

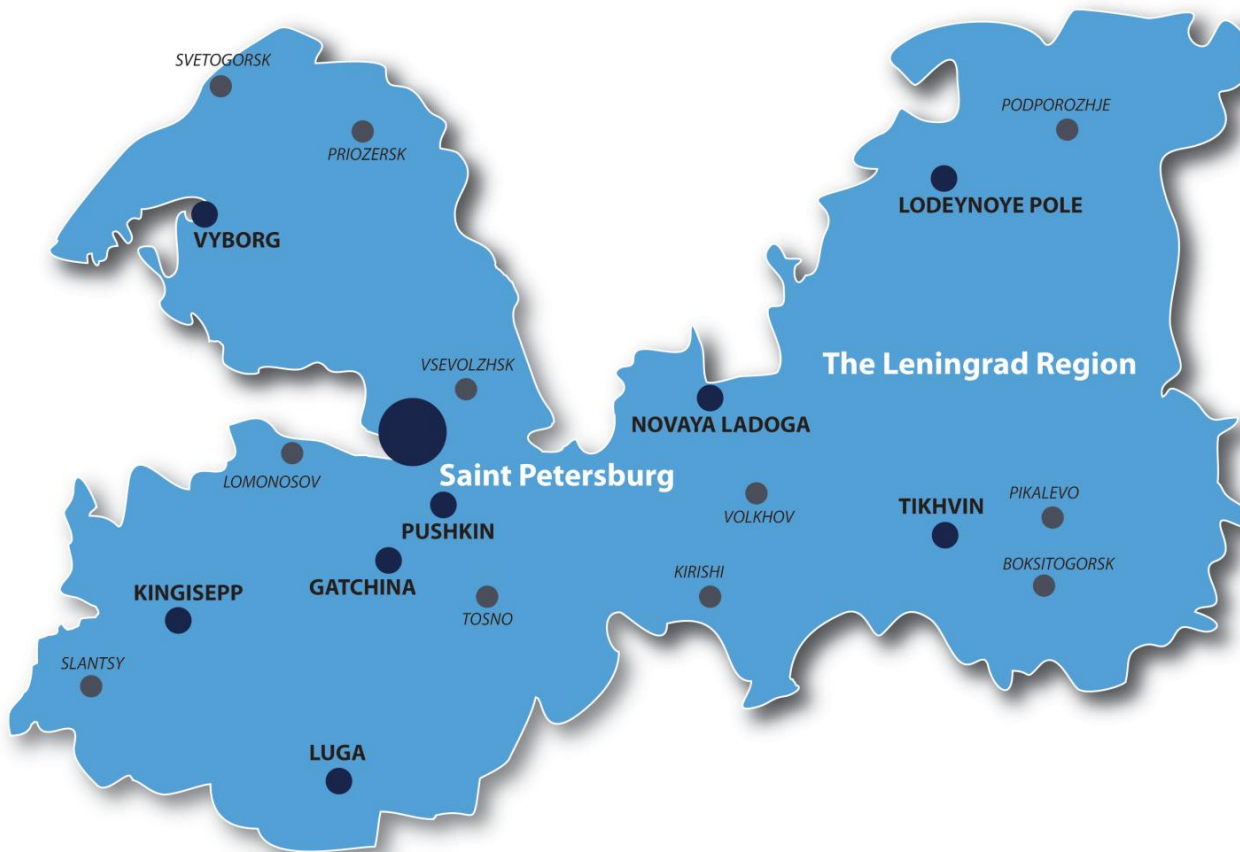
**LENENERGO**  
SINCE 1886

**INVESTOR RELATIONS  
PRESENTATION**

St. Petersburg  
September, 2009



## INTRODUCTION TO LENENERGO AND REGIONS OF COMPANY'S OPERATION



**Open joint-stock company**  
“**LENENERGO**” is a large distribution grid company providing services on electric power transmission and network technological connection

The Company is servicing two emerging constituent entities on the North-West of the Russian Federation:

**SAINT PETERSBURG** – the second largest city in the Russian Federation with an area of 1, 439 sq.km

**THE LENINGRAD REGION** – the large industrial area numbering 17 municipal formations and 1 urban district and occupying the territory of 85, 909 sq.km

**JSC “LENENERGO”** comprises 11 subsidiaries, including 9 Power Distribution Networks located in Saint Petersburg, Vyborg, Pushkin, Gatchina, Kingisepp, Luga, Novaya Ladoga, Tikhvin and Lodeynoe Pole



## HISTORY

**The Company is renamed** JSC "LENENERGO" which has been the Company's name ever since

**Five new major 110 kilovolt substations** are constructed and more than 120 km of heating lines and dozens of km of electric power networks are reconstructed in St. Petersburg

### **Interregional Distribution Grid Company (IDGC)**

**Holding** gains a controlling stake in JSC "LENENERGO". Saint Petersburg City Property Management Committee (CPMC) gains 25%+1 share in the course of additional issue

1886

...

1932

1992

2000-2005

2005

2007

2008-2009

**On July 16<sup>th</sup> Emperor Alexander III approves the Charter** of Electric Lighting Company set up by Karl Siemens. This day is considered the beginning of the "electric era" and the foundation date of JSC "LENENERGO"

**The Company is privatized** to become the Joint Stock Company of Power Industry and Electrification "LENENERGO", successor of the Leningrad Energetic and Electrification Production Association

**General Shareholders Meeting resolves to reorganize** the Company by separating it to five companies

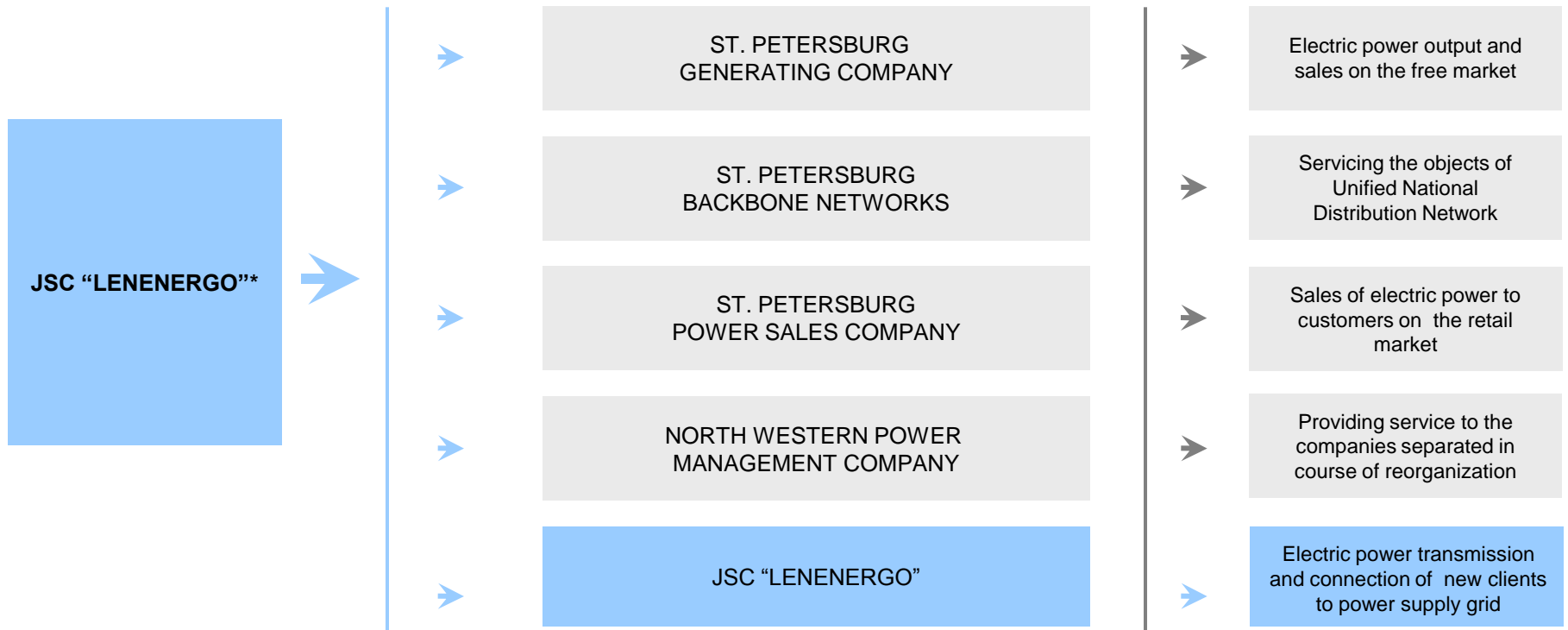
**LenSpecialRepair Works\* increases its share** in Tzarskoje Selo Power Company and Kurortenergo within the framework of unified network company establishment

\* JSC "LENENERGO" controls 100% stake in LenSpecialRepairWorks



## REORGANIZATION OF COMPANY IN 2005

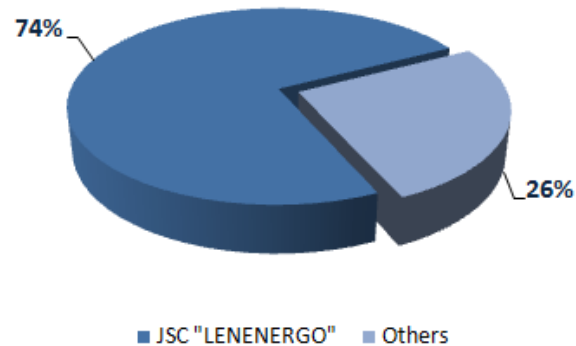
*DIVISION BY ACTIVITY TYPE*



The name **JSC "LENENERGO"** was kept by the distribution network company

## POWER MARKET AND COMPANY'S POSITION IN INDUSTRY

**Company's share on electric power transmission market of St. Petersburg and the Leningrad Region (2008)**



At present **JSC "LENENERGO"** is the largest power network company in St. Petersburg and the Leningrad Region. The share of power transmitted through the network in the overall energy consumption by users of power suppliers operating in the region amounts 74%

The Company's **core activities** include:

- 1) power transmission and services related to supply of users with electric power;
- 2) grid connection of power consuming equipment (power stations) of corporate and individuals

In 2009 the Government of the Russian Federation included **JSC "LENENERGO"** into the List of Basis Enterprises

### GENERAL INFORMATION

AREA OF SERVICE, TSD SQ.KM	87.3
POPULATION, MLN	6.2
SPREAD OF NETWORKS, TSD KM, INCLUDING:	53
OVERHEAD POWER TRANSMISSION LINES, TSD KM	36
CABLE LINES, TSD KM	17
SUBSTATIONS OF 35-110 KV	368

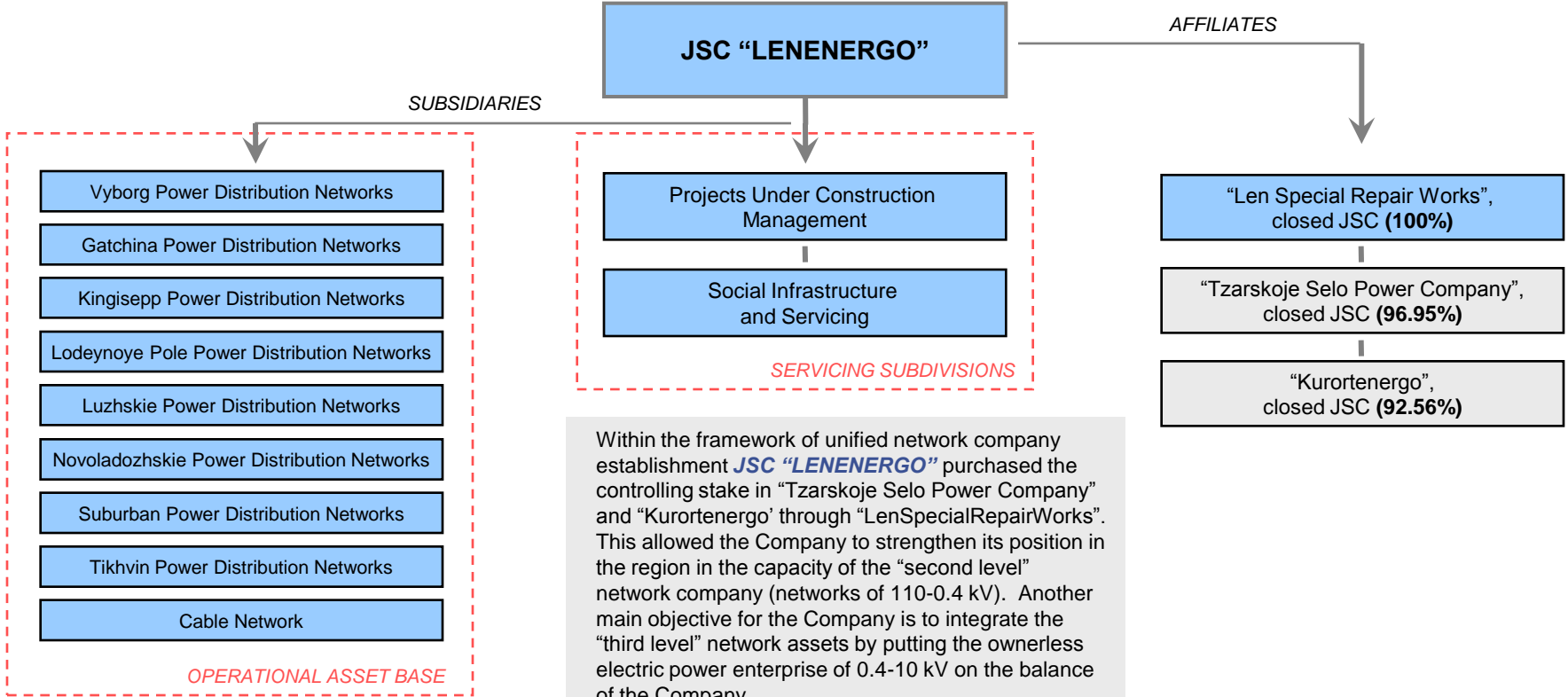
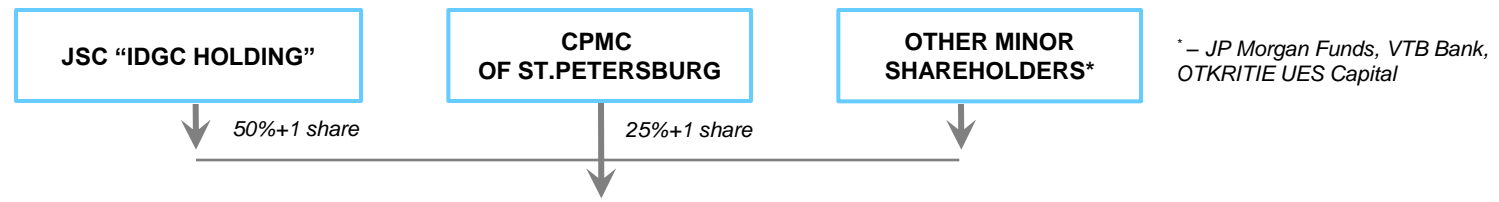
### VOLUME OF ELECTRIC POWER TRANSMITTED THROUGH POWER NETWORKS, BLN KWH

NET PROFIT (1H09), MLN RUR	1, 732
ASSETS (1H09), MLN RUR	47, 621
MARKET CAPITALIZATION*, MLN USD	730
MARKET CAPITALIZATION**, MLN RUR	22, 655

\* - as of 30.06.2009 (RCB rate on the current date)

\*\* - as of 30.06.2009 (MICEX)

## SHAREHOLDERS AND CORPORATE STRUCTURE



Within the framework of unified network company establishment **JSC "LENENERGO"** purchased the controlling stake in "Tzarskoje Selo Power Company" and "Kurortenergo" through "LenSpecialRepairWorks". This allowed the Company to strengthen its position in the region in the capacity of the "second level" network company (networks of 110-0.4 kV). Another main objective for the Company is to integrate the "third level" network assets by putting the ownerless electric power enterprise of 0.4-10 kV on the balance of the Company

## FINANCIAL OVERVIEW

<i>FINANCIAL PERFORMANCE 2007-2008 (Bln. RUR)</i>			
	2008	2007	Growth, %
<b>Revenues</b>	<b>17.914</b>	12.338	45.2
<b>Operating profit</b>	<b>3.306</b>	2.302	43.6
<b>Net profit</b>	<b>1.838</b>	1.285	43.0
<b>Assets</b>	<b>83.355</b>	38.601	115.9
<b>PP&amp;E</b>	<b>66.236</b>	23.252	184.9
<b>Equity</b>	<b>43.241</b>	12.005	260.2

Sources: audited IFRS 2008 data



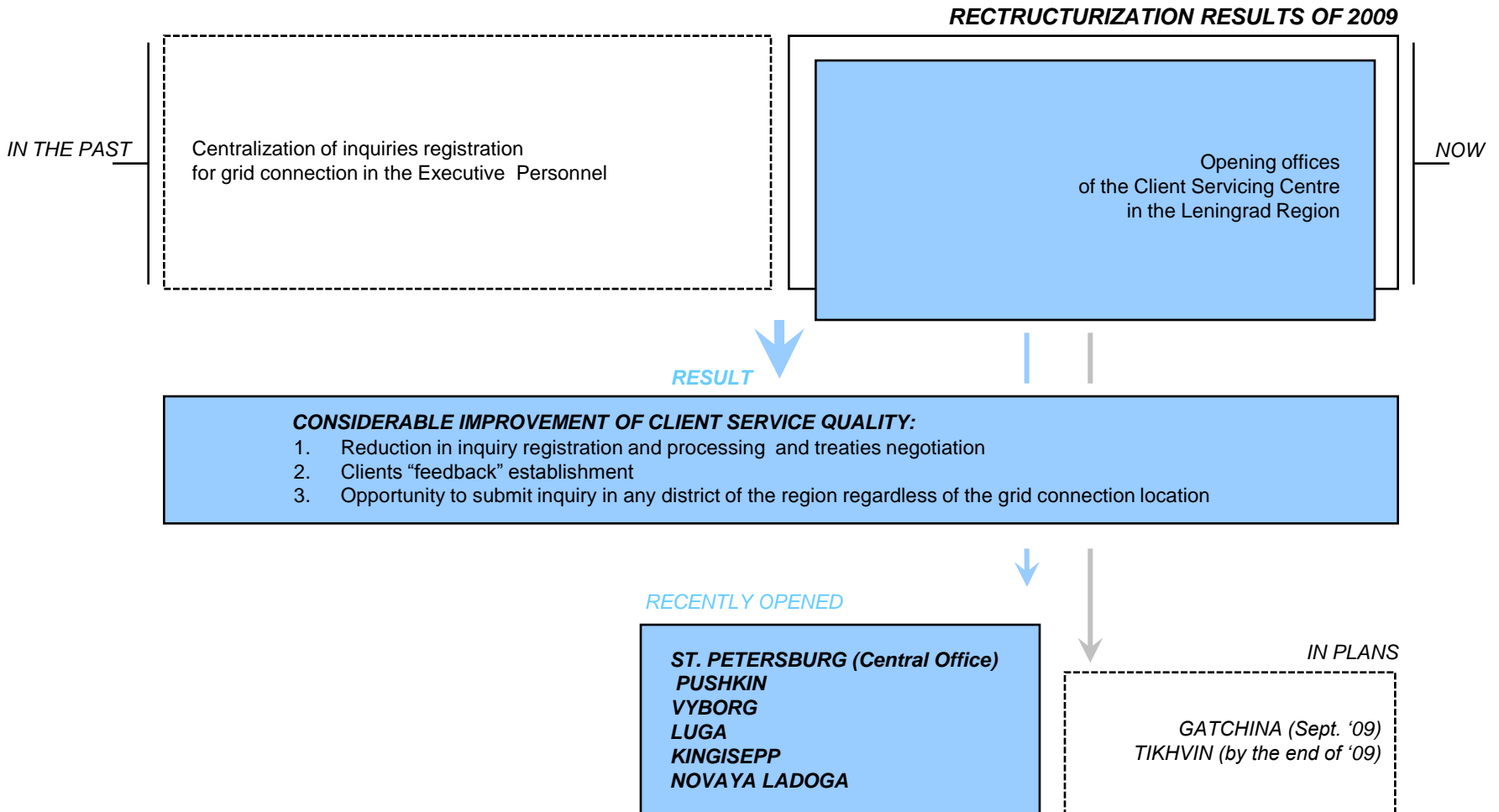
## OPERATIONAL ACTIVITY

<i>KEY OPERATIONAL INDICATORS (2008)</i>	
<b>VOLUME OF RENDERED SERVICES, BLN KWH</b>	<b>28.4</b>
ELECTRIC LOSS IN NETWORKS, %	9.97
INSTALLED CAPACITY, MBA	19,366
OVERHEAD POWER TRANSMISSION LINES OF 0.4 – 110 KV, KM	39,085
CABLE LINES OF 0.4 – 110 KV, KM	16,731
SUBSTATIONS OF 35 – 110 KV, UNITS (MVA)	368 (12,818)
TRANSFORMER SUBSTATIONS OF 6-35 KV, UNITS (MVA)	13,646 (6,548)
DISBURSEMENT OF REPAIR FUNDS, MLN RUR	704.3





## CLIENT-ORIENTED POLICY





## CLIENT SERVICING CENTRES

**LUZHSKIE POWER DISTRIBUTION NETWORKS (LUGA)**



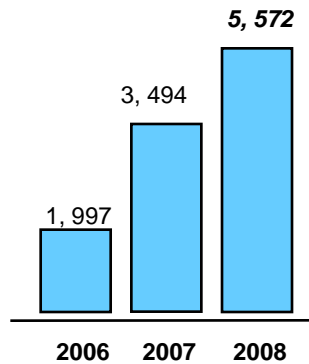
**SUBURBAN POWER DISTRIBUTION NETWORKS (PUSHKIN)**



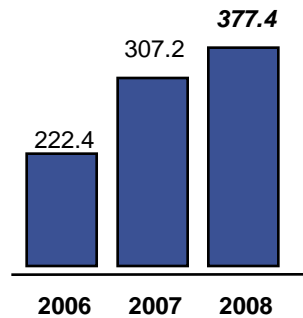


## SIGNING OF GRID CONNECTION ACTS

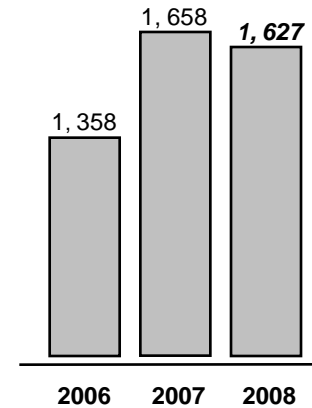
**CAPITALIZATION OF GRID ACTS,  
MLN RUR. (excl. VAT)**



**SIGNED GRID CONNECTION ACTS,  
MVA**

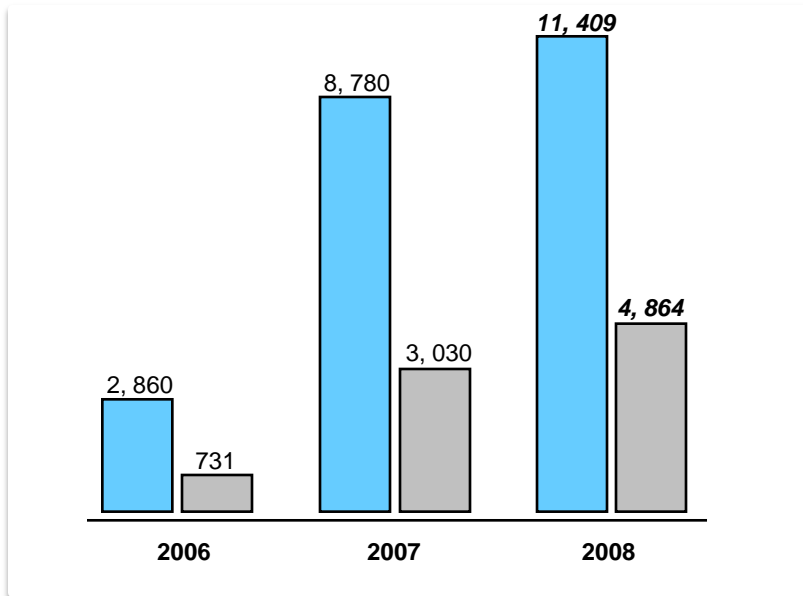


**SIGNED GRID CONNECTION ACTS,  
NUM OF ACTS**



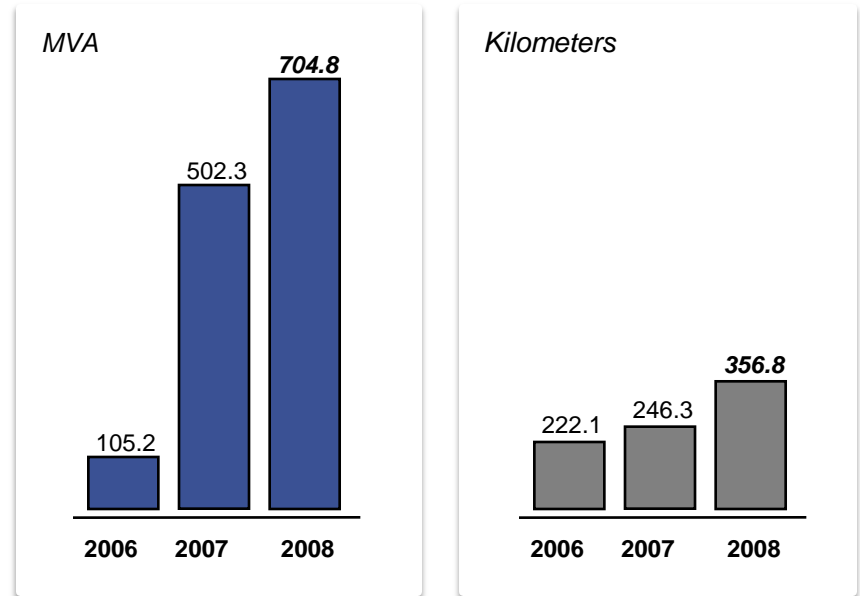
## INVESTMENT ACTIVITY

### INVESTMENTS IN RECONSTRUCTION AND TECHNICAL MODERNIZATION (Mln RUR)



- – disbursement of capital investments (excl. VAT)
- – including technical modernization and reconstruction

### CAPACITY INTRODUCTION



From 2006 up to 2008 **JSC "LENENERGO"** increased **4 times** volumes of investments in reconstruction and technical modernization. Capacity introduction increased **6.7 times** at this period, whereas networks spread increased on **61%**



## IR CONTACTS

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