The largest energy holding in Russia focused on electricity and heat generation and sales, electricity export and import, and engineering services

* As of 2012
On Track to Deliver Strategy

STRATEGIC PRIORITIES

- Organic growth through construction of new electricity generation capacity in Russia and M&A
- Selective expansion into target foreign markets through M&A, developing greenfield
- Raising efficiency of existing assets, getting new cash flow from Capacity Delivery Agreements (CDA)
- Extending Geography & product line
- Increasing market share with independent suppliers

Key Targets 2015E

- TOTAL INSTALLED CAPACITY: 40 GW
- CONSOLIDATED REVENUE: €23 BN
- INSTALLED CAPACITY ABROAD: 25%
- CONSOLIDATED EBITDA: €2.8 BN
- TRADING VOLUME: 45 TWH
- SUPPLY MARKET SHARE IN RUSSIA: 25%
- ELECTRICITY SUPPLIED: 250 TWH
Engineering Assets of Inter RAO Group

LLC Inter RAO — Engineering

A leading engineering service provider focused on construction and rehabilitation of energy facilities in Russia and worldwide

- 8 successful new construction and rehabilitation projects with 2.3 GW of combined capacity
- Current portfolio includes 4 GW of generation capacity spread across 12 projects
- A team of 500 highly skilled professionals

LLC Inter RAO Export

Sales of energy equipment and services in the international markets

- 8 active contracts for delivery of energy equipment, spare parts and services for heat and hydro power projects
- Large network of representative offices abroad
- Key markets: Latin America, Africa, Middle East & Southeast Asia

LLC Russian Gas Turbines

Manufactures 6FA gas turbines in Russia

- Joint venture of JSC Inter RAO, General Electric and Rostec
- Established in 2011
- Designed to manufacture 14 gas turbines per year, with potential upgrades up to 20 gas turbines per year
- Manufacturing site: Rybinsk, Yaroslavl Oblast
- The manufacturing plant will be completed in Q2 2014 and production of first turbin is planed for Q3 2014
Our Services

- Design of energy facilities
- EPC/EPCM project management
- BOT/BOO project organization
- Sales of core and auxiliary equipment
- Integrated offer based on 6FA gas turbines
- Owner's Engineering
- Start-up and adjustment of new facilities
- Decommissioning of legacy equipment
**Project Geography**

**Completed Projects**
- **Sochinskaya TPP**, 80 MW, 2009
- **Kaliningradskaya TPP-2**, 450 MW, 2011
- **Urengoyskaya TPP**, 491 MW, 2012
- **Kharanorskaya TPP**, 225 MW, 2012
- **Ivanovskiy CPP**, 325 MW, 2012
- **Tomskaya TPP-1**, 15 MW, 2012
- **Omskaya TPP-3**, 85 MW, 2013
- **Gusinooyorskaya TPP**, 210 MW, 2013
- **Dzhubginskaya TPP**, 180 MW, 2013
- **Cherepinskaya TPP**, 450 MW, 2013-2014
- **Nizhnevartovskaya TPP**, 400 MW, 2014
- **Verkhnetagilskaya TPP**, 420 MW, 2015
- **Permskaya TPP**, 800 MW, 2015

**Projects in Progress**
- **Sangtuda HPP-1**, 670 MW, 2009
- **Delivery of gas turbines** with combined rating of 423.8 MW for BARIVEN S.A., 2015
- **Toachi Pilaton Hydro Project**, 252 MW, 2015
- **Ekibastuzskaya TPP-2**, 636 MW, 2015
- **Termogas Machala TPP**, 170 MW, 2016
Actual project geography

- Russian Federation
- Morocco
- Uganda
- Pakistan
- Vietnam
- Iraq
- Lebanon
- Yemen
- Jordan
- Serbia
## Electricity export to Japan

### General information
- Benefit to the regional integration
- The part of Asia super grid
- New start-up of the old project

### New generation and power transmission

**Power generation units construction plan:**
- Total capacity – up to 3 GW
- Three stages realization
  - First stage: coal-fired power plant, 1050 MW
  - Second stage: coal-fired power plant, 1050 MW
  - Third stage: gas-fired power plant, 800 MW

**Power transmission plan:**
- Different combinations of HVDC cable routing possible (submarine, underground, areal)
- Connection points:
  - RF: cape Krilyon, t. Korsakov, t. Uglegorsk
  - Japan: cape Soya, t. Niigata, t. Wakanai

---

### Location

- **isl. Sakhalin**
- **isl. Hokkaido**
- **isl. Honshu**
- **cape Krilyon**
- **cape Soya**
- **cape Soya**
- **Uglegorsk**
- **Korsakov**
- **Niigata**
- **Wakanai**
- **Niigata**
- **isl. Hokkaido**
- **isl. Sakhlin**
- **Hokkaido**
- **Honshu**
- **Sakhalin**

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**INTER RAOUES**
THANK YOU FOR YOUR ATTENTION!
### Generation (27,622 MW)

<table>
<thead>
<tr>
<th>Company</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>LLC &quot;MC INTER RAO – ElectroGeneration&quot;</td>
<td>100%</td>
</tr>
<tr>
<td>INTER RAO Electro-Generation (21,292 MW)</td>
<td>100%</td>
</tr>
</tbody>
</table>

- Kostromskaya TPS – 3,600 MW
- Irkinskaya TPS – 2,430 MW
- Permskaya TPS – 2,400 MW
- Kashirskaya TPS - 1,910 MW
- Nizhnevatovskaya TPS – 1,600 MW
- Verkhnetagilskaya TPS – 1,497 MW
- Cherepetskaya TPS – 1,285 MW
- Gusinozerskaya TPS – 1,130 MW
- Pechorskaya TPS – 1,060 MW
- Severo-Zapadnaya CHPP - 900 MW
- Yuzhnouralskaya TPS - 882 MW
- Kaliningradskaya CHPP-2 - 875 MW
- Kharnorskaya TPS - 655 MW
- Urengoyskaya TPS - 484 MW
- Ivanovskie CCGT - 325 MW
- Sochinskaya TPS - 158 MW
- Djubinskaya CHPP - 201 MW

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### Supply

#### Guaranteed Suppliers:
- JSC Mosenergosbyot (50.92%)
- St. Petersburg Supply Group of companies (100%)
- JSC Saratovenenergo (56.97%)
- JSC Altayenergosbyot (100%)
- JSC Tambov Energy Retail Company (59.38%)
- JSC IRAO – Orelenersobyt (100%)
- Tomsk Energy Retail Company (43.18%)
- Omsk Energy Retail Company (100%)

#### Non-Guaranteed Suppliers:
- LLC Rn-Energo (100%)
- JSC Industrial Energetics (51%)
- LLC RT-Energotrading (50%)

### Foreign Assets (5,965 MW)

- **Moldova, Transdniestr Republic:**
  - CJSC Moldavskaya GRES (100%) – 2,520 MW

- **Georgia:**
  - Mtivari Energy LLC (100%) – 600 MW
  - JSC Khramesi GES I (100%) – 112.8 MW
  - JSC Khramesi GES II (100%) – 114.4 MW
  - JSC Telasi (75%)

- **Armenia:**
  - JSC RazTES (100%) – 1,110 MW
  - CJSC Elekricheskiye seti Armenii (100%)

- **Kazakhstan:**
  - Ekibastuzskaya GRES-2 (50%) – 1,000 MW

- **Lithuania:**
  - Vydmantai (51%) – 30 MW

- **Turkey:**
  - Trakya (100%) – 478 MW

### Trading

- **RAO NORDIC OY (Finland) (100%)**
- **AB INTER RAO Lietuva (Lithuania) (51%)**
- **SIA INTER RAO Latvia (Latvia) (51%)**
- **INTER RAO Eesti OU (Estonia) (51%)**
- **INTER RAO Green Renewables and Trading AB (75%)**
- **LLP Kazenergoresurs (Kazakhstan) (100%)**
- **JSC Eastern Energy Company (100%)**
- **IRL Polska (Poland) (51%)**

### Engineering

- **INTER RAO Engineering (100%)**
- **Quartz New technology (100%)**
- **Quartz Group (100%)**
- **INTER RAO Worley Parsons (51%)**
- **INTER RAO Interenergoeffekt (50%)**
- **INTER RAO Power Efficiency Center**
- **JW with Rostec (25%), GE (50%) & INTER RAO (25%) (RUS Gas Turbines Holding)**
- **INTER RAO Export (100%)**
- **Fund Energy without Borders (100%)**
- **Engineering Center Gas-Turbine Technologies (45.27%)**

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(1) As of February, 2014
(2) In December, 2013 Inter RAO won the competitive tender for getting the guaranteed supplier status in Omsk region.
Company Overview

- One of the largest national power generators with total installed electricity capacity of 33.6 GW\(^{(1)}\) and electricity output of 148.7 TWh
- Ranks among the largest European integrated utilities by overall installed capacity
- Operates and manages 46 thermal, 13 hydro power plants and 2 wind farms
- Leading Russian export-import operator, 2012 export amounting to 18.4 TWh and import 2.6 TWh
- Largest Russian electricity supplier with 15% market share
- Majority owned by the Russian Federation
- Rated BB+ by Fitch, Ba1 by Moody’s

INTER RAO Ownership Structure

- Minorities 17.91%
- Treasure shares 13.93%
- Rosneftegaz 12.60%
- VEB 5.11%
- Norilsk Nickel 13.21%
- Federal Grid Company 18.57%
- State 13.76%

INTER RAO At Glance

Financial Performance

<table>
<thead>
<tr>
<th>RUB bn.</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>536.2</td>
<td>556.2</td>
</tr>
<tr>
<td>EBITDA</td>
<td>41.7</td>
<td>26.5</td>
</tr>
<tr>
<td>Total Assets</td>
<td>531.9</td>
<td>528.6</td>
</tr>
<tr>
<td>Adjusted Debt</td>
<td>48.6</td>
<td>64.8</td>
</tr>
<tr>
<td>Adjusted Net Debt</td>
<td>-33.5</td>
<td>10.6</td>
</tr>
<tr>
<td>Debt/EBITDA</td>
<td>1.2x</td>
<td>2.4x</td>
</tr>
</tbody>
</table>

EBITDA Breakdown\(^{(3)}\) FY2012

- Supply 21%
- Generation 50%
- Trading 14%
- Foreign assets 15%

Ranking Among Major Integrated Utilities

<table>
<thead>
<tr>
<th>Installed Capacity (GW)</th>
<th>GEN</th>
<th>Rus Hydro</th>
<th>Rosatom</th>
<th>ESE</th>
<th>IES Holding</th>
<th>E.ON Russia</th>
<th>Enel OGK-5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>38</td>
<td>35</td>
<td>33.6(^{(1)})</td>
<td>23.4</td>
<td>19.5</td>
<td>16</td>
<td>10.3</td>
</tr>
<tr>
<td>Market Share ((^{(2)}))</td>
<td>0%</td>
<td>5%</td>
<td>15%</td>
<td>20%</td>
<td>25%</td>
<td>20%</td>
<td>15%</td>
</tr>
</tbody>
</table>

\(^{(1)}\) INTER RAO’s installed capacity includes Russian generation assets, Bashkir GenCo and foreign generation assets (updated on 2nd of September, 2013).
\(^{(2)}\) Market shares are based on the output
\(^{(3)}\) Excluding Unallocated & Elimination and Other
\(^{(4)}\) Includes share in debt of jointly controlled entities
Electricity and Heat Production

### Installed Electric Capacity

**Total:** 33,326 MW

- IRAO - Electricity Generation
- TGK-11
- Bashkir Generation
- Foreign Generation

*Load Factor 49.9%*

### Installed Heat Capacity

**Total:** 25,622 Gcal/h

- IRAO - Electricity Generation
- TGK-11
- Bashkir Generation
- Foreign Generation

*Load Factor 21.4%*

### Electricity Production

**TWh**

- 1H2012: 72.9
- 1H2013: 72.3

*Load Factor -0.8%*

- IRAO - Electricity Generation
- TGK-11
- Bashkir Generation
- Foreign Generation

### Heat Production

**Min. Gcal**

- 1H2012: 24.9
- 1H2013: 23.6

*Load Factor -5.0%*

- IRAO - Electricity Generation
- TGK-11
- Bashkir Generation
- Foreign generation

Note: Operational results of Bashkir Generation and Trakya Elektrik are presented on LFL basis, operational results of Group’s subsidiaries are presented on an aggregate basis without excluding inter-segment transactions.
Electricity Supply

Electricity Sales to Customers

- Guaranteed suppliers
- Non-guaranteed suppliers

Retail Electricity Sales Breakdown

- Households and equated groups of customers
- Loss compensation
- Other customers

Number of Customers

- Legal entities, thousand accounts:
  - 1H2012: 382
  - 1H2013: 400
  - +4.9%

- Households, thousands accounts:
  - 1H2012: 11,199
  - 1H2013: 11,378
  - +1.6%

Supply Margins of Guaranteed Suppliers

- Mosenergosbyt Group
- PSK Group
- Altayenergosbyt
- Saratovenergo
- Tambov Supply Company
- IRAO-Orelenergosbyt

(1) Includes electricity sales in retail and wholesale markets
(2) Weighted average supply margin by group of customers
**International Activity**

### Export/Import Volumes

<table>
<thead>
<tr>
<th>TWh</th>
<th>1H2012</th>
<th>1H2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Export</td>
<td>10.9</td>
<td>12.4</td>
</tr>
<tr>
<td>Import</td>
<td>9.7</td>
<td>2.6</td>
</tr>
</tbody>
</table>

+14.3%

### Electricity Export Breakdown in 1H2013

- **Kazakhstan**: 9% Export, 86% Import
- **China**: 19% Export, 4% Import
- **Lithuania**: 20% Export, 22% Import
- **Belarus**: 24% Export, 10% Import
- **Georgia**: 10% Export, 6% Import
- **Others**: 6% Export, 4% Import

9.9 TWh (+2%)

### Electricity Spot Prices in 1H2013

<table>
<thead>
<tr>
<th>Month</th>
<th>1st price zone</th>
<th>2nd price zone</th>
<th>Nord Pool</th>
<th>Balt Pool</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>18</td>
<td>42</td>
<td>23</td>
<td>39</td>
</tr>
<tr>
<td>February</td>
<td>19</td>
<td>39</td>
<td>24</td>
<td>37</td>
</tr>
<tr>
<td>March</td>
<td>19</td>
<td>45</td>
<td>24</td>
<td>26</td>
</tr>
<tr>
<td>April</td>
<td>19</td>
<td>44</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>May</td>
<td>18</td>
<td>43</td>
<td>37</td>
<td>24</td>
</tr>
<tr>
<td>June</td>
<td>17</td>
<td>55</td>
<td>39</td>
<td>26</td>
</tr>
</tbody>
</table>

+5% +9% +11% +15%

### Comments

- In 1H2013 Inter RAO exported about 9.9 TWh of electricity. Finland, Lithuania, Belarus and China accounted for over 80% of electricity exported.
- Electricity export to Kazakhstan reduced by 28% (yoy) due to lower fluctuations in concurrent operation of national energy systems, and also due to marginal slowdown of commercial sales.
- Electricity export to Lithuania decreased by 20% (yoy) due to electricity price increase in the Russian Wholesale Electricity and Capacity Market.
- Electricity export volumes to China in 1H2013 doubled as a result of demand growth in accordance with current long-term agreement.
- Aggregate import of electricity for reported period reached 2.6 TWh due to threefold growth of electricity imports from Kazakhstan.

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(1) Electricity prices in EUR are based on the following average exchange rate for 1H2013: EUR/RUB = 40.76