



Federal Grid Places RUB 20 bn of Bonds

24 October 2012. Moscow – Federal Grid Company of Unified Energy System (“Federal Grid” or “the Company”) (MICEX-RTS, LSE: FEES), the operator and manager of Russia's unified electricity transmission grid system, has successfully placed its BO-01 and BO-21 bond issues. The RUB 10 billion BO-01 issue will have an annual coupon rate of 8.10% and a 2.5-year put option, while the RUB 10 billion BO-21 issue will have an annual coupon rate of 8.75% and a 4.5-year put option.

Due to high levels of investor demand, both issues were more than two times oversubscribed, with coupon rates set below the initial guidance when the order books were opened on 17 October. The BO-21 issue represents the longest-term uncollateralized corporate bonds with a fixed coupon rate issued by Federal Grid since the beginning of 2012.

VTB Capital, Gazprombank, Renaissance Capital and Sberbank CIB acted as lead managers for the deal, with BK Region, TKB Capital and Promsvyazbank acting as co-lead managers.

The proceeds from this bond issue will be used to finance the current Federal Grid investment programme.

Inclusive of this new issue, the total volume of the Company's bond issues outstanding amounts to RUB 160 billion.

Enquiries:

Contacts

Analysts / Investors

Federal Grid IR team

Alexander Duzhinov	Work +7 (495) 710 9064	Mobile +7 (916) 041 8053
Egor Toropov	+7 (495) 710 9333 ext. 2275	
Vladimir Baklanov	+7 (495) 710 9333 ext. 2926	
Nadezda Sukhova	+7 (495) 710 9541	

International Media

M:Communications

Tom Blackwell	Work +7 (495) 363 2841	Mobile +7 (919) 102 9064
Sam VanDerlip	+7 (495) 363 2845	+7 (916) 306 6112

About Federal Grid Company

Federal Grid Company is the operator and manager of Russia's unified electricity transmission grid system, including high voltage transmission lines, and holds the status of a natural monopoly.

The Company's assets include over 124,000 km of transmission lines and 854 substations with over 322 GVA of 35-750 volt transformer capacity. Based on the length of transmission lines and installed

transformer capacity, Federal Grid is the largest publicly traded electricity transmission company in the world.

Federal Grid's business is to provide electricity transmission and technological connection services. It maintains and develops the grid system and supervises grid facilities and infrastructure in 73 regions of Russia, covering a territory of 13.6 million square kilometres. Its customers are regional distribution companies, electricity suppliers and large industrial enterprises.

Since 1 January 2010, Federal Grid has operated under a 5-year regulatory asset base (RAB) model.

The Company was incorporated in June 2002 as part of reorganisation of Russia's electrical power industry. The largest shareholder, with a 79.55% stake, is the Russian Federation Government.

Federal Grid Company's ordinary shares are listed on the MICEX-RTS stock exchange under the ticker FEES and the Company's GDRs are traded on the London Stock Exchange under the same FEES symbol. The Company's shares are included in the MSCI Emerging Markets and MSCI Russia indices.

In 2011 the Company's IFRS revenue for 2011 was RUB 139,571 million (up 23% compared to 2010), adjusted EBITDA as RUB 83,760 million (a 24% increase from 2010), and adjusted net profit was RUB 38,241 million (up 37% on 2010).

Further information can be found at www.federal-grid.com.