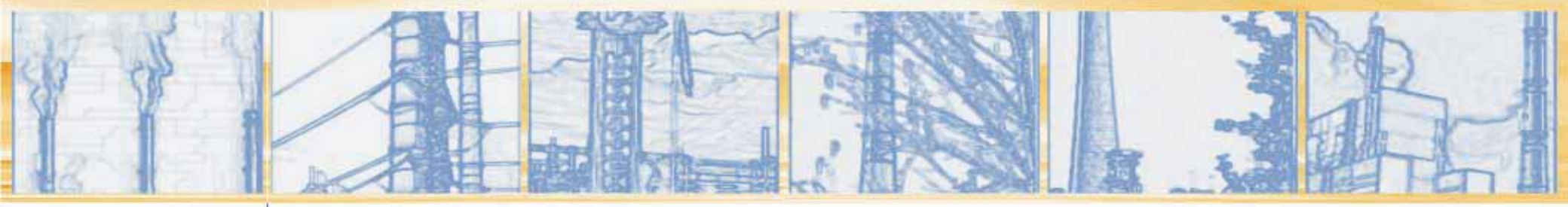


Presentation OAO OGK-1 in Tokyo

October, 2008

Summary overview of the Company






- OGK-1's key activities are production and wholesale of electric power and insignificant supplies of heat power
- The Company comprises 6 thermal power plants (GRES) and is the largest OGK by installed electric power capacity – 9,531 MW
- All the Company's power plants are located in power deficit regions (IES of Urals and IES of Center) with the highest power consumption growth rates
- The Company operates one of the most advanced generating equipment in Russia:
  - ✓ Average age of the generating capacities – about 29 years
  - ✓ Average fuel consumption rate - about 330 gfe/kWh
- Highly efficient investment program and projects with high potential of further enhancement of the Company's competitive positions
- Currently, the largest shareholders of the Company are Federal Grid Company – 43% and RusHydro – 23% of OGK-1's Charter Capital.

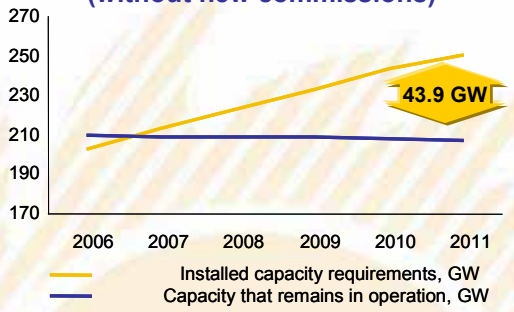
OGK-1	2007
Production performance	
Electric power production	50.074 bn kWh
Heat power output	1,347 '000 GCal
Capacity load factor	60.0%
Fuel consumption rate	329.8 gfe/kWh
Financial performance [1)]	
Revenue	44,891 mln. RUR
EBITDA	4,455 mln. RUR
Net profit	1,966 mln. RUR

Note:
[1)] Based on 2007 IFRS numbers

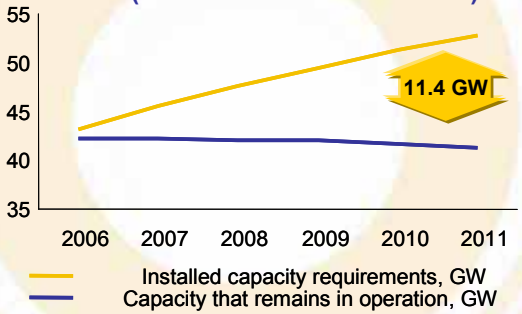
Competitive advantages: Favorable geographical position

- Integrated energy systems (IES) of Urals and Center together consume more than a half of the total electric power in Russia
- Both systems have been demonstrating accelerated economic development and power consumption growth
- Without new capacity construction, by 2011 both power systems will suffer the severest power shortages
- Power consumption growth and increase of deficit ensure strong demand for OGK-1's existing and new capacities

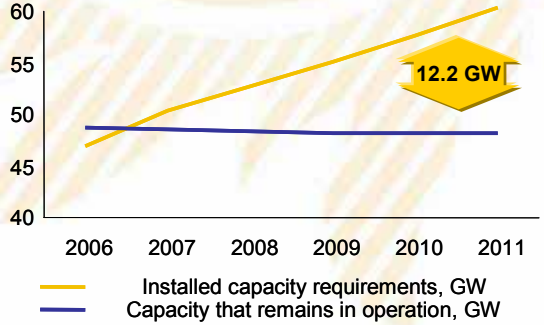
Russia power balance forecast (without new commissions)



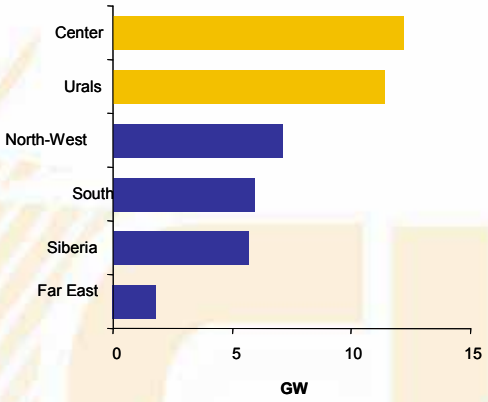
Power balance forecast in IES of Urals (without new commissions)



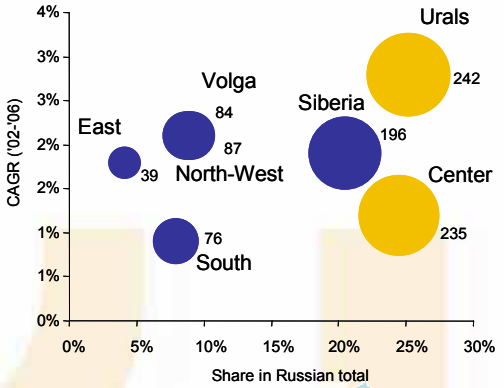
Power balance forecast in IES of Center (without new commissions)

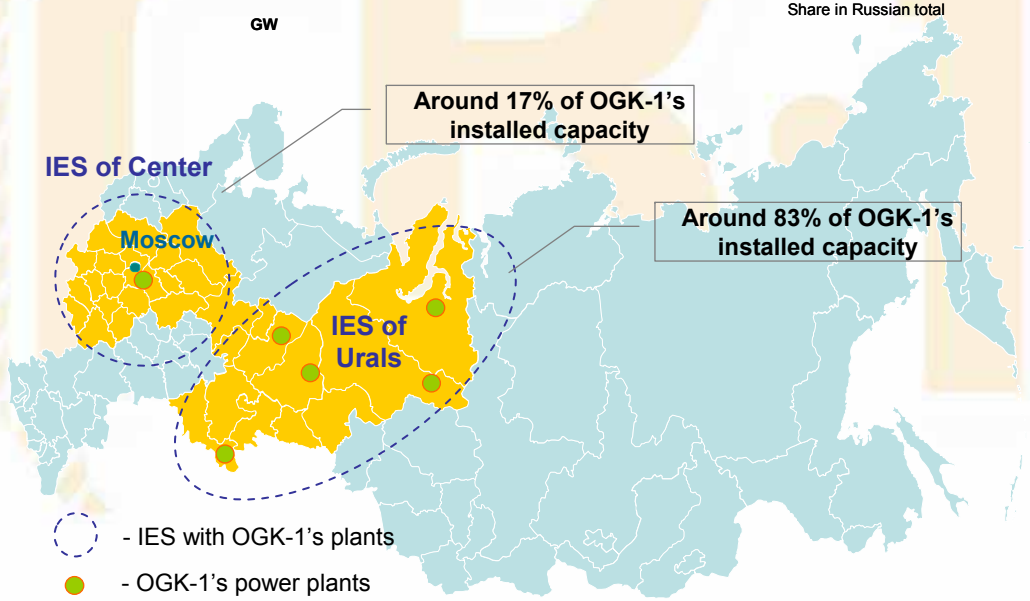


Expected capacity deficit in 2011 (without new commissions)



Growth rates and volumes of power consumption (bln kWh)



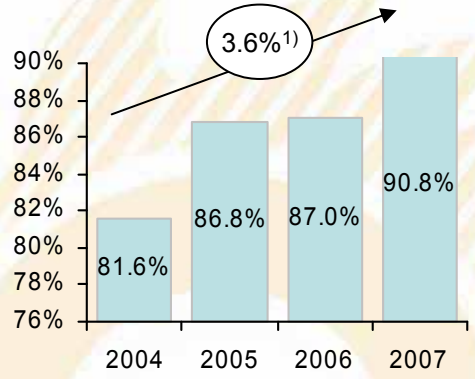


Source: Scenario forecasts of RAO UES, Deloitte's analysis

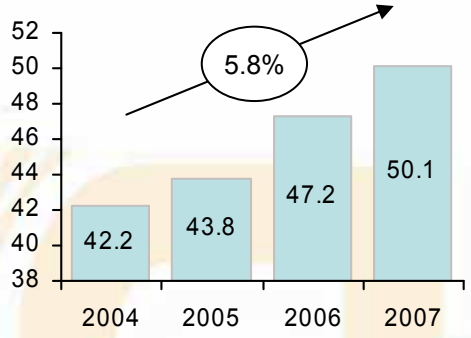
Competitive advantages: Efficient production assets

- OGK-1 has one of the most advanced generating capacity equipment in Russia
- The power plants of the Company have one of the highest fuel efficiency rates in Russia
- Over the past several years the Company has succeeded to ensure further increase in operating efficiency of its assets

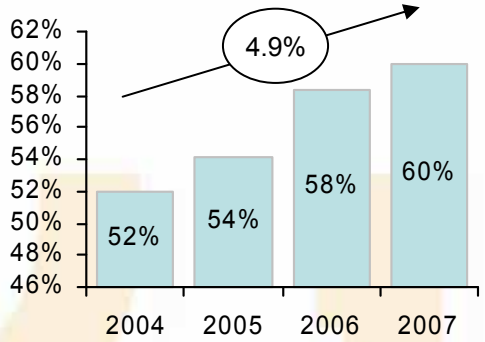
Availability rate of, %



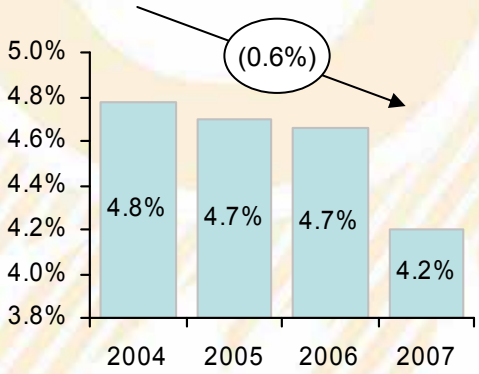
Electric power generation, bn kWh



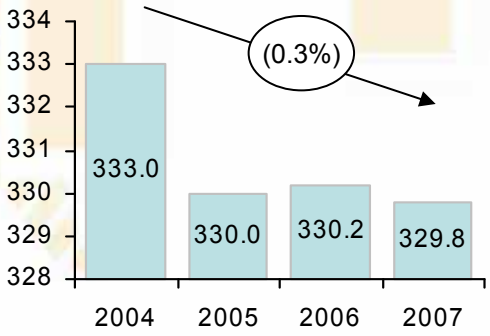
Load of installed capacity, %



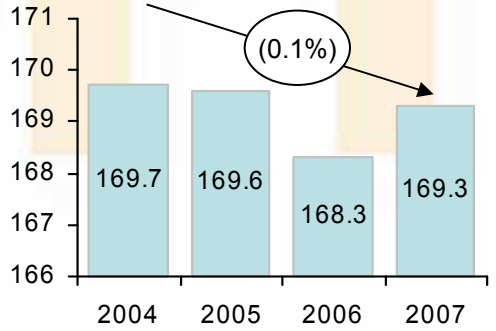
Own consumption and losses, %



Electricity fuel consumption, gfe/kWh



Heat fuel consumption, kgfe/GCal



Note:
1) Hereinafter CAGR – compounded annual growth rate

Competitive advantages: Attractive investment platform

- Investment program of OGK-1[1)] is one of the largest in the industry in terms of planned new commissions
- Implementation of the investment projects will further strengthen OGK-1's competitive market positions
- The majority of the investment projects of OGK-1was included by RAO UES in the list of priority and foremost

KGRES (Moscow Region)
Unit 3 reconstruction (330 MW)

- Installed capacity – 330 MW
- Technology: PSU
- Fuel consumption – 335 gfe/kWh
- Fuel - Kuznetsk coal

PGRES (Perm Region)
Unit 4 construction (800 MW)

- Installed capacity – 800 MW
- Technology : CCGT-800
- Fuel consumption – 218 gfe/kWh
- Fuel – natural gas

UGRES (Yamalo-Nenetsk AO)
New unit construction (450 MW)

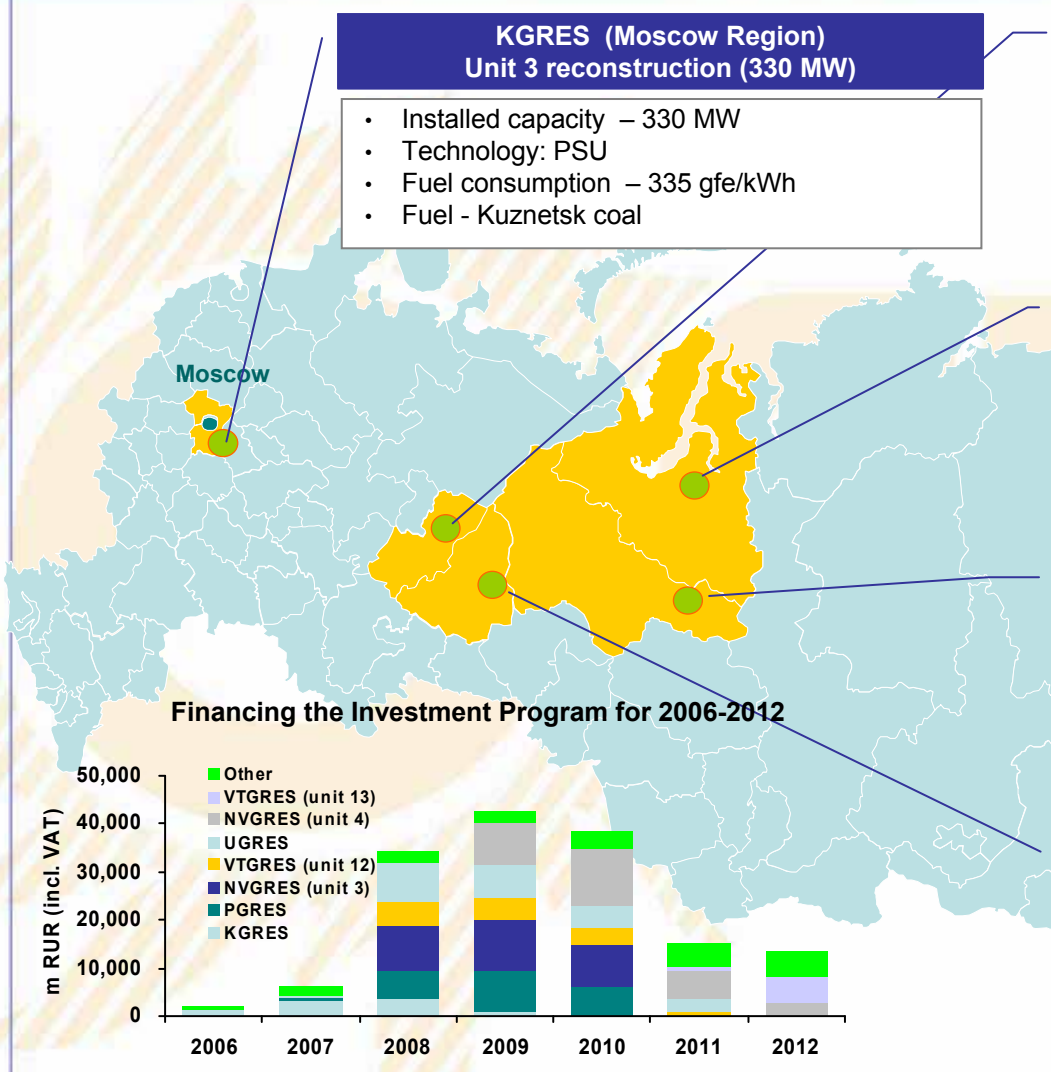
- Installed capacity – 450 MW
- Technology : CCGT -450
- Fuel consumption – 251 gfe/kWh
- Fuel – natural gas

NVGRES (Khanty-Mansiysk AO)
Units 3 and 4 construction (1,600 MW)

- Installed capacity – 1,600 MW
- Technology : CCGT-800
- Fuel consumption – 218 gfe/kWh
- Fuel – dry stripped gas (DSG)

VTGRES (Sverdlovsk Region)
Unit construction (330 MW)

- Installed capacity – 330 MW
- Technology: CCGT
- Fuel consumption – 233 gfe/kWh
- Fuel – natural gas



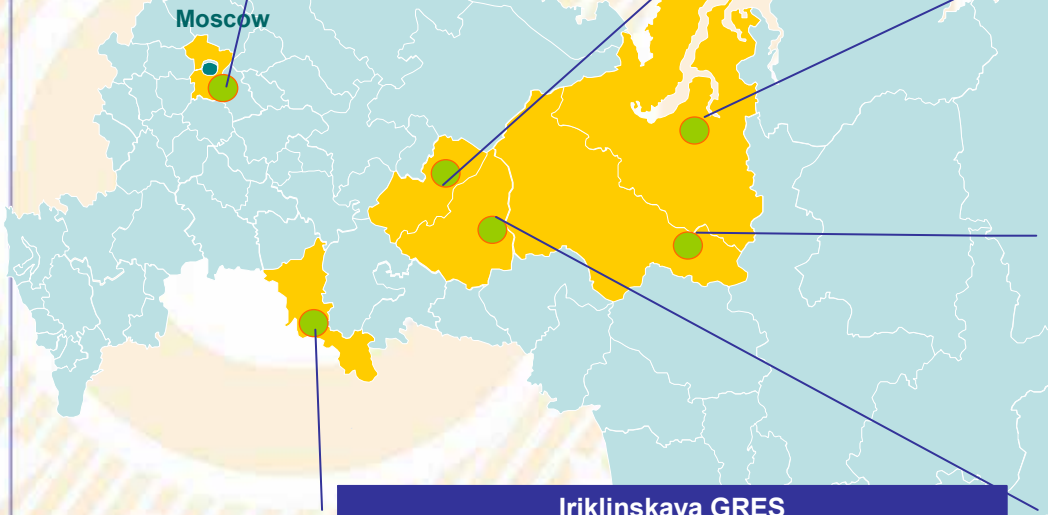
Financing the Investment Program for 2006-2012

Note:
1) Hereinafter – the Investment Program was approved by the Management Board of RAO UES on 17.03.2008.

STRICTLY CONFIDENTIAL

Overview of Company generating plants

- All the Company power plants are located in regions suffering from power shortages (Urals and Centre United Energy Systems) with the highest growth rates of electricity consumption



Kashirskaya GRES (Moscow Region)

- Installed capacity – 1,580 MW
- Production 2007 6,426 GWh
- Main fuel – gas, coal
- Share in OGK-1 total electricity production – 12,8%

Permskaya GRES (Perm Region)

- Installed capacity – 2,400 MW
- Production 2007 14,252 GWh
- Main fuel – gas
- Share in OGK-1 total electricity production – 28.5%

Urengoiskaya GRES (Yamalo-Nenets Region)

- Installed capacity – 24 MW
- Production 2007 – 192 GWh
- Main fuel – gas
- Share in OGK-1 total electricity production – 0.4%

Nizhnevartovskaya GRES (Khanty-Mansijsk Region)

- Installed capacity – 1,600 MW
- Production 2007 11,635 GWh
- Main fuel – gas
- Share in OGK-1 total electricity production – 23.2%

Iriklinskaya GRES (Orenburg Region)

- Installed capacity – 2,430 MW
- Production 2007 – 10,207 GWh
- Main fuel – gas, coal
- Share in OGK-1 total electricity production – 20.4%

Verkhnetagilskaya GRES (Sverdlovsk Region)

- Installed capacity – 1,497 MW
- Production 2007 – 7,362 GWh
- Main fuel – gas, coal
- Share in OGK-1 total electricity production – 14.7%

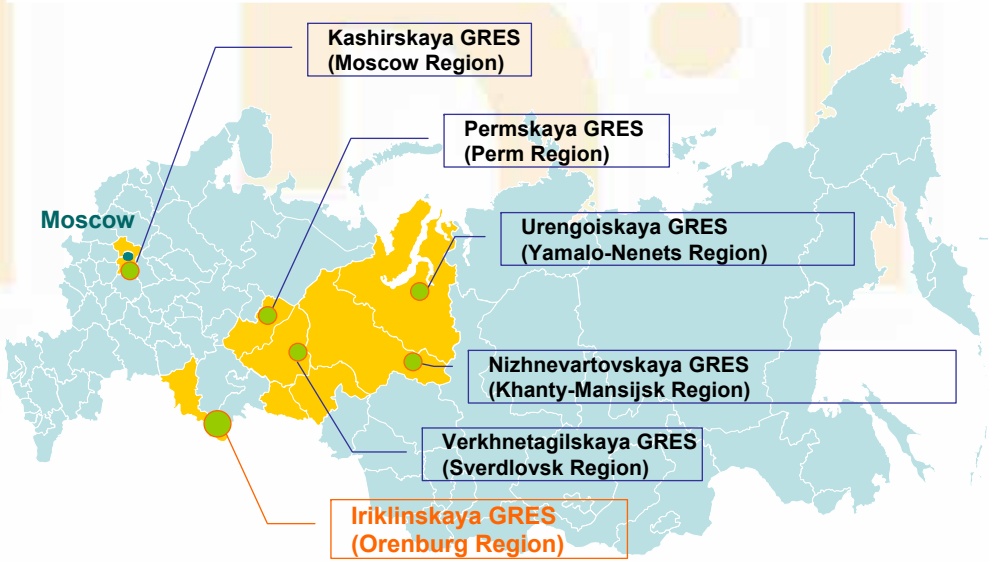
Highlights 2007

	Region	Commis-sioning of the first unit	Commis-sioning of the last unit	Electric Capacity Installed, MW	Heat capacity installed, Gcal/h	Load factor,%	Electricity production, million kWh	Fuel rate, gfe/kWh	Fuel gas / coal / oil
Total for OGK-1				**9,531**	**2,788**	**60.0**	**50,075**	**330.2**	**92.0% / 7.3% / 0.7%**
Iriklinskaya GRES	Orenburg	1970	1981	2,430	121	48.0	10,207	335.1	97.6% / - / 2.4%
Permskaya GRES	Perm	1986	1990	2,400	620	67.8	14,252	306.3	100 % / - / -
Nizhnevartovskaya GRES	Tyumen	1993	2003	1,600	758	83.0	11,635	303.4	100 % / - / -
Kashirskaya GRES	Moscow	1967	1983	1,580	399	46.4	6,426	352.1	73.6% / 24.9% / 1.5%
Verkhnetagilskaya GRES	Sverdlovsk	1956	1964	1,497	480	56.1	7,362	391.3	76.9% / 22.9% / 0.2%
Urengoiskaya GRES	Tyumen	1990	1992	24	410	91.2	192	434.6	100 % / - / -

Iriklinskaya GRES

- The key GRES for balancing power in the region at the peak hour
- Sizeable capacity with a wide regulation range and a hydro capacity
- Produces over 60% of electricity for Orenburg Region
- Considerable export potential upon development of export regulation

Characteristics	2007
Installed capacity (electricity)	2,430 MW
Installed capacity (heat)	121 Gcal/hour
Electricity generation	10,207 million kWh
Heat sales	114 '000 Gcal
Electricity for own consumption	3.9%
Availability factor	91.3%
Load factor for electricity	48.0%
Fuel rate for electricity	335.1 gfe/kWh
Configuration	8*300 MW + 30MW hydro
Location	Energetik village, Novoorski District, Orenburg Region



Permskaya GRES

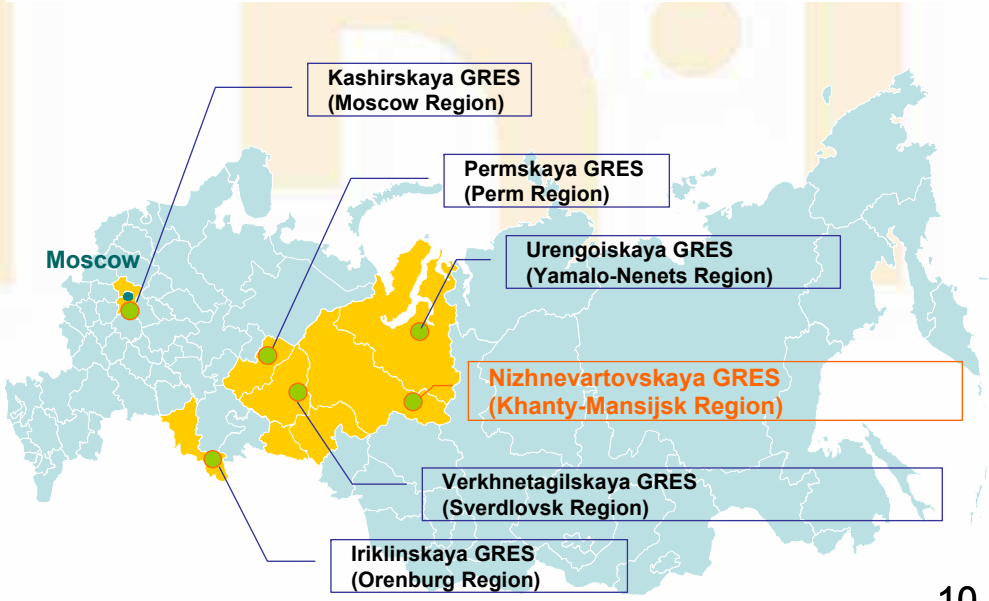
- One of the most advanced and efficient power plants in Russia
- Located in the region suffering from power shortages while having a high consumption growth
- Proximity to major consumers: chemical plants and producers of nonferrous metals
- The lowest fuel rate versus competitors
- Flexible load with unloading in night hours
- One of key electricity producers in Urals and Volga United Energy Systems

Characteristics	2007
Installed capacity (electricity)	2,400 MW
Installed capacity (heat)	620 Gcal/h
Electricity generation	14,252 million kWh
Heat sales	290 '000 Gcal
Electricity for own consumption	3.0%
Availability factor	92.1%
Load factor for electricity	67.8%
Fuel rate for electricity	306.3 gfe/kWh
Configuration	3*800 MW
Location	Dobryanka village, Perm Region

Nizhnevartovskaya GRES

- High load in base mode
- Located in the centre of oil and gas province in Russia
- One of the regions most suffering from power shortages while having a high consumption growth
- Network capacity constraints limit power import to the region that experiences power shortage
- To secure gas supply, a long term contract with TNK-BP is planned to be signed

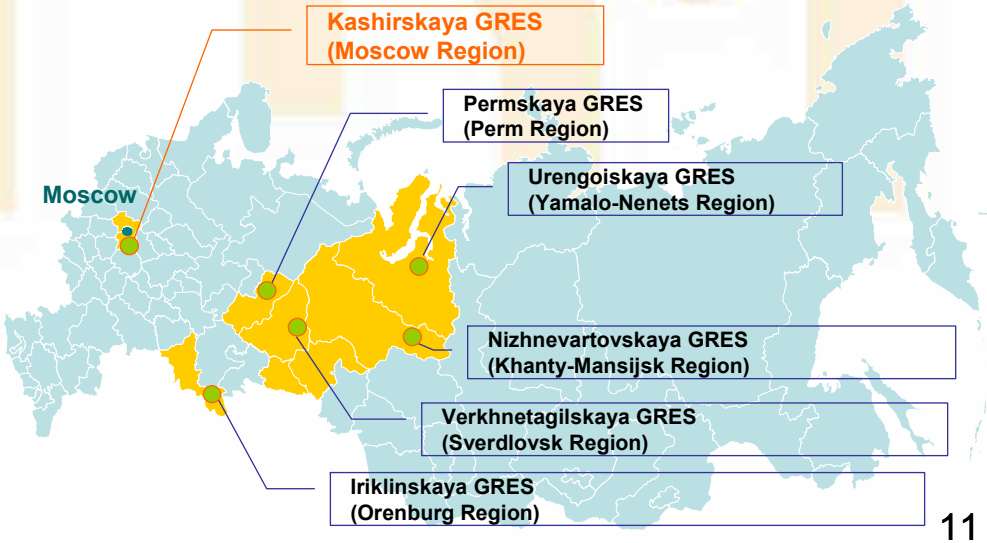
Characteristics	2007
Installed capacity (electricity)	1,600 MW
Installed capacity (heat)	758 Gcal/h
Electricity generation	11,635 million kWh
Heat sales	224 '000 Gcal
Electricity for own consumption	2,6%
Availability factor	89.0%
Load factor for electricity	83.0%
Fuel rate for electricity	303.4 gfe/kWh
Configuration	2*800 MW
Location	Izluchinsk village, Nizhnevartovsk District, Tyumen Region



Kashirskaya GRES

- Operates in condensing mode (units 1-6) and in combined mode (unit 7)
- Can use and switch among three types of fuel
- Alternative mode operations and supply of up to 20% of electricity in Moscow system
- Highly developed industries in the region
- Network capacity constraints limit power import to the region that experiences power shortage

Characteristics	2007
Installed capacity (electricity)	1,580 MW
Installed capacity (heat)	399 Gcal/h
Electricity generation	6,426 million kWh
Heat sales	351 '000 Gcal
Electricity for own consumption	6,1%
Availability factor	94.7 %
Load factor for electricity	46.4%
Fuel rate for electricity	352.1 gfe/kWh
Configuration	5*300 MW + 1*80 MW
Location	Kashira-2 town, Moscow Region



Verkhnetagilskaya GRES

- Operates in condensing and combined modes
- Can use and switch among three types of fuel
- Operates in a changing mode
- Major consumers and a potential for heat sales growth
- Gas amounts to 75% of fuel consumption while the cost of commercial gas is relatively low

Characteristics	2007
Installed capacity (electricity)	1,497 MW
Installed capacity (heat)	480 Gcal/h
Electricity generation	7,362 million kWh
Heat sales	233 '000 Gcal
Electricity for own consumption	7.6%
Availability factor	85.9%
Load factor for electricity	56.1%
Fuel rate for electricity	391,3 gfe/kWh
Configuration	4*88 MW + 2*100 MW + 2*165 MW + 3*205 MW
Location	Verkhni Tagil, Sverdlovsk Region

Urengoiskaya GRES

- The smallest of all the OGK power plants with 24 MW of installed capacity
- The only thermal power plant in Yamalo-Nenets Region. Operates in combined mode
- Operates in combined mode
- Network capacity constraints limit power import to the region that experiences power shortage
- Reserve capacity in the gas transmission system
- Sources of gas supply in immediate proximity to the power plant

Characteristics	2007
Installed capacity (electricity)	24 MW
Installed capacity (heat)	410 Gcal/h
Electricity generation	192 million kWh
Heat sales	134 '000 Gcal
Electricity for own consumption	7.7%
Availability factor	96.6 %
Load factor for electricity	91.2%
Fuel ratefor electricity	434.6г/кВтч
Configuration	2*PT 12
Location	Novy Urengoi, Tuymen Region

Ecological statistics on OGK-1

- In 2007 total emissions dropped by 16% year-on-year. In 2006 the aggregate amount of emissions was 14% lower than in 2004 but higher than that in 2005, which was due to significant growth in production volumes (by 8%) and increase in share of coal and fuel oil in the fuel structure
- Out of total volume of spent water (around 4,053.484 mln cub. m), 99.8% is cooling water that does not require treatment (standard quality water). Polluted wastewater account for less than 0.2%, of which 2.924 mln cub. m is treated at the Company's biological treatment facilities and 1.126 mln cub.m in mechanical facilities, 3.155 mln cub.m is not treated
- At Permskaya and Iriklinskaya power plants closed-loop water consumption technologies have been implemented. Those technologies eliminate any waste discharge into water bodies, except for wastewater treated according to the applicable environmental standards

Emissions of major pollutants by OGK-1 facilities into atmosphere, '000 tons

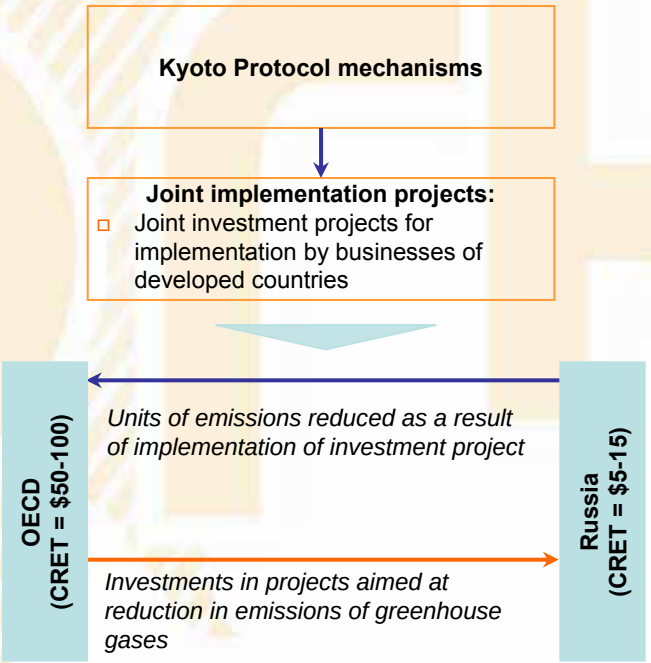
Characteristic	Unit of measure	Year			
		2004	2005	2006	2007
1. Gross emissions of pollutants into atmosphere, total, including:		**112.098**	**81.568**	**96.123**	**84.400**
Solid-fuel ashes	**'000 tons**	31.092	20.208	21.658	19.757
Gaseous/liquid effluents of which:	**'000 tons**	80.712	61.259	74.331	64.642
sulfur dioxide	**'000 tons**	35.911	18.657	27.754	18.365
carbon monoxide	**'000 tons**	4.385	3.509	3.583	2.647
nitrogen oxides	**'000 tons**	38.812	37.693	41.791	40.041
2. Specific emissions into atmosphere					
Ash (solid fuel)	**kg/tfe**				16.9
Sulfur dioxide	**kg/tfe**				1.5
Nitrogen oxides	**kg/tfe**				2.85
3. Water use for production purposes	**mln cub.m**	**3,890.489**	**3,809.388**	**4,177.445**	**4,360.296**
4. Volume of recycling water	**mln cub.m**	**690.55**	**604.095**	**776.945**	**1,110.603**
5. Volume of polluted wastewater discharged[1]	**mln cub.m**	**1.647**	**3.154**	**7.22**	**3.154**

Note:

1 – Discrepancy in amount of emissions between 2005 and 2006 is due to accounting method change

Kyoto Protocol implementation

- At present, the Company is considering opportunities for mobilizing, through the so-called “joint implementation projects” (Kyoto protocol mechanism), additional funds for investment projects aimed at:
  - Improving efficiency of electric power plants;
  - Reducing unit fuel consumption for production of electricity and heat
- Price of quotas under joint implementation projects will be ~ €7-8 per CO2 ton
- According to experts’ estimates, these funds may cover about 2% of the project’s cost



Note: OECD – organization of economic cooperation and development

CRET – cost of reduction of emissions by 1 metric ton

Joint implementation projects

To prepare for "joint implementation projects", the Company:

- is preparing an inventory of greenhouse gases at all branches
- is preparing preliminary materials for registration of projects

Currently investment projects related to construction of new units at Permskaya, Verkhnetagilskaya and Nizhnevartovskaya State Regional Power Plants (unit #3) went through expert examination by the Carbon Fund as joint implementation projects.

Construction of combined-cycle plant at Permskaya GRES (unit #4)

Under the project of construction of a combined-cycle plant at Permskaya GRES (unit #4), technical documentation has already been prepared. This project envisages reduction of emissions by over 1 million tons to be achieved in 2010-2012 as a result of implementation of the project.

The Company supposes to register this project as a joint investment implementation project with a technical target parameter of 982 thousand tons of CO2 emission reduction in accordance with the established procedure after the required regulatory acts regulating the registration process are adopted.

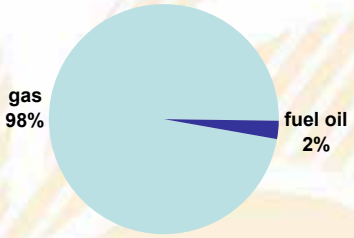
The Company will entrust the process of finding investors and conducting the tender to the 'Energy Related Carbon Projects' LLC.

The initial financial parameters of the deal will be determined based on emission reduction costs starting at €7 per 1 ton of CO_2.

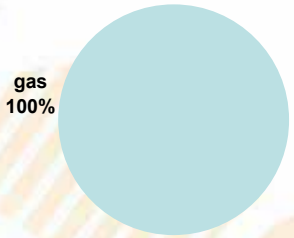
Fuel mix of the Company for 2007

- Gas is the key fuel for the power plants, accounting for 92% of the Company's fuel mix
- The share of gas in the fuel mix of the Company slightly increased in 2007 to compare with 2006
- Supply agreements for limit gas were signed until 2012 and various sources of "commercial" gas are also available

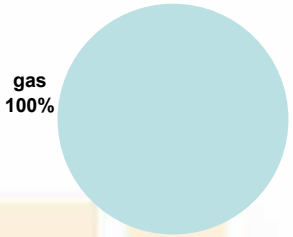
Iriklinskaya GRES



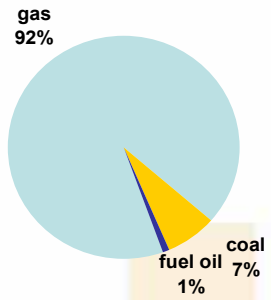
Permskaya GRES



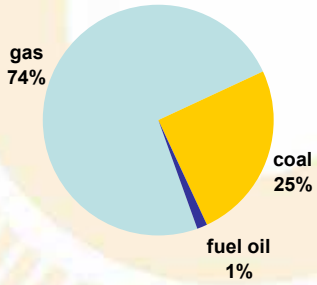
Nizhnevartovskaya GRES



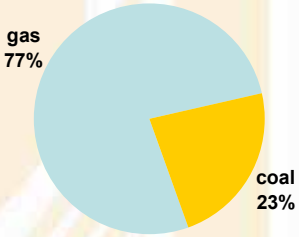
OGK-1 Fuel mix



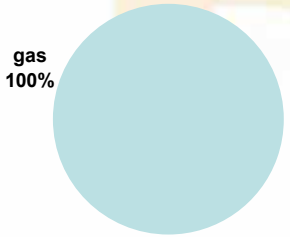
Kashirskaya GRES



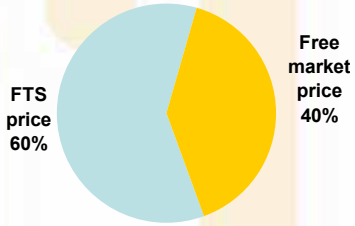
Verkhnetagilskaya GRES



Urengoiskaya GRES



Gas supply price structure



- Gas supplied to the power plants of the Company is divided into (1) "limit gas" (within the volumes approved by Gazprom at regulated tariffs set by the FTS); and (2) "commercial gas" (gas from Gazprom beyond the limits and gas from independent producers supplied at free market prices)
- Demand of the Company's power plants for gas is largely covered by the "limit gas" supplies, while the largest share of "commercial gas" (from independent producers) is supplied to Nizhnevartovskaya GRES (100%) and Verkhnetagilskaya GRES (82%).

Investment Program

Investment program highlights

- Further enhancement of the competitive positions in the free market
- Increase of reliability and safety of the production process
- Diversification of the fuel balance and sources of supply
- Reduction of environmental impact of the production

Plant	Project	Completion	Installed capacity, MW	Cost, mln RUR (incl. VAT)*	Updated cost, mln RUR (incl. VAT)**	Fuel
KGRES	Reconstruction Unit 3	March 2009	330	8,863	8,863	coal
PGRES	New Unit 4	June 2011	800	20,800	30,548	natural gas
NVGRES	New Unit 3	December 2010	800	28,600	33,833	associated gas
VTGRES	New unit 12	December 2011	450	14,092	28,029	natural gas
UGRES	New unit	December 2010	450	22,807	22,807	natural gas
NVGRES	New Unit 4	December 2012	800	29,015	-	associated gas
VTGRES	New Unit 13	December 2014	450	14,344	-	natural gas
Total – major projects			**4,080**	**138,521**	**124,080**	**n/a**
Other investments		2006-2012		22,041	22,041	n/a
Total investments		**n/a**	**4,080**	**160,562**	**146,121**	**n/a**

Sources of funding of major projects, mln. RUR

Plant	Project	Cost, mln. RUR (with VAT)	Own funds	Additional share issue	Debt	Strategic partner
KGRES	Reconstruction Unit 3	8,863	2,612	3,666	2,585	-
PGRES	New unit 4	20,800	76	10,415	10,309	-
NVGRES	New unit 3	28,600	202	-	20,078	8,320
VTGRES	New unit 12	14,092	80	12,000	2,012	-
UGRES	New unit	22,807	616	21,807	384	-
NVGRES	New unit 4	29,015			29,015	-
VTGRES	New unit 13	14,344			14,344	
Total - large projects		**138,521**	**3,586**	**47,888**	**78,727**	**8,320**

Note:
* Cost as approved by RAO UES on 17th March 2008
**Analytical updated cost based on the results of tenders for EPC and other contractors

Major characteristics of the projects

- All projects assume commissioning of a technologically advanced generating equipment
- Preliminary estimates show high economic viability of the majority of the projects

Project	Technical and economic parameters		Construction cost (incl. VAT)
KGRES **Unit 330 MW (2009)**	• Fuel – coal • Fuel consumption – 335 gfe/kWh • Efficiency rate – 37.3% • Annual production – 1,650 mln kWh	• NPV = 4,613 mln. RUR [4] • IRR = 13.9% • Payback period [1] = 13.9 years	• 8,863 mln. RUR • USD 1,119/kWh [3] • USD 948/kWh net of VAT
PGRES **CCGT-800 (2011)**	• Fuel – natural gas • Fuel consumption – 218 gfe/kWh • Efficiency rate – 57-58% • Annual production – 4,400 mln kWh	• NPV = 8,157 mln. RUR [4] • IRR = 14.98% • Payback period = 14.72 years	• 20,800 mln. RUR • USD 1,083/kWh • USD 918/kWh net of VAT
NVGRES Unit 3 **CCGT-800 (2010)**	• Fuel – DSG [2] • Fuel consumption – 218 gfe/kWh • Efficiency rate – 57-58% • Annual production – 4,800 mln kWh	• NPV = 3,022 mln. RUR [54] • IRR = 11.4% • Payback period = 20.57 years	• 28,600 mln. RUR • USD 1,490/kWh • USD 1,262/kWh net of VAT
VTGRES **Unit 330 MW (2011)**	• Fuel – natural gas • Fuel consumption – 233 gfe/kWh • Efficiency rate – 52.6% • Annual production – 2,145 mln kWh	• NPV = (549) mln. RUR [4] • IRR = 9.5% • Payback period = 19 years	• 14,092 mln. RUR • USD 1,779/kWh • USD 1,508/kWh net of VAT
UGRES **CCGT – 450 (2010)**	• Fuel – natural gas • Fuel consumption – 251 gfe/kWh • Efficiency rate – 51% • Annual production – 2,475 mln kWh	• NPV = (2.27) mln. RUR [4] • IRR = 8.5% • Payback period = na	• 22,807 mln. RUR • USD 2,112/kWh • USD 1,790/kWh net of VAT
NVGRES Unit 4 **CCGT-800 (2012)**	• Fuel – DSG [2] • Fuel consumption – 218 gfe/kWh • Efficiency rate – 57-58% • Annual production – 4,800 mln kWh	• NPV = (2,343) mln. RUR [4] • IRR = 9% • Payback period = na	• 29,015 mln. RUR • USD 1,511 / kWh • USD 1,280/kWh net of VAT
VTGRES **Unit 330 MW (2014)**	• Fuel – natural gas • Fuel consumption – 233 gfe/kWh • Efficiency rate – 52.6% • Annual production – 2,277 mln kWh	• NPV = (294) mln. RUR [4] • IRR = 9.61% • Payback period = 25 years	• 14,344 mln. RUR • USD 1,811 / kWh • USD 1,534/kWh net of VAT

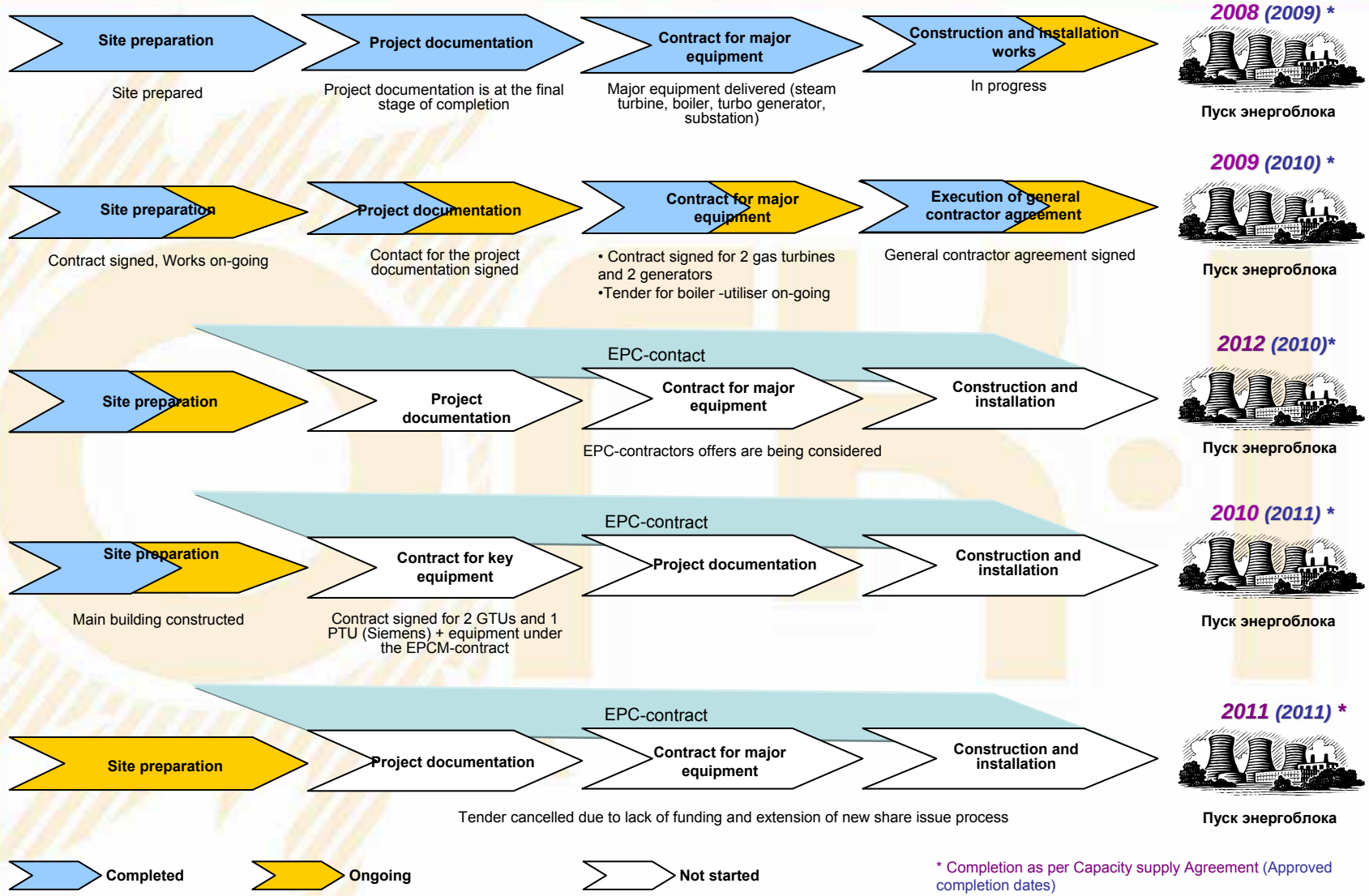
[1] Discounted payback period

[2] DSG - Dry Stripped Gas

[3] The RUR / USD exchange rate was set at 24.00

[4] Economic indicators (NPV, IRR, payback periods) are calculated based on the cost of projects as approved by the Management Board of RAO UES on 17th March 2008

Projects implementation schedule



KGRES: construction of 330 MW unit

PURPOSES

- Increase of electric power output to the IES of Center
- Commissioning of previously-supplied equipment
- Reduction of electric power production cost
- Provision of services on deep reactive power regulation

ADVANTAGES

- Power-deficit region with high consumption growth rates
- Previously-supplied equipment is in place

EQUIPMENT

- Connective thermal coupling
- Steam boiler: P-50P (1050 t/h)
- Turbine: K-330-240-2
- Asynchronized turbine generator : TZFSA-320-2UZ

TECHNICAL SPECIFICATIONS

- Electric capacity – 330 MW
- Fuel – Kuznetsk coal
- Fuel consumption: 335 gce/kWh

STATUS

- Construction

COMMISSIONING

- March 2009

CAPEX

- Total: 8,863 mln RUR (incl. VAT)
- Unit cost per kWh [1] :
  - USD 1,119 (incl. VAT)
  - USD 948 (net of VAT)

FUEL SUPPLY

- Basic fuel – Kuznetsk coal
- Existing fuel suppliers have sufficient fuel reserves

CAPACITY OUTPUT SCHEME

- Based on the system reliability requirements and under the SO-CDU rules, it is necessary to install an ORU-500 kV and ORU-220 kV autotransformer coupling

EFFICIENCY INDICATORS

- NPV = 4,613 mln RUR [2] [3]
- IRR =13.9%
- Payback period = 13.9 years [4]

1) RUR / USD exchange rate assumed at 24.00
2) Discount rate assumed at 10%
3) The information was provided based on the approved Investment Program
4) Discounted payback period

NVGRES: construction of 800 MW Unit 3

PURPOSES

- Increased electricity output in Nizhnevartovsk power system
- Reduction of electric power production cost
- Increased profitability of the wholesale market operations

ADVANTAGES

- Power-deficit region with high consumption growth rates
- Proximity to oil and gas fields

EQUIPMENT

- Technology : CCGT-800
- Gas turbine : 2 x 260-280 MW
- Steam turbine: 300 MW

TECHNICAL SPECIFICATIONS

- Electric capacity – 800 MW
- Fuel – DSG
- Fuel consumption - 218 gce/kWh

STATUS

- Pre-Feasibility Study

REQUIRED COMMISSIONING

- December 2010

CAPEX

- Total: 28,600 m RUR (incl. VAT)[1)]
- Unit costs per kWh [2)] :
  - USD 1,490 (incl. VAT)
  - USD 1,262 (net of VAT)

FUEL SUPPLY

- Fuel will be supplied by TNK-BP under a long term gas supply agreement

CAPACITY OUTPUT SCHEME

- In March 2007 the Company signed a capacity output scheme development agreement; based on the results, grid construction requirements will be determined

EFFICIENCY INDICATORS

- NPV = 3,022 mln RUR [3) 4)]
- IRR =11.4%
- Payback period = 20.57 years [5)]

[1)] This sum was approved by Management Board of RAO UES on 17.03.2008 (Protocol № 1838пр/1 dated 17.03.08) and is subject to negotiations with EPC-contractor

[2)] The RUR / USD exchange rate assumed at 24.00

[3)] Discount rate assumed at 10%

[4)] The information is provided based on the approved Investment Program

[5)] Discounted payback period

UGRES: construction of 450 MW unit

PURPOSES

- Ensuring a reliable and high-quality power supply
- Prevention of possible failures and system limitations
- Reduction of electric power production cost
- Availability of existing site and infrastructure

ADVANTAGES

- Power-deficit region with high consumption growth rates
- Proximity to sources of gas supply

EQUIPMENT

- Technology : CCGT-450
- Gas turbine : 2 x 160 MW
- Steam turbine: 150 MW

TECHNICAL SPECIFICATIONS

- Electric capacity – 450 MW
- Fuel - natural gas
- Fuel consumption - 251 gce/kWh

STATUS

- Investment proposal

COMMISSIONING

- December 2010

CAPEX

- Total: 22,807 mln.RUR (incl.VAT)
- Unit costs per kWh [1]:
  - USD 2,112 (incl. VAT)
  - USD 1,790 (net of VAT)

FUEL SUPPLY

- Necessary to build a new gas-distribution station and two gas lines to UGRES of 1-2 km. The Company received confirmation from Mezhregiongas and Urengoigazprom of the technical feasibility of gas delivery for UGRES and gas supply in the volume of up to 700 mn cub.m per annum

CAPACITY OUTPUT SCHEME

- In January 2008 it is planned to sign a capacity output scheme development agreement; based on the results, grid construction requirements will be determined

EFFICIENCY INDICATORS

- NPV = (2.27) mln. RUR [2] [3]
- IRR = 8.5%
- Payback period = n/a [4]

[1] The RUR / USD exchange rate assumed at 24.00
[2] Discount rate assumed at 10%
[3] The information is provided based on the approved Investment Program
[4] Discounted payback period

Operational figures

	6 months of 2007	6 months of 2008	Change, %
Electricity production, m kWh	22,723	25,127	10.58%
Electricity net output, m kWh	21,628	23,949	10.73%
Heat output, '000 Gcal	782	781	-0.14%
Fuel consumption rate for electricity, gfe/kWh	329.3	329.9	0.18%
Fuel consumption rate for heat, kgfe/Gcal	168.3	169.1	0.48%
Load factor, %	54.88	60.35	9.97%
Fuel mix, % (gas / coal / fuel oil)	92.6 / 6.9 / 0.5	90.1 / 9.1 / 0.8	-