

## **FGC UES prepares financial reports for 9M 2009 according to RAS**

November 17<sup>th</sup>, 2009, Moscow - FGC UES (ticker symbol: FEES), prepared its financial reports for the first 9 months of 2009 according to Russian Accounting Standards (RAS).

The reports do not include accounting indicators for the Company's subsidiaries and dependent companies, which carry out their activities as independent legal entities. The financial indicators for subsidiaries and affiliates will be reflected in 2009 consolidated financial reports according to IFRS (International Financial Reporting Standards).

### ***Profit and loss statement for 9M 2009***

FGC UES gross revenue for 9M 2009 increased by RUR 10.3 billion (20%) compared with the same period in the previous year and reached RUR 61.9 billion, which is due to an increase in production capacities in comparison with the same period in the previous year, as well as due to higher tariffs for electricity transmission through the UNEG (the Unified National (All-Russian) Electric Grid). 2009 tariff increased by 20.7% (the monthly tariff in 2009 totaled 58 159.01 RUR/MW compared with 48,170.26 RUR/MW per month in 2008).

The 11% increase in 2009 operating expenses compared with 2008 (to RUR 46.3 billion) occurred due both to increased amortization and material expenses, including maintenance for the transmission lines. It should be noted that as a result of FGC UES conducting a complex cost cutting program other expense items declined during the reported period.

FGC UES received RUR 12.6 billion of net profit during the reporting period. The increase in net profit during the first 9 months of 2009 totaled RUR 5.5 billion (77%) compared with the same period in the previous year and occurred due to income growth from operating activities.

### ***Balance sheet as of September 30<sup>th</sup>, 2009***

Total assets of FGC UES during the first 9 months of 2009 increased by RUR 34 billion and as of the end of the reporting period totaled RUR 764.8 billion. At the same time, non-current assets totaled RUR 554.7 billion, an increase of RUR 36.2 billion (7%). During the same period, current assets decreased by 1% to RUR 210.1 billion.

The increase in assets is primarily due to the implementation of the investment program.

Long-term liabilities of FGC UES decreased by RUR 11.6 billion (62%) from RUR 18.5 billion as of the beginning of 2009 to RUR 6.9 billion as of September 30<sup>th</sup>, 2009, which is due to both a repayment of an EBRD loan and reclassification of series 02 bonds into short-term liabilities in the second quarter of 2009.

Short-term liabilities increased by RUR 32.9 billion (84%) from RUR 39.1 billion as of the beginning of 2009 to RUR 72 billion as of September 30<sup>th</sup>, 2009. The increase in accounts payable is due to liabilities to shareholders, following an additional share issue; it will remain as such until the necessary amendments are made to FGC UES Articles of Association. When such amendments are made, additional share issue figures will be reflected in Equity section of the balance sheet.

[Please click here to find 9M 2009 financial reports.](#)

[Please click here to find 9M 2009 results presentation.](#)

### **FGC UES Profile**

Open Joint Stock Company Federal Grid Company of Unified Energy System (further "FGC UES" or "the Company"; ticker FEES) was formed under the reform of electrical power industry in Russia. FGC UES became the sole operator of the Unified National Electric Grid of Russia (UNEG) for the purposes of its maintenance and development. The Company was incorporated on 25 June 2002

The power grid facilities owned by FGC UES stretches across 73 regions of the Russian Federation, covering a territory of more than 13.6 million square kilometres.

The Company manages 118,000 electricity transmission lines and 757 substations with a total transformer capacity of more than 296,000 MVA and a voltage of 35-1150kV.

According to the Articles of Association FGC UES has share capital of 576,757,098,181 roubles comprised of 1,153,514,196,362 common shares of 0.5 roubles each. At present, the Company is in the process of offering an additional share issue of 146,500,000,000 shares of 0.5 roubles each; the official registration number of newly issued share is 1-01-65018-D-101D. The Russian government owns 78.83% of the shares and is the largest shareholder, 21.17% of the publicly listed shares are owned by minority shareholders.

The offering of additional shares started in January 2009 and should be concluded on 25 December 2009. Shares are placed via an open subscription.

Common shares of FGC UES are included in the quoting list B on the RTS and are traded under the ticker FEES on the RTS Classic market and under the ticker FEESG on the RTS T+O Market. Common shares of the Company are also traded on the MICEX Stock exchange under the ticker FEES.

FGC UES website is [www.fsk-ees.ru/eng](http://www.fsk-ees.ru/eng)

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