

# IR FACTSHEET

2014

IDGC OF CENTRE

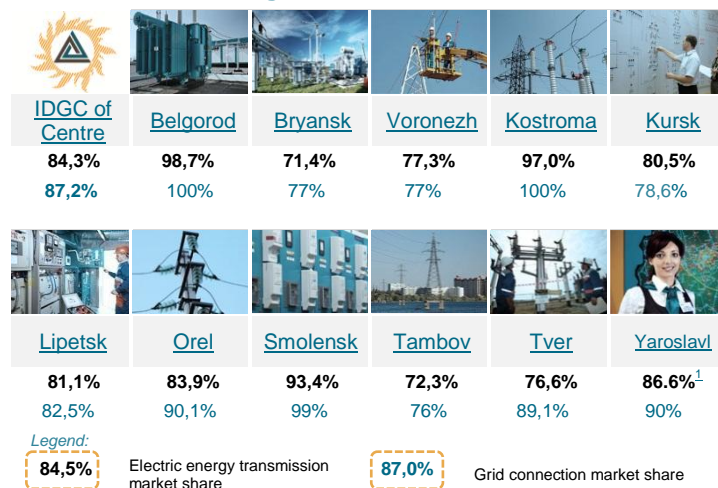
| 4 QUARTER 2013

## IDGC of Centre is one of the leaders among power distribution utilities in Russia

The core business of IDGC of Centre is electric energy transmission, grid connection and energy services. The Company controls in monetary terms 84% of the electric energy transmission market and approximately 87% of the grid connection market in 11 regions of Central Federal District of the Russian Federation with the population over 13 million people. IDGC of Centre is the second largest company out of eleven interregional distribution grid companies by the market capitalization and revenue.

In 2013 the "joint operation" productive supply increased to 55.2 billion kWh. Electricity losses were minimized to 9.16% - 0.37% below the level in 2012. In 2013 the Company received 106,080 requests for the provision of value-added services, and received 1.0 bln RUB with VAT of additional non-tariff funds, which exceeded the previous year by 17%. Capital investments amounted to 14.4 bln RUB.

## Share of IDGC of Centre in electric energy transmission and grid connection for 12M 2013



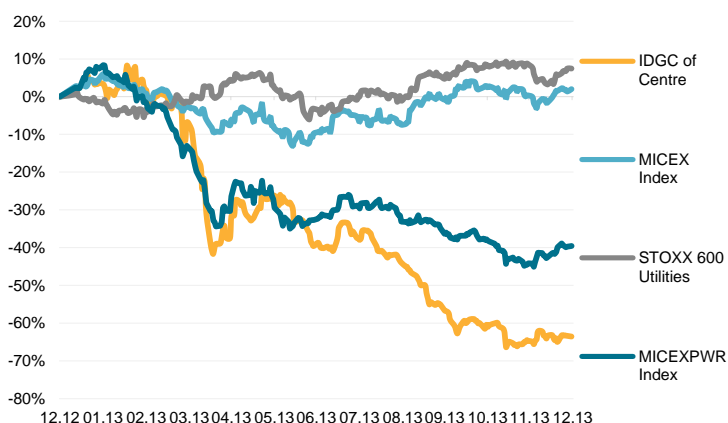
<sup>1</sup> taking into account Yargorelectroset

## Securities

|   |  |
|---|--|
| <a href="#">Tickers</a>                       | MOEX: MRKC<br>Bloomberg: MRKC RX<br>Reuters: MRKC.MM |
| <a href="#">Indices</a>                       | MICEX PWR,<br>MICEX SC                               |
| <a href="#">Listing</a>                       | A-1 at MICEX   |
| <a href="#">Quantity of shares</a>            | 42 217 941 468 pc                                    |
| <a href="#">Share price</a> (30.12.2013)      | 0,2199 RUB   |
| <a href="#">Max/min</a> (01.10.13-30.12.13)   | 0,2641 RUB / 0,1803 RUB                              |
| <a href="#">MCap<sup>2</sup></a> (30.12.2013) | 9 284 million RUB                                    |
| <a href="#">MCap<sup>2</sup></a> (30.12.2013) | 284 million USD                                      |

<sup>2</sup> at the price of last transaction at MICEX

## Changes in share price and Indices for 2013



## Financial performance under RAS for 2012-2013

billion RUB, unless specified otherwise

| Indicator  | 12M 2012    | 12M 2013    | Change, %     |
|--|-------------|-------------|---------------|
| <b>Revenue (total), including:</b>               | <b>69,4</b> | <b>92,9</b> | <b>33,9%</b>  |
| Revenue from electric energy transmission        | 67,5        | 61,4        | -9,0%         |
| Revenue from grid connection                     | 1,2         | 0,9         | -25,0%        |
| Revenue from resale of electric energy and power | 0           | 29,8        | -             |
| Other revenue                                    | 0,7         | 0,9         | 28,6%         |
| <b>Cost of sales</b>                             | <b>57,9</b> | <b>78,1</b> | <b>34,9%</b>  |
| <b>Sales profit<sup>1</sup></b>                  | <b>9,4</b>  | <b>11,5</b> | <b>22,3%</b>  |
| <b>EBITDA<sup>2</sup></b>                        | <b>12,3</b> | <b>11,5</b> | <b>-6,5%</b>  |
| <b>Net profit</b>                                | <b>3,5</b>  | <b>0,3</b>  | <b>-91,4%</b> |

[1] Revenue net of costs, selling and administrative expenses

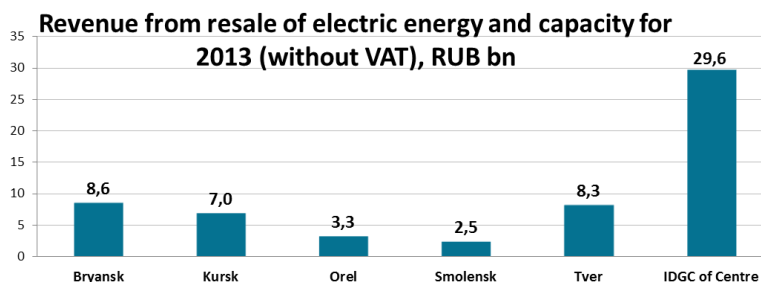
[2] EBITDA is calculated as follows: net profit + profit tax and other similar mandatory payments + interest payable - interest receivable + depreciation charges

## 8 investment highlights of IDGC of Centre



- Operation in 11 regions of Central Russia with stable outlook for economic growth
- Leader in innovations implementation in the sector
- Stable financial position
- Approved dividend policy and positive dividend history
- Corporate governance rating [NCGR 7+](#) – the highest among peers
- Credit rating S&P “[BB](#)”, outlook – “Stable”
- Development of value-added energy services
- Receipt of additional revenue from the performance of the functions of a supplier of last resort

## Performance of the functions of a supplier of last resort



### Main results:

- Revenue increase by 16.0 bln RUB, representing 17.1% of total revenue under RAS. Net income from the sale of electric energy on the wholesale and retail markets amounted to 442.6 mln RUB
- Reduced consumer debt to retail companies, which lost the status of a supplier of last resort, by 2.1 bln RUB or 24%
- Reduction of electricity losses in the grids of IDGC of Centre was achieved (including from the performance of the functions of a supplier of last resort)

## Key events in 4Q 2013

| Date        | Event   |
|-------------|---|
| 01 October  | IDGC of Centre started to perform the functions of a supplier of last resort in the Smolensk region |
| 04 October  | IDGC of Centre' management took part in the Annual VTB Capital Conference "RUSSIA CALLING!"         |
| 23 October  | 7 <sup>th</sup> Advanced Experience Investor Relations IR magazine Russia & CIS Conference 2013     |
| 31 October  | IDGC of Centre published its statements under RAS for 9M 2013                                       |
| 13 November | Annual Report of IDGC of Centre for 2012 became one of the best, according to the Moscow Exchange   |
| 21 November | IDGC of Centre took part in the FC BCS Utilities Day  |
| 12 December | Credit rating of IDGC of Centre was confirmed at “AA” on the national scale                         |

## IR Calendar for 1H 2014

| Date       | Event   |
|------------|---|
| January    | Preliminary results of IDGC of Centre for 2013, outlook for 2014                                      |
| March      | Release of FY 2013 RAS Reporting  |
| 5 March    | Meetings with reps of investment funds, banks and private investors during the Utilities Day, IC ATON |
| 8-11 April | "Forum Russia 2014", Sberbank CIB, one-on-one meetings  |
| April      | Release of FY 2013 IFRS Reporting   |
| June       | AGM following the results of 2013   |
| 23-24 June | Renaissance Capital Annual Investment Conference  |

## Key resolutions of Board of Directors

| Date        | Resolution   |
|-------------|--|
| 15 November | Approval of a draft of the Company's long-term investment program for the period from 2014                           |
| 16 December | Approval of the Company's adjusted Business plan (including the Investment program) for 2013                         |
| 16 December | Approval of the Company's Business plan of the, including the Investment program, for 2014 and outlook for 2015-2018 |

## IR results in 2013

According to a perception study conducted at the end of 2013 by Computershare the activity of IR-Service of IDGC of Centre was positively estimated at 8.45 points out of 10 possible. Interviewed representatives of buy-side and sell-side emphasized the main strengths of IDGC of Centre in the context of investment attractiveness as follows: information transparency, a high level of corporate governance and management competence.

The Company regularly conducts an independent perception study of IDGC of Centre's activity to build and adjust its long-term strategy for interaction with shareholders and investors.

## Ratings

| Agency                 | Scale                     | Rating | Outlook |
|------------------------|---------------------------|--------|---------|
| S&P                    | international, long-term  | BB     | Stable  |
| S&P                    | international, short-term | B      | -       |
| S&P                    | national (Russia)         | ruAA   | -       |
| National Rating Agency | national (Russia)         | AA     | -       |

## IDGC of Centre

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