

12. APPENDICES

12.1. INTERESTED-PARTY TRANSACTIONS

Generally, during 2010 the Board of Directors approved 47 interested-party transactions.

The subject of a transaction	Price	Interested party
Additional agreement to #1 to contract #62.2060.09 dd. 15.09.2009, concluded with Engineering Center of the Urals energy sector, OAO (Protocol #64 dd. 19.02.2010)	-	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor (ICUES, OAO).
Contract on transportation services concluded with Urals Transport Company, OOO (Protocol #65 dd. 09.03.2010)	RUR 500 756 600, including VAT	The Company alongside with its affiliate (Uralenergotrans, OOO) owns 20% and more of a transactor's charter capital
Contract on transportation services concluded with Perm Transport Company, OOO (Protocol #65 dd. 09.03.2010)	RUR 500 756 600, including VAT	The Company alongside with its affiliate (Uralenergotrans, OOO) owns 20% and more of a transactor's charter capital
Contract on transportation services concluded with Chelyabinsk Transport Company, OOO (Protocol #65 dd. 09.03.2010)	RUR 475 005 441 including VAT	The Company alongside with its affiliate (Uralenergotrans, OOO) owns 20% and more of a transactor's charter capital
Contract on immovables rent concluded with Security Service Permenergo, OOO (Protocol #67 dd. 07.04.2010)	Monthly rental fee – RUR 5 662, including VAT	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor
Contract on onerous services concluded with FSK UES, OAO (Protocol #67 dd. 07.04.2010)	RUR 129 940.2 including VAT	A shareholder owning 20% and more of the Company's voting shares (IDGC Holding, OAO), since its affiliated person (S.I.Shmatko, a BoD member) occupies management positions in a legal entity being a transactor (FSK UES, OAO).
Contract on immovables rent concluded with FSK UES, OAO (Protocol #67 dd. 07.04.2010)	Monthly rental fee RUR 85 783.6 including 18%VAT	
Contract on transport repair and maintenance concluded with Perm Transport Company, OOO (Protocol #67 dd. 07.04.2010)	RUR 2 456 000 including VAT	The Company alongside with its affiliate (Uralenergotrans, OOO) owns 20% and more of a transactor's charter capital
Contracts on databases (automated directory and documentation system) for metrological services concluded with Engineering Center of the Urals Energy Sector, OAO (Protocol #67 dd. 07.04.2010)	RUR 41 300 including VAT	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor (ICUES, OAO).
Additional agreement #3 to contract dd. 05.02.2008 on local telecom services concluded with Ekaterinburgenergosbyt, OAO (Protocol #67 dd. 07.04.2010)	Monthly fee - RUR 33 340.9 including VAT	IDGC of Urals, an affiliate of IDGC Holding owning 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor (Ekaterinburgenergosbyt, OAO).
Contract concluded with Balance Forecast Agency, ZAO (Protocol #69 dd. 11.05.2010)	RUR 7 096 584 including VAT	A shareholder owning 20% and more of the Company's voting shares (IDGC Holding, OAO), since its affiliated person (S.I.Shmatko, a BoD member) occupies management positions in a legal entity being a transactor (FSK UES, OAO).
Contract on grid rent #DI-53 concluded with FSK, OAO (Protocol #70 dd. 07.06.2010)	RUR 134 100 including VAT	A shareholder owning 20% and more of the Company's voting shares (IDGC Holding, OAO), since its affiliated person (S.I.Shmatko, a BoD member) occupies management positions in a legal entity being a transactor (FSK UES, OAO).
Contract on grid rent #DI-37 concluded with FSK, OAO (Protocol #70 dd. 07.06.2010)	RUR 226 824.8 including VAT	
Contract on grid rent #143-898 concluded with FSK, OAO (Protocol #70 dd. 07.06.2010)	RUR 100 000 including VAT	
Contract on immovables rent concluded with Chelyabinsk Transport Company, OOO (Protocol #71 dd. 25.06.2010)	RUR 70 122 including VAT	The Company alongside with its affiliate (Uralenergotrans, OOO) owns 20% and more of a transactor's charter capital
Agreement on protection of commercial information concluded with IDGC Holding, OAO (Protocol #71 dd. 25.06.2010)	-	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor.

Additional agreement #2 to contract on transportation rent #324 dd. 01.07.2009 concluded with Urals Transport Company, OOO (Protocol #71 dd. 25.06.2010)	Monthly rental fee – RUR 786 900.72 including VAT	The Company alongside with its affiliate (Uralenergotrans, OOO) owns 20% and more of a transactor's charter capital.
Contract on inspection of technical status of construction and preparation of expert conclusion on projects at 110/35/6 kV Belogorye substation concluded with Engineering Center of the Urals Energy Sector, OAO (Protocol #71 dd. 25.06.2010)	RUR 480 000 including VAT	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor (ICUES, OAO).
Contract on immovables rent concluded with Permelektrosetremont, OOO	Monthly rental fee RUR 16 225 including VAT	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor
Contract on immovables rent concluded with FSK UES, OAO (Protocol #72 dd. 03.08.2010)	Monthly rental fee RUR 243 653 including VAT	A shareholder owning 20% and more of the Company's voting shares (IDGC Holding, OAO), since its affiliated person (S.I.Shmatko, a BoD member) occupies management positions in a legal entity being a transactor (FSK UES, OAO).
Vehicle SPA concluded with Perm Transport Company, OOO (Protocol #72 dd. 03.08.2010)	RUR 60 000 including VAT	The Company alongside with its affiliate (Uralenergotrans, OOO) owns 20% and more of a transactor's charter capital.
Vehicle SPA concluded with Perm Transport Company, OOO (Protocol #72 dd. 03.08.2010)	RUR 45 000 including VAT	The Company alongside with its affiliate (Uralenergotrans, OOO) owns 20% and more of a transactor's charter capital.
Additional agreement #1 to contract #607/2008 dd. 17.12.2008 on local telecom services concluded with SO UES, OAO (Protocol #72 dd. 03.08.2010)	-	A shareholder owning 20% and more of the Company's voting shares (IDGC Holding, OAO), since its affiliated person (S.I.Shmatko, a BoD member) occupies management positions in a legal entity being a transactor (SO UES, OAO).
Contract on equipment maintenance concluded with EESK, OAO (Protocol #73 dd. 03.09.2010)	RUR 3 327 174.0 including VAT	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor
Additional agreement #6 to contract #16 dd. 01.01.06 concluded with Urals Transport Company, OOO (Protocol #73 dd. 03.09.2010)	-	The Company alongside with its affiliate (Uralenergotrans, OOO) owns 20% and more of a transactor's charter capital.
Contract on equipment maintenance concluded with FSK UES, OAO (Protocol #73 dd. 03.09.2010)	Monthly fee RUR 5 758.71 including VAT	A shareholder owning 20% and more of the Company's voting shares (IDGC Holding, OAO), since its affiliated person (S.I.Shmatko, a BoD member) occupies management positions in a legal entity being a transactor (FSK UES, OAO).
Contract on update of design and estimate documentation on object 110/35/6 kV "Belogorye" substation and 110 kV aerial line "Chernoistochinsk-Belogorye" concluded with Engineering Center of the Urals Energy Sector, OAO (Protocol #73 dd. 03.09.2010)	RUR 1 180 000 including VAT	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor (ICUES, OAO).
Contract on cession concluded with Sverdlovennergohylstroi, OAO (Protocol #73 dd. 03.09.2010)	RUR 7 143 214.19	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor
Additional agreement #5 to immovables rent contract #00/77-08 dd. 01.02.2008 concluded with Ekaterinburgenergosbyt, OAO (Protocol #74 dd. 04.10.2010)	Monthly rental fee: - since 01.12.2009 to 31.08.2010 – RUR 1 309 917.78 including VAT; - since 01.09.2010 to 31.10.2010 – RUR 1 340 465 including VAT	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor
Contract on R&D works concluded with Engineering Center of the Urals Energy Sector, OAO (Protocol #75 dd. 22.10.2010)	RUR 286 740.0 including VAT	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor (ICUES, OAO).

Contract on pre-project approvals and D&E documentation concluded with Engineering Center of the Urals Energy Sector, OAO (Protocol #75 dd. 22.10.2010)	RUR 824 704.92 including VAT	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor (ICUES, OAO).
Contract on pre-project approvals, engineering research (geology, geodesy, ecology), land allocation and update of D&E documentation concluded with Engineering Center of the Urals Energy Sector, OAO (Protocol #75 dd. 22.10.2010)	RUR 5 610 000 including VAT	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor (ICUES, OAO).
Contract on D&E documentations concluded with Engineering Center of the Urals Energy Sector, OAO	RUR 2 095 765 including 18%VAT	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor (ICUES, OAO).
Additional agreement to contract #607/2008 dd. 17.12.2008 on local telecom services concluded with SO UES, OAO (Protocol #76 dd. 12.11.2010)	-	A shareholder owning 20% and more of the Company's voting shares (IDGC Holding, OAO), since its affiliated person (S.I.Shmatko, a BoD member) occupies management positions in a legal entity being a transactor (SO UES, OAO).
Contract on immovables rent concluded with FSK UES, OAO (Protocol #76 dd. 12.11.2010)	RUR 40 468.74 including VAT	A shareholder owning 20% and more of the Company's voting shares (IDGC Holding, OAO), since its affiliated person (S.I.Shmatko, a BoD member) occupies management positions in a legal entity being a transactor (FSK UES, OAO).
Contract on immovables rent concluded with SO UES, OAO (Protocol #76 dd. 12.11.2010)	RUR 847 400 including VAT	A shareholder owning 20% and more of the Company's voting shares (IDGC Holding, OAO), since its affiliated person (S.I.Shmatko, a BoD member) occupies management positions in a legal entity being a transactor (SO UES, OAO).
Contract on immovables rent concluded with Security Service Permenergo, OOO (Protocol #76 dd. 12.11.2010)	Monthly rental fee RUR 101 102.4 including VAT	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor.
Contract on immovables rent (963.1 sq.m.) concluded with Chelyabinsk Transport Company, OOO (Protocol #76 dd. 12.11.2010)	Monthly rental fee RUR 96 883.3 including VAT	The Company alongside with its affiliate (Uralenergotrans, OOO) owns 20% and more of a transactor's charter capital.
Contract on immovables rent (1 335.8 sq.m.) concluded with Chelyabinsk Transport Company, OOO (Protocol #76 dd. 12.11.2010)	Monthly rental fee RUR 140 165.2 including VAT	The Company alongside with its affiliate (Uralenergotrans, OOO) owns 20% and more of a transactor's charter capital.
Contract on immovables rent (845.1 sq.m.) concluded with Chelyabinsk Transport Company, OOO (Protocol #76 dd. 12.11.2010)	Monthly rental rate RUR 102 652.2 including VAT	The Company alongside with its affiliate (Uralenergotrans, OOO) owns 20% and more of a transactor's charter capital.
Contract on immovables rent (1 516.3 sq.m.) concluded with Chelyabinsk Transport Company, OOO (Protocol #76 dd. 12.11.2010)	Monthly rental fee RUR 167 948.8 including VAT	The Company alongside with its affiliate (Uralenergotrans, OOO) owns 20% and more of a transactor's charter capital.
Contract on immovables rent (1 784.9 sq.m.) concluded with Chelyabinsk Transport Company, OOO (Protocol #76 dd. 12.11.2010)	Monthly rental fee RUR 126 670.2 including VAT	The Company alongside with its affiliate (Uralenergotrans, OOO) owns 20% and more of a transactor's charter capital.
Contract on personnel training and lodging concluded with Training Center of IDGC of Urals, NChOU (Protocol #76 dd. 12.11.2010)	RUR 30 528 700 including VAT	
Immovables SPA concluded with Sverdlovenergozhystroi, OAO (Protocol #76 dd. 12.11.2010)	RUR 8 000 000 including VAT	IDGC Holding owning 20% and more of the Company's voting shares, alongside with IDGC of Urals, owns 20% and more of the a transactor's shares (Sverdlovenergozhystroi, OAO).
Immovables SPA concluded with Permelektrosetremont, OAO (Protocol #78 dd. 29.12.2010)	RUR 20 300 000 including VAT	A shareholder (IDGC Holding, OAO), possessing 20% and more of the Company's voting shares, owns 20% and more of voting shares of another transactor.

Agreement on technological cooperation and arrangement of operational reliability of UES of Russia concluded with SO UES, OAO (Protocol #78 dd. 29.12.2010)	-	A shareholder owning 20% and more of the Company's voting shares (IDGC Holding, OAO), since its affiliated person (S.I.Shmatko, a BoD member) occupies management positions in a legal entity being a transactor (SO UES, OAO).
Contract on immovables rent concluded with FSK UES, OAO	Monthly rental fee RUR 29 911.2 including VAT	A shareholder owning 20% and more of the Company's voting shares (IDGC Holding, OAO), since its affiliated person (S.I.Shmatko, a BoD member) occupies management positions in a legal entity being a transactor (FSK UES, OAO).

12.2. INFORMATION ON THE OBSERVANCE OF THE CORPORATE BEHAVIOR CODE REQUIREMENTS

Prepared according to FSC decree #03-849/r dd. 30.04.2003 on CBC observation annual reports guidelines.

GENERAL SHAREHOLDER MEETING

Shareholders should be notified on a GSM in no less than 30 days prior to the date, irrespective of its agenda issues unless the legislation stipulates a larger term.	Observed	Stipulated by item 11.5, article 11 of the Charter.
Shareholders should possess a possibility to familiarize with the list of persons authorized to participate in a GSM starting on the date when information on a GSM is announced and until an intramural GSM is closed (in case of an extramural GSM – until the deadline for voting papers' receipt).	Observed	According to part 4, article 51 of the Federal Law on Joint-Stock Companies, the Company provides an opportunity to familiarize with the list of persons authorized to participate in a GSM for shareholders owning at least 1% of voting shares.
Shareholders should possess a possibility to familiarize with the materials, subject to disclosure during a GSM arrangement via electronic means of communications, including Internet.	Observed	Stipulated by items 11.5. and 11.7, article 11 of the Charter. According to item 4.1 of the Regulations on the Procedure for GSM Convention and Arrangement, materials related to GSM agenda issues should be posted on the corporate web-site within the terms for shareholder notification on GSM.
Shareholders should possess a possibility to introduce an issue to a GSM agenda or to demand the convention of a GSM without the submission of a register extract in case his share rights are recorded in the shareholder register system (in case his share rights are registered at a DEPO account – an extract from DEPO account for executing the above-mentioned rights).	Observed	Stipulated by subitem.2, item 6.2, article 6; item 13.3., article 13; item 14.4, article 14 of the Charter.
The Charter or internal documents should have a requirement on obligatory presence of the CEO, MB members, BoD members, Audit Commission members and Company's auditor at a GSM.	Partially observed	Our Charter and other internal documents do not contain statements stipulating their obligatory presence at a GSM; however, historically the CEO is present at a GSM. In accordance with item 10.10, article 10 of the Charter, a GSM is presided over by the BoD Chairperson. In case the BoD Chairperson and his deputy are absent, a GSM is presided over by any BoD member according to a resolution adopted by the BoD or BoD members present at GSM.
Candidates should be obligatory present while a GSM reviews issues on the election of BoD members, CEO, MB members, Audit Commission members as well as on the approval of the Company's auditor.	Partially observed	The Russian legislation does not contain a requirement related to obligatory presence of the candidates at a GSM. The Charter does not also contain such requirement. Historically, when a GSM reviews issues on the election of BoD members, CEO, MB members, AC members, all candidates receive invitations. General director and MB members are elected by the BoD.
Internal documents should stipulate the participant registration procedure.	Observed	Item 5.1 of the Regulations on the Procedure of GSM Convention and Arrangement defines the registration procedure for persons authorized to participate in a GSM.

BOARD OF DIRECTORS

The Charter should stipulate the BoD powers to approve a financial plan on an annual basis.	Observed	According to subitem 19, item 15.1, article 15 of the Charter, the BoD competence includes the approval of a business plan (updated business plan), including an investment program; quarterly completion reports; approval (update) of target cash flow indicators.
The BoD should approve risk management procedure.	Observed	The BoD approved the Regulations on Internal Control Procedures (Protocol #49 dd. 26.02.2008), Risk Management Policy and Internal Control Policy (Protocol #70 dd. 07.06.2010).
The Charter should stipulate a BoD right to adopt resolution on the suspension of the authority exercised by the CEO appointed by a GSM.	Observed	The CEO is elected by the BoD. According to subitem 12, item 15.1, article 15 of the Charter the BoD competence contains powers to elect the CEO and pre-term termination of his/her authorities, including adopting of a resolution on pre-term cancellation of his/her labor contract.
The Charter should stipulate a BoD right to set requirements to qualifications and remuneration of the CEO, MB members and heads of main structural subdivisions.	Partially observed	In accordance with subitem 13, item 15.1, article 15 of the Charter, the BoD competence includes the determination of MB membership, election of MB members, setting of remunerations and compensations paid to them, pre-term termination of their powers, including pre-term cancellation of their labor contracts.
The Charter should stipulate a BoD right to approve terms of contracts with the CEO and MB members.	Observed	According to item 21.6, article 21 of the Charter a CEO labor contract on behalf of the Company is signed by the BoD Chairperson or a person authorized by the BoD. Besides, according to item 21.7, art. 21 of the Charter, the BoD or person authorized by the BoD determines the terms of labor contracts with the CEO and MB members as well as exercises employer's rights and liabilities in relation to the CEO and MB members.
The Charter or internal documents should stipulate a requirement that during the approval of terms of contract concluded with the CEO (managing company, managing director) and MB members BoD votes, belonging to the CEO and MB members, are not counted.	Not observed	There is no such requirement in the Charter and other internal documents.
The BoD should contain at least 3 independent directors meeting CBC requirements.	Observed	The BoD contains at least 3 (three) independent directors.
The BoD should not contain persons, found guilty in committing economic crimes or crimes against the state, federal or local authorities or underwent penalty under administrative law for offences in business activities or in the sphere of finance, taxes and levies as well as securities market.	Observed	There are no such persons in the BoD.
The Board of Directors should not contain persons being a stockholder, the CEO (managing director), a member of the managing body or an employee of its competitor.	Observed	There are no such persons in the BoD.
The Charter should stipulate requirements to elect BoD members using cumulative voting.	Observed	Stipulated by item 16.2, article 16; item 10.8., article 10 of the Charter.
Internal documents should stipulate BoD members' obligation to refrain from actions that can lead to or are potentially able to lead to a conflict of interest and in case of such conflict – obligation to disclose information on the conflict.	Observed	According to the Corporate Governance Code (approved by a BoD resolution, protocol #55 dd. 02.06.2009), a BoD member should refrain from actions that can, in his opinion, lead to the conflict of interest as well as should immediately inform the BoD on the conflicts. Besides, the Regulations on the Procedure of BoD Convention and Arrangement (approved by the EGM – Management Board of RAO UES of Russia, OAO, MB protocol #1829/pr1 dd. 28.02.2008) BoD members, while exercising their rights and liabilities, should act in the interests of the Company, exercise their rights and liabilities conscientiously and reasonably.

Internal documents should stipulate BoD members' obligation to notify the BoD in a written form on intention to make transactions with the securities of a joint-stock company in which they are BoD members or BoD members of its SACs as well as disclose information on such transactions.	Partially observed	Requirements to disclosing insider information are stipulated by item 4 of our Regulations on Insider Information. Thus, information on all insider transactions with the securities of the Company or its SACs, according to the Regulations on Insider Information, is revealed and controlled by a special subdivision of the Company executing control over insider information. Besides, according to item 4.2 of the Regulations, insiders are obliged, no later than the 3rd day of the month following the reported one, to submit a written declaration on transactions with the securities of the Company or its SACs as of the reported period to a subdivision controlling insider information usage.
Internal documents should stipulate a requirement to arrange a BoD session no less than once in 6 weeks.	Partially observed	According to item 18.2, art.18 of the Charter, BoD sessions are held on demand but no less than once in 6 weeks.
BoD sessions should be arranged no less than once in 6 weeks during the year when the annual report is prepared.	Observed	The BoD arranges its sessions once in a month. In 2010 there were 16 BoD sessions.
Internal documents should stipulate the procedure for BoD arrangement.	Observed	The Regulations on the Procedure for BoD Convention and Arrangement stipulated the procedure of BoD arrangement.
Internal documents should stipulate that the BoD should approve transactions with 10% and more of asset value, except for transactions settled during usual operations.	Partially observed	Stipulated by subitems 24, 38, item 15.1, article 15 of the Charter.
Internal documents should stipulate BoD members' rights for information from executive bodies and heads of main subdivisions that is required for exercising their functions as well as responsibility for failures to forward this information.	Observed	According to item 3.1.1 of the Regulations on the Procedure for BoD Convention and Arrangement, BoD members are authorized to obtain information on the Company's activities, including commercial secrets, to get familiarized with constituting, regulatory, accounting, reporting, contractual and other documents.
A BoD Committee, responsible for strategic planning or entrusting of such functions onto another Committee, (except for the Audit Committee and Personnel and Remunerations Committee) should be created.	Observed	On 09.09.2008 the Strategy and Development BoD Committee was created.
A BoD Committee (the Audit Committee) that recommends an auditor to the BoD and interacts both with the auditor and the Audit Commission should be created.	Observed	On 09.09.2008 the Audit BoD Committee was created.
The Audit Committee should contain only independent and non-executive directors.	Observed	The Audit Committee membership was elected by the BoB on 30.07.2010. The AC membership totals 5 persons and consists of independent and non-executive directors (Protocol #72 dd. 03.08.2010).
The Audit Committee should be headed by an independent director.	Observed	The Audit Committee is headed by an independent director.
Internal documents should stipulate a right, exercised by all Audit Committee members, for access to any documents and information under condition of confidentiality of data.	Observed	Stipulated by item 11.3. of the Regulations on the Audit Committee.
A BoD Committee (the Personnel and Remunerations Committee), acting to determine criteria for BoD candidate selection and elaboration of a remuneration policy, should be created.	Observed	On 09.09.2008 the BoD adopted a resolution to create the Personnel and Remunerations Committee, acting to determine criteria for BoD candidate selection and elaborate a remuneration policy.
The Personnel and Remunerations Committee should be headed by an independent director.	Not observed	The Personnel and Remuneration Committee is headed by a person who is not a BoD member.
There should be no executive persons in the Personnel and Remunerations Committee.	Not observed	The Personnel and Remunerations Committee contains the Company's executive persons – Aleksey Alekseevich KRASNIKOV, a MB member of IDGC of Urals, Deputy General Director for Security and Controlling at IDGC of Urals.
A BoD Committee on risks should be created or such functions should be entrusted onto another Committee (except for the Audit Committee and Personnel and Remunerations Committee).	Not observed	There is no such Committee.

A BoD Committee on corporate conflicts regulation should be created or such functions should be entrusted onto another Committee (except for the Audit Committee and Personnel and Remunerations Committee) should be created.	Not observed	There is no such Committee.
A BoD Committee on corporate conflicts regulation should not contain executive persons of the Company.	Not observed	There is no such Committee.
A BoD Committee on corporate conflicts regulation should be headed by an independent director.	Not observed	There is no such Committee.
There should be internal documents approved by the BoD that stipulate the procedure of Committees arrangement and functioning.	Observed	The procedure for Committee creation is stipulated by article 19 of the Charter. The procedure for BoD Committee arrangement and functioning are regulated by the following Regulations approved by the BoD (protocol #72 dd. 03.08.2010): the Regulations on the Audit Committee, the Regulations on the Personnel and Remunerations Committee, the Regulations on the Strategy and Development Committee.
The Charter should stipulate the procedure for BoD quorum determination that ensures obligatory participation of independent directors in BoD sessions.	Not observed	The Charter contains no requirements to the procedure for BoD quorum determination that ensures obligatory participation of independent directors in BoD session. The Charter is prepared in compliance to the Russian legislation. According to the legislation, the quorum for a BoD session is determined by the Charter but should not be less than 50% of elected BoD members. According to item 18.7. of the Charter, BoD resolutions are legitimate if they were adopted by no less than 50% of BoD members.

EXECUTIVE BODIES

A joint-stock company should have a collegiate executive body (Management Board).	Observed	According to item 21.1, article 21 of the Charter, the Company has a collegiate executive body – the Management Board (Protocol #39 dd. 18.04.2008)
The Charter or internal documents should stipulate the necessity to approve immovable property transactions or obtain a credit by the management board, in case these transactions are not large transactions and are not subject to usual operations.	Observed	According to 22.2 of the Charter, the MB competence includes decision-taking on transactions on property, goods and services, book value of each totaling 1-25% of asset book value determined by the resolution date (except for the cases stipulated by subitem 38, item 15.1 of the Charter).
Internal documents should stipulate the procedure for the approval of operations that go beyond financial and operating plan.	Observed	According to item 2.4.3. of the Credit Policy Regulations, the BoD and MB review issues on operations that go beyond financial and operating plan, since they are subject to be updated in the business plan and cash flows targets reviewed by the BoD and MB.
Executive bodies should contain no persons that are a stock holder, CEO (managing director), a managing body member or employee of the competitor.	Observed	There are no such persons in the Company's executive bodies.
Executive bodies should contain no persons, found guilty in committing economic crimes or crimes against the state, federal or local authorities or underwent penalty under administrative law for offences in business activities or in the sphere of finance, taxes and levies as well as securities market. In case the functions of the sole executive body are exercised by a managing company or director, requirements lodged to the CEO and MB members should be met.	Observed	There are no such persons in the Company's executive bodies.
The Charter or internal documents should stipulate the prohibition for a managing company (a managing director) to exercise similar functions for its competitor as well as to be in any other property relations with the Company besides managing services.	Not observed	The Charter and internal documents do not stipulate the statement.

The internal documents should stipulate the liability of executive bodies to refrain from actions that may lead or are potentially able to lead to conflicts of interest (in case of such conflicts – liability to inform the BoD about the conflicts).	Observed	Item 4.2.1. of the Corporate Governance Code stipulates that the General Director should refrain from any actions that may lead to conflict of his/her interest and interests of the Company. The CEO should immediately inform the BoD on such conflict. Besides, item 21.14, article 21 of the Charter stipulates that the CEO, MN members, while executing their rights and liabilities, should act in the interests of the Company, exercise their rights and liabilities regarding the Company conscientiously and reasonably.
The Charter or internal documents should stipulate criteria for selection of a managing company (a managing director).	Not observed	According to subitem 12, item 10.2, article 10 of the Charter, decision-taking on transition of the powers exercised by the sole executive body, to a managing company (a managing director) and pre-term termination of his powers is referred to the GSM's competence. Rights and liabilities of a managing company (a managing director) on current operations are determined by the Russian legislation and contract concluded between such a managing company (a managing director) and the Company.
Executive bodies should submit quarterly work reports to the BoD.	Partially observed	According to subitem 36, item 15.1, article 15 of the Charter, review of CEO's reports on the Company's operations (including execution of his duties), on execution of GSM and BoD resolutions is referred to the BoD competence. On a regular basis (monthly, quarterly, semi-annually, annually) the CEO submits to the BoD the following reports on: <ul style="list-style-type: none"> • insurance coverage (every quarter); business plan completion (every quarter/annually); • execution of AGM's resolutions on dividend payout (annually); • investment program completion (every quarter/annually); • purchasing program completion (every quarter); • BoD resolution execution (every quarter); • non-core assets sale (every quarter); • execution of the Regulations on Information Policy (every quarter); • credit policy (every quarter); • KPI completion (every quarter /annually); • target cash flow indicators as of a certain period (every quarter); • the observation of the Corporate Governance Code (semi-annually); • the preparation of the Company for autumn and winter activity (annually); • the measures taken to transit to RAB tariffs (every month); • registration of title on immovable property and registration/re-registration of title on land plots (annually); • residential communal objects management (annually).
Contracts concluded between the company and the CEO (a managing company, managing director) as well as MB members should stipulate the liability for violations of the Regulations on confidential information usage.	Observed	The CEO's and MB members' contracts stipulate liabilities on violations of the Regulations on confidential information usage.

SECRETARY

A joint-stock company should have a special officer (a secretary) who ensures the observation of requirements that guarantee realization of shareholder rights and legitimate interests, by executive bodies and officers.	Observed	The Company has an elected corporate secretary (Protocol #72 dd. 03.08.2010). According to the Regulations on the Corporate Secretary, the key objectives of the secretary are: <ul style="list-style-type: none"> • to convene and arrange a GSM according to requirements set forth in the current Russian legislation, Charter and other internal documents; • to arrange BoD and BoD committees' activities; • to assist BoD members/ BoD Committee members in their activities; • to keep documents and disclose information on the Company; • to arrange interaction between the Company (in the name of the BoD and sole executive body) and its shareholders.
The Charter or internal documents should stipulate the procedure for nomination (election) of the secretary and his functions.	Observed	Item 4.2 of the Regulations on the procedure for BoD Convention and Arrangement as well as item 3 of the Regulations on the Corporate Secretary stipulate the procedure for corporate secretary election. The Regulations on the procedure for BoD Convention and Arrangement and the Regulations on the Corporate Secretary determine his duties.
The Charter should stipulate requirements to a secretary candidate.	Partially observed	According to item 20.6, article 20 of the Charter activities regulations, procedure for nomination and termination of powers, term of powers, rights and liabilities of the corporate secretary are stipulated by the Regulations on the Corporate Secretary approved by the BoD. The Regulations stipulate requirements to a candidate for a corporate secretary position.

SIGNIFICANT CORPORATE ACTIONS

The Charter or internal documents should stipulate a requirement on approval of a major transaction prior its conclusion.	Partially observed	According to the Charter, the competence of GSM (subitem 17, item 10.2., article 10) and BoD (subitem 24, item 15.1, article 15) includes approval of major transactions in cases set forth by Chapter X of the Federal Law on Joint-Stock Companies.
An independent appraiser should be obligingly involved for a market value appraisal of property being a major transaction.	Observed	Practiced according to requirements stipulated by the Federal law on Joint-Stock Companies.
The Charter should stipulate a prohibition to take any measures, while acquiring large blocks of shares (acquisition), aimed at protection of interests of executive bodies (or members) and BoD members and deteriorating shareholder status in comparison to the existing one (in particular, prohibition to adopt a resolution on issuing additional shares, share-convertible securities or issuing securities providing the right to acquire shares, even if the right to adopt such a resolution is approved by the Charter prior to the end of desired share acquisition date).	Not observed	The Charter does not stipulate the requirements.
The Charter should stipulate a requirement on obligatory involvement of an independent appraiser for appraising current market share value and possible changes of their market value as a result of a merger.	Not observed	Practiced according to the requirements set forth by the Federal Law on Joint-Stock Companies. The Charter does not stipulate the requirements.
The Charter should not stipulate a discharge of buyer's duties on offering shareholders to sell their common shares (issue securities convertible into common shares) during the merger.	Observed	The Charter does not stipulate the requirement.
The Charter or internal documents should stipulate a requirement on obligatory involvement of an independent appraiser for determination of reorganization share conversion rate.	Not observed	The Charter does not stipulate the requirement.

INFORMATION DISCLOSURE

The BoD should approve an internal document determining rules and approaches to information disclosure (the Regulations on Information Policy).	Observed	Our Regulations on Information Policy were approved by a BoD resolution (Protocol #47 dd. 18.11.2008).
Internal documents should stipulate a requirement to disclose information on the aims of share issue, persons reckoning to acquire issued shares, including large block of shares as well as information whether top managers participate in share acquisition.	Not observed	Information is disclosed according to the requirements of the Russian legislation and the Regulations on Information Policy.
Internal documents should stipulate a list of information, documents and materials subject to distribution among shareholders with a view to solve GSM issues.	Observed	According to the Regulations on the Procedure for GSM Convention and Arrangement, a list of information, documents and materials subject to distribution among shareholders with a view to solve GSM issues is approved by our BoD during GSM arrangement.
A joint-stock company should possess a corporate web-site and regular information disclosure using the web-site.	Observed	The Company has a web-site where it discloses its information (http://www.mrsk-ural.ru). The Company ensures timely update of the corporate web-site, including information disclosure according to the requirements of the current Russian legislation and the Regulations on Information Policy.
Internal documents should stipulate a requirement on disclosure of information on transactions between the Company and persons, who are top managers according to the Charter, as well as transactions between the Company and organizations in which the Company's top managers directly or indirectly own 20% and more of the charter capital or which can be significantly influenced by such persons in any way.	Observed	According to the Regulations on Information Policy, the Company discloses information on the Company's shares, shares of the Company's SACs owned by managers and persons affiliated with them (including share quantity and category) as well as information on transactions between the persons and the Company.
Internal documents should stipulate a requirement on information disclosure on all transactions that can influence share price.	Observed	Our Regulations on Information Policy stipulate that the Company discloses information on significant transactions. A significant transaction is a transaction that can have a significant influence on the Company's activities.
The BoD should approve an internal document on the use of significant information on JSC's operations, shares and other securities and transactions with them which is not public and disclosure of which may have a significant influence on market price of shares and other securities.	Observed	The Company approved the Regulations on Insider Information (approved by a BoD resolution, Protocol #47 dd. 18.11.2008).

CONTROL OVER FINANCIAL AND ECONOMIC OPERATIONS

The BoD should approve internal control procedures over financial and operating transactions.	Observed	Our BoD approved the Regulations on Internal Control Procedures (Protocol #49 dd. 26.12.2008).
A special subdivision ensuring the observation of internal control procedures (a supervision and auditing subdivision) should exist.	Observed	The Company has a special subdivision – Internal Control and Audit Department ensuring observation of the internal control procedures.
Internal documents should stipulate a requirement on the determination of the structure and membership of a supervision and auditing subdivision by the BoD.	Not observed	Internal documents do not stipulate the requirement.
There should be no persons found guilty in committing economic crimes or crimes against the state, federal or local authorities or underwent penalty under administrative law for offences in business activities or in the sphere of finance, taxes and levies as well as securities market in a supervision and auditing subdivision.	Observed	There are no such persons in the subdivision.

There should be no persons being stockholders, CEO (a managing director), member of a managing body or employee of its competitor in a supervision and auditing subdivision.	Observed	There are no such persons in the subdivision.
Internal documents should stipulate a term for submission of documents and materials to a supervision and auditing subdivision for appraisal of completed financial and operating transactions as well as responsibility of executive persons and worker for non-submission within the stipulated terms.	Partially observed	According to our Regulations on the Audit Commission, requested materials and documents should be submitted to AC members within 2 (two) working days since the request. According to our Regulations on Internal Control Procedures, documents required for audit are submitted by heads of subdivisions, branches and representative offices within 3 days upon request of the subdivision authorized for internal control/ audit. In the meantime, executive officers bear no responsibility for non-submission.
Internal documents should stipulate liability exercised by a supervision and auditing subdivision to inform the Audit Committee on revealed violations (in case the Committee is absent – to the BoD).	Observed	Stipulated by our Regulations on Internal Control Procedures.
The Charter should stipulate a requirement on a preliminary appraisal by a supervision and auditing subdivision of expediency of operations that are not covered by financial and operating plan (non-standard operations).	Not observed	This procedure is not stipulated by the Charter.
Internal documents should stipulate the procedure for non-standard operation approval by the BoD.	Observed	Non-standard operations (operations uncovered by financial and operating plan) are subject to inclusion into business plan and cash flow updates. According to subitem 19, item 15.1, article 15 of the Charter, approval of an updated business plan is referred to the BoD competence.
The Board of Directors should approve an internal document stipulating the procedure for auditing financial and operating activities by the Audit Commission.	Observed	A GSM resolution dd. 30.04.2008 (Protocol #1865 pr/3 dd. 30.04.2008) approved the Regulations on the Audit Commission.
The Audit Committee should appraise an auditor report prior to its dissemination among shareholders on a GSM.	Observed	According to item 3.1 of the Regulations on the Audit Committee, the Committee exercises control over annual independent audit of consolidated financial statements and accounting statements of the Company, appraisal of the auditor report. The appraisal of the auditor report is submitted as GSM materials.

DIVIDENDS

The BoD should approve an internal document which is used by the BoD when it adopts resolutions on dividend recommendations (the Regulations on Dividend Policy).	Observed	The Regulations on Dividend Policy were approved by the BoD on 31.08.2010 (Protocol #73 dd. 03.09.2010).
The Regulations on Dividend Policy should stipulate a procedure for the determination of minimal net profit to be distributed as dividends and conditions when preferred share dividends, determined by the Charter, are not paid out or partially paid out.	Partially observed	The Regulations on Dividend Policy stipulates the procedure for the determination of minimal net profit to be distributed as dividends. The Company has no preferred shares.
Information on dividend policy and changes should be published in periodicals stipulated by the Charter for publishing information on GSM arrangement as well as disclosure of this information on the corporate web-site.	Partially observed	The Regulations on Dividend Policy is posted on the corporate web-site. For details, please, follow the link below: http://www.mrsk-ural.ru/content/files/IR/dividendpolicyrus.pdf

12.3. 2010 ACCOUNTING STATEMENTS UNDER RAS

Balance Sheet as of
as of December 31, 2010

Form#1 according to ARCMD	0710001
Date	31.12.2010
RNCBO	76507836
TIN	6671163413
RNCEA	40.10.2
ARCFO	
ARCMU	384

Company: Open Joint-Stock company "Interregional Distributive grid company of Urals"
Taxpayer identification number
Types of activities
Legal organizational form: open joint-stock company
Units of measurement: RUR thous.
Location: 140 Mamina Sibiriyaka Ulitsa, Ekaterinburg, Russia 620026

ASSETS

	Line code	As of the reported period	As of the end of the reported period
1	2	3	4
I. NON-CURRENT ASSETS			
Intangible assets	110	30	65
Fixed assets	120	27 500 735	30 337 452
Construction in progress	130	3 568 928	2 706 461
Investments in valuable property	135	0	0
Long-term financial investments	140	2 290 916	2 200 313
Deferred tax assets	145	330 326	330 664
Other non-current assets	150	0	0
TOTAL ON SECTION I	190	33 690 935	35 574 955
II. CURRENT ASSETS			
Inventory	210	1 091 602	1 144 249
Raw material and other similar valuable property	211	841 263	946 190
Rearers and fatteners	212	0	0
Expenses in uncompleted production	213	0	0
End product and products for sale	214	37 350	33 142
Goods delivered	215	0	0
Deferred expenses	216	212 989	164 917
Other materials and expenses	217	0	0
Value-added tax on acquired valuable property	220	54 367	39 632
Accounts receivable (payments in more than 12 months following the reported date)	230	99 509	278 410
Purchasers and customers (62, 76, 82)	231	8 187	2 716
Accounts receivable (payments within 12 months following the reported date)	240	6 126 960	6 335 875
Purchasers and customers (62, 76, 82)	241	4 676 087	4 062 211
Short-term financial investments (56,58,82)	250	0	0
Cash	260	1 041 208	1 172 061
Other current assets	270	0	0
TOTAL ON SECTION II	290	8 413 646	8 970 227
ASSETS	300	42 104 581	44 545 182

LIABILITIES

	Line code	As of the reported period	As of the end of the reported period
III. CAPITAL AND RESERVES			
Charter Capital	410	8 743 049	8 743 049
Own shares purchased from shareholders	411	0	0
Added capital	420	17 009 503	17 009 503
Reserve capital	430	43 568	96 121
Reserves formed according to legislation	431	0	0
Reserves formed according to the founding documents	432	43 568	96 121
Non-distributed profit of the previous years	468	2 378 072	2 325 519
Non-distributed profit (uncovered loss)	470	0	1 684 773
TOTAL ON SECTION III	490	28 174 192	29 858 965
IV. LONG-TERM LIABILITIES			
Loans and borrowings	510	5 583 562	5 537 633
Interest paid	511	0	0
Deferred tax liabilities	515	1 069 798	1 408 419
Other long-term liabilities	520	798 531	596 933
TOTAL ON SECTION IV	590	7 451 891	7 542 985
V. SHORT-TERM LIABILITIES			
Loans and borrowings	610	0	0
Interest paid	611	26 503	2
Accounts payable	620	6 340 816	6 542 964
Suppliers and contractors	621	3 127 653	3 543 018
Debt to employees	622	118 230	68 304
Debt to state non-budgetary funds	623	40 793	54 632
Debts on taxes and levies	624	569 069	43 337
Other creditors	625	2 485 071	2 833 673
Debts to founders	630	22 154	0
Deferred revenues	640	89 025	82 641
Reserves for future expenses	650	0	517 625
Other short-term liabilities	660	0	0
TOTAL ON SECTION V	690	6 478 498	7 143 232
LIABILITIES	700	42 104 581	44 545 182

INFORMATION ON VALUES STATED IN OFF-BALANCE SHEET ACCOUNTS

Indicators	Line code	As of the start of the reported period	На конец отчетного периода
Leased assets	910	3 330 856	3 615 548
Including leasing	911	0	0
Inventory for safe custody	920	10 733	1 733
Goods taken for commission	930	0	0
Writing off debt from insolvent debtors	940	797 493	297 405
Provision of liabilities and payments received	950	69 225	65 478
Provision of liabilities and payments paid out	960	65	65
Housing depreciation	970	16 111	14 564
Depreciation of external amenity objects and other similar objects	980	1 235	1 340
Intangible assets obtained for usage	990	0	106 157
Fixed assets transferred to operational administration	991	0	11 315

Profit and Loss Statement as of 2010.

Company: Open Joint-Stock company "Interregional Distributive grid company of Urals"
 Taxpayer identification number
 Types of activities
 Legal organizational form: open joint-stock company
 Units of measurement: RUR, thous.
 Location: 140 Mamina Sibiryaka Ulitsa, Ekaterinburg, Russia 620026

Codes
 Form# 2 according to ARCMD
 Date 31.12.2010
 RNCBO 76507836
 TIN 6671163413
 ARCFO 40.10.2
 ARCMU 384

Indicator	Line code	As of the reported period	Corresponding period of the previous year
Revenues and expenses on usual activities			
Revenues from sale of goods, services (except for VAT, excise taxes and other obligatory payments)	010	49 783 797	41 297 636
Expenses	020	-44 842 725	-36 623 611
Gross profit	029	4 941 072	4 674 025
Commercial expenses	030	0	0
Administrative expenses	040	0	0
Sales profit (loss)	050	4 941 072	4 674 025
Operating revenues and expenses			
Interest receivable	060	15 715	14 598
Interest payable	070	-391 864	-728 621
Income from participating in other companies	080	118 784	13 242
Other operating profits	090	5 778 541	3 845 828
Other operating expenses	100	-8 071 661	-6 426 100
Pre-tax profit (loss)	140	2 390 587	1 392 972
Pre-tax profit (loss)	141	128 551	119 784
Deferred tax liabilities	142	-455 383	-137 574
Current income tax	150	-574 759	-468 806
Other similar obligatory payments	151	195 777	146 891
Net profit (loss) of the reported period	190	1 684 773	1 053 267
FOR INFORMATION:			
Permanent tax liabilities (assets)	200	482 441	231 991
Basic earnings per share	201	0.02	0.01
Diluted earnings per share	202	0	0

Indicator	Line code	As of the reported period		Corresponding period of the previous year	
		profit	loss	profit	loss
Fines, penalties and forfeits acknowledged by court and there are court resolutions on their collection	210	153 471	11 636	41 813	267
Profit (loss) of last years	220	569 881	2 268 044	353 552	844 325
Reimbursement of loss caused by non-fulfillment or improper liabilities execution	230	7 852	7 772	19 944	5 614
Exchange rate difference on foreign exchange operations	240	56	0	322	54
Contributions to assessed reserves	250		312 607		1 962 349
Writing off of accounts receivable and payable with expired term of legal limitation	260	33 556	29 419	12 445	35 081

12.4. 2010 ACCOUNTING STATEMENTS UNDER IAS

Consolidated Statement of Comprehensive Income for the year ended 31 December 2010 (in thousands of Russian Roubles, unless otherwise stated)

	Notes	Year ended 31 December 2010	Year ended 31 December 2009
Revenue	5	57 065 597	48 025 720
Operating expenses	6	(51 768 430)	(44 896 399)
Other operating (expenses)/ income	8	(1 240 575)	131 083
Result from operating activities		4 056 592	3 260 404
Finance income	9	30 844	14 912
Finance costs	9	(539 911)	(971 046)
Share of profit of equity accounted investee	13	266 305	100 998
Profit before income tax		3 813 830	2 405 268
Income tax	10	(1 431 647)	(446 462)
Profit for the year		2 382 183	1 958 806
Profit and total comprehensive income for the year		2 382 183	1 958 806
Profit and total comprehensive income attributable to:			
Shareholders of the Company		2 277 100	1 917 982
Non-controlling interest		105 083	40 824
Earnings per share			
Basic and diluted earnings per share (expressed in RUB)	19	0,0260	0,0219

Consolidated Statement of Financial Position as at 31 December 2010

	Notes	31 December 2010	31 December 2009
ASSETS			
Non current assets			
Property, plant and equipment	11	48 310 911	46 212 603
Investment property	11	98 317	223 443
Intangible assets	12	3 233	73 629
Investments in equity accounted investee	13	931 375	665 070
Deferred tax assets	10	44 778	87 002
Other non-current assets	14	652 880	404 226
Total non current assets		50 041 494	47 665 973
Current assets			
Inventories	15	969 429	791 787
Income tax receivable		614 589	66 876
Trade and other receivables	16	5 931 389	6 796 000
Prepayments for current assets	17	326 848	112 271
Cash and cash equivalents	18	1 877 166	1 452 009
Other current assets		20 211	38 564
Total current assets		9 739 632	9 257 507
TOTAL ASSETS		59 781 126	56 923 480
EQUITY AND LIABILITIES			
Equity			
Share capital	19	8 743 049	8 743 049
Retained earnings		29 995 367	27 718 267
Total equity attributable to shareholders of the Company		38 738 416	36 461 316

Non-controlling interest		766 084	662 239
Total equity		39 504 500	37 123 555
Non-current liabilities			
Loans and borrowings	20	6 381 317	6 426 350
Long-term advances	21	574 552	618 797
Employee benefits	22	330 914	305 741
Finance lease liabilities	23	89 437	172 901
Deferred tax liabilities	10	4 639 881	3 214 034
Other long-term liabilities		10 715	41 536
Total non-current liabilities		12 026 816	10 779 359
Current liabilities			
Loans and borrowings	20	699 355	1 020 561
Trade and other payables	24	6 789 664	6 982 081
Current portion of finance lease liabilities	23	194 577	166 610
Other taxes payable	25	452 959	710 697
Income tax payable		113 255	140 617
Total current liabilities		8 249 810	9 020 566
TOTAL LIABILITIES		20 276 626	19 799 925
TOTAL EQUITY AND LIABILITIES		59 781 126	56 923 480

Consolidated Statement of Cash Flows for the year ended 31 December 2010

	Notes	31 December 2010	31 December 2009
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit before income tax		3 813 830	2 405 268
Adjustments to reconcile profit before income tax and net cash from operating activities:			
Depreciation and amortization		3 790 582	3 371 224
Net impairment losses		188 112	1 266 197
Net finance costs		509 067	956 134
Share of profit of equity accounted investee		(266 305)	(100 998)
Loss on disposal of property, plant and equipment		218 132	469 237
Adjustment for other non-cash transactions		(25 483)	(96 850)
Operating profit before changes in working capital and provisions		8 227 935	8 270 212
Change in trade and other receivables and prepayments		(481 167)	(2 973 208)
Change in inventories		(173 738)	(91 384)
Change in trade and other payables		197 159	1 510 573
Change in taxes payable other than income		(253 963)	523 504
Cash flows from operations before income taxes paid		7 516 226	7 239 697
Income tax paid		(538 650)	(410 198)
Cash flows from operating activities		6 977 576	6 829 499
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisition of property, plant and equipment		(5 663 368)	(3 512 680)
Acquisition of intangible assets		(1 361)	(5 154)
Proceeds from disposal of property, plant and equipment		418 526	206 568
Proceeds from repayment of loans issued		12 131	18 507
Loans issued		(8 832)	-
Interest received		22 422	14 869
Cash flows used in investing activities		(5 220 482)	(3 277 890)

CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds from loans and borrowings	5 116 767	13 183 333
Repayment of loans and borrowings	(5 483 005)	(14 613 685)
Repayment of finance lease liabilities	(343 585)	(309 713)
Interest paid	(597 234)	(1 223 936)
Dividends paid	(24 880)	(1 601)
Cash flows used in financing activities	(1 331 937)	(2 965 602)
Net increase in cash and cash equivalents	425 157	586 007
Cash and cash equivalents at the beginning of the year	1 452 009	866 002
Cash and cash equivalents at the end of the year	18	1 452 009

To view the details, please, visit our corporate web-site at: <http://www.mrsk-ural.ru/en/673>



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