



**OGK-2 GROUP  
INTERIM CONDENSED  
CONSOLIDATED FINANCIAL STATEMENTS  
PREPARED IN ACCORDANCE WITH  
INTERNATIONAL FINANCIAL REPORTING  
STANDARDS (IFRS)  
FOR THE THREE MONTHS ENDED  
31 MARCH 2019 (UNAUDITED)**

**Translation from the Russian original**

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**OGK-2 Group**  
**Interim Condensed Consolidated Statement of Financial Position**  
**as at 31 March 2019 (unaudited)**



(in thousands of Russian Roubles unless noted otherwise)

	Notes	31 March 2019	31 December 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	175,130,592	176,494,377
Intangible assets		614,117	615,685
Deferred income tax assets		381,559	353,948
Other non-current assets		963,344	975,615
<b>Total non-current assets</b>		<b>177,089,612</b>	<b>178,439,625</b>
<b>Current assets</b>			
Cash and cash equivalents	6	16,163,331	6,577,568
Trade and other receivables	7	12,923,431	13,354,095
Inventories		13,197,991	12,004,239
Income tax prepayments		5,287	5,893
Other current assets		3,000,000	3,000,000
<b>Total current assets</b>		<b>45,290,040</b>	<b>34,941,795</b>
<b>TOTAL ASSETS</b>		<b>222,379,652</b>	<b>213,381,420</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	8		
Ordinary shares		40,057,009	40,057,009
Treasury shares		(3,706,973)	(3,706,973)
Share premium		28,378,693	28,378,693
Retained earnings and other reserves		68,848,502	62,586,843
<b>Equity attributable to the shareholders of JSC "OGK-2"</b>		<b>133,577,231</b>	<b>127,315,572</b>
<b>Total equity</b>		<b>133,577,231</b>	<b>127,315,572</b>
<b>Non-current liabilities</b>			
Deferred income tax liabilities		13,036,927	12,987,413
Non-current debt		38,452,083	38,460,157
Retirement benefit obligations		1,622,349	1,599,543
Restoration provision		979,321	959,157
Other long-term liabilities	9	5,614,662	4,874,049
<b>Total non-current liabilities</b>		<b>59,705,342</b>	<b>58,880,319</b>
<b>Current liabilities</b>			
Current debt and current portion of non-current debt		8,708,004	8,611,170
Trade and other payables	9	15,399,112	15,467,251
Other taxes payable	10	3,624,349	2,907,214
Restoration provision		73,800	72,280
Income tax payable		1,291,814	127,614
<b>Total current liabilities</b>		<b>29,097,079</b>	<b>27,185,529</b>
<b>Total liabilities</b>		<b>88,802,421</b>	<b>86,065,848</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>222,379,652</b>	<b>213,381,420</b>

Managing Director

Chief Accountant



A.V. Semikolenov

L.V. Klishch

13 May 2019

The interim condensed consolidated statement of financial position is to be read in conjunction with the notes to, and forming part of, the interim condensed consolidated financial statements set out on pages 7 to 23

**OGK-2 Group**  
**Interim Condensed Consolidated Statement of Comprehensive Income**  
**for the 3 months ended 31 March 2019 (unaudited)**  
(in thousands of Russian Roubles unless noted otherwise)



	Notes	3 months ended 31 March 2019	3 months ended 31 March 2018
Revenues	11	37,538,079	39,649,500
Operating expenses	12	(28,745,084)	(32,729,351)
Impairment loss on financial assets		(229,579)	(112,005)
<b>Operating profit</b>		<b>8,563,416</b>	<b>6,808,144</b>
Finance income	13	226,483	152,362
Finance costs	14	(959,260)	(1,277,929)
<b>Profit before income tax</b>		<b>7,830,639</b>	<b>5,682,577</b>
Income tax charge		(1,568,980)	(1,073,586)
<b>Profit for the period</b>		<b>6,261,659</b>	<b>4,608,991</b>
<b>Total comprehensive income for the period</b>		<b>6,261,659</b>	<b>4,608,991</b>
<b>Profit for the period attributable to:</b>			
Shareholders of JSC "OGK-2"		6,261,659	4,608,991
		<b>6,261,659</b>	<b>4,608,991</b>
<b>Total comprehensive income for the period attributable to:</b>			
Shareholders of JSC "OGK-2"		6,261,659	4,608,991
		<b>6,261,659</b>	<b>4,608,991</b>
<b>Earnings per ordinary share attributable to the shareholders of JSC "OGK-2" – basic and diluted (in Russian Roubles)</b>	15	<b>0.06</b>	<b>0.04</b>

Managing Director  
Chief Accountant



*(Handwritten signatures in blue ink)*

A.V. Semikolenov

L.V. Klishch

13 May 2019

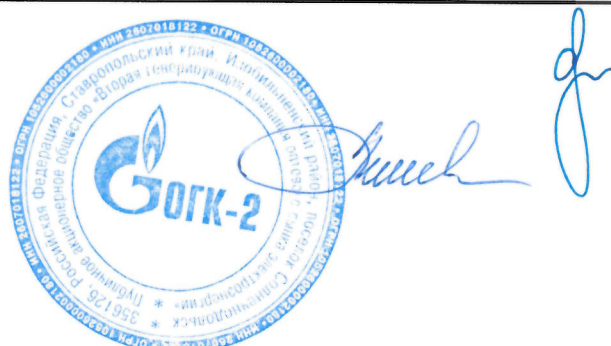
**OGK-2 Group**  
**Interim Condensed Consolidated Statement of Cash Flows**  
**for the 3 months ended 31 March 2019 (unaudited)**  
(in thousands of Russian Roubles unless noted otherwise)



	Notes	3 months ended 31 March 2019	3 months ended 31 March 2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Profit before income tax		7,830,639	5,682,577
Adjustments to reconcile profit before income tax:			
Depreciation and amortization of property, plant, equipment, intangible assets and right-of-use assets	12	3,323,208	3,022,270
Impairment loss on financial assets		229,579	112,005
Finance income	13	(226,483)	(152,362)
Finance costs	14	959,260	1,277,929
Non-state pensions and other long-term benefits	12	17,791	21,308
(Gain) / loss on disposal of assets, net	12	(3,511)	43,848
Other non-cash items		87,739	3,213
<b>Operating cash flows before working capital changes and income tax paid</b>		<b>12,218,222</b>	<b>10,010,788</b>
Working capital changes:			
Decrease in trade and other receivables		24,268	595,481
Increase in inventories		(1,201,897)	(232,580)
Increase in trade and other payables		732,961	861,034
Increase in taxes payable, other than income tax		717,135	1,725,180
Decrease in retirement benefit obligations		(25,389)	(33,496)
Income tax paid		(382,271)	(100,803)
<b>Net cash generated from operating activities</b>		<b>12,083,029</b>	<b>12,825,604</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment		(1,636,524)	(2,203,838)
Proceeds from sale of property, plant and equipment		1,516	9,304
Purchase of intangible assets		(79,519)	(33,644)
Proceeds from loans issued		-	64,984
Interest received		152,675	152,510
<b>Net cash used in investing activities</b>		<b>(1,561,852)</b>	<b>(2,010,684)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Repayment of short-term borrowings		-	(175,510)
Repayment of long-term borrowings		-	(2,000,000)
Interest paid		(810,467)	(1,012,796)
Payment of lease liabilities		(37,208)	(816)
<b>Net cash used in financing activities</b>		<b>(847,675)</b>	<b>(3,189,122)</b>
<b>Net increase in cash and cash equivalents</b>		<b>9,673,502</b>	<b>7,625,798</b>
Effect of exchange rate changes on cash and cash equivalents		(87,739)	(3,095)
<b>Cash and cash equivalents at the beginning of the period</b>	6	<b>6,577,568</b>	<b>5,140,926</b>
<b>Cash and cash equivalents at the end of the period</b>	6	<b>16,163,331</b>	<b>12,763,629</b>

Managing Director

Chief Accountant



A.V. Semikolenov

L.V. Klishch

13 May 2019

The interim condensed consolidated statement of cash flows is to be read in conjunction with the notes to, and forming part of, the interim condensed consolidated financial statements set out on pages 7 to 23

**OGK-2 Group**  
**Interim Condensed Consolidated Statement of Changes in Equity**  
**for the 3 months ended 31 March 2019 (unaudited)**  
(in thousands of Russian Roubles unless noted otherwise)



	Share capital	Treasury shares	Share premium	Retained earnings and other reserves	Equity attributable to the shareholders of JSC "OGK-2"	Total equity
<b>At 1 January 2018</b>	<b>40,057,009</b>	<b>(3,821,383)</b>	<b>28,378,693</b>	<b>56,398,279</b>	<b>121,012,598</b>	<b>121,012,598</b>
Profit for the period	-	-	-	4,608,991	4,608,991	4,608,991
<i>Total comprehensive income for the period</i>	-	-	-	4,608,991	4,608,991	4,608,991
<b>At 31 March 2018</b>	<b>40,057,009</b>	<b>(3,821,383)</b>	<b>28,378,693</b>	<b>61,007,270</b>	<b>125,621,589</b>	<b>125,621,589</b>
<b>At 1 January 2019</b>	<b>40,057,009</b>	<b>(3,706,973)</b>	<b>28,378,693</b>	<b>62,586,843</b>	<b>127,315,572</b>	<b>127,315,572</b>
Profit for the period	-	-	-	6,261,659	6,261,659	6,261,659
<i>Total comprehensive income for the period</i>	-	-	-	6,261,659	6,261,659	6,261,659
<b>At 31 March 2019</b>	<b>40,057,009</b>	<b>(3,706,973)</b>	<b>28,378,693</b>	<b>68,848,502</b>	<b>133,577,231</b>	<b>133,577,231</b>

Managing Director

Chief Accountant



A.V. Semikolenov

L.V. Klishch

13 May 2019



**Note 1. The Group and its operations**

Public Joint Stock Company (till 24 June 2015 - Open Joint Stock Company) "The Second Generating Company of the Wholesale Electric Power Market" (JSC "OGK-2", or the "Company") was established on 9 March 2005 within the framework of Russian electricity sector restructuring in accordance with the Resolution No. 1254-r adopted by the Russian Federation Government on 1 September 2003.

The primary activities of the Company are generation and sale of electric and heat power. The Company consists of the following power stations (plants): Troitskaya GRES, Stavropolskaya GRES, Pskovskaya GRES, Serovskaya GRES, Surgutskaya GRES-1, Kirishskaya GRES, Ryazanskaya GRES, Novochebasskaya GRES, Krasnoyarskaya GRES-2, Cherepovetskaya GRES, Groznenskaya TES, Adlerskaya TES.

The Company is registered by the Izobilnensk District Inspectorate of the RF Ministry of Taxation of Stavropol Region.

The Company's office is located at 66-1, lit. A, Peterburgskoye Highway, 196140, Saint Petersburg, Russian Federation.

JSC "OGK-2" and its following subsidiaries form the OGK-2 Group (the "Group"):

	<b>Ownership interest (%)</b>	
	<b>31 March 2019</b>	<b>31 December 2018</b>
LLC "OGK-2 Finance"	100%	100%
LLC "Centr 112"	100%	100%
LLC "OGK-Investproekt"	100%	100%

**Operating environment of the Group.** The Russian Federation displays certain characteristics of an emerging market. Its economy is particularly sensitive to oil and gas prices. The legal, tax and regulatory frameworks continue to develop and are subject to frequent changes and varying interpretations. During the 3 months ended 31 March 2019 the Russian economy continued to be negatively impacted by international sanctions against certain Russian companies and individuals.

The financial markets continue to be volatile and are characterised by frequent significant price movements and increased trading spreads. These events may have a further significant impact on the Group's future operations and financial position, the effect of which is difficult to predict. The future economic and regulatory situation and its impact on the Group's operations may differ from management's current expectations.

**Relations with the state and current regulation.** The Company is part of the GAZPROM Group ([www.gazprom.ru](http://www.gazprom.ru)), which includes PJSC "GAZPROM" and its subsidiaries. PJSC "Centerenergyholding" owns 73.42% of the shares of the Company as at 31 March 2019 (as at 31 December 2018: 73.42%).

GAZPROM Group, in its turn, is controlled by the Russian Federation, therefore, the Russian Government is the ultimate controlling party of the Group as at 31 March 2019 and 31 December 2018.

The Group's customer base includes a large number of entities controlled by or related to the State. The list of the Group's major fuel suppliers includes subsidiaries of PJSC "GAZPROM".

The government of the Russian Federation directly affects the Group's operations through regulations of wholesale sales of electricity (capacity) and retail sales of heat exercised by the Federal Antimonopoly Service ("FAS") and the tariffs regulation executive authorities. JSC "System Operator of the United Power System" ("SO UPS"), which is controlled by the Russian Federation represented by the Federal executive body for state property management, regulates operations of generating assets of the Group.

The government's economic, social and other policies could have material effects on the operations of the Group.



## **Note 2. Basis of preparation**

The interim condensed consolidated financial statements for the 3 months ended 31 March 2019 ("Financial statements") have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. The interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2018, which have been prepared in accordance with IFRS.

**Seasonality.** Demand for electricity and heat is influenced by both the season of the year and the relative severity of the weather. Revenues from heating are concentrated within the months of October to March. A similar, though less severe, concentration of electricity sales occurs within the same period. The seasonality of electricity and heat production has a corresponding impact on the usage of fuel and purchases of electricity. This seasonality does not impact on the revenue or cost recognition policies of the Group.

## **Note 3. New accounting developments**

The significant accounting policies followed by the Group and the critical accounting estimates in applying accounting policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2018, except for the application of new standards that became effective on 1 January 2019.

The Group has adopted all new standards, amendments to standards and interpretations that were effective from 1 January 2019.

### ***Application of new IFRSs***

#### ***IFRS 16 Leases***

The new standard defines the principles of recognition, measurement, presentation and disclosure of information in the financial statements in respect of lease agreements. The standard requires lessees to recognize right-of-use assets and lease liabilities for most lease agreements.

Right-of-use assets are initially measured at cost and depreciated by the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The cost of right-of-use assets comprises of initial measurement of the lease liability, any lease payments made before or at the commencement date and initial direct costs. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date and subsequently measured at amortized cost with the interest expense recognized within finance expense in the consolidated statement of comprehensive income.

In accordance with IFRS 16, the Group elected not to apply the standard to short-term leases and leases with underlying assets of low value.

In accordance with the transition provisions in IFRS 16, the Group chose to apply the new rules retrospectively with the cumulative effect of initially applying the standard recognized at 1 January 2019. The Group followed allowed practical expedients and did not apply the new standard to leases for which the lease term ends within twelve months of the date of transition, and also applied one discount rate for a portfolio of contracts with relatively similar characteristics.



The table below shows the effect of the initial application of IFRS 16 Leases on the interim condensed consolidated statement of financial position as at 1 January 2019:

	Balance as at 31 December 2018	Effect of initial application of IFRS 16	Balance as at 1 January 2019 (restated)
Property, plant and equipment	176,494,377	1,208,919	177,703,296
Other non-current assets	975,615	(14,012)	961,603
<b>Total non-current assets</b>	<b>178,439,625</b>	<b>1,194,907</b>	<b>179,634,532</b>
Trade and other receivables	13,354,095	(211,989)	13,142,106
<b>Total current assets</b>	<b>34,941,795</b>	<b>(211,989)</b>	<b>34,729,806</b>
<b>TOTAL ASSETS</b>	<b>213,381,420</b>	<b>982,918</b>	<b>214,364,338</b>
Non-current debt	38,460,157	(8,074)	38,452,083
Other long-term liabilities	4,874,049	831,043	5,705,092
<b>Total non-current liabilities</b>	<b>58,880,319</b>	<b>822,969</b>	<b>59,703,288</b>
Current debt and current portion of non-current debt	8,611,170	(14,787)	8,596,383
Trade and other payables	15,467,251	174,736	15,641,987
<b>Total current liabilities</b>	<b>27,185,529</b>	<b>159,949</b>	<b>27,345,478</b>
<b>Total liabilities</b>	<b>86,065,848</b>	<b>982,918</b>	<b>87,048,766</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>213,381,420</b>	<b>982,918</b>	<b>214,364,338</b>

In the interim condensed consolidated statement of comprehensive income for the three months ended 31 March 2019 the Group has recorded RR 52,523 thousand in depreciation and amortisation of property, plant, equipment, intangible assets and right-of-use assets (Note 12) and RR 26,992 thousand (Note 14) in finance costs in relation to leases accounted for under IFRS 16 "Leases".

Explanation of differences between operation lease commitments as at 31 December 2018 with recognized lease liabilities as at 1 January 2019:

<b>Operating lease commitments as at 31 December 2018 disclosed applying IAS 17</b>	<b>5,405,557</b>
Recognition exemptions:	
For short-term leases	(2,013)
For leases with variable payments	(2,459,593)
Effect of applying judgment regarding terms / variable lease payments based on index or rate as at 1 January 2019	(850,830)
Effect of discounting of lease liabilities as at 1 January 2019	(1,099,275)
<b>Lease liabilities recognized in accordance with IFRS 16 as at 1 January 2019</b>	<b>993,846</b>
Finance lease liability as at 31 December 2018	22,861
<b>Lease liabilities in accordance with IFRS 16 as at 1 January 2019</b>	<b>1,016,707</b>

The zero-coupon yield rate of government bonds, taking into account the risk premium adjusted by the correction factor, was used as the discount rate.

In June 2017, the IASB issued *IFRIC 23 Interpretation entitled Uncertainty over Income Tax Treatments*. The IFRIC clarifies that for the purposes of calculating current and deferred tax, companies should use a tax treatment of uncertainties, which will probably be accepted by the tax authorities. IFRIC 23 is effective for annual periods beginning on or after 1 January 2019.

In October 2017, the IASB issued amendments to *IFRS 9 Financial instruments* named Prepayment Features with Negative Compensation. The amendments relate to financial assets with an option of early prepayment, the conditions of which allow early prepayment in a variable amount, which in turn may exceed as well as may be lower than remaining outstanding cash flows. The amendments allow to measure such prepayable financial assets with so-called negative compensation at amortized cost or at fair value through other comprehensive income if a specified condition is met – instead of at fair value through profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2019.

In February 2018, the IASB issued amendments to *IAS 19 Employee benefits* named Plan Amendment, Curtailment or Settlement. The amendments specify how companies determine pension expenses when changes to a defined benefit pension plan occur. The amendments are effective for annual periods beginning on or after January 2019.



The Group has reviewed these interpretations and amendments to standards while preparing interim condensed consolidated financial statements. The interpretations and amendments to standards have no significant impact on the Group's interim condensed consolidated financial statements.

***Standards, Interpretations and Amendments to existing Standards that are not yet effective and have not been early adopted by the Group***

Certain new standards, interpretations and amendments have been issued that are mandatory for the annual periods beginning on or after 1 January 2020. In particular, the Group has not early adopted the standards and amendments:

In May 2017, the IASB issued *IFRS 17 Insurance Contracts*. IFRS 17 establishes a single framework for the accounting for insurance contracts and contains requirements for related disclosures. The new standard replaces IFRS 4 Insurance Contracts. The standard is effective for annual periods beginning on or after January 1, 2021.

In March 2018, the IASB issued a revised version of *Conceptual Framework for Financial Reporting*. In particular, the revised version introduces new definitions of assets and liabilities, as well as amended definitions of income and expenses. The new version is effective for annual periods beginning on or after January 1, 2020.

In October 2018, the IASB issued amendments to *IFRS 3 Business Combinations*. The amendments enhance definition of a business set out by the standard. The amendments are effective for acquisitions to occur on or after January 1, 2020; earlier application is permitted.

In October 2018, the IASB issued amendments to *IAS 1 Presentation of Financial Statements* and *IAS 8 Accounting policies, Changes in Accounting Estimates and Errors*. The amendments to IAS 1 and IAS 8 introduce new definition of material. The amendments are effective on or after January 1, 2020; earlier application is permitted.

The Group is currently assessing how these changes will affect its financial position and results of operations.

**Note 4. Related Parties**

Information on transactions and balances with related parties is presented below. Transactions with related parties have been made mostly on the same terms and conditions as similar operations with the parties external to the Group. Prices for natural gas and heat are based on tariffs set by FAS, prices for electricity and capacity are based on tariffs set by FAS and also based on competitive take-off on the wholesale electricity (capacity) market. Loans and borrowings are granted at market rates. Bank deposits are invested at market rates.

***Transactions with GAZPROM Group and its associates***

Transactions with GAZPROM Group and its associates were as follows:

***Revenues***

	<b>3 months ended 31 March 2019</b>	<b>3 months ended 31 March 2018</b>
Electricity and capacity	1,169,937	904,165
Heating	2,147	1,907
Other	196,535	47,837
<b>Total</b>	<b>1,368,619</b>	<b>953,909</b>



**Operating expenses**

	<b>3 months ended 31 March 2019</b>	<b>3 months ended 31 March 2018</b>
Fuel	9,936,560	11,622,814
Rent	1,189,753	943,529
Repairs and maintenance	593,085	627,769
Transport	243,625	158,544
Insurance	53,462	56,593
Purchased electricity, capacity and heat	25,437	55,018
Consulting, legal and audit services	19,087	7,950
Penalties and fines	3	39,437
(Gain) / loss on disposal of assets	(359)	(251)
Other expenses	36,846	268,982
<b>Total operating expenses</b>	<b>12,097,499</b>	<b>13,780,385</b>

Rent expense for the 3 months ended 31 March 2019 includes expense relating to variable rental payments in the amount of RR 1,189,613 thousand and expense relating to short-term leases in the amount of RR 140 thousand.

**Finance income**

	<b>3 months ended 31 March 2019</b>	<b>3 months ended 31 March 2018</b>
Interest income on loans issued	762	2,536
Interest income on bank deposits and current bank account balances	-	8,991
<b>Total finance income</b>	<b>762</b>	<b>11,527</b>

**Finance costs**

	<b>3 months ended 31 March 2019</b>	<b>3 months ended 31 March 2018</b>
Interest expense on debt	482,161	758,038
Effect of discounting of long-term payables	48,703	159
Interest expenses on lease liabilities	13,192	2,025
<b>Total finance costs</b>	<b>544,056</b>	<b>760,222</b>

**Purchase of non-current and current assets**

	3 months ended 31 March 2019	3 months ended 31 March 2018
Acquisition of property, plant and equipment including capitalized borrowing costs from related parties	171,464	188,391
Purchases of materials	64,174	48,375
	417,095	315
<b>Total purchase of non-current and current assets</b>	<b>588,559</b>	<b>188,706</b>

**Other transactions**

	3 months ended 31 March 2019	3 months ended 31 March 2018
Impairment loss on financial assets	(2,534)	-
Repayment of borrowings (excluding interest)	-	2,176,326
Repayment of loans issued (excluding interest)	-	64,984

**Balances**

	31 March 2019	31 December 2018
Long-term loan issued (Note 7)	41,032	40,270
Cash and cash equivalents (Note 6)	3,992	4,331
Trade and other receivables	1,967,880	1,665,604
Advances for property, plant and equipment (net of VAT)	105,863	126,588
Debt	22,847,437	22,874,485
Trade and other payables	14,497,078	13,549,763

As at 31 March 2019 the Group has capital commitments to GAZPROM Group and its associates (including VAT) of RR 10,960,591 thousand (as at 31 December 2018: RR 10,941,834 thousand).

**Transactions with state-controlled entities and its associates other than GAZPROM Group**

In the normal course of business the Group enters into transactions with other entities under Government control (in addition to transactions with GAZPROM Group), including sales of electricity and capacity, heat, purchases of electricity and capacity resources, services and other transactions.

Transactions with the state-controlled entities were as follows:

**Revenues**

	3 months ended 31 March 2019	3 months ended 31 March 2018
Electricity and capacity	7,954,393	6,310,424
Heating	382,391	421,659
Other	115,247	669,718
<b>Total</b>	<b>8,452,031</b>	<b>7,401,801</b>



**Operating expenses**

	<b>3 months ended 31 March 2019</b>	<b>3 months ended 31 March 2018</b>
Dispatcher's fees (Note 12)	526,525	502,288
Purchased electricity, capacity and heat	179,005	167,418
Electricity transit (Note 12)	14,186	527,449
Ecological payments	12,354	17,303
Consulting, legal and audit services	4,701	375
Transport	917	1,473
Rent	27	18,342
Repairs and maintenance	-	807
Penalties and fines	(17,470)	177,575
Other expenses	211,260	214,869
<b>Total operating expenses</b>	<b>931,505</b>	<b>1,627,899</b>

Rent expense for the 3 months ended 31 March 2019 includes expense relating to short-term leases in the amount of RR 27 thousand.

**Finance income**

	<b>3 months ended 31 March 2019</b>	<b>3 months ended 31 March 2018</b>
Interest income on bank deposits and current bank account balances	114,321	104,397
<b>Total finance income</b>	<b>114,321</b>	<b>104,397</b>

**Finance costs**

	<b>3 months ended 31 March 2019</b>	<b>3 months ended 31 March 2018</b>
Interest expense on debt	257,357	171,907
Interest expenses on lease liabilities	12,080	-
<b>Total finance costs</b>	<b>269,437</b>	<b>171,907</b>

**Purchase of non-current and current assets**

	<b>3 months ended 31 March 2019</b>	<b>3 months ended 31 March 2018</b>
Acquisition of property, plant and equipment including capitalized borrowing costs from related parties	256,243	109,929
Purchases of materials	79,159	109,799
Purchases of intangible assets	25,343	29,979
Purchases of intangible assets	200	100
<b>Total purchase of non-current and current assets</b>	<b>281,786</b>	<b>140,008</b>

**Other transactions**

	<b>3 months ended 31 March 2019</b>	<b>3 months ended 31 March 2018</b>
Impairment loss on financial assets	316,155	188,947



**Balances**

	<b>31 March 2019</b>	<b>31 December 2018</b>
Trade and other receivables	4,177,818	4,353,231
Advances for property, plant and equipment (net of VAT)	1,067	1,085
Cash and cash equivalents (Note 6)	12,456,788	2,560,189
Trade and other payables	1,002,883	920,964
Debt	17,424,957	17,424,956

As at 31 March 2019 the Group has capital commitments to state-controlled entities (including VAT) of RR 1,148,849 thousand (as at 31 December 2018: RR 1,148,849 thousand).

Some of the transactions on the wholesale electricity and capacity market are conducted through commission agreements with Joint-stock company "Financial Settling Center" (JSC "FSC"). Current financial settlement system of JSC "FSC" does not provide the final counterparty with automated information about transactions and settlement balances with end consumers. Government-related entities, GAZPROM Group and its subsidiaries may also act as counterparties.

The Group had the following significant transactions with JSC "FSC":

	<b>3 months ended 31 March 2019</b>	<b>3 months ended 31 March 2018</b>
Sales of electricity and capacity	15,550,868	17,597,655
Purchases of electricity and capacity	2,649,835	2,830,588
Other income	985	859
Other expenses	5,120	5,878

The Group had the following significant balances with JSC "FSC":

	<b>31 March 2019</b>	<b>31 December 2018</b>
Trade and other receivables	2,105,710	2,464,732
Trade and other payables	380,054	693,328

**Transactions of key management personnel services**

Short-term remuneration includes remuneration to members of the Board of Directors for the performance of their duties in these positions and participation in meetings of the Board of Directors, as well as members of the Company's Management Board before the transfer of the powers of the sole executive body to the management organization Gazprom Energoholding LLC on 4 July 2018 for performing their duties for positions held on an ongoing basis and consisted of a monthly salary, bonuses, taxes charged on them and other obligatory payments to relevant budgets, medical insurance costs. After the transfer of the powers of the sole executive body the remuneration of the management entity is included in the amount of short-term remuneration for the key management personnel services.

Total short-term remuneration for the key management personnel services for the 3 months ended 31 March 2019 was RR 35,499 thousand (for the 3 months ended 31 March 2018 was RR 21,036 thousand).

**Note 5. Property, plant and equipment**

	Production buildings	Constructions	Energy machinery and equipment	Other machinery and equipment	Other	Construction in progress	Total
<b>Cost</b>							
Opening balance as at 1 January 2019 (Restated)	61,982,341	37,902,401	108,825,474	52,526,932	3,978,556	14,325,235	279,540,939
Additions	-	-	-	1,965	15,791	679,551	697,307
Transfer	95,161	1,115,510	163,493	1,084,400	1,282	(2,459,846)	-
Disposals	(13,662)	(4,197)	(6)	(20,897)	(1,518)	(1,151)	(41,431)
<b>Closing balance as at 31 March 2019</b>	<b>62,063,840</b>	<b>39,013,714</b>	<b>108,988,961</b>	<b>53,592,400</b>	<b>3,994,111</b>	<b>12,543,789</b>	<b>280,196,815</b>
<b>Accumulated depreciation (including impairment)</b>							
Opening balance as at 1 January 2019 (Restated)	(24,477,983)	(16,279,993)	(38,729,716)	(20,294,743)	(1,964,196)	(91,012)	(101,837,643)
Charge for the period	(393,447)	(353,952)	(1,381,009)	(1,027,282)	(104,002)	-	(3,259,692)
Disposals	4,504	4,197	6	20,897	1,508	-	31,112
<b>Closing balance as at 31 March 2019</b>	<b>(24,866,926)</b>	<b>(16,629,748)</b>	<b>(40,110,719)</b>	<b>(21,301,128)</b>	<b>(2,066,690)</b>	<b>(91,012)</b>	<b>(105,066,223)</b>
<b>Net book value as at 31 March 2019</b>	<b>37,196,914</b>	<b>22,383,966</b>	<b>68,878,242</b>	<b>32,291,272</b>	<b>1,927,421</b>	<b>12,452,777</b>	<b>175,130,592</b>
<b>Net book value as at 31 December 2018</b>	<b>36,914,462</b>	<b>21,621,890</b>	<b>70,095,758</b>	<b>32,232,189</b>	<b>1,607,719</b>	<b>14,022,359</b>	<b>176,494,377</b>
<b>Net book value as at 1 January 2019 (Restated)</b>	<b>37,504,358</b>	<b>21,622,408</b>	<b>70,095,758</b>	<b>32,232,189</b>	<b>2,014,360</b>	<b>14,234,223</b>	<b>177,703,296</b>
<b>Cost</b>							
Opening balance as at 1 January 2018	60,495,050	36,937,220	106,502,387	40,963,438	3,144,039	23,334,899	271,377,033
Additions	-	-	-	12,066	53,786	2,273,264	2,339,116
Transfer	943,264	691,266	675,826	9,052,099	601	(11,363,056)	-
Disposals	(66,492)	(811,928)	(372,286)	(234,578)	(3,835)	(12,758)	(1,501,877)
<b>Closing balance as at 31 March 2018</b>	<b>61,371,822</b>	<b>36,816,558</b>	<b>106,805,927</b>	<b>49,793,025</b>	<b>3,194,591</b>	<b>14,232,349</b>	<b>272,214,272</b>
<b>Accumulated depreciation (including impairment)</b>							
Opening balance as at 1 January 2018	(22,100,635)	(15,294,091)	(31,786,790)	(16,091,069)	(1,513,473)	(323,693)	(87,109,751)
Charge for the period	(354,973)	(335,152)	(1,349,823)	(820,951)	(104,832)	-	(2,965,731)
Disposals	54,726	674,261	361,550	220,367	3,829	-	1,314,733
Transfer	-	-	-	(4,850)	-	4,850	-
<b>Closing balance as at 31 March 2018</b>	<b>(22,400,882)</b>	<b>(14,954,982)</b>	<b>(32,775,063)</b>	<b>(16,696,503)</b>	<b>(1,614,476)</b>	<b>(318,843)</b>	<b>(88,760,749)</b>
<b>Net book value as at 31 March 2018</b>	<b>38,970,940</b>	<b>21,861,576</b>	<b>74,030,864</b>	<b>33,096,522</b>	<b>1,580,115</b>	<b>13,913,506</b>	<b>183,453,523</b>
<b>Net book value as at 31 December 2017</b>	<b>38,394,415</b>	<b>21,643,129</b>	<b>74,715,597</b>	<b>24,872,369</b>	<b>1,630,566</b>	<b>23,011,206</b>	<b>184,267,282</b>

The impairment provision balance in relation to property, plant and equipment and assets under construction is included in accumulated depreciation as at 31 March 2019 in the amount of RR 7,320,715 thousand (as at 31 December 2018: RR 7,321,224 thousand).

The right-of-use assets are included in property, plant and equipment at 31 March 2019 with carrying value of RR 1,334,112 thousand (cost RR 1,395,136 thousand, accumulated depreciation RR 61,024 thousand).

**Note 6. Cash and cash equivalents**

	Currency	31 March 2019	31 December 2018
Bank deposits with maturity three months or less	RR	15,032,900	5,488,500
Bank deposits with maturity three months or less	EUR	947,506	1,034,530
Current bank accounts	RR	182,917	54,538
Cash on hand	RR	8	-
<b>Total</b>		<b>16,163,331</b>	<b>6,577,568</b>

The Group has current bank accounts in the following banks:

Cash in bank	Credit rating on 31 March 2019*	31 March 2019	Credit rating on 31 December 2018*	31 December 2018
	WR / Ratings		WR / Ratings	
"BANK "ROSSIYA"	Withdrawn	143,330	Withdrawn	24,540
Sberbank	ba1 / Stable	35,431	ba1 / Stable	25,591
Bank GPB (JSC)	b1 / Stable	3,992	b1 / Stable	4,331
VTB Bank (PJSC)	b1 / Stable	151	b1 / Stable	68
AO "ALFA-BANK"	ba2 / Stable	13	ba2 / Stable	8
<b>Total cash in bank</b>		<b>182,917</b>		<b>54,538</b>

\* Baseline Credit Assessment / the outlook on all of the bank's ratings, determined by Moody's Investor Service.

Credit quality of bank deposits is presented below:

Bank deposits with maturity of three months or less	Currency	Interest rate	Credit rating on 31 March 2019*	31 March 2019	Currency	Interest rate	Credit rating on 31 December 2018*	31 December 2018
VTB Bank (PJSC)	RR	7.10%-7.35%	Prime-3	7,673,700	RR	7.65%	Prime-3	1,500,000
Sberbank	RR	7.25%	Prime-3	3,800,000	-	-	-	-
"BANK "ROSSIYA"	RR	7.18% - 7.35%	WR / Ratings Withdrawn	3,559,200	RR	6.75% - 7.75%	WR / Ratings Withdrawn	3,988,500
VTB Bank (PJSC)	EUR	0.01%	Prime-3	947,506	EUR	0.37%	Prime-3	1,034,530
<b>Total bank deposits with maturity of three months or less</b>				<b>15,980,406</b>				<b>6,523,030</b>

\* Short-term rating of domestic and foreign currency deposits, determined by Moody's Investors Service.



**OGK-2 Group**  
**Notes to Interim Condensed Consolidated Financial Statements**  
**for the 3 months ended 31 March 2019 (unaudited)**  
(in thousands of Russian Roubles unless noted otherwise)



**Note 7. Trade and other receivables**

	<b>31 March 2019</b>	<b>31 December 2018</b>
Trade receivables (net of provision for impairment of RR 10,824,296 thousand as at 31 March 2019 and RR 10,590,673 thousand as at 31 December 2018)	10,750,217	10,859,532
Other receivables (net of provision for impairment of RR 6,856,062 thousand as at 31 March 2019 and RR 6,862,723 thousand as at 31 December 2018)	674,238	877,001
Promissory notes (nominal value of promissory notes is RR 460,210 thousand as at 31 March 2019 and RR 461,427 thousand as at 31 December 2018)	267,012	262,487
Interest receivable	95,235	28,367
Loans issued	41,032	40,270
<b>Financial assets</b>	<b>11,827,734</b>	<b>12,067,657</b>
Advances to suppliers (net of provision for impairment of RR 5,023 thousand as at 31 March 2019 and RR 5,023 thousand as at 31 December 2018)	1,457,731	1,598,739
Input VAT	90,368	142,013
Prepaid other taxes and social funds contribution	13,699	20,322
<b>Total</b>	<b>13,389,532</b>	<b>13,828,731</b>
Less: Long-term promissory notes (nominal value of promissory notes is RR 458,993 thousand as at 31 March 2019 and RR 458,993 thousand as at 31 December 2018)	(265,903)	(260,197)
Long-term advances to suppliers	(136,669)	(153,491)
Long-term loans issued	(41,032)	(40,270)
Long-term trade and other receivables (net of provision for impairment of RR 21,476 thousand as at 31 March 2019 and RR 21,476 thousand as at 31 December 2018)	(19,487)	(20,483)
Long-term input VAT from advances paid	(3,010)	(195)
<b>Total</b>	<b>12,923,431</b>	<b>13,354,095</b>

As at 31 March 2019 and 31 December 2018 the effective interest rate on the loans issued was 12.10%.

Breakdown of promissory notes is presented below:

Company	Effective interest rate	Credit rating on 31 March 2019*	Credit rating on	
			31 March 2019	31 December 2018
AO "ALFA-BANK"	8.11%-9.50%	ba2 /Stable	265,064	259,378
Other	12.67%	-	1,948	3,109
<b>Total</b>			<b>267,012</b>	<b>262,487</b>

\* The bank financial strength rating / the outlook on all of the bank's ratings, determined by Moody's Investor Service.



**Note 8. Equity**

**Share capital**

	Number of ordinary shares 31 March 2019	Number of ordinary shares 31 December 2018
Issued shares	110,441,160,870	110,441,160,870
Treasury shares	(4,373,963,548)	(4,373,963,548)
<b>Total outstanding shares</b>	<b>106,067,197,322</b>	<b>106,067,197,322</b>

Each ordinary share carries one vote. The nominal value of one share is RR 0.3627.

As at 31 March 2019 and 31 December 2018 the number of authorised for issue but not issued ordinary shares is 58,886,766,090 shares.

**Dividends**

There were no dividends proposed or declared before the financial statements were authorized.

**Note 9. Trade and other payables**

	31 March 2019	31 December 2018
Trade payables (net of effect of discounting RR 252,297 thousand as at 31 March 2019 and RR 301,528 thousand as at 31 December 2018)	11,525,117	11,935,982
Other payables	7,680,695	7,654,968
Lease liabilities	996,871	-
Dividends payable	11,651	11,559
<b>Financial liabilities</b>	<b>20,214,334</b>	<b>19,602,509</b>
Salaries and wages payable	779,113	726,456
Advances from customers	20,327	12,335
<b>Total</b>	<b>21,013,774</b>	<b>20,341,300</b>
Less: Long-term trade payables (net of effect of discounting RR 252,297 thousand as at 31 March 2019 and RR 301,528 thousand as at 31 December 2018)	(1,326,669)	(1,420,782)
Long-term other payables	(3,504,680)	(3,453,267)
Long-term lease liabilities	(783,313)	-
<b>Total short-term trade and other payables</b>	<b>15,399,112</b>	<b>15,467,251</b>

**Note 10. Other taxes payable**

	31 March 2019	31 December 2018
Value added tax	2,499,779	1,952,051
Property tax	714,552	559,253
Social funds contribution	318,958	297,812
Personal income tax	59,210	68,978
Environment pollution payment	21,797	18,226
Other taxes	10,053	10,894
<b>Total</b>	<b>3,624,349</b>	<b>2,907,214</b>



**Note 11. Revenues**

	3 months ended 31 March 2019	3 months ended 31 March 2018
Electricity and capacity	35,225,241	36,812,962
Heating	1,840,889	1,904,788
Other	471,949	931,750
<b>Total</b>	<b>37,538,079</b>	<b>39,649,500</b>

**Note 12. Operating expenses**

	3 months ended 31 March 2019	3 months ended 31 March 2018
Fuel	16,000,795	18,509,212
Depreciation and amortisation of property, plant, equipment, intangible assets and right-of-use assets	3,323,208	3,022,270
Purchased electricity, capacity and heat	2,942,111	3,168,595
Employee benefits	2,291,157	2,010,100
Rent	1,190,263	982,297
Taxes other than income tax	726,936	1,131,586
Repairs and maintenance	649,428	696,392
Dispatcher's fees	526,525	502,288
Raw materials and supplies	417,529	370,307
Transport	278,020	199,266
Consulting, legal and audit services	89,166	54,069
Insurance	53,573	56,763
Ecological payments	43,422	59,500
Electricity transit	14,186	527,449
(Gain) / loss on disposal of assets	(3,511)	43,848
Penalties and fines	(39,049)	577,297
Other expenses	241,325	818,112
<b>Total operating expenses</b>	<b>28,745,084</b>	<b>32,729,351</b>

Rent expense for the 3 months ended 31 March 2019 includes expense relating to variable rental payments in the amount of RR 1,189,613 thousand and expense relating to short-term leases in the amount of RR 650 thousand.

Employee benefits expenses comprise the following:

	3 months ended 31 March 2019	3 months ended 31 March 2018
Salaries and wages	1,682,591	1,471,635
Social funds contribution	533,803	465,101
Financial aid to employees and pensioners	56,972	52,056
Non-state pensions and other long-term benefits	17,791	21,308
<b>Employee benefits</b>	<b>2,291,157</b>	<b>2,010,100</b>
Average number of personnel for the period	8,864	8,941

Included in social funds contribution are statutory pension contributions of RR 378,631 thousand for the 3 months ended 31 March 2019 (for the 3 months ended 31 March 2018: RR 366,735 thousand).

**Note 13. Finance income**

	3 months ended 31 March 2019	3 months ended 31 March 2018
Interest income on bank deposits and current bank account balances	219,551	143,469
Effect of discounting of promissory notes received	5,769	5,317
Interest income on loans issued	762	2,536
Effect of discounting of long-term trade and other receivables	-	439
Foreign currency exchange gain	-	3
Other	401	598
<b>Total finance income</b>	<b>226,483</b>	<b>152,362</b>

**Note 14. Finance costs**

	3 months ended 31 March 2019	3 months ended 31 March 2018
Interest expense on debt	826,805	1,186,885
Effect of discounting of long-term payables	49,231	34,751
Interest on employee benefit obligations	34,540	34,286
Interest expense on lease liabilities	26,992	2,025
Unwinding of the present value discount - provision for ash dump	21,684	19,979
Foreign currency exchange loss	8	3
<b>Total finance costs</b>	<b>959,260</b>	<b>1,277,929</b>

**Note 15. Earnings per share**

	3 months ended 31 March 2019	3 months ended 31 March 2018
Weighted average number of ordinary shares issued, pcs	106,067,197,322	106,000,247,752
Profit attributable to the shareholders of JSC "OGK-2" (thousands of RR)	6,261,659	4,608,991
<b>Earnings per ordinary share attributable to the shareholders of JSC "OGK-2" – basic and diluted (in RR)</b>	<b>0.06</b>	<b>0.04</b>

The diluted earnings per share are equal to the basic earnings per share as the Company has no dilutive ordinary shares.

**Note 16. Capital commitments**

As at 31 March 2019 in the framework of the investment program implementation the Group has capital commitments (including VAT) of RR 14,064,861 thousand (as at 31 December 2018: RR 14,006,510 thousand).

**Note 17. Financial instruments and financial risks factors**

**Compliance with covenants.** The Group is subject to certain covenants related primarily to its loans and borrowings. The Group was in compliance with covenants at 31 March 2019 and at 31 December 2018.

**Fair values.** Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

**(i) Recurring fair value measurements**

Recurring fair value measurements are those that the accounting standards require or permit in the statement of financial position at the end of each reporting period.

**(ii) Assets and liabilities not measured at fair value but for which fair value is disclosed**

Fair values analysed by level in the fair value hierarchy and carrying value of assets and liabilities not measured at fair value are as follows (except those financial assets which carrying value is equal to fair value):

	Notes	Level 1	Level 2	Level 3	Fair value	Carrying value
<b>31 March 2019</b>						
<b>Financial assets</b>						
Promissory notes	7	-	287,526	-	287,526	267,012
Loans issued	7	-	39,623	-	39,623	41,032
<b>Total financial assets</b>		-	<b>327,149</b>	-	<b>327,149</b>	<b>308,044</b>
<b>Financial liabilities</b>						
Debt		(6,637,913)	(40,138,761)	-	(46,776,674)	(47,160,087)
Trade and other payables	9	-	(20,111,110)	-	(20,111,110)	(20,214,334)
<b>Total financial liabilities</b>		<b>(6,637,913)</b>	<b>(60,249,871)</b>	-	<b>(66,887,784)</b>	<b>(67,374,421)</b>
<b>31 December 2018</b>						
<b>Financial assets</b>						
Promissory notes	7	-	275,188	-	275,188	262,487
Loans issued	7	-	38,659	-	38,659	40,270
<b>Total financial assets</b>		-	<b>313,847</b>	-	<b>313,847</b>	<b>302,757</b>
<b>Financial liabilities</b>						
Debt		(6,588,237)	(40,300,977)	-	(46,889,214)	(47,071,327)
Trade and other payables	9	-	(19,477,770)	-	(19,477,770)	(19,602,509)
<b>Total financial liabilities</b>		<b>(6,588,237)</b>	<b>(59,778,747)</b>	-	<b>(66,366,984)</b>	<b>(66,673,836)</b>

**Financial assets carried at amortised cost.** The estimated fair value of fixed interest rate instruments is based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risk and remaining maturity. Discount rates used depend on credit risk of the counterparty. The carrying amounts of trade and other receivables approximates their fair values. Cash and cash equivalents are carried at amortised cost which approximates their current fair value.

**Liabilities carried at amortised cost.** Fair values of financial liabilities were determined using valuation techniques. The estimated fair value of fixed interest rate instruments with stated maturity was estimated based on expected cash flows discounted at current interest rates for new instruments with similar credit risk and remaining maturity.

**Note 18. Segment information**

The Management of the Company controls and allocates economic resources of the Group between segments and evaluates segments' operating efficiency. Primary activity of the Group is production of electric and heat power and capacity which covers 98.7% of the Group revenue for the 3 months ended 31 March 2019 (for the 3 months ended 31 March 2018: 97.7%). The Group operates in Russian Federation.

The technology of electricity and heat production does not allow segregation of electricity and heat segments. The Company's branches are managed separately due to significant decentralization and distances between them, as a result the Group discloses seven reporting segments: Kirishskaya GRES, Surgutskaya GRES-1, Novocherkasskaya GRES, Troitskaya GRES, Stavropolskaya GRES, Ryazanskaya GRES, Serovskaya GRES. All reporting segments are located on the territory of Russian Federation. In the process of evaluation of segments, results and allocation of economic resources of the Group the Management uses financial information provided below prepared in accordance with RAR. The differences between the above-mentioned financial indicators analyzed by the Management and IFRS financial information are caused by different approaches applied in IFRS and RAR. The main differences relate to the respective carrying values of the value of property, plant and equipment. The Group does not have inter-segment revenue. The main contractor of the Group is JSC "FSC" which generates 41.4% of the Group revenue for the 3 months ended 31 March 2019 (for the 3 months ended 31 March 2018: 44.4%).

<b>3 months ended 31 March 2019</b>	Kirishskaya GRES	Surgutskaya GRES-1	Novocherkasskaya GRES	Troitskaya GRES	Stavropolskaya GRES
Revenue	6,554,323	5,762,023	5,266,258	3,817,238	3,374,213
Segment operating profit*	1,903,957	1,115,873	938,644	1,506,250	159,545

<b>3 months ended 31 March 2019</b>	Ryazanskaya GRES	Serovskaya GRES	Other operating segments	<b>Total operating segments</b>
Revenue	2,841,558	2,072,403	7,850,063	<b>37,538,079</b>
Segment operating profit*	1,070,086	819,242	2,106,082	<b>9,619,679</b>

<b>3 months ended 31 March 2018</b>	Kirishskaya GRES	Surgutskaya GRES-1	Novocherkasskaya GRES	Troitskaya GRES	Stavropolskaya GRES
Revenue	6,716,957	5,644,834	5,591,919	3,474,059	5,785,018
Segment operating profit*	2,273,728	905,439	246,700	1,014,072	272,640

<b>3 months ended 31 March 2018</b>	Ryazanskaya GRES	Serovskaya GRES	Other operating segments	<b>Total operating segments</b>
Revenue	3,000,917	1,865,402	7,570,394	<b>39,649,500</b>
Segment operating profit*	696,533	495,882	1,427,038	<b>7,332,032</b>

\* Segment operating profit represents segment operating profit under RAR.

The main items of reconciliation of management financial information prepared in accordance with RAR to consolidated financial statements prepared in accordance with IFRS are provided in consolidated financial statements for the year ended 31 December 2018.

**OGK-2 Group**  
**Notes to Interim Condensed Consolidated Financial Statements**  
**for the 3 months ended 31 March 2019 (unaudited)**  
(in thousands of Russian Roubles unless noted otherwise)



Segment's assets are disclosed below:

	Kirishskaya GRES	Surgutskaya GRES-1	Novocherkasskaya GRES	Troitskaya GRES	Stavropolskaya GRES
<b>31 March 2019</b>	19,946,401	5,677,960	36,177,061	56,709,695	3,209,840

	Ryazanskaya GRES	Serovskaya GRES	Other operating segments	Total operating segments
<b>31 March 2019</b>	14,049,957	21,090,389	28,117,014	<b>184,978,317</b>

	Kirishskaya GRES	Surgutskaya GRES-1	Novocherkasskaya GRES	Troitskaya GRES	Stavropolskaya GRES
<b>31 December 2018</b>	20,391,910	5,667,904	36,189,308	57,491,989	2,893,530

	Ryazanskaya GRES	Serovskaya GRES	Other operating segments	Total operating segments
<b>31 December 2018</b>	14,463,601	21,409,651	27,603,069	<b>186 110 962</b>

The main items of reconciliation of management financial information to consolidated financial statements prepared in accordance with IFRS is provided in consolidated financial statements for the year ended 31 December 2018.

Management of the Group does not review the information in respect of operating segment's liabilities in order to make a decision about allocation of resources, because of centralisation of significant part of payment transactions.

**Note 19. Events after the reporting date**

There were no significant subsequent events that can influence the Group's financial position, cash flows or operating results which took place during the period between reporting date and date of signing of the Group's interim condensed consolidated financial statements for the 3 months ended 31 March 2019.

Managing Director

Chief Accountant



A.V. Semikolenov

L.V. Klishch

13 May 2019