



JSC “RAO Energy System of East”

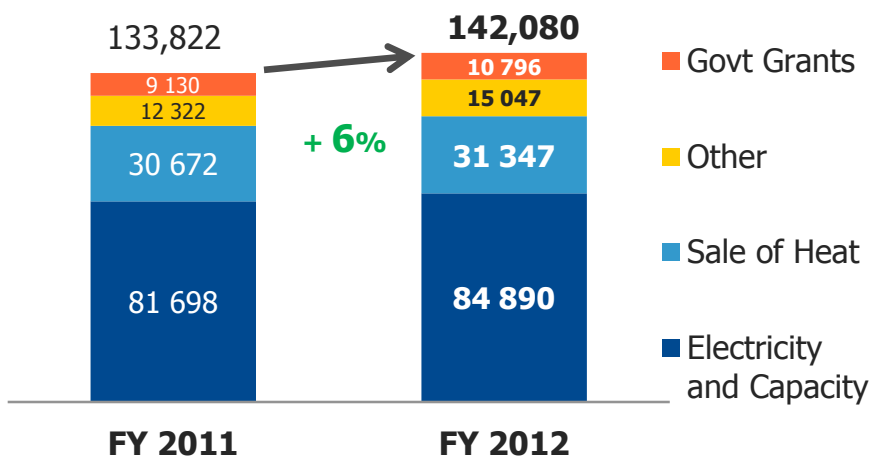
**Fiscal Year 2012 (IFRS)
Financial and Operating results**

02 April 2013

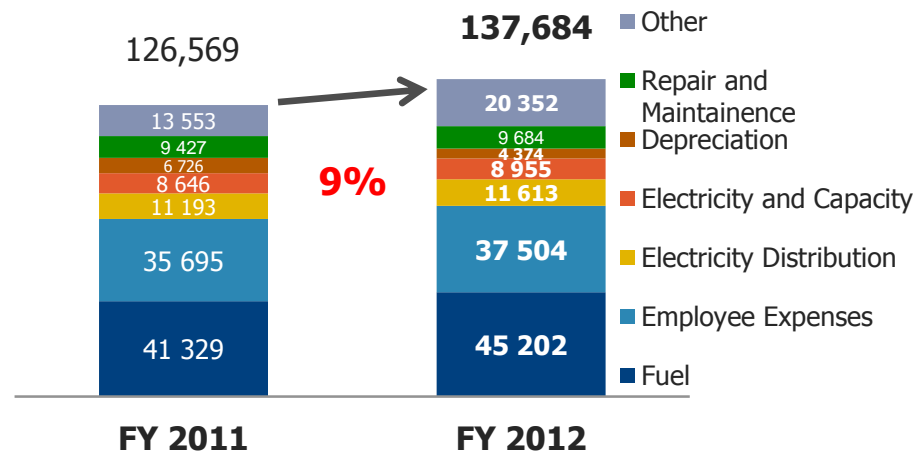
KEY FINANCIALS



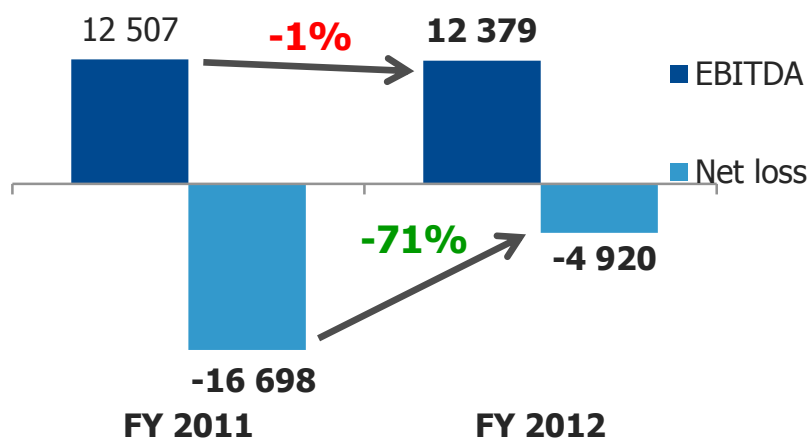
Revenue Breakdown, RUB in millions



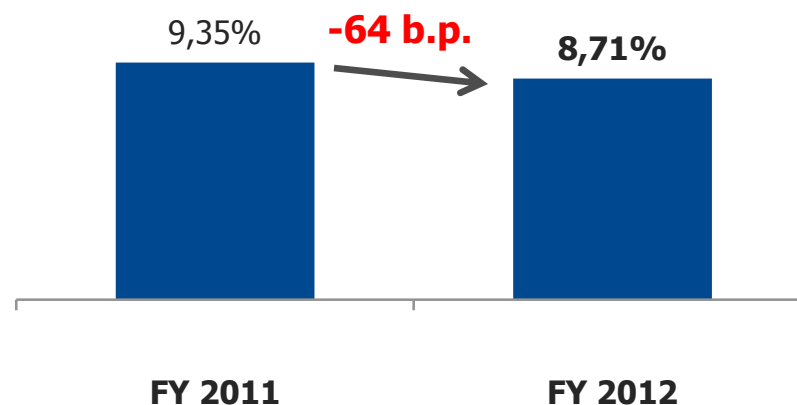
OPEX Breakdown, RUB in millions



Net loss ⁽¹⁾ and EBITDA, RUB in millions

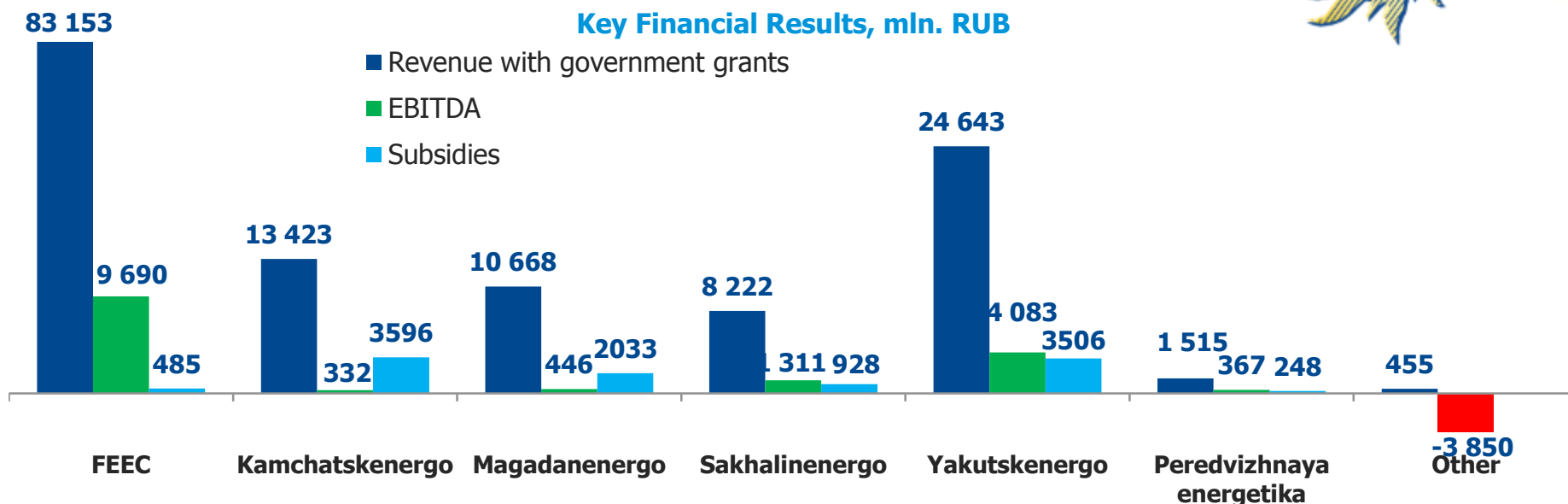


EBITDA margin, %



⁽¹⁾ Net loss is effected by the recognized impairment of the Group's property, plant and equipment

KEY FINANCIALS BY OPERATING SEGMENT



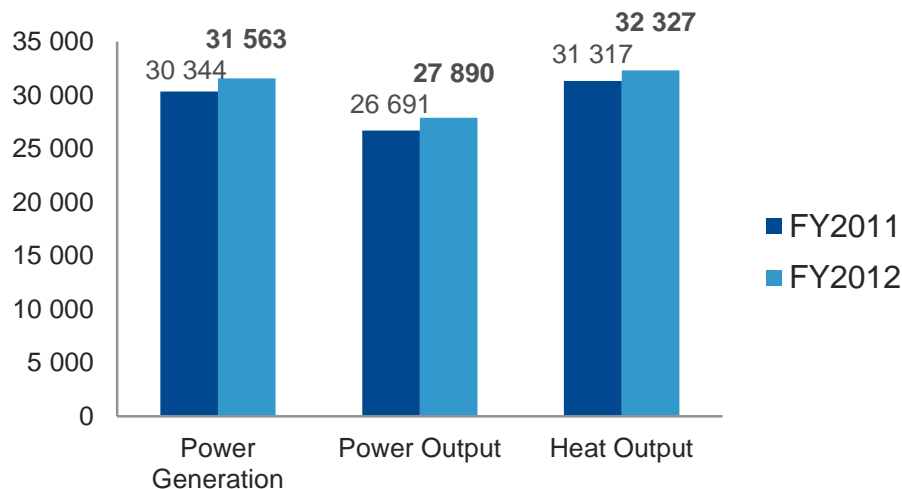
The main factors influencing revenue and operating expenses in the 2012 fiscal year were:

- An increase in power consumption by 3,2% in the Far East region, including the isolated zones.
- An increase of fuel expenses by 10% was due to a 5% rise in power generation, partly the result of an increase in the cost of fuel associated with rising tariffs on railway traffic. These tariffs were among the few on natural monopolies which were indexed at the beginning of 2012.

OPERATING RESULTS: GENERATION AND GRIDS

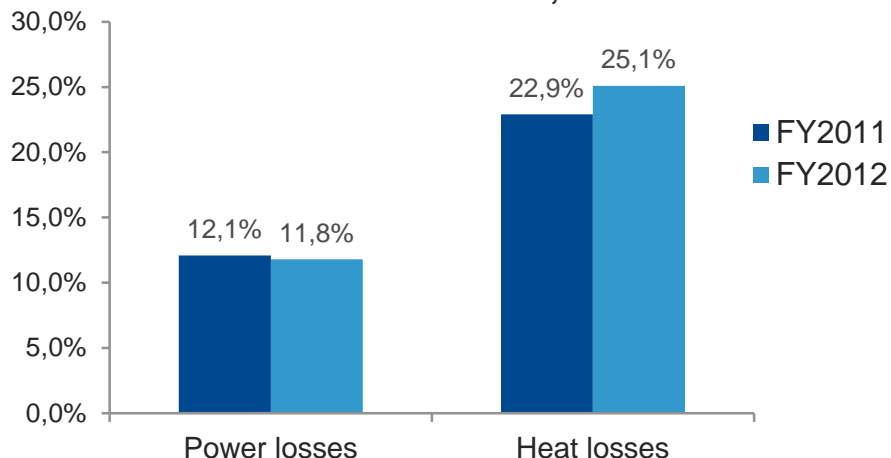


Power and Heat Indicators, FY 2011-2012



- Power generation in 2012 increased by 4% y-o-y due to a rise in industrial consumption and a 112% increase in exports to China.
- The capacity utilization factor in 2012 reached 40%.
- In 2012, heat output increased by 3% y-o-y due to the acquisition of municipal boilers in Yakutia and Khabarovskiy krai.
- The equivalent specific fuel consumption (ESFC) in power production remained at nearly the same level as in 2011

Power and heat losses, FY2011-2012



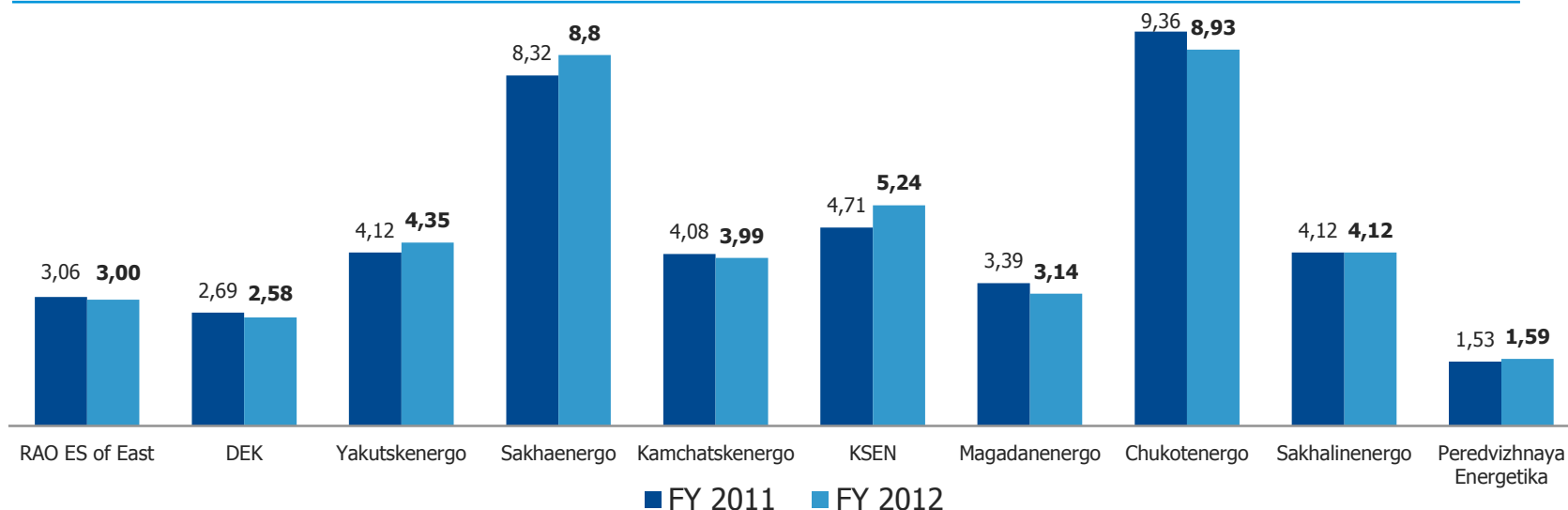
- Electricity supplied to the power grid increased 1.5% to 32,224 million kWh.
- Electrical distribution losses decreased 30 bps in 2012, from 12.1% to 11.8% y-o-y.
- Thermal energy supplied to the heating grid decreased 30% to 32,282 thousand Gcal.
- Heat losses increased from 22.9% to 25.1%.

ELECTRIC POWER RETAIL TARIFFS



The average retail sales tariffs for electric power at RAO ES of East subsidiaries showed a 2% y-o-y decline to 3.00 RUB/kW-h in the 2012 fiscal year

JSC "RAO ESV" electric power retail sales tariffs dynamics by companies, RUB/kW-h



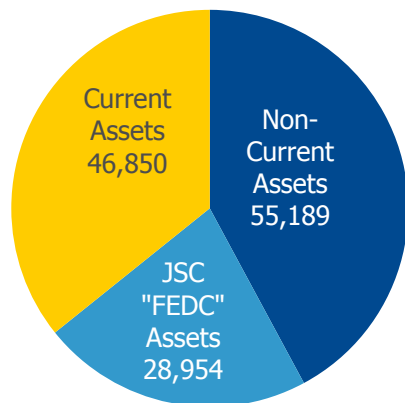
The drop in electric power retail sales tariffs is explained by:

- Change in the rules of price relay;
- Increase in power exports to China, which resulted in lower capacity levels sold on retail electricity markets and, consequently, to a slight retail sales tariff decline in 6m 2012 y-o-y.
- Shift to direct subsidizing system in the Magadan region.
- A 48% growth of Zeyskaya and Bureyskaya HPP due to an increase in water level in the second part of the year.

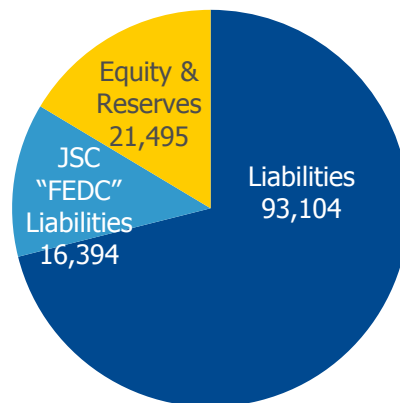
ASSETS AND LIABILITIES BREAKDOWN AS OF 31.12.2012



Assets, RUB in millions

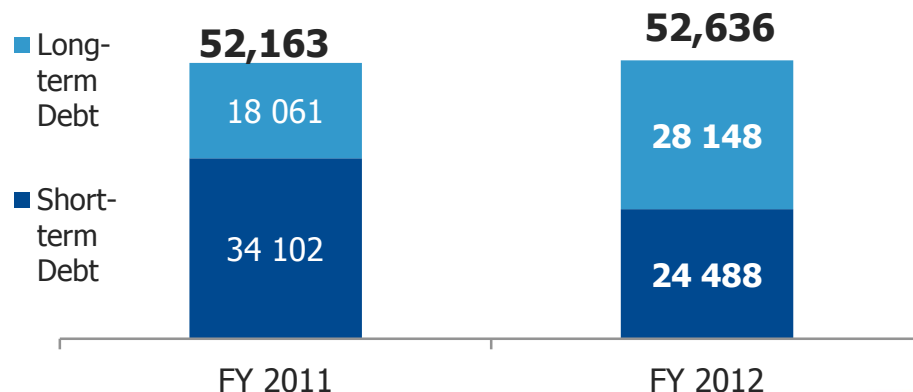


Equity and liabilities, RUB in millions



- As of December 31, 2012, the Group's total assets grew by 1% to 130,993 million RUB
- The JSC "FEDC" assets classified as held for sale to FSK UES (JSC) in 2012 increased by 4% to 28,954 million RUB

Debt breakdown ⁽¹⁾ RUB in millions



- Financial debt in the 2012 fiscal year increased by 1% to 52,636 million RUB as of 31 December 2012
- Non-current debt decreased by 28% to 24,488 million RUB accompanied by a 56% increase in current debt due to increase of long-term borrowing rates early in the year

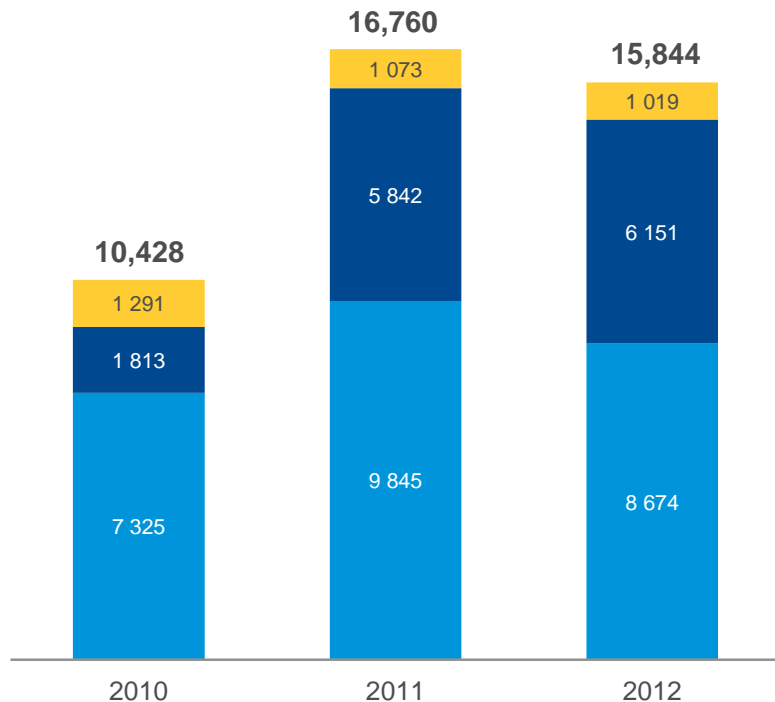
⁽¹⁾ Excluding disposal Group liabilities (JSC "FEDC")

INVESTMENT PROGRAM

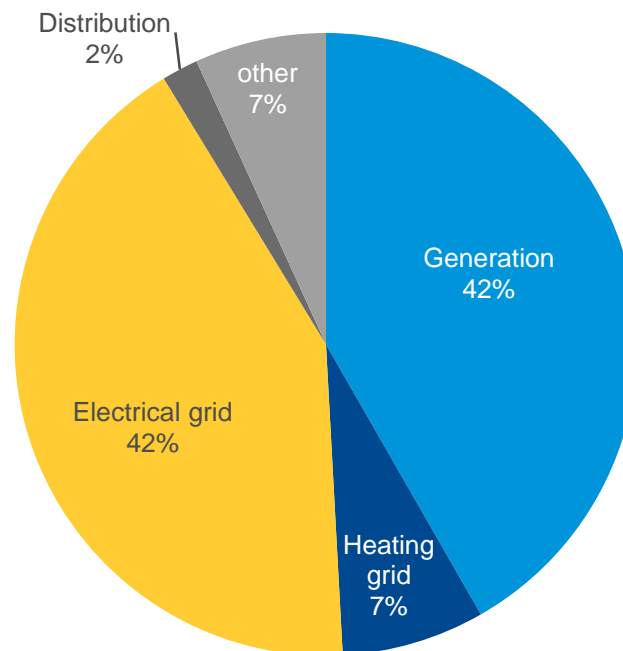


Group Investments⁽¹⁾ for 2010-2012, by nature of investment (RUB in millions w/o VAT)

■ Modernization ■ New Construction ■ other



RAO Energy System of East Group Investments in 2012 by activity



⁽¹⁾ Only including 14 major subsidiaries

Disclaimer



The information in this presentation may contain projections or other forward-looking statements regarding future events or the future financial performance of RAO Energy Systems of East. You can identify forward looking statements by terms such as "expect," "believe," "anticipate," "estimate," "intend," "will," "could," "may" or "might," the negative of such terms or other similar expressions. We wish to caution you that these statements are only predictions and that actual events or results may differ materially from these statements. We do not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, general economic conditions, our competitive environment, risks associated with operating in Russia, rapid technological and market change in our industries, as well as many other risks specifically related to RAO Energy Systems of East and its operations.

CONTACT DETAILS

IR

Max Kochetkov

+ 7 (495) 287-67-03 x 60-62

E-mail: kochetkov-mm@rao-esv.ru

PR

Nadezhda Rukina

+ 7 (495) 287-67-03 x 61-83

E-mail: rukina-nv@rao-esv.ru



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