions, including several interrelated transactions, the subject of which is property, work and/or services with a value of more than 10 percent of the book value of the Company's assets as of the date recorded in the financial statement for the latest reporting date, with the exception of transactions concluded in the process of regular economic activity, transactions connected with offering ordinary Company shares by means of subscription (by sale) and transactions connected with offering equity securities convertible into ordinary Company shares."
24.	The right of members of the Board of Directors to obtain necessary information from executive bodies and managers of main structural subdivisions of the Joint-Stock Company so that they can perform their functions, as well as the liability for failure to provide such information, shall be specified in the Joint-Stock Company's internal documents.	Observed	<p>In accordance with clause 4.2.1. of the Regulations On the Board of Directors: "a member of the Board of Directors may familiarize him-/herself with statutory, registration, accounting, financial and other documents and materials of the Company (including full auditor's opinions, minutes of meetings of the Board of Directors, Board of Directors' Committees and the Board of the Company, as well as with other documents, stipulated by article 89 of the Federal Law On Joint-Stock Companies) required to address issues relating to the competence of the Board of Directors. He/she may also request any information about the Company's activities in the manner specified in the Regulations from the Company's officers."</p> <p>In accordance with clause 4.8. of the Regulations on the Board of Directors: "The Secretary of the Company's Board of Directors (Corporate Secretary), as well as other Company officials or employees, shall provide members of the Board of Directors with access to the requested documents and information indicated in clause 4.2.1. of the Regulations and will also provide copies of the necessary documents and materials upon request within 5 calendar days from the date that the request was received."</p>
25.	A Committee of the Board of Directors for Strategy and Business Planning shall be created or the functions of such a committee shall be delegated to a different committee (other than the Audit Committee and the Personnel and Remuneration committee).	Observed	<p>On November 28, 2006, the Board of Directors (Minutes No. 49/49 (dd. December 4, 2006) resolved to create the Committee of the Board of Directors for Strategy. By resolution of the Board of Directors dd. July 30, 2008 (Minutes No. 3 dd. July 30, 2008) the Committee was renamed the Committee for Strategy and Investments.</p> <p>By resolution of the Board of Directors (Minutes No. 23 dd. July 15, 2011) the following members of the Committee of the Board of Directors for Strategy and Investments were appointed:</p> <ul style="list-style-type: none"> <li>- Pavel Olegovich Shatsky - Chairman of the Committee;</li> <li>- Denis Nikolayevich Bashuk;</li> <li>- Natalia Vasilyevna Vaytulenis;</li> <li>- Maria Konstantinovna Zavrieva;</li> <li>- Dmitry Rufimovich Kiselev;</li> <li>- Irina Yuryevna Korobkina;</li> <li>- Roman Viktorovich Litvinov;</li> <li>- Alexander Vladimirovich Rogov;</li> <li>- Lyudmila Anatolyevna Sergeeva;</li> <li>- Nikita Yuryevich Osin;</li> <li>- Alexander Viktorovich Shevchuk</li> </ul>



No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4
26.	A Committee of the Board of Directors (the Audit Committee) which recommends the Joint-Stock Company's Auditor to the Board of Directors and cooperates with the latter and the Joint-Stock Company's Audit commission shall be created.	Observed	<p>On November 28, 2006, the Board of Directors (Minutes No. 49/49 dd. December 4, 2006) the Board of Directors resolved to create an Audit Committee of the Board of Directors.</p> <p>The following members of the Audit Committee of the Board of Directors were appointed by a resolution of the Board of Directors (Minutes No. 23 dd. July 15, 2010):</p> <ul style="list-style-type: none"> <li>- Igor Anatolyevich Golenishchev - Chairman of the Committee;</li> <li>- Anatoly Anatolyevich Gavrilenko;</li> <li>- Irina Yuryevna Korobkina</li> </ul>
27.	Only independent and non-executive Directors shall be members of the Audit Committee.	Observed	All members of the Audit Committee of the Board of Directors are independent Directors.
28.	The Audit Committee shall be managed by an independent Director.	Observed	The chair of the Audit Committee of the Board of Directors is an independent Director.
29.	All members of the Audit Committee shall have access to any documents and information concerning the Joint-Stock Company on the condition that they do not disclose any confidential information specified in the Joint-Stock Company's internal documents.	Observed	<p>Regulations on the Audit Committee of the Board of Directors were approved on November 28, 2007 (Minutes No. 49 dd. December 4, 2006).</p> <p>In accordance with sub-clause 2, clause 4.1. of the Regulations On the Board of Directors' Audit Committee, the Committee shall be entitled "to request and receive information and documents necessary for conducting its activity from the officials of the Company and may request information from third-party organizations through the Chairman of the Board of Directors or the Company's General Director."</p> <p>In accordance with clause 4, sub-clause 5.1. of the Regulations On the Board of Directors' Audit Committee, the Committee shall observe confidentiality requirements.</p>
30.	A Committee of the Board of Directors (the Personnel and Remuneration Committee), the function of which is to determine criteria for the selection of candidates to become members of the Board of Directors and development of the Joint-Stock Company's policy in the area of remuneration, shall be created.	Observed	<p>The Personnel and Remuneration Committee of the Board of Directors was created by resolution of the Board of Directors on August 6, 2007 (Minutes No. 79/79 dd. August 8, 2007).</p> <p>The Regulations on the Board of Directors' Personnel and Remuneration Committee were approved by Resolution of the Board of Directors (Minutes No. 79/79 ff. August 8, 2007).</p> <p>The Board of Directors' Personnel and Remuneration Committee was formed by resolution of the Board of Directors (Minutes No. 23 dd. July 12, 2011). The Board of Directors' Personnel and Remuneration Committee includes:</p> <ul style="list-style-type: none"> <li>- Mikhail Leonidovich Khodursky - the Chairman of the Committee;</li> <li>- Irina Yuryevna Korobkina;</li> <li>- Denis Viktorovich Kulikov;</li> <li>- Mikhail Leonidovich Khodursky;</li> <li>- Pavel Olegovich Shatsky</li> </ul>
31.	The personnel and Remuneration Committee shall be managed by an independent Director.	Observed	The Chairman of the Personnel and Remuneration Committee is the independent director Mikhail Leonidovich Khodursky.
32.	None of the Joint-Stock Company's officials shall be members of the Personnel and Remuneration Committee.	Observed	None of the Company's officials are members of the Personnel and Remuneration Committee.

No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4
33.	A Risk Committee of the Board of Directors shall be created or the functions of such a Committee shall be delegated to a different committee (other than the Audit Committee and the Personnel and Remuneration Committee).	Not observed	No Risk Committee of the Board of Directors exists at the Company.
34.	A Corporate Conflict Settlement Committee of the Board of Directors shall be created or the functions of such a committee shall be delegated to a different committee (other than the Audit Committee and the Personnel and Remuneration Committee).	Not observed	No Corporate Conflict Settlement Committee of the Board of Directors exists at the Company.
35.	No Joint-Stock Company's officials shall be members of the Corporate Conflict Settlement Committee.	Not applicable	No Corporate Conflict Settlement Committee of the Board of Directors exists at the Company.
36.	The Corporate Conflict Settlement Committee shall be managed by an independent Director.	Not applicable	No Corporate Conflict Settlement Committee of the Board of Directors exists at the Company.
37.	The Joint-Stock Company's internal documents stipulating the procedure for the formation and operation of committees of the Board of Directors shall be approved by the Board of Directors.	Observed	<p>By resolution of the Board of Directors dd. November 39, 2005 (Minutes No. 15/15 dd. December 5, 2005), the Board of Directors approved the Regulations on the Reliability Committee.</p> <p>On November 28, 2006 (Minutes No. 49/49 dd. December 4, 2006), the Board of Directors resolved to approve the Regulations on the Audit Committee.</p> <p>On February 18, 2011 (Minutes No. 12 dd. February 21, 2011), the Board of Directors resolved to approve the new edition of the Regulations on the Committee for Strategy and Business Planning.</p> <p>On August 6, 2007 (Minutes No. 79/79 dd. August 8, 2007), the Board of Directors resolved to approve the Regulations on the Personnel and Remuneration Committee.</p> <p>On November 28, 2006 (Minutes No. 49/49 dd. December 4, 2006), the Board of Directors resolved to approve the Regulations on the Evaluation Committee.</p>
38.	A procedure for establishing a quorum of the Board of Directors ensuring the obligatory participation of independent directors in meetings of the Board of Directors shall be specified in the Joint-Stock Company's Charter.	Observed	<p>In accordance with clause 22.8, article 22 of the Charter: "the meeting of the Board of Directors that is held in the form of a meeting in praesentia shall be competent if at least half of the number of the elected members of the Board of Directors are present.</p> <p>A meeting of the Board of Directors that is held in the form of a meeting in absentia shall be competent if at least half of the number of the elected members of the Board of Directors are present. The Board of Directors' members, whose ballots were received by the Board of Directors not later than on the date for submitting a filled out ballot, which date is indicated in the notification and on the ballot, shall be deemed as the members who took part in the meeting in absentia."</p> <p>In accordance with clause 22.9, article 22 of the Charter: "If the number of members of the Company's Board of Directors becomes less than the number of the quorum, then the Company's Board of Directors is obliged to decide on the execution of an Extraordinary General Meeting of shareholders for the election of a new structure of the Company's Board of Directors. The remaining members of the Board of Directors may take decisions only on convening this Extraordinary General Meeting of Shareholders."</p>

No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4

#### Executive Bodies

39.	A collective executive body (the Management Board) of the Joint-Stock Company shall be established.	Observed	The JSC "OGK-2" Management Board was formed in accordance with the Company's Charter. In accordance with the resolution of the Board of Directors dd November 22, 2011 (Minutes No. 32 dd, November 25, 2011), the Management Board has 10 members.
40.	A provision concerning mandatory approval by the Management Board of transactions involving real estate and obtaining credits by the Joint-Stock Company, if such transactions are not major transactions and their conclusion does not pertain to the regular economic activities of the Joint-Stock Company, shall be specified in the Charter or internal documents of the Joint-Stock Company.	Observed	<p>In accordance with sub-clause 7, article 27, clause 27.4 of the Charter, the Management Board shall take decisions regarding whether or not the Company should enter into transactions (including several related transactions) relating to property, works and/or services which cost (money value) more than five percent of the balance value of the Company's assets determined in accordance with its financial statements as of the latest reporting date except for the transactions for which the Board of Directors of the Company is deemed competent to decide in accordance with this Charter."</p> <p>In accordance with sub-clause 9, article 27, clause 27.4 of the Charter, the Management Board shall "approve transactions involving real estate if the value of the transaction defined in accordance with the report of an independent appraiser is more than 30 million rubles and the conclusion of such transactions does not pertain to the regular economic activities of the Company, or provisionally consider such transactions if the issue of their conclusion is within the competence of the General Meeting of shareholders or the Company's Board of Directors."</p>
41.	A procedure for the agreement of operations that are not included in the financial and economic plan of the Joint-Stock Company shall be specified in the Joint-Stock Company's internal documents.	Partially observed	In accordance with sub-clause 65, article 20, clause 20.1 of the Charter, the Board of Directors shall be competent to "approve business plans (adjusted business plans) including the program of re-equipment, reconstruction and development, and the report on the results of their fulfillment; approve (adjust) the list and values of the Company's cash flow control indicators and consider the adjustments of the cash flow adjustments adopted by the Management Board of the Company."
42.	Persons who are participants, the General Director (manager), members of a management body, or employees of a legal entity in competition with the Joint-Stock Company shall not be members of the Joint-Stock Company's executive bodies.	Not observed	A.A. Mityushov is a member of the Board of Directors of JSC TGK-1 and JSC Mosenergo.

No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4
43.	Persons who have been found guilty of economic crimes or crimes against the state, interests of state service and service in local government bodies or to whom administrative penalties were applied for violations in the field of business, finance, taxes and duties and the securities market shall not be members of the Joint-Stock Company's executive bodies. If the functions of the sole executive body are performed by a managing company or a manager, the General Director and members of the Board of the management organization or the manager shall meet the requirements of the General Director and members of the Board of the Joint-Stock Company.	Observed	No such persons are part of executive bodies.
44.	A prohibition on the management organization (manager) from performing similar functions in a rival company as well as from having any other property relations with the Joint-Stock Company, other than rendering services of a management organization (manager), shall be present in the Joint-Stock Company's Charter or internal documents.	Not observed	
45.	The obligation of executive bodies not to take actions that will or may lead to a conflict between their interests and the interests of the Joint-Stock Company and, in the event of such a conflict, to disclose information concerning this conflict to the Board of Directors shall be mentioned in the Joint-Stock Company's internal documents.	Observed	In accordance with clause 4.2.6. of the Code of Corporate Governance of the Company approved by the Resolution of the Board of Directors dd. September 26, 2006 (Minutes No.43/43 dd. October 2, 2006): "the General Director and members of the Management Board shall act in good faith and with due diligence in the interests of the Company and all its shareholders. The General Director and members of the Management Board shall not take actions which may lead to conflicts between their interests and the interests of the Joint-Stock Company. In the event of such a conflict the General Director and members of the Management Board shall inform the Board of Directors of the above and shall not discuss these issues or vote on them."
46.	Criteria for selecting a management organization (manager) shall be present in the Joint-Stock Company's Charter or internal documents.	Not observed	
47.	The Joint-Stock Company's executive bodies shall submit monthly reports on their work to the Board of Directors.	Partially observed	In accordance with clause 6.2, article 6 of the Regulations on the General Director: "The General Director submits reports to the Board of Directors from time to time on the implementation of investment and other programs and plans of the Company, resolutions of the Company's General Meeting of Shareholders and on other results of the Company's activities."

No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4
48.	Contracts concluded by the Joint-Stock Company with the General Director/ managing organization/manager and members of the Management Board shall include liability for the violation of provisions concerning the use of confidential and classified information.	Observed	<p>In accordance with clause 4.11 of the Regulations on the Management Board: "members of the Management Board shall be liable to the Company for losses incurred by the Company due to their faulty actions (inaction), unless other grounds for and the volume of liability are not stipulated by the federal laws."</p> <p>According to clause 5.2 of the Regulations on the General Director: "The General Director shall be liable" to the Company for losses incurred by the Company due to his/ her faulty actions (inaction), unless other grounds for, and the volume of, liability are not stipulated by the applicable laws."</p>

#### The Company's Secretary

49.	The Joint-Stock Company shall have a specific official (the Company's Secretary) whose task is to ensure the Joint-Stock Company's bodies and officials observe procedural requirements which ensure that the rights and legal interests of the Joint-Stock Company's shareholders are exercised.	Not observed	
50.	A procedure for the appointment (election) of the Company's Secretary and the obligations of the Company's Secretary shall be specified in the Joint-Stock Company's Charter or internal documents.	Observed	Article 24 of the Charter contains the procedure for the appointment and obligations of the Company's Corporate Secretary.
51.	The Joint-Stock Company's Charter shall include requirements for candidates for the Company's Secretary.	Not observed	No such requirements are specified by the Charter.

#### Significant Corporate Actions

52.	The Joint-Stock Company's Charter or internal documents shall contain a requirement for approval of major transactions prior to the conclusion thereof.	Partially observed	<p>According to clause 49, article 20 of the Charter, the Board of Directors shall be competent to "provisionally approve the transactions (including several interrelated transactions) concerning the property, works and/or services which cost (money value) more than 10 percent of the balance value of the Company's assets determined in accordance with its financial statements as of the latest reporting date except for those transactions carried out in the course of ordinary business activity of the Company, or transactions related to offering ordinary shares of the Company by subscription (sale) and transactions related to offering the Company's equity securities convertible into ordinary shares of the Company."</p> <p>According to clause 50, article 20 of the Charter, the Board of Directors shall be competent to "make decisions concerning the approval of transactions (before they are effected) relating to the non-current assets of the Company which amount to more than 10 percent of the balance sheet value of the Company's assets as of the date of adoption of the resolution on making such a transaction."</p>
53.	An independent appraiser shall be employed to appraise the market value of property constituting the subject of a major transaction.	Not observed	

No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4
54.	The Joint-Stock Company's Charter shall prohibit, upon purchasing major share blocks of the Joint-Stock Company (acquisition), any actions aimed at protecting the interests of executive bodies (members of such bodies) and members of the Joint-Stock Company's Board of Directors, as well as actions that would worsen the situation of shareholders in comparison with the existing situation (in particular, resolutions by the Board of Directors before the end of the proposed term for purchase of shares to issue additional shares, securities converted to shares, or options to purchase company shares shall be prohibited, even if the right to pass such resolutions is provided to the same by the Charter).	Not observed	
55.	The Joint-Stock Company's Charter shall provide for the obligatory employment of an independent appraiser to appraise the current market value of shares and possible changes to their market value due to acquisition.	Not observed	
56.	The Joint-Stock Company's Charter shall not exempt the purchaser from the liability to offer shareholders the option to sell ordinary company shares (equity securities converted to ordinary shares) that they own upon acquisition.	Observed	
57.	The Joint-Stock Company's Charter or internal documents shall provide for the obligatory employment of an independent appraiser to determine the share conversion ratio upon re-organization.	Not observed	
<b>Information Disclosure</b>			
58.	An internal document specifying the Joint-Stock Company's rules and approach to disclosure of information (Regulations On Information Policy) shall be approved by the Board of Directors.	Observed	The Regulations on Information Policy of The Second Wholesale Power Market Generating Company Open Joint-Stock Company (approved by the Resolution of the Company's Board of Directors dd. September 7, 2009, (Minutes No. 3 dd. September 10, 2009).
59.	The Joint-Stock Company's internal documents shall provide for the disclosure of information on the purposes of offering shares and on persons intending to purchase offered shares, including major share blocks, as well as whether or not senior managers of the Joint-Stock Company will participate in purchasing the Company's offered stock.	Not observed	
60.	The Joint-Stock Company's internal documents shall contain a list of information, documents and materials that must be provided to shareholders to solve the issues presented to General Meeting of shareholders.	Observed	Clause 5.6 of article 5 of the Regulations On the General Meeting of Shareholders specifies "information (materials) to be submitted to the persons who are entitled to participate in General Meetings of Shareholders, when preparing for holding a General Meeting of Shareholders."

No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4
61.	The Joint-Stock Company shall have a website and regularly disclose information concerning the Joint-Stock Company thereon.	Observed	The corporate website www.ogk2.ru is in operation.  In accordance with clause 6.4. of the Regulations On the Information Policy, the Company shall publish information on its activities on the corporate website.
62.	The Joint-Stock Company's internal documents shall provide for the disclosure of information concerning transactions of the Joint-Stock Company with people who are senior managers of the Joint-Stock Company in accordance with the Charter, as well as concerning the Joint-Stock Company's transactions with organizations in which the Joint-Stock Company's senior managers directly or indirectly own 20 percent or more of the share capital of the Joint-Stock Company or which such persons may otherwise influence significantly.	Partially observed	In accordance with clause 7, appendix 2 to the Regulations of JSC "OGK-2" On Disclosing Information in Accordance with Statutory Requirements of the Russian Federation" (approved by Order of the General Director No. 545 dd. October 31, 2011), the Company publishes information on significant events on Interfax newsfeed and information on transactions between members of management bodies and the Company on the Company's website.
63.	The Joint-Stock Company's internal documents shall provide for disclosure of information concerning all transactions that may have an influence on the market value of the Joint-Stock Company's shares.	Observed	Clause 5.1. of the Regulations On Information Policy (disclosure of information in the securities prospectus, quarterly report, and in the form of statements of material facts).
64.	An internal document on the use of important information concerning the Joint-Stock Company's activities, the Company's shares and other securities and the Company's transactions using the above that is not publicly available and the disclosure of which could have a significant influence on the market value of the Joint-Stock Company's shares and other securities shall be approved by the Board of Directors.	Observed	The Regulations on Insider Information of The Second Wholesale Power Market Generating Company Open Joint-Stock Company (as approved by the Resolution of the Company's Board of Directors dd. March 29, 2011, Minutes No. 14 dd. March 30, 2011).  A new edition of the Regulations on Insider Information was approved by the Board of Directors on December 16, 2011 (Minutes No. 35 dd. December 19, 2011).
<b>Control of Financial and Economic Activity</b>			
65.	Internal control procedures for the financial and economic activities of the Joint-Stock Company shall be approved by the Board of Directors.	Not applicable	In accordance with the resolution of the Board of Directors dd. September 10, 2010 (Minutes No. dd. September 13, 2010) the obligation of ensuring internal control over the financial and economic activity of the Company has been transferred to LLC Gazprom Energy Holding.
66.	A special subdivision of the Joint-Stock Company shall be responsible for the observance of internal control procedures (Control and Auditing Service).	Observed	In accordance with the resolution of the Board of Directors dd. September 10, 2010 (Minutes No. dd. September 13, 2010) the obligation of ensuring internal control of the financial and economic activity of the Company has been transferred to LLC Gazprom energyholding.
67.	The Joint-Stock Company's internal documents shall specify that the structure and members of the Joint-Stock Company's Control and Auditing Service are to be determined by the Board of Directors.	Not applicable	

No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4
68.	Persons who have been found guilty of economic crimes or crimes against the state, interests of state service, or service in local government bodies, or to whom administrative penalties were applied for violations in the field of business, finance, taxes and duties and the securities market shall not be members of the Control and Auditing Service.	Not applicable	
69.	Any persons who are members of executive bodies of the Joint-Stock Company, or participants, the General Director (manager), members of a management body, or employees of a legal entity in competition with the Joint-Stock Company shall not be members of the Joint-Stock Company's Control and Auditing Service.	Not applicable	
70.	The Joint-Stock Company's internal documents shall specify the date for submitting documents and materials for appraisal of the financial and economic operations conducted to the Control and Auditing Service, as well as the liability of the Joint-Stock Company's officials and workers for their failure to submit the aforementioned documents and materials by the specified date.	Not applicable	
71.	The Joint-Stock Company's internal documents shall specify the obligation of the Control and Auditing Service to notify the Audit Committee or, in its absence, the Joint-Stock Company's Board of Directors of any violations	Not applicable	
72.	The Joint-Stock Company's Charter shall provide for the preliminary appraisal of the feasibility of operations not included in the financial and economic plan of the Joint-Stock Company (non-standard operations) by the Control and Auditing Service.	Not observed	
73.	The Joint-Stock Company's internal documents shall specify a procedure of agreement for non-standard operations with the Board of Directors.	Observed	In accordance with article 20, clause 20.1. of the Charter, approval of the following non-standard transactions is within the competence of the Board of Directors: – property evaluation, determining the price of offering and redeeming equity securities in those cases stipulated by the law of the Russian Federation as well as when resolving issues indicated in sub-clauses 44, 49–51, and 54 of clause 20.1., article 20 of the Charter; – offering bonds and other equity securities by the company with the exception of cases established by the Federal Law On Joint-Stock Companies and this Charter; – approving resolutions on the issue of securities, securities prospectus, a report on securities issue totals, reports on the results of acquiring shares from Company shareholders, reports on the results of share redemption, reports on the results of claims made by shareholders on redemption of their shares and reports on the results of redemption of Company shareholders' shares;



No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4

– acquiring shares, bonds and other securities offered by the Company in cases stipulated by the Federal Law On Joint-Stock Companies, with the exception of a case stipulated in clause 1, article 72 of the Federal Law On Joint-Stock Companies;

– passing resolutions on the disposal (sale) of Company shares transferred to the ownership of the Company as a result of their acquisition or redemption from Company shareholders as well as in other cases stipulated by the Federal Law On Joint-Stock Companies;

– passing resolutions on the Company's participation in other organizations (on joining an existing organization or incorporating a new organization, including the agreement of constituent documents), as well as on acquisition, disposal, transfer to asset management, transfer by pledge, any other encumbrances of shares and shares in charter capital of organizations in which the Company is participating, changing the share of participation in the Charter capital of such an organization, and terminating the company's participation in other organizations);

– passing resolutions on the contributions paid by the Company to the property of other organizations in accordance with the approved Company procedure for the conclusion of transactions;

– passing resolutions that approve related party transactions, in the relevant cases and in accordance with the procedure as stipulated by the law of the Russian Federation;

– passing resolutions that approve major transactions in the relevant cases and in accordance with the procedure as stipulated by the law of the Russian Federation;

– passing resolutions that approve transactions (prior to their conclusion) concerning the non-current assets of the Company amounting to more than 10 percent of the balance sheet value of the Company's assets as of the date of adoption of the resolution on making such a transaction;

– passing resolutions that approve transactions (prior to their conclusion), including several interrelated transactions, the subject of which is the disposal of real estate (except for land plots), property comprising fixed assets, intangible assets, construction in progress, other non-current assets not used for generation, transfer, manual supervision and/or distribution of electric power and/or heat energy (included in the register of non-specialized assets), if the value of such property as determined by an independent appraiser exceeds 5 million rubles;

– approval of the register of real estate (excluding land plots) and property that is a fixed asset, intangible asset, object of unfinished construction or other non-current asset, the purpose of which is not generation, transfer, manual supervision and/or distribution of electric power and/or heat energy (the register of non-specialized assets);

– preliminary approval of transactions (prior to their completion), including several interrelated transactions, the subject of which is Company real estate (excluding land plots) and Company property constituting fixed assets, intangible assets and properties under construction, the purpose of which is generation, supply and/or distribution of electric power and/or heat and operational and technical (dispatch) services in the electric power industry;

No.	Code of Corporate Conduct Provision	Observed or Not Observed	Notes
1	2	3	4
			<p>– passing resolutions which approve transactions (prior to their conclusion), including several interrelated transactions, the subject of which is extension or deferral of fulfillment of the Company's civil liabilities which are overdue for more than 3 months; or signing an agreement on compensation or revival of such liabilities, cessation of rights (claims) or transfer of debt under such liabilities. The aforementioned transactions shall be subject to approval in the event that the volume of liabilities (debts) is more than 10 percent of the book value of the Company's assets as of the date recorded in the financial statement for the latest reporting date;</p> <p>– passing resolutions on the approval of the following transactions (before their completion) in the cases (amounts) specified by individual resolutions of the Company's Board of Directors:</p> <p>a) transactions related to uncompensated transfer of the Company's property rights (claims) to itself or a third party;</p> <p>b) transactions related to exemption from property liability to itself or a third party;</p> <p>c) transactions related to uncompensated provision of services (performance of works) by the Company to third parties.</p>
74.	An internal document specifying the procedure for conducting an audit of the Joint-Stock Company's financial and economic activities by the Audit Commission shall be approved by the Board of Directors.	Observed	The Regulations On the Audit Commission approved by the Annual General Meeting of Shareholders on June 24, 2010 (Minutes No. 3 dd. June 25, 2010) are in effect at the Company.
75.	The Audit Committee shall appraise the audit report prior to submission thereof to Shareholders at the General Meeting of shareholders.	Observed	In accordance with clause 3.1. of the Regulations on the Audit Committee of the Board of Directors approved by the Resolution of the Board of Directors dd. November 28, 2006 (Minutes No. 49/49 dd. December 4, 2006), evaluation of reports of the Company's Auditor shall be within the competence of the Audit Committee of the Board of Directors.
<b>Dividends</b>			
76.	An internal document to which the Board of Directors conforms when making recommendations on the amount of dividends (Regulations On Dividend Policy) shall be approved by the Board of Directors.	Observed	On December 24, 2010, the Regulations on Dividend Policy were approved by resolution of the Board of Directors (Minutes No. 10 dd. December 27, 2010) with changes approved by the Board of Directors on May 20, 2011 (Minutes No. 20 dd. May 20, 2011).
77.	A procedure for determining the minimum share of net profit of the Joint-Stock Company to be allocated for the payment of dividends and the conditions under which these dividends are not paid or not completely paid on preference shares, the amount of dividends for which is specified in the Joint-Stock Company's charter, shall be provided for in the Regulations on Dividend policy.	Observed	<p>In accordance with the Regulations on Dividend Policy (clause 4.2.), passed by the Board of Directors on December 24, 2010 (Minutes No. 10 dd. December 27, 2010), there are fixed maximum and minimum amounts of net profits that may be directed towards the payment of dividends.</p> <p>The Company has not issued any preference shares.</p>
78.	Information on the Joint-Stock Company's dividend policy and amendments thereto shall be published in a periodical provided for by the Joint-Stock Company's Charter for publishing notices of General Shareholders' Meetings and on the Joint-Stock Company's website.	Partially observed	In accordance with the Regulations On Information Policy, information on the Company's dividend policy and amendments thereto are disclosed in the Securities Prospectus (clause 5.1.), on the company website ( <a href="http://www.ogk2.ru/rus/si/dividends/">http://www.ogk2.ru/rus/si/dividends/</a> ) and in the Annual Report.

## Appendix 2

## Information on Major Transactions and Related Party Transactions Concluded by JSC "OGK-2" in 2011

### 1. Major Transactions of JSC "OGK-2"

No.	Transaction	Names of the parties	Related parties	Value	Approved by
1.	Interconnected transactions relating to making changes to the principle conditions of general contract No. 2-07кс dd. December 27, 2007, concluded between JSC "OGK-2" and JSC Group E4 on behalf of Consortium belonging to JSC Group E4, CJSC E4-SibKOTES, JSC E4-Tsentren-ergomontazh and CJSC Novosibirskener-gospetsremont.	JSC "OGK-2" (Customer); JSC Group E4 (General Contractor)		17,834,277,534.25 rubles, including 18% VAT 2,720,483,013.70 rubles	Board of Directors dd. April 7, 2011, Minutes No. 15

### JSC "OGK-6"

No.	Transaction	Names of the parties	Related parties	Value	Approved by
1.	Loan Agreement. (Deciding on the issue which refers to the competence of the General Meeting of Participants of LLC OGK-Investproekt, in which the Company owns a 100% share capital )	LLC OGK-Investproekt (Borrower); LLC Gazprom Energy Holding (Lender)		The amount of up to 1,700,000,000.00 rubles and an annual loan interest rate of 7.25 %	Board of Directors dd. June 20, 2011, Minutes No. 63

### 2. Related Party Transactions of JSC "OGK-2"

No.	Transaction	Names of the parties	Related parties	Value	Administrative body that approved the transaction, No. and date of the minutes
1.	Contracts that JSC "OGK-2" may execute in the future within the course of its ordinary business	JSC "OGK-2" (Seller); Purchaser: JSC Tyumen Power Sales Company (Purchaser)	Members of the Board of Directors D.V. Fedorov, A.M. Trinoga	4,200,000,000 rubles	Annual General Meeting of Shareholders dd. June 21, 2011, Minutes No. 4

No.	Transaction	Names of the parties	Related parties	Value	Administrative body that approved the transaction, No. and date of the minutes
2.	Third-party Liability Insurance Transaction for JSC "OGK-2", members of management bodies of JSC "OGK-2"	JSC "OGK-2" (Policyholder); JSC SOGAZ (Insurer)	All members of JSC "OGK-2" management bodies	Insured sum: 300,000,000 rubles Insurance premium not exceeding 3,600,000 rubles	Annual General Meeting of Shareholders dd. June 21, 2011, Minutes No. 4
3.	Property Sub-lease Agreement	LLC Gazprom Energy Holding (Lessee); JSC "OGK-2" (Sub-lessee)	JSC "Tsentrenergoholding" Members of the Board of Directors B.V. Weinsicher, A.A. Mityushov, D.V. Fedorov	249,658.25 rubles, including VAT (18%) – 38,083.46 rubles	Board of Directors dd. February 18, 2011, Minutes No. 12
4.	Non-regulated bilateral contract for the sale and purchase of capacity (in January, 2011)	JSC "OGK-2" (Seller); Purchaser: JSC Tyumen Power Sales Company (Purchaser)	Members of the Board of Directors A.A. Mityushov D.V. Fedorov, A.M. Trinoga, B.V. Weinsicher.	428,442,510.35 rubles, including VAT to the amount of 65,355,637.17 rubles	Board of Directors dd. March 29, 2011, Minutes No. 14
5.	Non-regulated bilateral contract for the sale and purchase of capacity (in February, 2011)	JSC "OGK-2" (Seller) Purchaser: JSC Tyumen Power Sales Company (Purchaser)	Members of the Board of Directors A.A. Mityushov D.V. Fedorov, A.M. Trinoga, B.V. Weinsicher	422,427,038.36 rubles, including VAT to the amount of 64,438,022.79 rubles	Board of Directors dd. March 29, 2011, Minutes No. 14
6.	Non-regulated bilateral contract for the sale and purchase of capacity (in March, 2011)	JSC "OGK-2" (Seller) Purchaser: JSC Tyumen Power Sales Company (Purchaser)	Members of the Board of Directors A.A. Mityushov D.V. Fedorov, A.M. Trinoga, B.V. Weinsicher	401,171,512.35 rubles, including VAT to the amount of 61,195,654.43 rubles	Board of Directors dd. March 29, 2011, Minutes No. 14
7.	Non-regulated bilateral contract for the sale and purchase of capacity (in April, 2011)	JSC "OGK-2" (Seller) Purchaser: JSC Tyumen Power Sales Company (Purchaser)	Members of the Board of Directors A.A. Mityushov D.V. Fedorov, A.M. Trinoga, B.V. Weinsicher	331,865,769.50 rubles, including VAT to the amount of 50,623,591.96 rubles	Board of Directors dd. March 29, 2011, Minutes No. 14
8.	Loan Agreement	JSC "OGK-2" (Lender) LLC OGK-2 Finance (Borrower)	JSC "Centerenergoholding" Members of the Board of Directors B.V. Weinsicher, A.A. Mityushov, D.V. Fedorov	12,000,000.00 rubles subject to the accrual of interest for the use of the loan at 1% per annum	Board of Directors dd. May 4, 2011, Minutes No. 18
9.	Agreement for the sale and purchase of shares	JSC "OGK-2" (Seller) LLC OGK-2 Finance (Purchaser)	JSC "Centerenergoholding" Members of the Board of Directors B.V. Weinsicher, A.A. Mityushov, D.V. Fedorov	For an amount not less than the weighted average amount, determined on the basis of the trade results at the MICEX Stock Exchange for six months prior to the day of the shares' sale and not exceeding 2% of the balance sheet value of the Company's assets as of March 31, 2011	Board of Directors dd. May 4, 2011, Minutes No. 18

No.	Transaction	Names of the parties	Related parties	Value	Administrative body that approved the transaction, No. and date of the minutes
10.	Agreement for the Rent of Non-residential Premises	JSC Fuel and Energy Sector Mosenergo (Lessor); JSC "OGK-2" (Lessee)	Members of the Board of Directors A.A. Mityushov, D.V. Fedorov P.O. Shatsky, B.V. Weinsicher	1,011,905.73 rubles, plus 18% VAT to the amount of 182,143.03 rubles	Board of Directors dd. May 4, 2011, Minutes No. 18
11.	Additional Agreement No. 2 to the Agreement on Maintaining the Register of Holders of Registered Securities	JSC "OGK-2" (Issuer); CJSC SR-DRAGA (Registrar)	JSC "Tsentrenergoholding" Members of the Board of Directors B.V. Weinsicher, A.A. Mityushov, D.V. Fedorov	Not exceeding 20,000,000.00 rubles, including 18% VAT to the amount of 3,600,000.00 rubles	Board of Directors dd. May 17, 2011, Minutes No. 19
12.	Additional Agreement No. 4 to the Agreement on Performing Work and Rendering Services Aimed at Increasing Efficiency of the Management System and Reduction of Costs	JSC "OGK-2" (Customer) LLC Gazprom Energy Holding (Contractor)	JSC "Centerenergyholding" Members of the Board of Directors B.V. Weinsicher, A.A. Mityushov, D.V. Fedorov	8,773,800.00 rubles, including 18% VAT to the amount of 1,338,376.27 rubles	Board of Directors dd. May 20, 2011, Minutes No. 20
13.	Additional Agreement No. 1 to the Agreement on the Financial Lease of Electrical Equipment	JSC "OGK-2" (Lessee); CJSC GazLeasingTek (Lessor)	Members of the Board of Directors B.V. Weinsicher, A.A. Mityushov, D.V. Fedorov	337,668,435.37 rubles, including VAT	Board of Directors dd. June 20, 2011, Minutes No. 21
14.	Additional Agreement No. 3 to the Agreement on the Financial Lease of Special Equipment	JSC "OGK-2" (Lessee); CJSC GazLeasingTek (Lessor)	Members of the Board of Directors B.V. Weinsicher, A.A. Mityushov, D.V. Fedorov	134,752,616.27 rubles including VAT	Board of Directors dd. June 20, 2011, Minutes No. 21
15.	Agreement No. 1 on the Procedure for the Calculation and Payment of Dividends Based on the Performance Results of JSC "OGK-2" in 2010	JSC "OGK-2" (Customer) CJSC SR-DRAGA (Contractor)	JSC "Centerenergyholding" Members of the Board of Directors B.V. Weinsicher, A.A. Mityushov, D.V. Fedorov	Calculation as per the rates	Board of Directors dd. June 20, 2011, Minutes No. 21
16.	Additional Agreement No. 3 to the Agreement on Maintaining the Register of Holders of Registered Shares and on Rendering Services for Supporting the Procedure of Shares' Redemption at the Shareholders' Request, which May be Submitted to the Company based on the Results of the Annual General Meeting of Shareholders in 2011	JSC "OGK-2" (Issuer); CJSC SR-DRAGA (Registrar)	JSC "Centerenergyholding" Members of the Board of Directors B.V. Weinsicher, A.A. Mityushov, D.V. Fedorov	Not exceeding 10,000,000.00 rubles, excluding VAT	Board of Directors dd. June 20, 2011, Minutes No. 21
17.	Agreement for the Sub-lease of Non-residential Premises	JSC "OGK-2" (Lessee) LLC Gazprom Energy Holding (Sub-lessee)	JSC "Centerenergyholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	861,636.43 rubles, including 18% VAT: 131,436.07 rubles	Board of Directors dd. August 10, 2011, Minutes No. 24

No.	Transaction	Names of the parties	Related parties	Value	Administrative body that approved the transaction, No. and date of the minutes
18.	Agreement for the Sub-lease of Non-residential Premises	JSC "OGK-2" (Lessee) LLC Gazprom Energy Holding (Sub-lessee)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	9,478,000.73 rubles, including 18% VAT to the amount of 1,445,796.72 rubles	Board of Directors dd. August 10, 2011, Minutes No. 24
19.	Service Agreement for Cooperation between JSC "OGK-2", its Shareholders and Investors	JSC "OGK-2" (Customer) LLC Horizon - Corporate Finance and LLC Gazprom Energy Holding (Contractors)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	14,160,000.00 rubles, including 18% VAT to the amount of 2,160,000.00 rubles	Board of Directors dd. August 10, 2011, Minutes No. 24
20.	Additional Agreement No. 5 to the Agreement for Performing Work and Rendering Services Aimed at Increasing the Efficiency of the Management System and the Reduction of Costs	JSC "OGK-2" (Customer); LLC Gazprom Energy Holding (Contractor)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	The value of the Agreement is reduced by 15,900,000.00 rubles with VAT	Board of Directors dd. September 20, 2011, Minutes No. 27
21.	Agreement for the Sub-lease of Non-residential Premises	JSC "OGK-2" (Lessee) LLC Gazprom Energy Holding (Sub-lessee)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	40,706,264.06 rubles, including 18% VAT: 6,209.11 rubles	Board of Directors dd. September 20, 2011, Minutes No. 27
22.	Loan Agreement	LLC Gazprom Energy Holding (Lender); JSC "OGK-2" (Borrower)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	Not exceeding 924,600,000.00 rubles	Board of Directors dd. October 10, 2011, Minutes No. 28
23.	Load Agreement	LLC Gazprom Energy Holding (Lender); JSC "OGK-2" (Borrower)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	Not exceeding 948,750,000.00 rubles	Board of Directors dd. October 27, 2011, Minutes No. 29
24.	Load Agreement	OLLG Gazprom Energy Holding (Lender); JSC "OGK-2" (Borrower)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	Not exceeding 862,500,000.00 rubles	Board of Directors dd. November 11, 2011, Minutes No. 31
25.	Agreement on Rendering Services for Making Records to the Registers of Registered Equity Securities on the Conversion of Shares	JSC "OGK-2" (Customer); CJSC SR-DRAGA (Registrar)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	Not exceeding 8,502,608.70 rubles	Board of Directors dd. November 22, 2011, Minutes No. 32
26.	Agreement on Terminating the Agreement for Maintaining the Register of Holders of Registered Securities	JSC "OGK-2" (Issuer); CJSC SR-DRAGA (Registrar)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	N/A	Board of Directors dd. November 22, 2011, Minutes No. 32

No.	Transaction	Names of the parties	Related parties	Value	Administrative body that approved the transaction, No. and date of the minutes
27.	Load Agreement	LLC Gazprom Energy Holding (Lender); JSC "OGK-2" (Borrower)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	Not exceeding 719,325,000.00 rubles	Board of Directors dd. November 22, 2011, Minutes No. 32
28.	Load Agreement	LLC Gazprom Energy Holding (Lender); JSC "OGK-2" (Borrower)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	Not exceeding 776,250,000.00 rubles	Board of Directors dd. November 25, 2011, Minutes No. 33
29.	Load Agreement	LLC Gazprom Energy Holding (Lender); JSC "OGK-2" (Borrower)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	Not exceeding 897,000,000.00 rubles	Board of Directors dd. November 25, 2011, Minutes No. 34
30.	Service Agreement on Performing Work Connected with Preparing and Holding Meetings of the Board of Directors, of the Board of Directors' Committees, General Meetings of Shareholders in Praesentia and Absentia	JSC "OGK-2" (Customer); LLC Gazprom Energy Holding (Contractor)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	Not exceeding 20,000,000.00 rubles, including VAT, for the whole term of the Agreement	Board of Directors dd. December 16, 2011, Minutes No. 35
31.	Agreement on Performing Work Connected with Carrying out Internal Control of Financial and Economic Activities	JSC "OGK-2" (Customer); LLC Gazprom Energy Holding (Contractor)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	Not exceeding 7,908,000.00 rubles, including VAT for the whole term of the Agreement	Board of Directors dd. December 16, 2011, Minutes No. 35
32.	Additional Agreement No. 6 to the Agreement for Performing Work and Rendering Services Aimed at Increasing the Efficiency of the Management System and the Reduction of Costs	JSC "OGK-2" (Customer); LLC Gazprom Energy Holding (Contractor)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	Value of Agreement dd. July 8, 2009 No. 12-07/09 is reduced by 1,787,500.00 rubles with VAT	Board of Directors dd. December 16, 2011, Minutes No. 35
33.	Additional Agreement No. 1 to the Service Agreement (Exclusion of Appendices No. 1, 2)	JSC "OGK-2" (Customer); LLC Gazprom Energy Holding (Contractor)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	N/A	Board of Directors dd. December 16, 2011, Minutes No. 35
34.	Load Agreement	LLC Gazprom Energy Holding (Lender); JSC "OGK-2" (Borrower)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	Not exceeding 857,325,000.00 rubles	Board of Directors dd. December 16, 2011, Minutes No. 35
35.	Load Agreement	LLC Gazprom Energy Holding (Lender); JSC "OGK-2" (Borrower)	JSC "Tsentrenergoholding" Members of the Board of Directors I.A. Golenishchev, A.A. Mityushov, D.V. Fedorov	Not exceeding 966,000,000.00 rubles	Board of Directors dd. December 22, 2011, Minutes No. 36

## JSC "OGK-6"

No.	Transaction	Names of the parties	Related parties	Value	Administrative body that approved the transaction, No. and date of the minutes
1.	Third-party Liability Insurance Transaction for JSC "OGK-6", members of management bodies of JSC "OGK-6"	JSC "OGK-6" (Policyholder); JSC SOGAZ (Insurer).	All members of JSC "OGK-6" management bodies	Insured sum: 300,000,000 rubles Insurance premium not exceeding 3,600,000 rubles	Annual General Meeting of Shareholders dd. June 21, 2011, Minutes No. 12
2.	Voluntary Health Insurance Agreement	JSC "OGK-6" (Policyholder); JSC SOGAZ (Insurer)	General Director All members of the Management Board	11,324,970.00 rubles	Board of Directors dd. March 18, 2011, Minutes No. 53
3.	Accident and Illness Insurance Agreement	JSC "OGK-6" (Policyholder); JSC SOGAZ (Insurer)	General Director All members of the Management Board	201,400.00 rubles	Board of Directors dd. March 18, 2011, Minutes No. 53
4.	Coal Supply Agreement	JSC "OGK-6" (Supplier); JSC TGK-1 (Purchaser)	JSC "Tsentrenergoholding" Members of the Board of Directors B.V. Weinsicher, A.A. Mityushov, D.V. Fedorov	9,584,526.50 rubles	Board of Directors dd. March 25, 2011, Minutes No. 55
5.	Transaction for Carrying out Technological Connection of the GTE-110 Power Installation at Power Unit No. 7 of the Ryazanskaya GRES JSC "OGK-6" branch to Power Network	JSC "OGK-6" (Generating Company); JSC FGC UES (Grid Company)	Members of the Board of Directors D.A. Troshenkov, A.A. Mityushov, D.V. Fedorov	484,980.00 rubles, including VAT 73,980.00 rubles	Board of Directors dd. May 12, 2011, Minutes No. 58
6.	Additional Agreement No. 4 to the Agreement on Performing Work and Rendering Services Aimed at Increasing the Efficiency of the Management System and Reducing Costs	JSC "OGK-2" (Customer); LLC Gazprom Energy Holding (Contractor).	JSC "Tsentrenergoholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	38,200,000.00 rubles, including 18% VAT to the amount of 5,827,119.00 rubles. The amount shall be increased by the amount specified in the scope statements	Board of Directors dd. May 12, 2011, Minutes No. 58
7.	Additional Agreement No. 1 to the Agreement on Maintaining the Register of Holders of Registered Securities	JSC "OGK-2" (Customer); CJSC SR-DRAga (Contractor)	JSC "Tsentrenergoholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	Not exceeding 20,000,000.00 rubles, including 18% VAT to the amount of 3,600,000 rubles	Board of Directors dd. May 17, 2011, Minutes No. 59
8.	Additional Agreement No. 5 to the Agreement on Performing Work and Rendering Services Aimed at Increasing the Efficiency of the Management System and Reducing Costs	JSC "OGK-6" (Customer); LLC Gazprom Energy Holding (Contractor)	JSC "Tsentrenergoholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	8,773,800.00 rubles, including 18% VAT to the amount of 1,338,376.27 rubles	Совет директоров от 20.05.2011, Протокол № 60



No.	Transaction	Names of the parties	Related parties	Value	Administrative body that approved the transaction, No. and date of the minutes
9.	Transaction for Supporting the Procedure of Share Redemption and Relevant Calculations at the Shareholders' Request	JSC "OGK-2" (Issuer); CJSC SR-DRAGa (Registrar)	JSC "Tsentrenergoholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	Not exceeding 10,000,000.00 rubles, excluding VAT	Board of Directors dd. May 20, 2011, Minutes No. 60
10.	Agreement for the Payment of Dividends on Securities (based on the Performance Results for Q1 2008)	JSC "OGK-2" (Customer); CJSC SR-DRAGa (Paying Agent)	JSC "Centerenergoholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	Not exceeding 600,000.00 rubles, including 18% VAT 91,525.42 rubles	Board of Directors dd. May 20, 2011, Minutes No. 60
11.	Loan Agreement	JSC "OGK-6" (Borrower); LLC Gazprom Energy Holding (Lender)	JSC "Centerenergoholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	Not exceeding 871,125,000.00 rubles	Board of Directors dd. May 30, 2011, Minutes No. 61
12.	Loan Agreement	JSC "OGK-6" (Borrower); LLC Gazprom Energy Holding (Lender)	JSC "Centerenergoholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	Not exceeding 700,350,000.00 rubles	Board of Directors dd. June 6, 2011, Minutes No. 62
13.	Loan Agreement	JSC "OGK-6" (Borrower); LLC Gazprom Energy Holding (Lender)	JSC "Centerenergoholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	Not exceeding 800,400,000.00 rubles	Board of Directors dd. June 6, 2011, Minutes No. 62
14.	Loan Agreement	JSC "OGK-6" (Borrower); LLC Gazprom Energy Holding (Lender)	JSC "Centerenergoholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	Not exceeding 682,000,000.00 rubles	Board of Directors dd. June 6, 2011, Minutes No. 62
15.	Loan Agreement	JSC "OGK-6" (Borrower); LLC Gazprom Energy Holding (Lender)	JSC "Centerenergoholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	Not exceeding 1,035,000,000.00 rubles	Board of Directors dd. June 20, 2011, Minutes No. 63
16.	Agreement for the Performance Duties of a Paying Agent when Paying Dividends on Securities (based on the Performance Results for 2010)	JSC "OGK-2" (Customer); CJSC SR-DRAGa (Paying Agent)	JSC "Centerenergoholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	Not exceeding 8,000,000.00 rubles, including VAT 1,220,338.98 rubles	Board of Directors dd. July 12, 2011, Minutes No. 65
17.	Loan Agreement	JSC "OGK-6" (Borrower); LLC Gazprom Energy Holding (Lender)	JSC "Centerenergoholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	Not exceeding 1,173,000,000.00 rubles	Board of Directors dd. July 12, 2011, Minutes No. 65

No.	Transaction	Names of the parties	Related parties	Value	Administrative body that approved the transaction, No. and date of the minutes
18.	Loan Agreement	JSC "OGK-6" (Borrower); LLC Gazprom Energy Holding (Lender)	JSC "Tsentrenergoholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	Not exceeding 617,550,000.00 rubles	Board of Directors dd. August 10, 2011, Minutes No. 66
19.	Additional Agreement No. 5 to the Agreement on Performing Work and Rendering Services Aimed at Increasing the Efficiency of the Management System and Reducing of Costs	JSC "OGK-6" (Customer); LLC Gazprom Energy Holding (Contractor)	JSC "Centerenergyholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	Value of the Agreement is reduced by 15,900,000.00 rubles including VAT	Board of Directors dd. September 20, 2011, Minutes No. 67
20.	Loan Agreement	JSC "OGK-6" (Borrower); LLC Gazprom Energy Holding (Lender)	JSC "Centerenergyholding" Members of the Board of Directors A.A. Mityushov, D.V. Fedorov	Not exceeding 1,155,750,000.00 rubles	Board of Directors dd. July 12, 2011, Minutes No. 65

## Appendix 3

JSC "OGK-2" Primary Equipment  
JSC "OGK-2"

Table No. 1 – Turbines

Plant No.	Turbine type (grade)	Manufacturer	Year of commission	Installed electric capacity, MW	Heat capacity, Gcal/h
1	2	3	4	5	6
<b>Surgutskaya GRES-1</b>				<b>3,268</b>	<b>903</b>
TPB 01	K-200-130-3	LMZ	1972	210	-
TPB 02	K-200-130-3	LMZ	1973	210	-
TPB 03	K-200-130-3	LMZ	1973	210	-
TPB 04	K-200-130-3	LMZ	1974	210	-
TPB 05	K-200-130-3	LMZ	1975	210	20
TPB 06	K-200-130-3	LMZ	1975	210	20
TPB 07	K-200-130-3	LMZ	1977	210	20
TPB 08	K-200-130-3	LMZ	1978	210	20
TPB 09	K-200-130-3	LMZ	1978	210	20
TPB 10	K-200-130-3	LMZ	1979	210	20
TPB 11	K-200-130-3	LMZ	1979	210	20
TPB 12	T-178/210-130	LMZ	1980	178	183
TPB 13	K-200-130-3	LMZ	1981	210	20
TPB 14	T-180/210-130-1	LMZ	1982	180	260
TPB 15	T-180/210-130-1	LMZ	1982	180	260
TPB 16	K-200-130-3	LMZ	1983	210	20
<b>Ryazanskaya GRES</b>				<b>3,070</b>	<b>120</b>
TPB 01	K-300-240	LMZ	1973	260	15
TPB 02	K-300-240	LMZ	1973	270	15
TPB 03	K-300-240	LMZ	1974	260	15
TPB 04	K-300-240	LMZ	1974	260	15
TPB 05	K-800-240-3	LMZ	1980	800	30
TPB 06	K-800-240-3	LMZ	1981	800	30
GRES-24	GTU-110	JSC NPO Saturn	2010	110	0
	K-300-240-4	LMZ	1988	310	0
<b>Stavropolskaya GRES</b>				<b>2,400</b>	<b>145</b>
TPB 01	K-300-240-2	TBAT	1975	300	18.125
TPB 02	K-300-240-2	TBAT	1975	300	18.125
TPB 03	K-300-240-2	TBAT	1976	300	18.125
TPB 04	K-300-240-2	TBAT	1976	300	18.125
TPB 05	K-300-240-2	TBAT	1978	300	18.125
TPB 06	K-300-240-2	TBAT	1979	300	18.125
TPB 07	K-300-240-2	TBAT	1981	300	18.125

Plant No.	Turbine type (grade)	Manufacturer	Year of commission	Installed electric capacity, MW	Heat capacity, Gcal/h
1	2	3	4	5	6
TPB 08	K-300-240-2	TBAT	1983	300	18.125
<b>Novocherkasskaya GRES</b>				<b>2,112</b>	<b>75</b>
TPB 01	K-264(300)-240-1	KTGZ	1968	264	15
TPB 02	K-264(300)-240-2	KTGZ	1966	264	15
TPB 03	K-264(300)-240-2	KTGZ	1967	264	15
TPB 04	K-264(300)-240-2	KTGZ	1968	264	15
TPB 05	K-264(300)-240-2	KTGZ	1969	264	0
TPB 06	K-310-23,5-3	KTGZ	2005	264	0
TPB 07	K-325(264)-23,5	KTGZ	2009	264	0
TPB 08	K-264(300)-240-2	KTGZ	1972	264	15
<b>Kirishskaya GRES</b>				<b>2,100</b>	<b>826</b>
TPB 01	K-300-240-1	LMZ	1969	300	0
TPB 02	K-300-240-1	LMZ	1970	300	0
TPB 03	K-300-240-1	LMZ	1970	300	0
1	2	3	4	5	6
TPB 04	K-300-240-1	LMZ	1971	300	0
TPB 05	K-300-240-1	LMZ	1973	300	0
TPB 06	K-300-240-1	LMZ	1975	300	0
TP 01T	PT-50-130/7	TMZ	1965	50	110
TP 02T	PT-60-130/13	LMZ	1966	60	139
TP 03T	PT-50-130/7	TMZ	1967	50	110
TP 04T	PT-60-130/13	LMZ	1975	60	139
TP 05T	R-40-130/13	LMZ	1976	40	164
TP 06T	R-40-130/19	LMZ	1979	40	164
<b>Troitskaya GRES</b>				<b>2,059</b>	<b>315</b>
TPB 05	K-300-240	KTGZ	1965	278	
TPB 07	K-300-240	KTGZ	1967	278	
TPB 08	K-500-240	KTGZ	1974	485	
TPB 09	K-500-240	KTGZ	1976	485	
TP 01	T-85-90-2.5	KTGZ	1960	85	105
TP 02	T-85-90-2.5	KTGZ	1960	85	105
TP 03	T-85-90-2.5	KTGZ	1961	85	105
TPB 04	K-300-240-2PR-1	KTGZ	1990	278	
<b>Krasnoyarskaya GRES-2</b>				<b>1,250</b>	<b>976</b>
TG-1	K-150-130	KTGZ	1961	150	45
TG-2	K-150-130	KTGZ	1962	150	45
TG-4	K-150-130	KTGZ	1963	150	45
TG-5	PT-60-90/13	LMZ	1964	50	145
TG-6	K-160-130	KTGZ	1974	160	42
TG-7	K-160-130	KTGZ	1975	160	42

Plant No.	Turbine type (grade)	Manufacturer	Year of commission	Installed electric capacity, MW	Heat capacity, Gcal/h
1	2	3	4	5	6
TG-8	K-160-130	KTGZ	1976	160	42
TG-9	PT-135/165-130-15	UTMZ	1981	135	285
TG-10	PT-135/165-130-15	UTMZ	1983	135	285
<b>Cherepovetskaya GRES</b>				<b>630</b>	<b>39</b>
TPB 01	K-210-130-3	LMZ	1976	210	13
TPB 02	K-210-130-3	LMZ	1977	210	13
TPB 03	K-210-130-3	LMZ	1978	210	13
<b>Serovskaya GRES</b>				<b>538</b>	<b>110</b>
TPB 01	K-50-90	LMZ	1954	50	
TPB 02	K-50-90	LMZ	1954	50	
TPB 04	K-50-90	LMZ	1955	50	
TPB 05	K-100-90M	LMZ	1956	88	110
TPB 06	K-100-90	LMZ	1957	100	
TPB 07	K-100-90	LMZ	1958	100	
TPB 08	K-100-90	LMZ	1959	100	
<b>Pskovskaya GRES</b>				<b>430</b>	<b>54</b>
TPB 01	K-215-130	LMZ	1993	215	27
TPB 02	K-215-130	LMZ	1996	215	27

LMZ – Leningrad Metal Works, Power Machines Company,  
KTGZ, TBAT – Kharkov Turbine Generator Works, Turbo atom Scientific and Production Organization,  
UTMZ – Ural Turbine Works.

Table No. 2 – Power Boilers

Boiler	Boiler type (grade)	Manufacturer	Year of commission	Jet steam parameters		Output, ton/hour	Fuel			
				Pressure, kgf/cm <sup>2</sup>	Temp., °C		Primary	Reserve	Starting	Plan
1	2	3	4	5	6	7	8	9	10	11
<b>Surgutskaya GRES-1</b>										
KPB 01	TGM-104	TKZ	1972	140	570	670	Gas	-	Gas	Gas
KPB 02	TGM-104	TKZ	1973	140	570	670	Gas	-	Gas	Gas
KPB 03	TG-104	TKZ	1973	140	545	670	Gas	-	Gas	Gas
KPB 04	TG-104	TKZ	1974	140	545	670	Gas	-	Gas	Gas
KPB 05	TG-104	TKZ	1975	140	545	670	Gas	-	Gas	Gas
KPB 06	TG-104	TKZ	1975	140	545	670	Gas	-	Gas	Gas

Boiler	Boiler type (grade)	Manu- fac- turer	Year of commis- sion	Jet steam parameters		Output, ton/hour	Fuel			
				Pressure, kgf/cm <sup>2</sup>	Temp., °C		Primary	Reserve	Starting	Plan
1	2	3	4	5	6	7	8	9	10	11
KPB 07	TG-104	TKZ	1977	140	545	670	Gas	-	Gas	Gas
KPB 08	TG-104	TKZ	1978	140	545	670	Gas	-	Gas	Gas
KPB 09	TG-104	TKZ	1978	140	545	670	Gas	-	Gas	Gas
KPB 10	TG-104	TKZ	1979	140	545	670	Gas	-	Gas	Gas
KPB 11	TG-104	TKZ	1979	140	545	670	Gas	-	Gas	Gas
KPB 12	TG-104	TKZ	1980	140	545	670	Gas	-	Gas	Gas
KPB 13	TG-104	TKZ	1981	140	545	670	Gas	-	Gas	Gas
KPB 14	TG-104	TKZ	1982	140	545	670	Gas	-	Gas	Gas
KPB 15	TG-104	TKZ	1982	140	545	670	Gas	-	Gas	Gas
KPB 16	TG-104	TKZ	1983	140	545	670	Gas	-	Gas	Gas
<b>Ryazanskaya GRES</b>										
KPB 01	PP-860-255-545	ZIO	1973	255	545	860	Coal	-	Gas, fuel oil	Coal
KPB 02	PP-860-255-545	ZIO	1973	255	545	890	Coal	-	Gas, fuel oil	Coal
KPB 03	PP-860-255-545	ZIO	1974	255	545	860	Coal	-	Gas, fuel oil	Coal
KPB 04	PP-860-255-545	ZIO	1974	255	545	860	Coal	-	Gas, fuel oil	Coal
KPB 05	TGMP-204P	TKZ	1980	255	545	2650	Gas	Coal	Gas, fuel oil	Fuel oil
KPB 06	TGMP-204P	TKZ	1981	255	545	2650	Gas	Fuel oil	Gas, fuel oil	Fuel oil
GRES-24	PP- 1000-25-545(P-74)	ZIO	1988	255	545	1000	Gas	-	-	Gas
<b>Stavropolskaya GRES</b>										
KPB 01	TGMP-314A	TKZ	1975	255	545	1000	Gas	Fuel oil	Gas, fuel oil	Gas
KPB 02	TGMPP-314A	TKZ	1975	255	545	1000	Gas	Fuel oil	Gas, fuel oil	Gas
KPB 03	TGMPP-314A	TKZ	1976	255	545	1000	Gas	Fuel oil	Gas, fuel oil	Gas
KPB 04	TGMPP-314A	TKZ	1976	255	545	1000	Gas	Fuel oil	Gas, fuel oil	Gas
KPB 05	TGMPP-314A	TKZ	1978	255	545	1000	Gas	Fuel oil	Gas, fuel oil	Gas
KPB 06	TGMPP-314A	TKZ	1979	255	545	1000	Gas	Fuel oil	Gas, fuel oil	Gas
KPB 07	TGMPP-314A	TKZ	1981	255	545	1000	Gas	Fuel oil	Gas, fuel oil	Gas
KPB 08	TGMPP-314A	TKZ	1983	255	545	1000	Gas	Fuel oil	Gas, fuel oil	Gas

Boiler	Boiler type (grade)	Manu- fac- turer	Year of commis- sion	Jet steam parameters		Output, ton/hour	Fuel			
				Pressure, kgf/cm <sup>2</sup>	Temp., °C		Primary	Reserve	Starting	Plan
1	2	3	4	5	6	7	8	9	10	11
<b>Novocherkasskaya GRES</b>										
KPB 01	TPP-110	TKZ	1965	255	545	830	Coal	Gas	Gas, fuel oil	Coal
KPB 02	TPP-110	TKZ	1966	255	545	830	Coal	-	Gas, fuel oil	Coal
KPB 03A	TPP-210	TKZ	1967	255	545	415	Coal	Gas	Gas, fuel oil	Coal
KPB 03B	TPP-210	TKZ	1967	255	545	415	Coal	Gas	Gas, fuel oil	Coal
KPB 04A	TPP-210	TKZ	1968	255	545	415	Coal	Gas	Gas, fuel oil	Coal
KPB 04B	TPP-210	TKZ	1968	255	545	415	Coal	Gas	Gas, fuel oil	Coal
KPB 05A	TPP-210A	TKZ	1969	255	545	415	Coal	-	Gas, fuel oil	Coal
KPB 05B	TPP-210A	TKZ	1969	255	545	415	Coal	-	Gas, fuel oil	Coal
KPB 06A	TPP-210A	TKZ	1970	255	545	415	Coal	Gas	Gas, fuel oil	Coal
KPB 06B	TPP-210A	TKZ	1970	255	545	415	Coal	Gas	Gas, fuel oil	Coal
KPB 07A	TPP-210A	TKZ	1971	255	545	415	Coal	Gas	Gas, fuel oil	Coal
KPB 07B	TPP-210A	TKZ	1971	255	545	415	Coal	Gas	Gas, fuel oil	Coal
KPB 08A	TPP-210A	TKZ	1972	255	545	415	Coal	-	Gas, fuel oil	Coal
KPB 08B	TPP-210A	TKZ	1972	255	545	415	Coal	-	Gas, fuel oil	Coal
<b>Kirishskaya GRES</b>										
KPB 01A	TGMP-114	TKZ	1969	255	545	500	Gas	Fuel oil	Gas, fuel oil	Fuel oil
KPB 01B	TGMP-114	TKZ	1969	255	545	500	Gas	Fuel oil	Gas, fuel oil	Fuel oil
KPB 02A	TGMP-114	TKZ	1970	255	545	500	Gas	Fuel oil	Gas, fuel oil	Fuel oil
KPB 02B	TGMP-114	TKZ	1970	255	545	500	Gas	Fuel oil	Gas, fuel oil	Fuel oil
KPB 03A	TGMP-114	TKZ	1970	255	545	500	Gas	Fuel oil	Gas, fuel oil	Fuel oil
KPB 03B	TGMP-114	TKZ	1970	255	545	500	Gas	Fuel oil	Gas, fuel oil	Fuel oil
KPB 04	TGMP-324	TKZ	1971	255	535	1000	Gas	Fuel oil	Gas, fuel oil	Fuel oil
KPB 05	TGMP-324A	TKZ	1973	255	535	1000	Gas	Fuel oil	Gas, fuel oil	Fuel oil

Boiler	Boiler type (grade)	Manu- fac- turer	Year of commis- sion	Jet steam parameters		Output, ton/hour	Fuel			
				Pressure, kgf/cm <sup>2</sup>	Temp., °C		Primary	Reserve	Starting	Plan
1	2	3	4	5	6	7	8	9	10	11
KPB 06	TGMP-324A	TK3	1975	255	535	1000	Gas	Fuel oil	Gas, fuel oil	Fuel oil
KP 1T	TGM-84	TK3	1965	140	550	420	Gas	Fuel oil	Gas, fuel oil	Fuel oil
KP 2T	TGM-84	TK3	1966	140	550	420	Gas	Fuel oil	Gas, fuel oil	Fuel oil
KP 3T	TGM-84A	TK3	1966	140	550	420	Gas	Fuel oil	Gas, fuel oil	Fuel oil
KP 4T	TGM-84B	TK3	1974	140	550	420	Gas	Fuel oil	Gas, fuel oil	Fuel oil
KP 5T	TGM-84B	TK3	1976	140	550	420	Gas	Fuel oil	Gas, fuel oil	Fuel oil
KP 6T	TGM-84B	TK3	1983	140	550	420	Gas	Fuel oil	Gas, fuel oil	Fuel oil
Troitskaya GRES										
KP 01A	PK-14-2	ZIO	1960	100	540	220	Coal	-	Fuel oil	Coal
KP 01B	PK-14-2	ZIO	1960	100	540	190	Coal	-	Fuel oil	Coal
KP 02A	PK-14-2	ZIO	1960	100	540	220	Coal	-	Fuel oil	Coal
KP 02B	PK-14-2	ZIO	1960	100	540	220	Coal	-	Fuel oil	Coal
KP 03A	PK-14-2	ZIO	1961	100	540	220	Coal	-	Fuel oil	Coal
KP 03B	PK-14-2	ZIO	1961	100	540	190	Coal	-	Fuel oil	Coal
KPB 04A	PK-39	ZIO	1965	255	545	475	Coal	-	Fuel oil	Coal
KPB 04B	PK-39	ZIO	1965	255	545	475	Coal	-	Fuel oil	Coal
KPB 05A	PK-39	ZIO	1965	255	545	475	Coal	-	Fuel oil	Coal
KPB 05B	PK-39	ZIO	1965	255	545	475	Coal	-	Fuel oil	Coal
KPB 07A	PK-39	ZIO	1967	255	545	475	Coal	-	Fuel oil	Coal
KPB 07B	PK-39	ZIO	1967	255	545	475	Coal	-	Fuel oil	Coal
KPB 08	P-57	ZIO	1974	255	545	1650	Coal	-	Fuel oil	Coal
KPB 09	P-57	ZIO	1976	255	545	1650	Coal	-	Fuel oil	Coal
Krasnoyarskaya GRES-2										
1 A	PK-38	ZIO	1961	140	545	270	Coal	-	Fuel oil	Coal
1 B	PK-38	ZIO	1961	140	545	270	Coal	-	Fuel oil	Coal
2 A	PK-38	ZIO	1962	140	545	270	Coal	-	Fuel oil	Coal
2 B	PK-38	ZIO	1962	140	545	270	Coal	-	Fuel oil	Coal
4 A	PK-38	ZIO	1963	140	545	270	Coal	-	Fuel oil	Coal
4 B	PK-38	ZIO	1963	140	545	270	Coal	-	Fuel oil	Coal



Boiler	Boiler type (grade)	Manu- fac- turer	Year of commis- sion	Jet steam parameters		Output, ton/hour	Fuel			
				Pressure, kgf/cm <sup>2</sup>	Temp., °C		Primary	Reserve	Starting	Plan
1	2	3	4	5	6	7	8	9	10	11
5 A	PK-14	ZIO	1964	140	520	170	Coal	-	Fuel oil	Coal
5 B	PK-14	ZIO	1964	140	520	170	Coal	-	Fuel oil	Coal
6 A	PK-38	ZIO	1974	140	545	270	Coal	-	Fuel oil	Coal
6 B	PK-38	ZIO	1975	140	545	270	Coal	-	Fuel oil	Coal
7 A	PK-38	ZIO	1975	140	545	270	Coal	-	Fuel oil	Coal
7 B	PK-38	ZIO	1975	140	545	270	Coal	-	Fuel oil	Coal
8 A	PK-38	ZIO	1976	140	545	270	Coal	-	Fuel oil	Coal
8 B	PK-38	ZIO	1976	140	545	270	Coal	-	Fuel oil	Coal
9 A	BKZ-420- 140PT	BKZ	1981	140	560	420	Coal	-	Fuel oil	Coal
9 B	BKZ-420- 140PT	BKZ	1982	140	560	420	Coal	-	Fuel oil	Coal
10 A	BKZ-420- 140PT	BKZ	1983	140	560	420	Coal	-	Fuel oil	Coal
10 B	BKZ-420- 140PT	BKZ	1987	140	560	420	Coal	-	Fuel oil	Coal
<b>Cherepovetskaya GRES</b>										
KPB 01A	TP(E)-208-335	TKZ	1976	140	545	335	Coal	Gas	Gas, fuel oil	Topф
KPB 01B	TP(E)-208-335	TKZ	1976	140	545	335	Coal	Gas	Gas, fuel oil	Topф
KPB 02A	TP(E)-208-335	TKZ	1977	140	545	335	Coal	Gas	Gas, fuel oil	Topф
KPB 02B	TP(E)-208-335	TKZ	1977	140	545	335	Coal	Gas	Gas, fuel oil	Topф
KPB 03A	TP(E)-208-335	TKZ	1978	140	545	335	Coal	Gas	Gas, fuel oil	Topф
KPB 03B	TP(E)-208-335	TKZ	1978	140	545	335	Coal	Gas	Gas, fuel oil	Topф
<b>Serovskaya GRES</b>										
K-1	PK-14	PMZ	1954	100	510	230	Coal	Gas	Gas, fuel oil	Coal
K-2	PK-14	PMZ	1954	100	510	230	Coal	Gas	Gas, fuel oil	Coal
K-3	PK-14	PMZ	1955	100	510	230	Coal	Gas	Gas, fuel oil	Coal
K-4	PK-14	PMZ	1955	100	510	230	Coal	Gas	Gas, fuel oil	Coal
K-5	PK-14	PMZ	1956	100	510	230	Coal	Gas	Gas, fuel oil	Coal
K-6	PK-14-R	PMZ	1956	100	510	230	Coal	Gas	Gas, fuel oil	Coal
K-7	PK-14-R	PMZ	1957	100	510	230	Coal	Gas	Gas, fuel oil	Coal

Boiler	Boiler type (grade)	Manu- fac- turer	Year of commis- sion	Jet steam parameters		Output, ton/hour	Fuel			
				Pressure, kgf/cm <sup>2</sup>	Temp., °C		Primary	Reserve	Starting	Plan
1	2	3	4	5	6	7	8	9	10	11
K-8	PK-14-R	PMZ	1957	100	510	230	Coal	Gas	Gas, fuel oil	Coal
K-9	PK-14-R	PMZ	1957	100	510	230	Coal	Gas	Gas, fuel oil	Coal
K-10	PK-14-R	PMZ	1958	100	510	230	Coal	Gas	Gas, fuel oil	Coal
K-11	PK-14-R	PMZ	1960	100	510	230	Coal	Gas	Gas, fuel oil	Coal
K-12	PK-14-R	PMZ	1964	100	510	230	Coal	Gas	Gas, fuel oil	Coal
<b>Pskovskaya GRES</b>										
KPB 01a	TPE-208	TKZ	1993	140	545	335	Gas	-	Gas	Peat
KPB 01b	TPE-208	TKZ	1993	140	545	335	Gas	-	Gas	Peat
KPB 02a	TPE-208	TKZ	1996	140	545	335	Gas	-	Gas	Peat
KPB 02b	TPE-208	TKZ	1996	140	545	335	Gas	-	Gas	Peat

Table No. 3 – Water Boilers

Boiler	Boiler type (grade)	Manufacturer	Year of commis- sion	Medium Heat Parameters		Output Gcal/hour	Fuel		
				Pressure, kgf/cm <sup>2</sup>	Temp., °C		Primary	Reserve	Plan
Ryazanskaya GRES									
KV 01	PTVM-30M-4	DKZ	1972	20	150	30	Gas	Gas	Gas
KV 02	PTVM-30M-4	DKZ	1972	20	150	30	Gas	Gas	Gas
Kirishskaya GRES									
KV 1	KVGM-100	DKZ	1982	16	150	100	Fuel oil	Fuel oil	Fuel oil
KV 2	KVGM-100	DKZ	1987	16	150	100	Fuel oil	Fuel oil	Fuel oil
Krasnoyarskaya GRES-2									
KV 2	PTVM-100	Belgorodsky	1973	25	150	100	Fuel oil	Fuel oil	Fuel oil
KV 3	PTVM-100	Belgorodsky	1976	25	150	100	Fuel oil	Fuel oil	Fuel oil

ZIO — Podolsk Engineering Plant; ZIO-Podolsk,  
 TKZ — Taganrog Boiler Factory Krasny Kotelshchik,  
 BKZ — Barnaul Boiler Factory, Sibenergomash,  
 DKZ — Dorogobuzh Boiler Factory Dorogobuzhenergomash.

Table No. 4 – Generators

Plant	Type (grade)	Manufacturer	Year of com- mis- sion	Volt., kW	Capacity, MW	Excitation System Type	
No.						Primary	Reserve
1	2	3	4	5	6	7	8
<b>Surgutskaya GRES-1</b>							
TGB 01	TVV-200-2A	Power Machines	1972	15.75	200	HF	ELMASH
TGB 02	TVV-200-2A	Power Machines	1972	15.75	200	HF	ELMASH
TGB 03	TVV-200-2A	Power Machines	1973	15.75	200	HF	ELMASH
TGB 04	TVV-200-2A	Power Machines	1974	15.75	200	HF	ELMASH
TGB 05	TVV-200-2A	Power Machines	1975	15.75	200	HF	ELMASH
TGB 06	TVV-200-2A	Power Machines	1975	15.75	200	HF	ELMASH
TGB 07	TVV-200-2A	Power Machines	1977	15.75	200	TIR	ELMASH
TGB 08	TVV-200-2A	Power Machines	1980	15.75	200	TIR	ELMASH
TGB 09	TVV-200-2A	Power Machines	1978	15.75	200	TIR	ELMASH
TGB 10	TVV-200-2A	Power Machines	1979	15.75	200	TIR	ELMASH
TGB 11	TVV-200-2A	Power Machines	1980	15.75	200	TIR	ELMASH
TGB 12	TVV-200-2A	Power Machines	1980	15.75	200	TIR	ELMASH
TGB 13	TVV-200-2A	Power Machines	1981	15.75	200	TIR	ELMASH
TGB 14	TVV-200-2A	Power Machines	1982	15.75	200	TIR	ELMASH
TGB 15	TVV-200-2A	Power Machines	1982	15.75	200	TIR	ELMASH
TGB 16	TVV-200-2A	Power Machines	1983	15.75	200	TIR	ELMASH
<b>Ryazanskaya GRES</b>							
TGB 01	TVV-320-2	Power Machines	1973	20	320	HF with SW	ELMASH
TGB 02	TVV-320-2	Power Machines	1973	20	320	HF with SW	ELMASH
TGB 03	TVV-320-2	Power Machines	1974	20	320	HF with SW	ELMASH
TGB 04	TVV-320-2	Power Machines	1974	20	320	HF with EC	ELMASH
TGB 05	TZV-800-2UZ	Power Machines	2010	24	800	TIR	ELMASH
TGB 06	TZV-800-2UZ	Power Machines	2003	24	800	TIR	ELMASH
	TTK-110-2UZ-G	JSC Privod	2010	10,5	110		
GRES-24	TVV-320-2PUZ	KEMZ	2010	20	320	-	-
<b>Stavropolskaya GRES</b>							
TGB 01	TGV-300	KETM	1975	20	300	TIR-SSVT	ELMASH
TGB 02	TGV-300	KETM	1975	20	300	TIR-SSVT	ELMASH
TGB 03	TGV-300	KETM	1976	20	300	TIR-SSVT	ELMASH
TGB 04	TGV-300	KETM	1976	20	300	TIR-SSVT	ELMASH
TGB 05	TGV-300	KETM	1978	20	300	TIR-SSVT	ELMASH
TGB 06	TGV-300	KETM	1979	20	300	TIR-SSVT	ELMASH
TGB 07	TGV-300	KETM	1981	20	300	TIR-SSVT	ELMASH
TGB 08	TGV-300	KETM	1983	20	300	TIR-SSVT	ELMASH
<b>Novocherkasskaya GRES</b>							
TGB 01	TGV-300	KETM	1968	20	300	TIR	ELMASH

Plant	Type (grade)	Manufacturer	Year of com- mis- sion	Volt., kW	Capacity, MW	Excitation System Type	
No.						Primary	Reserve
1	2	3	4	5	6	7	8
TGB 02	TGV-300	KETM	1966	20	300	TIR	ELMASH
TGB 03	TGV-300	KETM	1967	20	300	TIR	ELMASH
TGB 04	TGV-300	KETM	1968	20	300	TIR	ELMASH
TGB 05	TGV-300	KETM	1969	20	300	TIR	ELMASH
TGB 06	TGV-300	KETM	1970	20	300	TIR	ELMASH
TGB 07	TGV-300	KETM	1971	20	300	TIR	ELMASH
TGB 08	TGV-300	KETM	1985	20	300	TIR	ELMASH
<b>Kirishskaya GRES</b>							
TGB 01	TVV-320-2UZ	Power Machines	1969	20	300	HF	ELMASH
TGB 02	TVV-320-2UZ	Power Machines	1970	20	300	HF	ELMASH
TGB 03	TVV-320-2UZ	Power Machines	1970	20	300	TIR PS S	ELMASH
TGB 04	TVV-320-2UZ	Power Machines	1971	20	300	HF with SW	ELMASH
TGB 05	TVV-320-2UZ	Power Machines	1973	20	300	HF	ELMASH
TGB 06	TVV-320-2UZ	Power Machines	1975	20	300	TIR PS S	ELMASH
TG 1T	TVF-60-2	Power Machines	1965	6.3	60	ELMASH	ELMASH
TG 2T	TVF-60-2	Power Machines	1966	6.3	60	ELMASH	ELMASH
TG 3T	TVF-60-2	Power Machines	1967	6.3	60	ELMASH	ELMASH
TG 4T	TVF-63-2	Power Machines	1975	6.3	63	ELMASH	ELMASH
TGB 5T	TVF-63-2UZ	Power Machines	1976	6.3	63	ELMASH	ELMASH
TGB 6T	TVF-63-2UZ	Power Machines	1979	6.3	63	ELMASH	ELMASH
<b>Troitskaya GRES</b>							
TG 01	TV2-100-2	Power Machines	1960	13.8	100	TIR	ELMASH
TG 02	TV2-100-2	Power Machines	1960	13.8	100	TIR	ELMASH
TG 03	TV2-100-2	Power Machines	1961	13.8	100	TIR	ELMASH
TGB 04	TGV-300	KETM	1965	20	300	TIR	ELMASH
TGB 05	TGV-300	KETM	1966	20	300	TIR	ELMASH
TGB 07	TGV-300	KETM	1967	20	300	TIR	ELMASH
TGB 08	TGV-500-2	KETM	1974	20	500	TIR	ELMASH
TGB 09	TGV-500-2	KETM	1976	20	500	TIR	ELMASH
<b>Krasnoyarskaya GRES-2</b>							
1 G	TV-2-150-2	Power Machines	1961	18	150	ELMASH	ELMASH
2 G	TV-2-150-2	Power Machines	1962	18	150	ELMASH	ELMASH
4 G	TV-2-150-2	Power Machines	1963	18	150	ELMASH	ELMASH
5 G	TVF-60-2	Power Machines	1964	6.3	50	ELMASH	ELMASH
6 G	TVV-165-2UZ	Power Machines	1974	18	165	HF	ELMASH
7 G	TVV-165-2UZ	Power Machines	1975	18	165	HF	ELMASH
8 G	TVV-160-2EUZ	Power Machines	2002	18	160	HF	ELMASH
9 G	TVV-160-2EUZ	Power Machines	1981	18	160	TIR	ELMASH
10 G	TVV-160-2EUZ	Power Machines	1983	18	160	TIR	ELMASH

Plant	Type (grade)	Manufacturer	Year of com- mis- sion	Volt., kW	Capacity, MW	Excitation System Type	
No.						Primary	Reserve
1	2	3	4	5	6	7	8
<b>Cherepovetskaya GRES</b>							
TGB 01	TGV-200	KETM	1976	15.8	200	BSS with PV	ELMASH
TGB 02	TGV-200	KETM	1977	15.8	200	BSS with PV	ELMASH
TGB 03	TGV-200	KETM	1978	15.8	200	BSS with PV	ELMASH
<b>Serovskaya GRES</b>							
TGB 01	TV-50-2	Power Machines	1954	10.5	50	ELMASH	ELMASH
TGB 02	TV-50-2	Power Machines	1954	10.5	50	ELMASH	ELMASH
TGB 04	TV-50-2	GSZ MEP	1955	10.5	50	ELMASH	ELMASH
TGB 05	TV2-100-2	Power Machines	1956	13.8	100	ELMASH	ELMASH
TGB 06	TV2-100-2	Power Machines	1957	13.8	100	ELMASH	ELMASH
TGB 07	TV2-100-2	Power Machines	1958	13.8	100	ELMASH	ELMASH
TGB 08	TV2-100-2	Power Machines	1959	13.8	100	ELMASH	ELMASH
<b>Pskovskaya GRES</b>							
TGB 01	TGV-200-2MUZ	KEMZ	1993	15.75	220	STS-550-2250-UHL	STS-550-2250-UHL
TGB 02	TGV-200-2MUZ	KEMZ	1996	15.75	220	STS-550-2250-UHL	STS-550-2250-UHL

Power Machines — Power Machines Company, Electrosila Plant,  
 KETM — Kharkov Electrotyazhmash Factory,  
 KEMZ — Kharkov Electrotechnical Factory.



# More ideas

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# Contact Information

12.1. Company Details
12.2. Contacts for Shareholders and Investors
12.3. Media Contacts
12.4. Auditor
12.5. Registrar

## 12. CONTACT INFORMATION

### 12.1. COMPANY DETAILS

**Full company name:**

Open Joint-Stock Company Second Wholesale Power  
Market Generating Company

**Abbreviated company name:** JSC "OGK-2"

Taxpayer ID 2607018122

Tax Registration Reason Code 997450001

Industry Code as per All-Russian Classifier of Govern-  
mental Authorities 41002

All-Russian Classifier of Businesses and Organiza-  
tions 76851389

All-Russian Classifier of Economic Activities  
40.10.11

**Bank details:**

Full company name of the credit organization: Cen-  
tral Branch of BANK **ROSSIYA (Open Joint-stock  
Company)**

Abbreviated company name of the credit organiza-  
tion: **RUSSIA JSB OJSC**

**Location:** 2A Rastrelli Sq., St. Petersburg, Russian  
Federation

**Taxpayer ID** 7831000122

**BIC** 044030861

**Credit organization's correspondent account num-  
ber:** 30101810800000000861

**Account type:** settlement account

**Account number:** 40702810750004720

**General Director:** Alexey Alexandrovich Mityushov

**Chief Accountant:** Bary Zakiyevich Dolgoarshynnykh

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**Website:** [www.ogk2.ru](http://www.ogk2.ru)

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## 12.4. AUDITOR

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**Abbreviated company name:** ZAO KPMG

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**Tel.:** (495) 937-44-77, fax: (495) 937-44-99

**E-mail:** moscow@kpmg.ru; www.kpmg.ru

Certificate of State Registration of Joint-Stock Company No. 011.585 issued by the Moscow Registration Chamber on January 25, 1992. Certificate of Entry in the Unified State Register of Legal Entities No. 1027700125628 dd. August 13, 2002 issued by the Interdistrict Inspectorate of the Russian Ministry of Taxes and Duties No. 39 for Moscow. Certificate series 77 No. 005721432

**Auditor License:** No. E0003330

Issued on January 17, 2003 by the Ministry of Finance of the Russian Federation

**Valid until:** January 17, 2003

## 12.5. REGISTRAR

Information on the organization which registers the rights of the issuer to equity securities

**Full company name:** Closed Joint-Stock Company Specialized Registrar — Holder of Registers for Gas Industry Stockholders

**Abbreviated company name:** CJSC SR-DRAGa

**Location:** 71/32 Novocheremushkinskaya St., Moscow, 117420, Russian Federation

**Mailing address:** 71/32 Novocheremushkinskaya St., Moscow, 117420, Russian Federation

**Tel.:** (495) 719-40-44, fax: (495) 719-45-85, (495) 719-81-66

**E-mail:** info@draga.ru; www.draga.ru

**Registrar License:**

License No. 10-000-1-00291. Issued on December 26, 2003 by the Federal Committee for the Securities Market

**Valid until:** the license is valid for an indefinite period of time

Date from which the Register of the Issuer's Registered Securities has been kept by the specified registrar: December 25, 2010

