

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 and distribution, 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 Russian Federation with 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.

Following the results of 6M 2013 based on IDGC of Centre's RAS statements the company's revenue increased by 23,3% and amounted to 41,8 billion rubles. Profitability indicators are as follows: gross profit margin – 16,7%, EBITDA margin – 16,3%. In 1H 2013 IDGC of Centre also took over the functions of a supplier of last resort in 4 regions of the service area: Bryansk, Orel, Kursk and Tver regions.

Share of IDGC of Centre in electric energy transmission and grid connection for 6M 2013



Legend:

84,47%

Electric energy transmission market share

87,0%

Grid connection market share

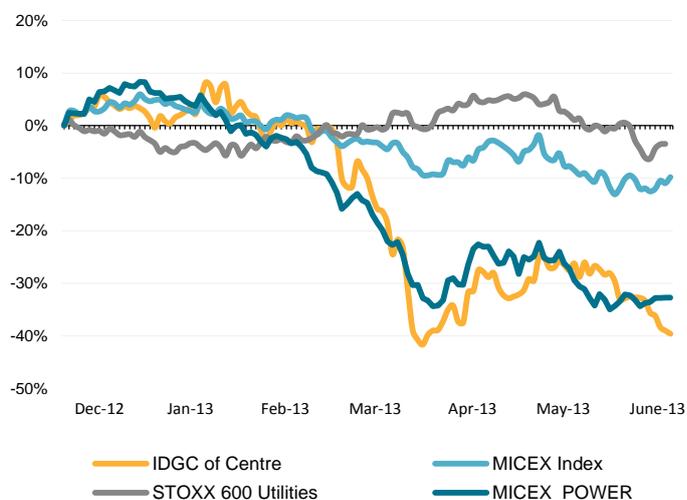
¹ taking into account Yargorelectroset

Securities

Tickers	MOEX: MRKC Bloomberg: MRKC RX Reuters: MRKC.MM
Indices	MICEX PWR, MICEX SC
Listing	A-1 at MICEX
Quantity of shares	42 217 941 468 pc
Share price (28.06.2013)	0,3624 RUB
Max/min (01.04.13-28.06.13)	0,5671 RUB / 0,3191 RUB
Cap² (28.06.2013)	15 300 million RUB
Cap² (28.06.2013)	465 million USD

² at the price of last transaction at MICEX

Changes in Cap and Indices for 6M 2013



Financial performance for 6M 2013 (RAS)

billion RUB, unless specified otherwise	6M 2012	6M 2013	2013/2012
Revenue (total), including:	33,9	41,8	23,3%
Revenue from electric energy transmission	33,3	31,3	-6,0%
Revenue from grid connection	0,3	0,3	0,0%
Revenue from resale of electric energy and power	0,0	9,8	-
Other revenue	0,3	0,4	33,3%
Gross profit	6,6	7,0	6,1%
Gross profit margin, %	19,5%	16,7%	- 2,8 p.p.
EBITDA ³	9,2	6,8	-26,1%
EBITDA margin, %	27,1%	16,3%	- 10,8 p.p.
Net profit	4,3	1,2	-72,1%
Net debt ⁴	25,5	25,9	1,6%

³ EBITDA is calculated as follows: net income + income tax and other similar payments + interest payable - interest receivable + depreciation and amortisation

⁴ Net debt is calculated as follows: long-term debt + short-term debt - cash and cash equivalents - financial investments

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 services in electric energy area
- Receipt of additional revenue from the performance of the functions of a supplier of last resort

Dividend history

Period (year)	2010	2011	2012
Dividend per share, RUB	0,01447	0,01	0,02044
Amount of accrued dividend, thousand RUB	610 932	422 179	862 935
Payout ratio, %	12,96%	8,11%	25,00%
Date of AGM	17.06.2011	15.06.2012	14.06.2013

Payment criteria

Main:

1. Availability of net profit for the financial period
2. Debt/EBITDA < 3

Additional:

1. No material technological failures
2. Performance of reliability indicator set as KPI

Key events in 2Q 2013

Date	Statement
2 April	Participation in ATON Investment Company Utilities Day
3 April	FY 2012 Accounting and Financial Statements (IFRS)
16-17 April	One-on-one meetings with investors at the Sberbank Russia Forum 2013
30 April	Q1 2013 Accounting and Financial Statements (RAS)
14 June	Annual General Meeting of Shareholders following the results of 2012

IR Calendar for 3Q 2013

Date	Statement
27 July	HY 2013 Accounting and Financial Statements (RAS)
28 August	HY 2013 Accounting and Financial Statements (IFRS)
4 September	On-line Conference on Finam portal following the results of 1H 2013
12 September	HSBC Investment Conference on Emerging Markets (London)

Key resolutions of Board of Directors and Strategy and Development Committee of IDGC of Centre

Date	Resolution of Board of Directors
26.04.2013	Recommendations on the amount of the dividend on the Company's shares and the payment procedure on the results of 2012.
29.05.2013	Approval of the report of General Director "On the performance of the Business Plan of the Company (including the Investment Program) in 4Q 2012 and 2012"

Date	Resolution of Strategy and Development Committee
13.05.2013	Preliminary approval of the issue of securities of Interregional Distribution Grid Company of Centre, Joint Stock Company (Exchange-traded bonds)
28.06.2013	Preliminary approval of the report of General Director "On the performance of the Business Plan of the Company (including the Investment Program) in 1Q 2013".

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

Investor relations

127018, Moscow, 2nd Yamskaya, 4
 Tel.: (+7) 495 747 92 92, ext. 33-34
 Fax: (+7) 495 747 92 95
 E-mail: ir@mnsk-1.ru

<http://www.mnsk-1.com/en/investors/>



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