

QUARTERLY REPORT

Open Joint-Stock Company
"Interregional Distributive Grid Company of Urals"
Issuer's Code: 32501-D

As of 1Q 2010

Issuer location: 140 Ulitsa Mamina-Sibiryaka, Ekaterinburg, Russia, 620026

**Information contained in this list of affiliated entities is subject to disclosure
under the Russian legislation on securities**

General Director of OAO "IDGC of Urals"

Date: May 13, 2010

_____ V.N. RODIN

Chief accountant of OAO "IDGC of Urals"

_____ O.M. ABROSIMOVA

Date: May 13, 2010

Contact person: V.B. GORSHKOV, Head of Section for Investor Relations and Corporate Reporting

Tel.: (343) 215-2667; (343) 215-2665

Fax: (343) 215-2584

E-mail: VGorshkov@mrsk-ural.ru, ir@mrsk-ural.ru

Web-site used for disclosure of information contained in the present quarterly report:

www.mrsk-ural.ru

Contents

Contents	2
Introduction	5
I. Background of persons forming the Issuer's managing bodies, bank accounts, auditor, appraiser and financial advisor as well as other persons who signed the quarterly report	6
1.1. Persons forming the Issuer's managing bodies	6
1.2. Information on the Issuer's bank accounts	6
1.3. Information on auditor (auditors) of the Issuer	11
1.4. Information on the Issuer's appraisers	13
1.5. Information on the Issuer's advisors	13
1.6. Information on other persons who signed this quarterly report	13
II. General information on financial and economic status of the issuer	13
2.1. Financial and business performance of the Issuer	13
2.2. Market Capitalization of the Issuer	13
2.3. Liabilities of the Issuer	15
2.3.1. Accounts payable	15
Structure of accounts payable	15
2.3.2. Credit history of the Issuer	16
2.3.3. Liabilities of the Issuer from the coverage provided to third parties	17
2.3.4. Other liabilities of the Issuer	17
2.4. Purposes of issues and usage of funds raised from security placement	17
2.5. Risks related to purchase of placed securities	17
2.5.1. Industry risks	18
2.5.2. Federal and regional risks	19
2.5.3. Financial risks	20
2.5.4. Legal risks	20
2.5.5. Risks related to the Issuer's operations	21
III. Detailed information on the Issuer	22
3.1. The history of creation and development of the Issuer	22
3.1.1. Name of the Issuer	22
3.1.2. State registration of the Issuer	22
3.1.3. Creation and development of the Issuer	22
3.1.4. Contact information	24
3.1.5. Taxpayer Identification Number	24
3.1.6. Branches and representative offices of the Issuer	24
3.2. Core business activities of the Issuer	25
3.2.1. Industry classification of the Issuer	25
3.2.2. Core business activities of the Issuer	25
3.2.4. Market outlets of the Issuer	28
3.2.5. Information on the licenses issued to the Issuer	30
3.2.6. Joint ventures of the Issuer	31
3.3. Future plans of the Issuer	31
3.4. Participation of the Issuer in industrial, bank and financial groups, holdings, concerns and associations	33
3.5. Subsidiary and associated companies of the Issuer	33
3.6. Composition, structure and value of the Issuer's fixed assets, prospects of acquisition, replacement, retirement of fixed assets as well as all facts of fixed assets encumbrance	38
3.6.1. Fixed assets	38
IV. Information on financial and business performance of the Issuer	39
4.1. Financial and operating results	39
4.1.1. Profit and losses	39
4.1.2. Factors that influenced the amount of revenues and profit (loss) from the main business lines	40
4.2. The Issuer's liquidity, capital adequacy and current assets	40

4.3. Amount and structure of capital and current assets.....	40
4.3.1. Amount and structure of capital and current assets.....	40
4.3.2. Financial investments of the Issuer.....	41
4.3.3. Non-tangible assets of the Issuer.....	43
4.4. Information on policy and expenses of the Issuer on sci-tech development, licenses and patents, new developments and researches.....	44
4.5. Trend analysis of the core business of the Issuer.....	46
4.5.1. Analysis of factors and conditions affecting Issuer’s activities.....	47
4.5.2. The Issuer’s competitors.....	47
V. Detailed information on persons being members of management and control bodies of the Issuer and brief overview on the personnel.....	48
5.1. Information on structure and competence of the managing bodies of the Issuer.....	48
5.2. Information on persons being members of the Issuer’s managing bodies.....	54
5.2.1. The Issuer’s BoD membership.....	54
5.2.2. Information on the sole executive body of the Issuer.....	58
5.2.3. The membership of the collegiate executive membership of the Issuer.....	59
5.3. Remuneration, benefits and/or reimbursement of expenses granted to the members of the Issuer’s managing bodies.....	63
5.4. Information on the structure and competence of financial control bodies.....	64
5.5. Information on persons being members of financial control bodies of the Issuer.....	65
5.6. Information on remuneration, benefits and/or expense compensation by financial control body of the Issuer....	66
5.7. Information on number, educational level and structure of the Issuer’s personnel. Changes in quantity of the Issuer’s personnel.....	67
5.8. Information on any liabilities of the Issuer to the employees regarding the possibility of their participation in the Charter (Share) Capital of the Issuer.....	67
VI. Information on the Issuer’s shareholders and interested-party transactions effected by the Issuer.....	67
6.1. Information on total number of the Issuer’s shareholders.....	67
6.2. Information on the Issuer’s shareholders owning no less than 5% of its Charter Capital or no less than 5% of its ordinary shares as well as information on shareholders of such holders owning no less than 20% of the Charter Capital or no less than 20% of its ordinary shares.....	67
6.3. Information on the share on the Issuer’s Charter Capital owned by the government or municipal bodies as well as special right (“golden share”).....	68
6.4. Information on restrictions imposed on participation in the Issuer’s Charter Capital.....	68
6.5. Information on changes in the structure and share of the Issuer’s shareholders owning no less than 5% of its Charter (Share) Capital or no less than 5% of its ordinary shares.....	68
6.6. Information on interested-party transactions effected by the Issuer.....	70
6.7. Information on accounts receivable.....	71
VII. Financial accounts of the Issuer and other financial information.....	72
7.1. Annual financial accounts of the Issuer.....	72
7.2. Quarterly financials as of the last reported quarter.....	88
7.4. Information on accounting policy of the Issuer.....	93
7.5. Information on overall export as well as share of export in overall sales.....	93
7.6. Information on the Issuer’s property value and significant changes occurred in the structure of the Issuer’s property following the end of the last completed financial year.....	93
7.7. Information on the Issuer’s lawsuits in cases when such lawsuit can significantly affect financial and business activities of the Issuer.....	93
VIII. Additional information on the Issuer and its placed securities.....	94
8.1. Additional information on the Issuer.....	94
8.1.1. Information on amount, structure of the Charter capital of the Issuer.....	94
8.1.2. Information on changes in the amount of the Charter Capital of the Issuer.....	94
8.1.3. Information on formation and usage of the reserve fund as well as other funds of the Issuer.....	95
8.1.4. Information of the procedure for convention and arrangement of the supreme managing body meeting.....	96
8.1.5. Information on commercial organizations in which the Company owns no less than 5% of the Charter capital or no less than 5% of ordinary shares.....	97
8.1.6. Information on major transactions effected by the Issuer.....	99

8.1.7. Information on the Issuer's credit ratings.....	100
8.2. Information on each category (type) of the Issuer's shares.....	100
8.3. Information on preceding issues of emissive securities of the Issuer, except for its shares.....	100
8.3.1. Information on issues that were redeemed (cancelled).....	100
8.3.2. Information on outstanding security issues.....	100
8.3.3. Information on issues when the Issuer failed to discharge its liabilities (default).....	102
8.4. Information on the pledger.....	102
8.5. Terms ensuring bond liabilities discharge.....	103
8.5.1. Terms for ensuring discharge of liabilities on bonds with mortgage coverage.....	103
8.6. Information on companies registering rights for the Issuer's securities.....	103
8.7. Information on legislation regulating import and export of capital and able to influence dividend and interest payments as well as other payments to non-residents.....	104
8.8. Taxation of yield on the Issuer's securities.....	104
8.9. Information on declared and paid dividends on the Issuer's shares as well as bond yield.....	106
8.9.1. Information on declared and paid dividends on the Issuer's shares as of the last 5 completed financial years or as of each completed financial year if the Issuer operates less than 5 years.....	106
8.9.2. Yield from bond issues for the last 5 completed financial years preceding the end of the last reported quarter or for the last completed financial year if the Issuer operates less than 5 years.....	108
8.10. Other information.....	110
8.11. Information on the securities and the Issuer ownership of which is certified by Russian depository receipts..	111

Introduction

Basis for the Issuer's liability to disclose information in the form of Quarterly Report

The registration of the Issuer's security prospectus was carried out.

On March 27, 2008 Russian Federal Service on Financial Markets registered the Prospectus of Open Joint-Stock Company "Interregional Distributive Grid Company of Urals" (registration numbers 4-01-32501-D, 4-02-32501-D dated 27.03.2008).

The present quarterly report contains evaluations and forecasts of the Issuer's executive bodies with regard to future events and/or actions, industry development perspectives as well as its operation results, including the Issuer's plans, probability of certain events and actions. Investors should not full rely on evaluations and forecasts provided by the Issuer's executive bodies, since real future operating results may differ from forecasted ones due to many reasons. Purchasing the Issuer's securities may be risky, as is described by the quarterly report.

I. Background of persons forming the Issuer's managing bodies, bank accounts, auditor, appraiser and financial advisor as well as other persons who signed the quarterly report

1.1. Persons forming the Issuer's managing bodies

The Board of Directors consists of:

Name	Year of birth
Nikolai Nikolayevich SHVETS, the BoD Chairperson	1956
Konstantin Vladimirovich SHEVCHENKO	1977
Svetlana Andreevna MURAVYOVA	1973
Valery Nikolayevich RODIN	1952
Sergey Nikolayevich POPOVSKY	1971
Valery Mukhamedovich SHOGENOV	1981
Yuri Nikolayevich PANKSTYANOV	1980
Andrei Borisovich LUKIN	1970
Sergey Nikolayevich IVANOV	1961
Petr Mikhailovich EROKHIN	1946
Aleksey Vladimirovich DEMIDOV	1976

The sole executive body of the Issuer:

Name	Year of birth
Valery Nikolayevich RODIN	1952

The collegiate executive body consists of:

Name	Year of birth
Valery Nikolayevich RODIN, the MB Chairperson	1952
Sergey Mikhailovich ZOLOTAREV	1966
Sergey Aleksandrovich SEMERIKOV	1979
Yuri Vyacheslavovich LEBEDEV	1963
Olga Mikhailovna ABROSIMOVA	1953
Aleksey Alekseevich KRASNIKOV	1950
Evgeny Gennadyevich POPOV	1959
Igor Vladimirovich BUTAKOV	1961
Oleg Mikhailovich ZHDANOV	1959
Oleg Borisovich MOSHINSKY	1969

1.2. Information on the Issuer's bank accounts

Information on the bank

Full bank name: **Commercial bank "Credit Agroprombank" (OOO), Moscow branch "Central"**

Short bank name: **OOO CB Agropromkredit" ("Central" branch)**

Location: **76 building 4, Leningradsky Prospect, Moscow, Russia, 125315**

TIN: **5026005919**

BIC: **044525109**

Account number: **40702810300010000927**

Correspondent account: **30101810500000000109**

Type of account: **operating**

Information on the bank

Full bank name: **Commercial bank "Credit Agroprombank" (OOO), Ekaterinburg branch "Uralskiy"**

Short bank name: **OOO CB Agropromkredit" ("Uralskiy" branch)**

Location: **5 K. Libknekhta Ulitsa, Ekaterinburg, Russia, 620075**

TIN: **5026005919**

BIC: **046577995**

Account number: **40702810100120000001**

Correspondent account: **3010181070000000995**

Type of account: **operating**

Information on the bank

Full bank name: **Bank for Foreign Trade (OAO) Ekaterinburg branch**

Short bank name: **OAO Bank VTB (Ekaterinburg branch)**

Location: **5 Marshala Zhukova Ulitsa, Ekaterinburg, Russia, 620014**

TIN: **7702070139**

BIC: **046577952**

Account number: **4070281022800002693**

Correspondent account: **3010181040000000952**

Type of account: **operating**

Information on the bank

Full bank name: **"Gazprombank" branch (OAO) in Ekaterinburg**

Short bank name: **"GPB" branch (OAO) in Ekaterinburg**

Location: **134v Lunacharskogo Ulitsa, Ekaterinburg, Russia, 620086**

TIN: **7744001497**

BIC: **046568945**

Account number: **40702810500261002097**

Correspondent account: **3010181080000000945**

Type of account: **operating**

Information on the bank

Full bank name: **"Gazprombank" branch (OAO) in Ekaterinburg**

Short bank name: **"GPB" branch (OAO) in Ekaterinburg**

Location: **134v Lunacharskogo Ulitsa, Ekaterinburg, Russia, 620086**

TIN: **7744001497**

BIC: **046568945**

Account number: **40702810600261002133**

Correspondent account: **3010181080000000945**

Type of account: **operating**

Information on the bank

Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation (OAO) – Urals Bank of the Russian Savings Bank**

Short bank name: **branch of AK Savings Bank of the Russian Federation, OAO Uralskyi Bank**

Location: **11 Moskovskaya Ulitsa, Ekaterinburg, Russia, 620014**

TIN: **7707083893**

BIC: **046577674**

Account number: **40702810516000026782**

Correspondent account: **30101810500000000674**

Type of account: **operating**

Information on the bank

Full bank name: **Joint-Stock Commercial Bank "Bank of Moscow" (OAO)**

Short bank name: **Ekaterinburg Subsidiary OAO "Bank of Moscow"**

Location: **10 Marshala Zhukova Ulitsa, Ekaterinburg, 620014**

TIN: **7702000406**

BIC: **046577965**

Account number: **40702810400630003453**

Correspondent account: **30101810400000000965**

Type of account: **operating**

Information on the bank

Full bank name: **"Gazprombank" (OAO) Perm branch**

Short bank name: **"GPB" (OAO) Perm branch**

Location: **77 a Maksima Gorkogo Ulitsa, Perm, Russia, 614007**

TIN: **7744001497**

BIC: **045773808**

Account number: **40702810800320700686**

Correspondent account: **30101810200000000808**
Type of account: **operating**
Information on the bank
Full bank name: **"Gazprombank" (OAO) Perm branch**
Short bank name: **"GPB" (OAO) Perm branch**
Location: **54 Kommunisticheskaya Ulitsa, Perm, Russia, 614990**
TIN: **7744001497**
BIC: **045773808**
Account number: **40702810400320700549**
Correspondent account: **30101810200000000808**
Type of account: **operating**

Information on the bank
Full bank name: **Joint-Stock Commercial Bank "Absolut Bank" (ZAO) Perm branch**
Short bank name: **AKB "Absolut Bank" (ZAO) Perm branch**
Location: **60 Lenina Ulitsa, Perm, Russia, 614000**
TIN: **7736046991**
BIC: **045773888**
Account number: **40702810322550000128**
Correspondent account: **30101810000000000888**
Type of account: **operating**

Information on the bank
Полное фирменное наименование: **Joint-Stock Commercial Savings Bank of the Russian Federation – Urals Bank of the Russian Savings Bank**
Short bank name: **Nizhnyi Tagil office #232 of the Russian Savings Bank**
Location: **49 Lomonosova Ulitsa, Nizhnyi Tagil, 622001**
TIN: **7707083893**
BIC: **046577674**
Account number: **40702810716220028797**
Correspondent account: **30101810500000000674**
Type of account: **operating**

Information on the bank
Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation – Urals Bank of the Russian Savings Bank**
Short bank name: **Chkalovskoe office #7004 of the Russian Savings Bank**
Location: **10a, Bratskaya Ulitsa, Ekaterinburg, 620085**
TIN: **7707083893**
BIC: **046577674**
Account number: **40702810416120028786**
Correspondent account: **30101810500000000674**
Type of account: **operating**

Information on the bank
Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation – Urals Bank of the Russian Savings Bank**
Short bank name: **Bogdanovich office #7216 of the Russian Savings Bank**
Location: **1 Sverdlova Ulitsa, Ekaterinburg, 623530**
TIN: **7707083893**
BIC: **046577674**
Account number: **40802810316130014818**
Correspondent account: **30101810500000000674**
Type of account: **operating**

Information on the bank
Full bank name: **"Gazprombank" (OAO) Ekaterinburg branch**

Short bank name: **"GPB" (OAO) Ekaterinburg branch**
Location: **134v Lunacharskogo Ulitsa, Ekaterinburg, 620015**
TIN: **7744001497**
BIC: **046568945**
Account number: **40702810300261002747**
Correspondent account: **30101810800000000945**
Type of account: **operating**

Information on the bank

Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation – Urals Bank of the Russian Savings Bank**

Short bank name: **Serov office #1705 of the Russian Savings Bank**

Location: **15/6 Zaslavskogo Ulitsa, Serov, 624992**

TIN: **7707083893**

BIC: **046577674**

Account number: **40702810916050028835**

Correspondent account: **30101810500000000674**

Type of account: **operating**

Information on the bank

Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation – Urals Bank of the Russian Savings Bank**

Short bank name: **Artemovskiy office #1771 of the Russian Savings Bank**

Location: **14 Tereshkovo Ulitsa, Artemovskiy, 623780**

TIN: **7707083893**

BIC: **046577674**

Account number: **40702810516400028788**

Correspondent account: **30101810500000000674**

Type of account: **operating**

Information on the bank

Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation – Urals Bank of the Russian Savings Bank**

Short bank name: **Talitsa office #1655 of the Russian Savings Bank**

Location: **6 Ryabinovaya Ulitsa, Talitsa, 623640**

TIN: **7707083893**

BIC: **046577674**

Account number: **40702810616330000970**

Correspondent account: **30101810500000000674**

Type of account: **operating**

Information on the bank

Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation (OAO), Zapadno-Uralskiy Bank**

Short bank name: **AK Savings Bank of the RF, Zapadno-Uralskiy Bank**

Location: **4 Ordzhonikidze Ulitsa, Perm, Russia, 614990**

TIN: **7707083893**

BIC: **045773603**

Account number: **40702810249000002439**

Correspondent account: **30101810900000000603**

Type of account: **operating**

Information on the bank

Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation (OAO)**

Short bank name: **Komi-Permyatskoe office #0729 of the Russian Savings Bank**

Location: **38 Kalinina Ulitsa, Kudymkar, 619000**

TIN: **7707083893**

BIC: **045773603**
Account number: **40702810649140010842**
Correspondent account: **30101810900000000603**
Type of account: *operating*

Information on the bank

Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation (OAO)**
Short bank name: **Berezniki office #8405 of the Russian Savings Bank**
Location: **127 Yubileinaya Ulitsa, Berezniki, 618425**
TIN: **7707083893**
BIC: **045773603**
Account number: **40702810249030012156**
Correspondent account: **30101810900000000603**
Type of account: *operating*

Information on the bank

Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation (OAO)**
Short bank name: **Universal additional office #1638/0143 of the Russian Savings Bank**
Location: **63a Ulitsa Lenina, Kungur, 617480**
TIN: **7707083893**
BIC: **045773603**
Account number: **40702810449240060057**
Correspondent account: **30101810900000000603**
Type of account: *operating*

Information on the bank

Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation (OAO)**
Short bank name: **Chaikovskoe office #1675 of the Russian Savings Bank**
Location: **61b Lenina Ulitsa, Chaikovskiy, 716760**
TIN: **7707083893**
BIC: **045773603**
Account number: **40702810649470000218**
Correspondent account: **30101810900000000603**
Type of account: *operating*

Information on the bank

Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation (OAO)**
Short bank name: **Chusovskoe office #1629 of the Russian Savings Bank**
Location: **2v, 50 let VLKSM Ulitsa, Chusovoi, 618204**
TIN: **7707083893**
BIC: **045773603**
Account number: **40702810949150001208**
Correspondent account: **30101810900000000603**
Type of account: *operating*

Information on the bank

Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation (OAO)**
Short bank name: **Ocherskoe office #6131 of the Russian Savings Bank**
Location: **56 Lenina Ulitsa, Ocher, 617140**
TIN: **7707083893**
BIC: **045773603**
Account number: **40702810149180000354**
Correspondent account: **30101810900000000603**
Type of account: *operating*

Information on the bank

Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation (OAO)**

Short bank name: **Leninskoe office #22 of the Russian Savings Bank**

Location: **58 Lenina Ulitsa, Perm, 214010**

TIN: **7707083893**

BIC: **045773603**

Account number: **40702810049090016978**

Correspondent account: **30101810900000000603**

Type of account: *operating*

Information on the bank

Full bank name: **Joint-Stock Commercial Savings Bank of the Russian Federation (OAO)**

Short bank name: **Leninskoe office #22 of the Russian Savings Bank**

Location: **58 Lenina Ulitsa, Perm, 214010**

TIN: **7707083893**

BIC: **045773603**

Account number: **40702810349090016979**

Correspondent account: **30101810900000000603**

Type of account: *operating*

1.3. Information on auditor (auditors) of the Issuer

Information on the Auditor nominated to perform audit of the Issuer's annual financial statements as of the present or completed financial year:

Full company name: *Closed Joint-Stock Company "NP-Consult"*

Short company name: *ZAO "NP-Consult"*

Location: *14 Dukhovskoi Pereulok, Moscow, 115191*

TIN: *7737017200*

PSRN: *1027700283566*

Tel.: *(495) 952-1041; (495) 954-4726*

Fax: *(495) 954-1380; (495) 954-4408*

e-mail: npq@npq.ru

Information on auditor license

Issue Authority: *the Russian Ministry of Finance*

License: *#E004289*

Issued: *15.05.2003*

Expires: *15.05.2013*

Information on the auditor's membership in self-regulated organizations

The auditor is not a member of a self-regulated audit organization

Information on membership in boards, associations or other professional organizations:

ZAO "NP Consult" is a member of professional international and Russian associations and unions:

- Institute of Professional Auditors*
- Internal network of Moore Stephens International Limited*
- Russian Appraiser Association Partnership*
- FIABCI*
- Non-profit partnership "Interregional Union of Tariff Experts"*
- Global Association "AccountAbility" that promotes social, ecological and ethical reporting to all interested parties*

Financial year (years), during which the auditor had an independent audit of accounting and financial statements of the Issuer – **2009**.

Factors that may challenge the auditor's independency, including information on interests between the auditor (executive officers of the auditor) and the Issuer (executive officers of the Issuer)

There are no factors that may challenge the auditor's independency, including information on interests between the auditor (executive officers of the auditor) and the Issuer (executive officers of the Issuer)

Procedure for choosing the Issuer's auditor

Auditor Tender and its major conditions:

A candidate for the Issuer's auditor is determined by a competitive auditor selection arranged by OAO "IDGC Holding". To participate in the selection auditor companies should meet the following demands:

- *Not to be in the process of liquidation;*
- *To receive no resolutions on suspension of operations taken in compliance with the procedure stipulated by the Russian Administrative Code as of the date of application submission;*
- *To possess no debts on taxes, levies and other obligatory payments to various budgets or state extra-budgetary funds for the last reported year. The debt should not exceed 25% of the participant's book asset value according to accounting statements as of the last reported period. The participant is also considered valid, when he appeals the debt pursuant to the Russian legislation and resolution on the appeal is not taken as of the application review date;*
- *Not to be under the conditions (with regard to the Company and SACs of OAO "IDGC Holding"), stated in item 1, article 12, Federal Law "On audit activities".*

The Issuer's auditor makes inspections of financial and operating activities of the Issuer in accordance with the requirements set forth by the Russian legislation on the basis of agreement concluded with him.

Procedure of nominating auditor candidate for approval by shareholder meeting, including managing body taking the following decision:

Following the auditor competitive selection the Issuer's BoD recommends the corresponding auditor candidate to shareholder meeting for approval.

Information on services rendered within special auditor assignments:

In accordance with the legislation requirements the Issuer is obliged to perform annual audit of its financial statements. For audit and acknowledgement of annual financials AGM annually approves the Company's auditor. There were no special auditor assignments.

Remuneration determination procedure, actual amount of remunerations paid to the auditor at the end of each year (for the last 5 years) when the auditor audited the Issuer's financials:

The amount of remuneration paid to the Issuer's auditor approved by the Company's AGM for obligatory annual audit and acknowledgement of annual financials is determined by a BoD's resolution.

Remuneration paid to the auditor as of 12M 2009 is RUR 2 743 500, including VAT. Remuneration paid to the auditor as za 1Q 2010 is RUR 914 500, including VAT. There are no deferred and overdue payments for the auditor services.

Information on deferred and overdue payments for the services rendered by the Auditor:

There are no deferred and overdue payments for the auditor services.

Potential factors that can challenge the auditor's independency, including information on significant interest between the auditor (the auditor's officers) and the issuer (the issuer's officers):

- **the auditor's (or its officers) share in the charter capital of the issuer: none;**
- **money borrowed by the auditor (its officers) from the issuer: none;**
- **close business contacts (participation in promotion of the issuer's services or joint business, etc.) as well as kinship: none;**
- **the issuer's officers are simultaneously the auditor's officers.**

Measures taken by the issuer and the auditor to eliminate the factors:

The issuer and the auditor interacted within the current legislation, in particular, according to Federal Law #119-FZ dd. 07.08.2001 on the Auditor's activities. According to its art. 12, the audit cannot be performed by:

- 1) auditors being the founders (stockholders) of the audited entities, their directors, accountants and other persons responsible for accounting and financials administration;**
- 2) auditors with a close kinship (parents, spouses, brothers, sisters, children as well as brothers, sisters, parents and children of the spouses) with the founders (stockholders) of the audited entities, their officers, accountants and other persons responsible for accounting and financials administration;**
- 3) auditor companies, with directors and other officers being the founders (stockholders) of the audited entities, their officers, accountants and other persons responsible for accounting and financials administration;**
- 4) auditor companies, with directors and other officers being in a close kinship (parents, spouses, brothers, sisters, children as well as brothers, sisters, parents and children of the spouses) with the founders (stockholders) of the audited entities, their officers, accountants and other persons responsible for accounting and financials administration;**
- 5) auditor companies in relation to audited entities being their founders (stockholders); in relation to audited entities, with the auditor companies being the founders (stockholders); in relation to subsidiaries, branches and representative offices of the audited entities as well as in relation to companies possessing the same founders (stockholders) as the auditor company;**
- 6) auditor companies and individual auditors, rendering services on accounting recovery and administration as well as financials administration for natural persons and legal entities (in relation to these persons) during three years prior to the audit.**

The basic measure taken by the issuer to decrease mutual dependency is a thorough review of an auditor candidate with a view to the auditor's independency. The auditor is completely independent from the issuer's managing bodies in accordance with art.12 of the Federal Law on the auditor's activities; the auditor remuneration did not depend on the auditor results.

1.4. Information on the Issuer's appraisers

There are no appraisers engaged by the Issuer.

1.5. Information on the Issuer's advisors

There are no financial advisors engaged by the Issuer.

1.6. Information on other persons who signed this quarterly report

There are no such persons.

II. General information on financial and economic status of the issuer

2.1. Financial and business performance of the Issuer

Measurement unit: **RUR thous.**

Indicators	2005	2006	2007	2008	2009	3M 2010
Net asset value	25 324	29 698	33 706	27 100 628	28 263 217	28 316 380
Debt/ Equity ratio, %	611.94	151.53	139.13	51.23	49.44	51.31
Short-term debt/ Equity ratio, %	611.73	151.53	139.01	18.67	22.99	26.77
Coverage of debt charges, %	9.96	13.64	17.37	93.56	127.81	50.23
Overdue debt, %	0	0	0	0	0	0
Receivables turnover, times	2.09	10.87	25.26	3.55	6.63	2.02
Dividend payout ratio, %	0	0	0	0	0	0
Labor efficiency, RUR thous./person	14 179.2	6 169.7	5 265.7	2 304	2 678.6	1 159.6
Depreciation/Revenues ratio, %	0.05	0.31	0.58	5.2	5	4.4

To calculate the indicators we used the methodology recommended by the Regulations on information disclosure by the issuers (approved by the FSFM's decree \$06-117/pz-n dd. 10.10.2006. Net assets are calculated in accordance with the procedure for net asset value appraisal (approved by decree #10n issued by the Russian Ministry for Finance and FSC's decree #03-6/pz dd. 29.01.2003.

In 1Q 2010 the net asset value increased by RUR 27.8 mln. Debt/Equity and Short-term debt/Equity ratios demonstrate the level of the company's dependency from the borrowings and determine the level of risk for the creditors. As of 1Q 2010, the indicators changed due to increase in short-term obligations and insignificant growth of equity due to non-distributed profit. The company's liabilities changed due to increase in short-term account payables to suppliers and contractors. At the same time the issuer decrease its debt by RUR 663.6 mln. As of 1Q 2010, Debt/Equity ratio is retained at the level determining the company's no-risk dependency on borrowings.

Coverage of debt charges demonstrates the issuer's capability to discharge its liabilities by profit and relevant funds.

On the whole, the analysis demonstrates that our liabilities are retained at the level of 33% of the overall assets. 1Q 2010 financial and economic indicators show the sustainable financial status of the company.

2.2. Market Capitalization of the Issuer

Market capitalization is calculated by multiplying the quantity of shares of a certain category (type) and share market price by a trade institution in accordance with the Procedure for market price calculation of securities and investment units of investment funds, admitted for trading through trade institutions approved by the Russian FSC's Decree #03-52/ps dated 24.12.2003.

Item	2005	2006	2007	2008	2009	1Q 2010
Market capitalization, RUR				7 868 743 713.99	22 329 746 050.59	30 006 142 696.02

Information on trade institution on securities market which information is used for calculating market capitalization as well as other additional information on public securities trading at the discretion of the Issuer:
Trade institutions:

Open Joint-stock Company "Stock Exchange Russian Trading System", address: 38 building 1, Dolgorukovskaya Ulitsa, Moscow, 127006.

On June 11, 2008, due to a resolution of Deputy MB Chairperson of OAO "SE RTS" dd. June 07, 2008 ordinary non-documentary shares of OAO "IDGC of Urals", with the nominal value of RUR 0.1, state registration numbers: 1-01-32501-D dd. May 03, 2005; 1-01-32501-D-001D dd. February 12, 2008; 1-01-32501-D-002D dd. April 24, 2008; 1-01-32501-D-003D dd. April 24, 2008; 1-01-32501-D-004D dd. April 24, 2008; 1-01-32501-D-005D dd. April 24, 2008; 1-01-32501-D-006D dd. April 24, 2008; 1-01-32501-D-007D dd. April 24, 2008, are in the list of securities admitted for trading without listing, securities code: MRKU, MRKUG.

According to a Resolution of the MB Chairperson of OAO "RTS" (Decree #55 dd. 27.04.2010), the Company's ordinary shares were delisted from Quotation List B and now are in the list of securities admitted for trading without listing.

Closed Joint-Stock Company "Stock Exchange MICEX", address: 13, building 1, Bolshoi Kislovskiy Pereulok, Moscow, 125009.

On June 18, 2008, due to a resolution of the Directorate of ZAO "SE MICEX" dd. June 09, 2008 ordinary non-documentary shares of OAO "IDGC of Urals", with the nominal value of RUR 0.1, state registration numbers: 1-01-32501-D dd. May 03, 2005; 1-01-32501-D-002D dd. April 24, 2008; 1-01-32501-D-003D dd. April 24, 2008; 1-01-32501-D-004D dd. April 24, 2008; 1-01-32501-D-005D dd. April 24, 2008; 1-01-32501-D-006D dd. April 24, 2008; 1-01-32501-D-007D dd. April 24, 2008 are in the list of non-listed stock of ZAO "SE MICEX" admitted for trading without listing, securities code: MRKU, MRKU-002D, MRKU-003D, MRKU-004D, MRKU-005D, MRKU-006D, MRKU-007D.

On September 11, 2008, in accordance with a resolution of FSFM of Russia on merger of additional security issues of OAO "IDGC of Urals" ZAO "SE MICEX" took a decision to merge all share issues of the Company under one ticker MRKU.

The issuer's market capitalization			
Exchange	Reported data	The number of securities	Capitalization, RUR
OAO "RTS"	30.06.2008	87 430 485 711	40 118 935 543,25
	30.09.2008	87 430 485 711	31 212 683 398,83
	31.12.2008	87 430 485 711	7 666 779 292,0
	31.03.2009	87 430 485 711	6 469 855 942,61
	30.06.2009	87 430 485 711	12 311 086 692,9
	30.09.2009	87 430 485 711	19 732 186 320,12
	31.12.2009	87 430 485 711	22 731 926 285,00
	31.03.2010	87 430 485 711	28 753 263 835,78
ZAO "SE MICEX"	30.06.2008	85 016 299 737	39 016 166 056,90
	30.09.2008	87 430 485 711	27 103 450 570,41
	31.12.2008	87 430 485 711	7 868 743 713,99
	31.03.2009	87 430 485 711	6 819 577 885,46
	30.06.2009	87 430 485 711	16 926 542 033,6
	30.09.2009	87 430 485 711	21 901 336 670,61
	31.12.2009	87 430 485 711	22 329 746 050,59
	31.03.2010	87 430 485 711	30 006 142 696,02

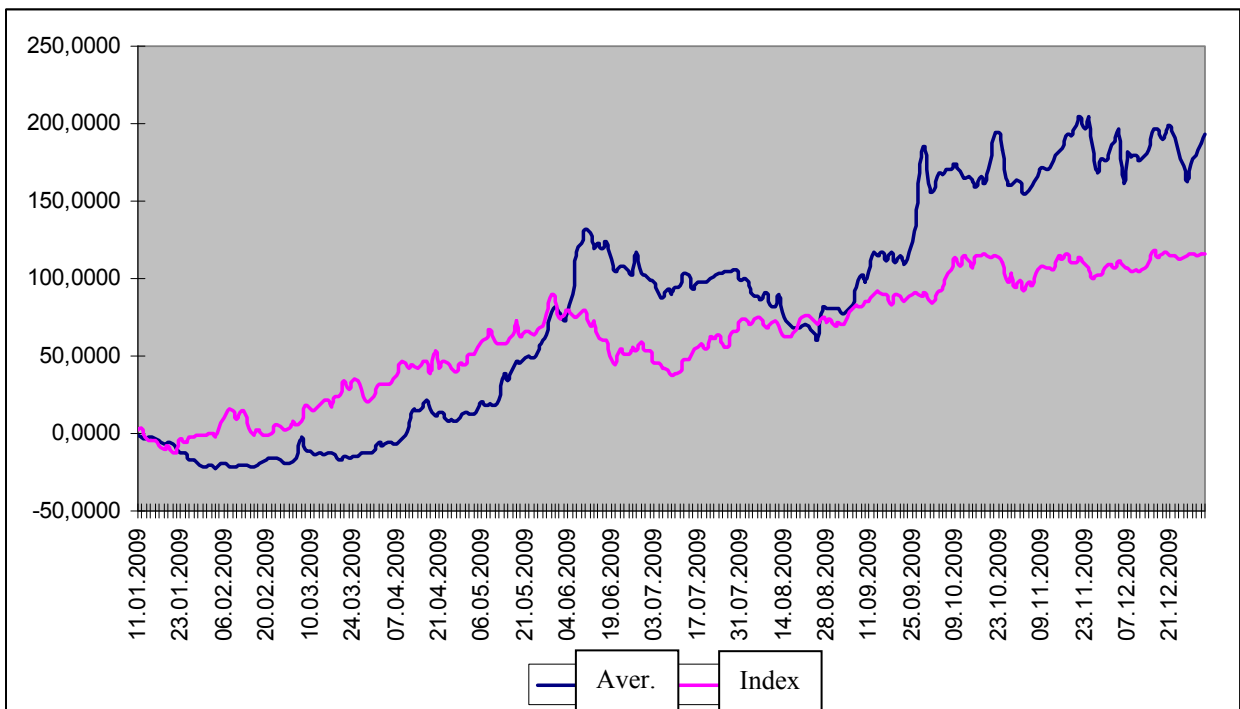
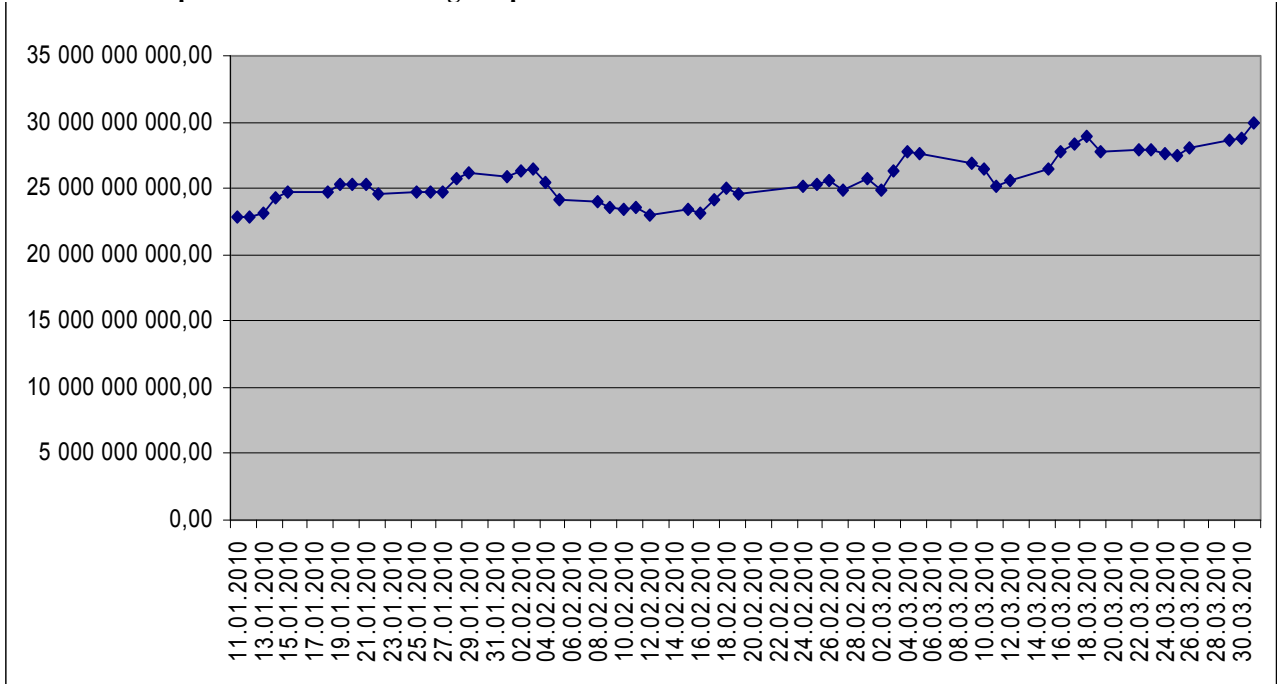
Information on overall transaction volume as of 1Q 2010:

Month	Number of transactions (ZAO "SE MICEX")	Number of transactions (OAO "SE RTS")
January	1 437	4
February	1 431	1
March	5 329	6
1Q 2010	8 197	11

Information on overall transaction volume as of 1Q 2010:

Month	Number of transactions volume (ZAO "SE MICEX"), RUR	Number of transactions volume (OAO "SE RTS"), RUR
January	37 746 202,06	3 585 376,43
February	35 302 149,11	273 049,14
March	207 598 801	8 321 279,5
1Q 2010	280 647 152,17	12 179 705,07

Information on price fluctuations during the period of 01.01.2010 - 31.03.2010



2.3. Liabilities of the Issuer

2.3.1. Accounts payable

Structure of accounts payable

As of 2009, measurement unit: *RUR thous.*

Liabilities	Term of maturity of payments	
	Less than a year	More than a year
Accounts payable to suppliers and contractors	3 127 653	0

Including overdue	0	x
Accounts payable to personnel	118 230	0
Including overdue	0	x
Accounts payable to budget and state non-budgetary funds	609 862	0
Including overdue	0	x
Credits	26 488	5 581 924
Including overdue	0	x
Loans	15	1 638
Including overdue	0	x
Including bonds		
Including overdue bonds	0	x
Other accounts payable	2 485 071	1 868 329
Including overdue	0	x
TOTAL	6 367 319	7 451 891
Including overdue		x

There are no overdue accounts payable.

Creditors possessing no less than 10% of overall accounts payable

There are no such creditors

As of 3M 2010, measurement unit: ***RUR, thous.***

Liabilities	Term of maturity of payments	
	Less than a year	More than a year
Accounts payable to suppliers and contractors	3 385 718	801 796
Including overdue	0	x
Accounts payable to personnel	366 994	0
Including overdue	0	x
Accounts payable to budget and state non-budgetary funds	728 420	0
Including overdue	0	x
Credits	1 189	4 918 362
Including overdue	0	x
Loans	46	1 638
Including overdue	0	x
Including bonds	0	0
Including overdue bonds	0	x
Other accounts payable	2 810 673	36 145
Including overdue	0	x
TOTAL	7 293 040	5 757 941
Including overdue	0	x

There are no overdue accounts payable.

Creditors possessing no less than 10% of overall accounts payable

There are no such creditors.

2.3.2. Credit history of the Issuer

Discharge of the Issuer's obligations with regard to loan facilities effective within the last 5 completed years or effective as of the end date of the reporting period (if the Issuer operates less than 5 years), with principal debt constituting 5% or more of the Issuer's book value as of the end of the last completed quarter preceding the conclusion date of the corresponding agreement as well as other credit agreements and/ or loan agreements which the Issuer considers significant.

Discharge of the Issuer's obligations with regard to its bond issues with overall nominal value of 5% and more of the Issuer's book value as of the end of the last completed period prior to state registration of the Bonds Placement Report.

In case the bond placement was not completed or the state registration of the Bond Placement Report was not accomplished, information is given as of the end date of the last completed quarter prior to the state registration of the bond issue.

Liability	Creditor name	Principal debt	Currency	Maturity / Maturity date	Delays in liability discharge with regard to principal debt payout and/ or interests, delay period, days
Bond issue of OAO "IDGC of Urals", series 01 4-01-32501-D	x	1 638	RUR	5 years / 22.05.2012	none
Bond issue of OAO "IDGC of Urals", series 02 4-02-32501-D	x	0	RUR	3 years/13.05.2010	none

Prior to the merger there were no loans and borrowings taken to finance the company's operations. Due to legal succession the liabilities of the merged companies were transited to OAO "IDGC of Urals" on 30.04.2008. As of 2008 the company's loans and borrowings totaled RUR 6 361.5 mln. The liabilities on each contract are discharged in time.

As of 2009 the overall debt decreased by RUR 777.9 mln. and totaled RUR 5 583.6 mln.

As of 1Q 2010 the overall debt decreased by RUR 663.6 mln. and totaled, as of 31.03.2010, RUR 4 920 mln.

The issuer does not have credit contracts which debt exceeds 5% of the company's book asset value.

The company issued two documentary interest-bearing non-convertible bearer bonds with obligatory centralized custody. The bonds were placed by conversion of bonds issued by OAO "Permenergo", OAO "Chelyabenergo" on 30.04.2009 when termination of Permenergo and Chelyabenergo business activities was introduced to the United state legal entities register.

2.3.3. Liabilities of the Issuer from the coverage provided to third parties

Units of measurement: *RUR, mln.*

Item	2005	2006	2007	2008	2009	3M 2010
Total liabilities of the Issuer from its coverage	0	0	0	2 203	0.065	0.065
Including total liabilities of third parties covered by the Issuer, including those in the form of pledge or guarantee	0	0	0	0	0	0

The Issuer's liabilities from the coverage provided to third parties from the start of the current financial year till end date of the reported period, including those in the form of pledge or guarantee constituting no less than 5% of the Issuer's book value as of the end of the last completed reported period preceding the coverage provision

There were no such liabilities during the reported period. The issuer's liabilities from the coverage are assignment of money demands taken to cover credit liabilities.

2.3.4. Other liabilities of the Issuer

There are no other liabilities unreported in the balance sheet and which can significantly affect the Issuer's financial status, its liquidity, financing resources and terms of their usage, performance results and expenses.

2.4. Purposes of issues and usage of funds raised from security placement

During the reported period the Issuer did not place any securities by subscription.

2.5. Risks related to purchase of placed securities

Risk management policy of the Issuer:

The activities of OAO "IDGC of Urals" are affected by a range of factors that are beyond the Company's control. Many of the risk factors described below are of macroeconomic character and typical for any company. Certain business segments are subjects to certain risk factors.

Risks in energy transmission services, to certain extent, derive from the risks in the wholesale and retail energy markets. These developing markets, in their turn, are more risky than developed markets (dealing with other products and services) and include significant legal, economic and political risks. Political risks have a small contribution to overall risks. Dynamic development of the wholesale and retail energy markets enable us to suppose that the given in-

formation can quickly become outdated. The current information uncertainty, caused by the dynamism of the factors, can influence the Company's future activities, possibility for asset sale and observance of maturity dates. Besides, several risks which are not currently significant can become economically viable in future.

Risks of OAO "IDGC of Urals" are managed on a systematic ongoing basis. The Company is always active in detecting events having a potentially bad influence on any aspect of its activity, in evaluation and control of would-be negative consequences or opportunities of such consequences, in implementation of effective measures on risk minimization or liquidation as well as correcting the results of the chosen strategy. The goal of the risk management system is to achieve the Company's aims and decrease the possibility of potential losses, to provide its long-term stable operations and observe the balance of interest of all interested parties.

With a view to prevent potential risks, OAO "IDGC of Urals" regularly monitors social economic and normative legal environment, projects international economic environment and elaborates possible future scenarios, strategic plans and executes control over operations. Decisions on risk management taken by our top managers are in compliance with the current Russian legislation and provide good balance between positive effect from decisions and expenses caused by implementing them. Implementing decisions on risk management we constantly analyze their practical effectiveness.

Main risk management methods used by OAO "IDGC of Urals" include:

- Insurance for property, industrial objects and transport, civil liability, medical insurance, etc.;
- Diversity in retail market with a view to allocate consumers in total volume of services;
- Rejection to work with unreliable contractors;
- Diversity in purchase of materials, equipment, services to reduce the Company's dependence on certain contractors;
- Rejection to promote investment projects with a potentially high risk level.

2.5.1. Industry risks

Energy transmission using networks as well as technological connections to networks are state-regulated activities. Therefore, regulators' approval of the tariffs on our services directly influences the gained revenues. This causes the **following risks**:

- Approved tariffs are lower than economically viable levels;
- Revenues reduction due to changes in real structure of energy transmission in comparison to the one used while approving tariffs;
- Appearance of extra expenses related to cross-subsidization which disable the Company to set economically viable tariffs;
- Risks related to alterations in pricing legislation on electric and power energy on retail markets.

The RAB tariff methodology additionally creates the **following risks**:

- Disagreement with regulating authorities over evaluation results of initial investment base done by independent valuers;
- Approval of yield rate at the level below economically viable and, as a result, problems with borrowed resources for investment financing.

The Company's measures to manage the risks:

- Cooperation with Federal Tariff Service and regional regulators on economic feasibility of expenses included into tariffs as well as on changing Russian pricing legislation with taking into account disco's interests in setting energy tariffs on retail markets;
- Elaboration and integration of long-term region development programs (in the Company's service area) as well as signing agreements with regional and local authorities which stipulate investment resource volumes;
- Reduction of the Company's expenses;
- Gradual transition to RAB tariff model which will enable to secure long-term investments into grids as well as to decrease the influence of subjective factors onto tariff decisions.

Equipment unsatisfactory conditions due to its depreciation are the reason for **operational risks** main of which are:

- Deterioration of operating and economic equipment indicators;
- Unfavorable ecological consequences;
- Danger of accidents with partial or full energy shortage ending in unfavorable social consequences;
- Risk of personnel industrial injuries;
- Danger of chronic accidents.

The realization of the risks can lead to accidents (equipment breakdown) and construction destruction. Chronic accidents can lead to network separation, consumer rolling blackouts, equipment critical operations.

The Company's measures to manage the risks:

The possibility of equipment breakdown is on average level; to prevent this we take measures for provision of equipment and construction reliability at the appropriate level, namely:

- Repair programs are 100% fulfilled;
- Modern diagnostics methods (with equipment operating nonstop) are implemented;
- Structure and volumes of spare parts are constantly optimized;
- To increase quality of services and materials, responsibility of contractors and decrease of unit costs tender selection of service and supplier companies is introduced;

- To ensure equipment reliability emergency control systems are implemented and upgraded in compliance with modern requirements.

Risk management in observing industrial safety requirements within the frameworks of operating risk management is ensured by observing federal legislation on industrial safety and operating control system (designed on its base) over observing industrial safety requirements in OAO "IDGC of Urals".

Ecological risks, which represent possible transformer oil leakages (with no oil receivers mounted on the substations) into rivers and lakes that may lead to oil pollution on fishing grounds. As a result of infringes of nature-protection legislation high fines may be imposed on the Company.

The Company's measures to manage the risks:

To reduce ecological risks we implement the Program for Ecology Policy Integration, in compliance with which the Company focuses on three aspects: air protection, water and soil management. Within the frameworks of activities stipulated in long-range program for technical reconstruction and update, the Company substitutes old parts of equipment for new modern ones which ensure high ecological safety. To further improvement of nature-protection activities we implement ecology management system (in compliance with ISO-14001-2004).

Risk of uncertainty on ultimate volumes of energy transmission

The essence of the risk is the lack of economic development plans, including indication of energy consumption increase, in several Russian regions and cities. These circumstances make it impossible to accurately forecast branch investments which could satisfy growing demand for energy in mid- and long-term perspective. This risk mainly affects fulfillment of obligations on energy transmission.

The Company's measures to manage the risks:

The risk is minimized within the frameworks of united sales department of OAO "IDGC of Urals" by the following measures:

- Cooperation with regional and municipal authorities on elaboration of regional economic development plans in mid- and long-term perspective;

- Justification of energy transmission tariff with investment component focused on equipment transfer capacity increase in state tariff regulators.

Besides, the uncertainty is related to uncertainty of recession ending.

Risks related to possible price change on materials, spare parts and services

There are no risks related to service price change on foreign markets since OAO "IDGC of Urals" does not provide energy transmission services outside Russia. We also do not buy spare parts and equipment abroad. On Russian market the risk of possible price change, primarily decrease, is viewed as unlikely. These risks can be minimized by the following.

- Increase of operating effectiveness based on operating expenses decrease programs (creation of competitive environment in purchase of services, optimization of repair and capital investment expenses, etc.);

- Well-balanced financial policy.

Taking into account the above-mentioned, we consider that possible deterioration of situation in the industry as well as negative changes in the grids operating and development process are able to affect the Company's activities but they should not considerably influence its liability fulfillment.

2.5.2. Federal and regional risks

OAO "IDGC of Urals" operates in Russia and this explains the dependence of its results on social economic situation in the country. Risks related to social economical and political processes in Russia are beyond the Company's control. Russian economy is only partially protected from market recessions and delays in economic development in other countries. Financial problems and escalated perception of investment risks in developing countries during financial crisis decreased the volume of foreign investments and had a negative impact on Russian economy. Besides, since Russia produces and exports large volumes of gas and oil, Russian economy is oil and gas price-sensitive, oil price reduction in crisis already considerably slowed Russian economy development. Crisis in economy has limited the access of the majority of economic entities, including OAO "IDGC of Urals", to debt capital markets as well as had a negative influence on purchasing power of our consumers.

Decrease of Russian sovereign rating based on evaluations, provided by international rating agencies - Standard and Poor's, Fitch, Moody's - has a negative impact on the national and regional economy. Besides, decrease in sovereign credit rating, as a rule, causes decrease in credit rating of financial institutions operating in Russia and this has a negative effect on various economy sectors and directly increases risks for many economic entities, including OAO "IDGC of Urals". We cannot have a direct impact on increase of the Russian credit rating. However, we suppose that the decrease of the sovereign rating will not strongly affect our activities. It is also noteworthy that the company has a positive public credit history (successful redemption of our 2 bond issues in 2008 and 2009 according to public offers) and repays its obligations to banks on a regular basis.

Regional risks in our operations mainly appear when a regional tariff regulator ignores parts of economically viable expenses submitted by us to be included into corresponding tariff. This circumstance can have a significant impact on the Company's investment program. We forecast no negative political changes in our service area that can negatively affect our activities and economic state.

The Company's measures to manage the risks:

Majority of these risks are beyond our control due to the scale. If in Russia or a certain region the political and economical situation, which can negatively affect our operations, destabilizes, the Company will take anti-crisis measures to decrease negative effect as much as possible, including the following:

- Decrease and optimization of operating costs and other expenses;
- Investment reduction;
- Decrease in financing operating activities by loans and borrowings;
- Well-balanced financial policy.

OAO "IDGC of Urals" constantly interacts with federal institutions and other interested parties to reduce the effect made by the risks. Risks of regional geographical peculiarities, including disaster danger, possible transportation termination due to remoteness and/or inaccessibility do not have a significant impact on the Company's operations, since the service area largely is not subject to the mentioned risks. Risks of disaster danger are viewed by the Company as minimal. Possibility of armed conflicts and national or regional emergency is insignificant. In case of possible armed conflicts, the Company may be under the risk of asset damage. The risks, including those with unplanned expenses to mitigate the consequences, are covered by insurance on the majority of the Company's fixed assets.

2.5.3. Financial risks

OAO "IDGC of Urals" as any economic entity, is subject to various financial risks. Since OAO "IDGC of Urals" does not provide services abroad and the Company's contractors are Russian residents, service prices and obligations are in Russian rubles, **the risk of currency exchange rate** is viewed as low. Since the Company has credit lines in a range of banks and interest rate change influence activities of economic entity, the Company undergoes **the risk of interest rate change**.

The Company's measures to manage the risks:

Provision of stable cash flow covering operating, investment and financial expenses. When we planned our 2009 budget, we took a range of measures including investment program decrease and increase of investment efficiency, 2009 expense optimization and maintaining borrowings at the level acceptable for the Company.

Main service purchasers are power supply companies which supply energy to end users. Therefore, main buyer-related risk is **the risk of receivables increase** due to violation of payment discipline by end users and necessity to obtain additional credit resources. There is also **the risk of fund insufficiency on the Company's bank accounts** due to temporal cash deficiency between getting money from power a supply company and financing current operations.

The Company's measures to manage the risks:

To minimize the risks persons responsible for financial management of OAO "IDGC of Urals" carry out well-balanced credit policy, receivables management aimed at its optimization and debt collection. Besides, the Company executes control over contractors' payment discipline as well as plans to increase the share of direct contracts with consumers in sales structure. In case of situation deterioration and increase of non-payments the Company plans to use regional authorities and courts to solve the problems.

Inflation directly depends on political and economical situation. According to official data inflation in Russia in 2004 totaled 11.7%, in 2005 - 10.9%, in 2006 - 9%, in 2007 - 11.9%, in 2008 - 13.3%, 2009 – 8.8%. Negative inflation effect on our activities can be related to **the following risks**:

- Risk related to losses in real value of receivables in case of significant payment delays;
- Risk of increase of interest payable;
- Risk of prime cost increase due to price increase on energy carriers, transportation services, wages and salaries, etc.;
- Risk of decrease in real value of investment objects.

The Company's measures to manage the risks:

If inflation growth exceeds regulated tariff growth, the Company's profitability will decrease. Therefore, in case of considerable growth of real inflation over the Government forecasts, namely up to 30-40% per year, we plan to do the following:

- To limit expense growth;
- To decrease receivables and its average turnover period;
- To elaborate to maximize tariff growth within normative limits.

Nevertheless, OAO "IDGC of Urals» views the possibility of high inflation in mid-term perspective as a very low one due to declared intentions of the Russian government and Central Bank to carry out anti-inflation policy.

2.5.4. Legal risks

Since the Issuer operates in Russia and does not export goods and services, the issuer can face the risks that appear during domestic operation. This is typical for majority of businesses operating in Russia, namely:

Legal risks, particularly, related to controversial interpretation of legal norms which can lead to incorrect taxation and tax payments.

The Company's measures to manage the risks: To reduce the risks the issuer's accounting department alongside with the legal department constantly improve tax base methodology and control over compliance with the current legislation.

Besides, there exist risks of losses related to legislation changes as well as incorrect legal document preparation and activities accompaniment. **The Company's measures to manage the risks:** to minimize the risks all operations undergo an obligatory preliminary legal expertise.

The issuer (as well as all joint-stock companies operating in Russia) can face the risk of legislation changes (federal laws and subordinate legislation) regulating shareholder and corporate relations. OAO "IDGC of Urals", as an issuer, is subject to the risks of shareholders' appeal of major and interested parties transactions (when such transactions are concluded without proper preliminary BoD or AGM approval as well as those approved with violation of the stipulated order).

The Company's measures to manage the risks:

To minimize the risks the Company has an obligatory preliminary legal analysis of transactions with a view to find reasons for preliminary corporate procedures stipulated by the legislation in force and/or the Charter. In case of necessity such transactions are submitted for review by the competent management bodies of OAO "IDGC of Urals".

Shareholder relations risks include the register risks, "greenmail" risks, risks of non-friendly shareholder activities aimed at putting AGM in jeopardy.

The Company's measures to manage the risks:

To minimize the risks the company has a contract for share register administration services with professional registrar (working on the Russian stock market since 1990-s) which traditionally occupies top lines in registrar ratings (including "reliability" criteria). The Company also takes measures aimed at shareholder relations (information disclosure in the order stipulated in normative legal documents as well as meetings between the Company's management and shareholders aimed at explanation of current operating issues in the Company's activities).

Risks related to changes in tax legislation

Like any other company the issuer is a taxpayer. Currently tax relations in Russia are regulated by the Russian Tax Code, a range of federal laws adopted in compliance with the Russian Tax Code, laws of Russian subjects as well as subordinate legislation of local authorities. Official list of taxes and levies includes VAT (value-added tax), income tax, property tax, unified social tax and other obligatory payments.

The corresponding normative legal acts often have obscure wording or terms with no precise legal definition. Russian Ministry for Finance and Federal Tax Service authorized to provide official explanations of tax legislation, often give explanations and comments which contradict both tax legislation norms and relevant legal practice.. Fiscal bodies are guided by the acts and documents of the mentioned state bodies which are aimed solely at refilling budgets on different levels, moreover, often doing violence to rights and legal interests of taxpayer. Preparation and submission of tax reports alongside with other elements of tax relation regulation system are the competence of, primarily, tax institutions which enjoy the right to additional tax, levies and fine assessment. As a result, tax risks in Russia are considerably higher than tax risks typical for countries with developed market economy and tax system.

Tax risk may include: possibility of new taxes and levies; possibility of current tax rate increase; tax base extension, changes in terms and order of tax payments and reporting. The most significant tax risk for OAO "IDGC of Urals" is the risk of tax rate increase.

Our management considers that the Company fully observes tax legislation in terms of its operations, but still this do not eliminate potential tax risks in case of changes in state fiscal policy in relation to certain taxes and levies as well as changes (not for taxpayer benefit) in court practice on certain tax cases. The issuer aspires to plan its financial and operating activities taking into account changes in tax legislation according to Article 5 of the Russian Tax Code.

There can also be **risks related to changes in court practice** on issues related to the issuer's operations (including licensing) which can have a negative impact on results of such operations as well as results of the current issuer's lawsuits. The issuer's activities are subject to risks related to the legal system in Russia. These risks include, particularly, possible contradictions between the Russian legislation and legal acts of local executive bodies and local regional authorities as well as lack of court practice on applying several legal acts.

At the moment the possibility of changes in court practice related to the issuer's activities is viewed as insignificant and will not have a great influence on its activities. In case of introducing changes into court practice on issues related to the issuer's activities, the issuer shall plan to its financial and operating activities according to these changes.

2.5.5. Risks related to the Issuer's operations

Risks related to the current lawsuits in which the Issuer participates.

At the moment of preparing this report the Issuer participates in a range of lawsuits. There may be possible negative impacts on the Issuer's financial and operating performance due to pronouncement of judgment to the disfavor of the Issuer. The most significant lawsuits, according to the Issuer's opinion, are disclosed in item 7.7.

Risks related to a possible loss of customers contributing no less than 10% of overall revenues.

Main business line of the Issuer is provision of services on energy transmission and technological connection to electric networks being monopolistic activities. Taking this into account, the risk related to a possible loss of consumers contributing no less than 10% of overall revenues is viewed by the Issuer as non-significant.

Risks related to a possible failure to prolong a license for a certain activities or usage of objects which are limited for circulation (including natural resources).

In accordance with Federal Law #128-FZ dd. 08.08.2001 "On licensing certain types of activities" there is no licensing for main business lines of the Issuer.

Risks related to the Issuer's liability for third parties' debts, including SACs.

At present there are no such liabilities. The risk is viewed by the Issuer as non-significant.

Other risks related to the Issuer's activities:

Risks related to activities of third parties:

Fulfilling its contract liabilities the Issuer is exposed to risks related to activities of third parties. Besides, risks related to activities of third parties occur when wires are stolen.

III. Detailed information on the Issuer

3.1. The history of creation and development of the Issuer

3.1.1. Name of the Issuer

Full name of the Issuer: *Open Joint-stock Company "Interregional Distributive Grid Company of Urals"*

Short name of the Issuer: *OAO "IDGC of Urals"*

Full or short name of the Issuer is similar to the following legal entities:

Open Joint-Stock Company "Interregional Distributive Grid Company of Siberia" (OAO "IDGC of Siberia");

Open Joint-Stock Company "Interregional Distributive Grid Company of Volga" (OAO "IDGC of Volga");

Open Joint-Stock Company "Interregional Distributive Grid Company of Center" (OAO "IDGC of Center");

Open Joint-Stock Company "Interregional Distributive Grid Company of Center and Volga" (OAO "IDGC of Center and Volga");

Open Joint-Stock Company "Interregional Distributive Grid Company of South" (OAO "IDGC of South");

Open Joint-Stock Company "Interregional Distributive Grid Company of North Caucasus" (OAO "IDGC of North Caucasus");

Open Joint-Stock Company "Interregional Distributive Grid Company of North West" (OAO "IDGC of North West").

Explanations required to escape confusing the company names:

To escape confusing the company names a special attention should be paid to the last word in full and short company name indicating service area – Siberia, Center, Volga, South, North Caucasus, Center and Volga, North West

All preceding names of the Issuer

Full name: *Open Joint-Stock Company "Interregional Distributive Grid Company of Urals and Volga"*

Short name: *OAO "IDGC of Urals and Volga"*

Date of naming: *28.02.2005*

Basis for renaming:

Company name OAO "IDGC of Urals and Volga" was changed into OAO "IDGC of Urals" on 14.08.2007.

3.1.2. State registration of the Issuer

PSRN: **1056604000970**

Registration date: **28.02.2005**

Registering authority: *Tax Inspection of the Russian Federal Tax Services, Leninskyi rayon, Ekaterinburg*

3.1.3. Creation and development of the Issuer

The Issuer's life period since its registration date: **63 (Sixty three) full months**

Short description of the Issuer's creation and development. Aims and mission of the Issuer (if exists) and other information on the Issuer's operations significant for decision-taking on purchasing the Issuer's securities:

Open joint-stock company "Interregional Distributive Grid Company of Urals" was incorporated on February 28, 2005 in Ekaterinburg (the Urals) in the course of the Russian energy sector reforms following differentiation of companies which produce, transfer, distribute and sale electric and heat energy as well as operating dispatcher management into separate business units.

Main variant of the Russian distributive grid complex reform supposed the creation of interregional distributive grid companies (IDGCs) as well as interregional integration of regional distributive companies in IDGCs within the united energy systems.

According to the first IDGCs configuration, with a view to effective operation, development and reliability of the distributive complex within the united energy systems of the Urals and Middle Volga, the company included (till August 2007 our Company name was OAO "IDGC of Urals and Volga") 15 DGCs - regional discos: OAO "Kirovenergo", OAO "Kurganenergo", OAO "Marienergo", OAO "Mordovenergo", OAO "Orenburgenergo", OAO "Permenergo", OAO "Penzaenergo", OAO "Samara distributive company", OAO "Saratov distributive company", OAO "Sverdlove-

nergo", OAO "Tyumenenergo", OAO "Udmurtenergo", OAO "Ulyanovsk distributive company", OAO "Chelyabenergo" and OAO "Chuvashenergo".

The second IDGC configuration was formed in compliance with territorial contingency and corresponding balance cost of DGC's assets which comprised the corresponding IDGCs. According to the configuration OAO "IDGC of Urals" included: OAO "Sverdlovenegero", OAO "Chelyabenergo", OAO «Permenergo» and OAO "Kurganenergo".

In August 2007 due to the changes in IDGC configuration amendments were made into our foundation documents, and the company received its new name - Open joint-stock "Interregional Distributive Grid Company of Urals" (OAO "IDGC of Urals" for short).

In December 2007 Federal Antimonopoly Service of Russia approved our reorganization in the form of the merger of OAO "Sverdlovenegero", OAO "Chelyabenergo", OAO «Permenergo» and OAO "Kurganenergo". Also in December 2007, to convert the shares of the merged companies, the EGM of OAO "IDGC of Urals" made a decision to increase the Company's charter capital by issuing common shares. These shares were placed by converting of the merged companies shares into them.

In January 2008 the EGMs of OAO "Sverdlovenegero", OAO "Chelyabenergo", OAO «Permenergo» made decisions to be reorganized in the form of the merger and also approved the merger agreement as well as the transfer act.

In relation to OAO "Kurganenergo", which is also in the Company's service area, by virtue of the fact that Kurganenergo shareholders did not approve the merger, OAO "IDGC of Urals" was formed as a holding company.

The reform process ended on April 30, 2008 by introducing to United State Register of Legal Entities information on discontinuation of activities of OAO "Sverdlovenegero", OAO "Chelyabenergo", OAO «Permenergo» as a result of the merger into OAO "IDGC of Urals". These merged companies became subsidiaries of OAO "IDGC of Urals".

Therefore, as a result of the Company's reorganization we are the largest operating company in the Urals region which provides energy transportation and technological connection to electric networks in Sverdlovsk, Chelyabinsk and Perm regions.

Service area

OAO «IDGC of Urals» operates on the territory of 4 subjects of the Russian Federation - Sverdlovsk, Chelyabinsk and Kurgan regions (possessing a share in OAO «Kurganenergo») which are parts of the Urals Federal District as well as Perm region which is a part of the Volga Federal District.

The Urals is one of the largest and dynamically developing regions in Russia. Occupying less than 11.0% of the Russia's territory with 8.5% of the Russian population, the Urals Federal District produces 16.0% of gross domestic product and 20.0% of all industrial products in Russia. Besides, the District submits about 42.0% of taxes to the federal budget. The Urals is the richest region in natural resources of the Russian Federation.

It has almost 2/3 of all known Russian oil deposits (65.5%), 1/6 of iron ore, almost 10.0% of timber resources, around 75.0% of known gas resources and 56.5% of gas condensate, 4.5% of non-ferrous metals. The Urals produces around 40.0% of Russian steel and rolled ferrous metals, 45.0% of refined copper and 40.0% of aluminum, almost 10.0% of all domestic engineering equipment. Concentration of industrial manufacturing in the Urals is 4 times higher than Russian average. The region economy comprises fuel and energy complex, metallurgy and machine-building.

Regions of the Company's service area possess significant mineral resources and are characterized by a high level of industry development, growing investment attractiveness. The regions also possess a significant scientific and technical potential as well as developed infrastructure and highly-skilled workers.

Geopolitical situation (regions are between Europe and Asia) creates favorable conditions for economic and cultural development. There are railroads, air routes and highways, including Trans-Siberian line. The density of highways and railroads exceeds the Russian average.

There are plenty of large plants, factories and power stations. Regional development is mainly determined by ferrous and non-ferrous metallurgy, machine-building, fuel and energy complex, agricultural and chemical complexes. Each region is self-sufficient in economic and financial potential.

Aims of the Issuer's creation:

- Implementation of state policy in energy sector;
- Creating condition for effective functioning of the regional distributive grid complex;
- Efficient exploitation and centralized technological management of energy objects;
- Implementation of united strategy in investment policy and fund raising for solving general development problems of distributive grid complex;
- Elaboration and implementation of scientific and technical policy as well as implementation of progressive technologies and equipment;
- Profit earnings.

Strategic aims of the Company are main landmarks both for everyday activity and development of the Company. They focus the Company's attention on the issue required for achieving its mission.

Strategic aims are formulated on the analysis basis of opportunities, roles and potential of the Company, external factors, possibilities and threats for the Company's mission as well as the best domestic and international practices in exploitation of distributive grid complex.

Strategic aims of the Issuer:

- Provision of system reliability and security to retain sustainable functioning of the regional DGC, to secure safe exploitation of main and additional equipment and constructions as well as to prevent threats for population;

- Sustainable development of quality and volume of provided services in energy transmission, ecology security that should result in increase of the Company's market value as well as simultaneous creation of infrastructure basis for economic development of the region;
- The Company's value growth supposing sustainable revenue increase, profitability growth, extension and qualitative renewal of the Company's asset portfolio, that should provide satisfaction of shareholder interests, make the Company and its objects attractive as well as enable to evaluate efficiency of resource use and management governance quality.

The Issuer's mission:

Effective usage and reliability maintenance of the Company's assets as well as raising investment resources to the benefit of each shareholder and the Company, on the whole.

Other information on the Issuer's operations significant for decision-taking on purchasing the Issuer's securities: none.

3.1.4. Contact information

Location: *140 Mamina Sibiryaka Ulitsa, Ekaterinburg, Russia, 620026*

Location of the Issuer's executive body in force: *140 Mamina Sibiryaka Ulitsa, Ekaterinburg, Russia, 620026*

Address for mail: *140 Mamina Sibiryaka Ulitsa, Ekaterinburg, Russia, 620026*

Tel.: *(343) 215-26-00, (343) 215-26-67, (343) 215-26-68*

Fax: *(343) 215-26-61, (343) 215-25-84*

E-mail: mrsk@mrsk-ural.ru

Web-site disclosing information on the Issuer, its securities: www.mrsk-ural.ru

Name for a special department responsible for shareholder and investor relations: *Corporate Governance Department*

Location of the Department: *140 Mamina Sibiryaka Ulitsa, Ekaterinburg, Russia, 620026*

Tel.: *(343) 215-26-67, 215-26-65, 215-26-68*

Fax: *(343) 215-25-84*

E-mail: ir@mrsk-ural.ru

Web-site: none

3.1.5. Taxpayer Identification Number

6671163413

3.1.6. Branches and representative offices of the Issuer

Branches and representative offices of the Issuer according to its Charter (founding documents):

Full name: **Permenergo branch of OAO "IDGC of Urals"**

Location: **48 Komsomolsky Prospekt, Perm, 614990**

Opened on: **15.01.2008**

The branch is headed by

Name: **Oleg Mikhailovich ZHDANOV**

The power of attorney expires on: **31.12.2010**

Full name: **Chelyabenergo branch of OAO "IDGC of Urals"**

Location: **5 Ploschad Revolutsii, Chelyabinsk, 454000.**

Opened on: **15.01.2008**

The branch is headed by

Name: **Igor Vladimirovich BUTAKOV**

The power of attorney expires on: **31.12.2010**

Full name: **Sverdlovenergo branch of OAO "IDGC of Urals"**

Location: **140 Ulitsa Mamaina Sibiryaka, Ekaterinburg, 620026**

Opened on: **15.01.2008**

The branch is headed by

Name: **Oleg Borisovich MOSHINSKY**

The power of attorney expires on: **31.12.2010**

3.2. Core business activities of the Issuer

3.2.1. Industry classification of the Issuer

Code of All-Russia Classifier of Economic Activities (ARCEA)
40.10.2
40.10.3
40.10.5
33.20.9
63.12.21
64.20.11
74.14
74.15.2

3.2.2. Core business activities of the Issuer

Lines of business activities contributing no less than 10% of overall revenues of the Issuer as of the reported period

Units of measurement: **RUR**.

Lines of business activities: *energy transmission*

Indicator	2005	2006	2007	2008	2009	3M 2010
Revenues from this line of business activity, RUR	14 929 704	23 892 009	31 611 321	34 437 161	40 001 176	13 157 438.425
Share in total revenues of the Issuer, %	48	98	96.74	95.75	96.86	98.62

Changes of revenues from core business lines equaling 10% and more in comparison to the corresponding reported period of the preceding year and reasons for the changes.

Line of business activities: *Technological connection*

Indicator	2005	2006	2007	2008	2009	3M 2010
Revenues from this line of business activity, RUR	0	86 104	305 444	895 581	973 985	117 148.49
Share in total revenues of the Issuer, %	0	0.4	0.93	2.49	2.36	0.88

Changes of revenues from core business lines equaling 10% and more in comparison to the corresponding reported period of the preceding year and reasons for the changes

Line of business activities: *Other core revenues*

Indicator	2005	2006	2007	2008	2009	3M 2010
Revenues from this line of business activity, RUR	16 377 415	430 164	664 655	621 635	315 290	65 250.54
Share in total revenues of the Issuer, %	52	1.8	2	1.7	0.76	0.49

Changes of revenues from core business lines equaling 10% and more in comparison to the corresponding reported period of the preceding year and reasons for the changes

Line of business activities: *Other non-core revenues*

Indicator	2005	2006	2007	2008	2009	3M 2010
Revenues from this line of business activity, RUR	40 726	13 963	95 546	10 329	7 184	1 681.73
Share in total revenues of the Issuer, %	0.1	0.1	0.3	0	0.02	0.01

%						
---	--	--	--	--	--	--

Changes of revenues from core business lines equaling 10% and more in comparison to the corresponding reported period of the preceding year and reasons for the changes

Main goals of the Company are:

- profit earning;
 - provision of efficient and reliable functioning of grid objects;
 - provision of sustainable grid development;
 - provision of reliable and high-quality energy supply (in terms of energy supply and transmission)
- To earn profits and to cover its own needs the Company is entitled to perform any operations, non-prohibited by the legislation, including:
- energy transmission;
 - operating technological management;
 - connection to grids;
 - collection, transfer and processing of technological information, including measurement and metering data;
 - control over safe exploitation of consumers' energy objects connected to the Company's grids;
 - grids exploitation;
 - performance of authorities of sole executive body in economic entities;
 - fiduciary property management;
 - operations with securities in the procedure stipulated by the current Russian legislation;
 - agent operations;
 - design and estimate, exploration, scientific, research and constructing operations;
 - forwarding services;
 - consulting and information services;
 - performance of activities determining conditions of parallel operations in accordance with regimes of the United energy system of Russia within contracts;
 - exploitation of energy objects (not in the Company's balance) according to contracts with owners of such objects;
 - provision of efficiency and operability of energy objects in accordance with the current normative requirements, maintenance, diagnostics, repair of grids and other energy objects;
 - testing and measurement of energy objects (including objects belonging to consumers);
 - provision of efficiency and operability, maintenance, diagnostics, repair of technological communication networks, measurement and metering gadgets, relay protection equipment and stability control scheme, other technological equipment related to grid functioning;
 - elaboration of long-term forecasts, perspective and current plans for grid development, target complex scientific, technical, economic and social programs;
 - development of grids and other energy objects, including design, engineer exploration, construction, reconstruction, update, mounting and checkout;
 - development of technological communication networks and telematics, measurement and metering gadgets, relay protection equipment and stability control schemes, other technological equipment related to grid functioning, including design, exploration, construction, reconstruction, update, mounting and checkout;
 - exploitation of explosive, chemically and fire hazardous production facilities;
 - creation and mastering of new equipment, mechanisms and technologies ensuring efficiency, fire, production and ecological safety of facility operations, creation of conditions for developing Russian energy sector, implementation of industry scientific and innovation programs, participation in establishing industry R&D funds;
 - control over production safety of dangerous production facilities;
 - provision of labor protection;
 - liquidation of technological violations on grid objects;
 - operations in nature-protecting spheres;
 - operations related to environmental impact, creation, collection, usage, deactivation, storage, burial, transfer, transportation and arrangement of industrial waste;
 - operations in water management;
 - operations in natural resources management, including mineral and forest resources;
 - operations in metrology;
 - operations in creation and repair of measurement gadgets;
 - operations in mounting, repair and maintenance of equipment and instruments for measurement, control, testing, navigation, location and other aims;
 - operations in dangerous waste management;
 - operations in fire prevention and fighting;
 - mounting, repair and maintenance of in-door fire safety gadgets;
 - operations in HR sphere, including training and development, knowledge testing in technical exploitation, fire

- safety and labor protection as well as other rules and instructions in accordance with the current normative documents;
- passenger and cargo transportation by vehicles, railroads, air planes and water transport (including dangerous cargo);
 - maintenance and repair of railroad transport;
 - maintenance and repair of railroad equipment;
 - cargo handling railroad operations (including dangerous cargo);
 - cargo handling water operations (including dangerous cargo);
 - exploitation, maintenance and repair of vehicles, railroad, air and water transport as well as lifting machines utilized for technological purposes;
 - foreign economic affair;
 - storage of oil, gas and derivatives;
 - operations as a client-developer;
 - design of building and constructions of Responsibility levels I and II according to the state standard;
 - construction of building and constructions of Responsibility levels I and II according to the state standard;
 - local, intrazone and long-distance telecom services;
 - communication channel lease;
 - telematics (including e-mail, access to information resources, enquiry service, Telefax, Comfax, Burofax, message processing, voice messages, voice transfer services);
 - data transmission;
 - usage of orbital frequency resources and radio frequency for TV and radio broadcasting (including broadcasting of additional information);
 - rental of buildings, constructions, equipment, machines and mechanisms;
 - security services, just for own safety, within internal security service guided by the Federal Law on private detective and security activities and Russian legislation;
 - technical protection of confidential information;
 - arrangement of activities on mobilization preparation, civil defense, emergency prevention and liquidation;
 - protection of state secret, operations with top-secret information, according to the Russian legislation and other normative documents;
 - arrangement and ensuring of trade secret safety and protection;
 - purchase (generation) of energy on wholesale energy market and from retail producers used for resale on retail market in case guarantee supplier status is assigned as is set forth by the Russian legislation;
 - sale of energy on retail market in case guarantee supplier status is assigned as is set forth by the Russian legislation;
 - medical services, sanatorium-resort services;
 - educational activities;
 - exploitation and maintenance of objects controlled by the Russian Technical Supervising Agency
 - other operations, non-prohibited by the federal legislation.

Seasonal character of the Issuer's business

Core business is of seasonal character. Revenues increase in autumn and winter due to decrease of daylight hours.

Overall expense structure of the Issuer:

Indicators	2009	3M 2010
Raw materials and supplies, %	1.4	0.61
Purchased component parts, semi-finished inventory, %	0	0
Production works and services rendered by external companies, %	5.08	2.25
Fuel, %	0	0
Energy, %	0.66	0.97
Wages, %	9.1	9.71
Interest payable, %	0	0
Rental payments, %	0.88	0.56
Social benefits, %	2.22	2.53
Fixed assets depreciation, %	5.65	4.56
Taxes included into product costs, %	0.34	0.22
Other expenses	73.11	76.59
Obligatory insurance payments, %	0.01	0

Infrastructure payments, %	70.49	75.08
Travel and hospitality costs, %	0.13	0.09
Expenses on labor and services provided by external companies, %	2.48	1.41
Other expenses	1.56	2
Total: expenses on production and sale of goods (works, services), %	100	100
For information: Revenue from services, %	112.8	103.9

New goods (works, services) of significant importance, status of development of such goods (works, services): *None*
Standards (rules), according to which our financials are prepared and calculations are done in this item of the quarterly report:

3.2.3. Raw materials and suppliers of the Issuer

As of 2009.

Suppliers of the Issuer that provide no less than 10% of all raw material supplies

Full name: *Limited Liability Company “Managing Company “Prommashtekhnologiya”*

Location: *5 Ulitsa Baumana, Ekaterinburg, 620017*

TIN: *6674142073*

PSRN: *1046605209705*

Share in overall supplies, %: *0.34*

Full name: *Limited Liability Company “Urals Center for Labor Protection, Energy Serviceman Protection and Technical Audit”*

Location: *16 Ulitsa Kominterny, Ekaterinburg, 620087*

TIN: *6671156286*

PSRN: *1046604012542*

Share in overall supplies, %: *0.54*

Information on price fluctuations on raw materials and goods for more than 10% during the reported period in comparison to the corresponding reported period of the preceding year

There were no price fluctuations for raw materials and goods during the reported period

Import share in supplies of raw materials and goods, forecast for availability of import sources in future and possible alternative sources

There are no import deliveries

As of the reported quarter

Suppliers of the Issuer that provide no less than 10% of all raw material supplies

Full name: *Closed Joint-Stock Company “Novations and business in Energy Sector”*

Location: *1 Ulitsa Zavodskaya, Yuzhnouralsk, Chelyabenergo*

TIN: *7424027191*

PSRN: *1057436009531*

Share in overall supplies, %: *1.18*

Full name: *Limited Liability Company “Stroytechsnab”*

Location: *Office 514, 6 Ulitsa Chebysheva, Ekaterinburg, 620026*

TIN: *6670175487*

PSRN: *1076670016983*

Share in overall supplies, %: *1.84*

Information on price fluctuations on raw materials and goods for more than 10% during the reported period in comparison to the corresponding reported period of the preceding year

There were no price fluctuations for raw materials and goods during the reported period

Import share in supplies of raw materials and goods, forecast for availability of import sources in future and possible alternative sources

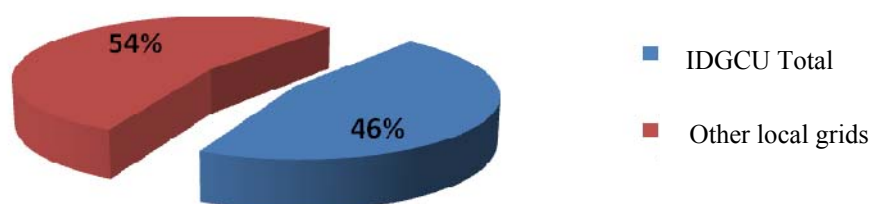
There are no import deliveries

3.2.4. Market outlets of the Issuer

Main markets where the Issuer operates:

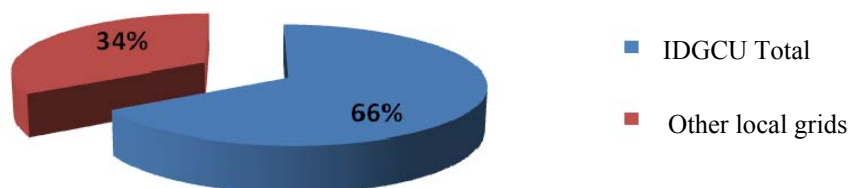
OAO "IDGC of Urals" renders services on energy transmission to subjects of wholesale and retail energy markets as well as technological connection of legal entities and natural persons to grid complex in Sverdlovsk, Chelyabinsk and Perm region. The Issuer operates as a natural monopolist regulated by the state in terms of tariffs on energy transmission and technological connection. Energy transmission services are rendered to suppliers of last resort, independent energy suppliers and direct consumers – participants of whole sale energy market. OAO "IDGC of Urals" possesses a dominant position on energy transmission markets in the service area. This market constantly expands due to energy consumption growth, on the whole, as well as connection of new consumers. Competitors in energy transmission services are allied municipal and private network companies possessing mainly grids of low voltage class. Thus, in UDGCU's service area there are 276 allied grid companies (including plants rendering services on energy transmission to sub-consumers), the number of large ones reaching 30. "Smaller" market participants directly depend on OAO "IDGC of Urals" that adheres to the policy of consolidating all grid assets in its service area.

IDGCU's market share in terms of c.u.



In terms of productive supply to final consumer, the Company's share on the communal energy market reaches 66%.

IDGCU's market share in terms of productive supply



Factors that can negatively influence the sales of the Company and possible measures taken by the Issuer to diminish such influence:

The following factors can negatively affect the volume of energy transmission:

- Malfunction of grid equipment and, as a consequence, increase of consumer curtailment;
- Limitations or absence of technical opportunity to connect new consumers;
- High losses as a result of unmetered energy consumption, mismetering, deterioration of technical status and load in grids.

To decrease the influence of the factors we take measures to increase reliability, to develop grids, to decrease technical and commercial losses in our grids, to optimize metering system as well as cooperation with the regional authorities on development plan elaboration.

Main risks lie in expansion of territories served by allied grid companies resulting in decrease of the Company's service area and service sale market.

Strategic aim of the Company is to consolidate grid municipal complexes with the Company's grids for creation of united grid area in the service area.

Creation of united grid area on the Company's assets shall:

1. Liquidate unfair territorial grid companies that, in its turn, shall lead to a more transparent regional tariff model and decrease of tariff burden on our consumer.
2. Optimize productive processes;
3. Lead to decrease in operating expenses of the Company.
4. Enable simultaneous arranging and agreement of development plans for energy system and communal energy sector.
5. Ensure a more thorough control over load growth and timely measure-taking on changing grids and new equipment deployment.

Implementation of united grid area strategy is carried out by concluding lease agreements, acquisition of grid complexes as well as acceptance of no man's grid objects situated in municipal institutions into possession, maintenance and exploitation.

3.2.5. Information on the licenses issued to the Issuer

License authority: *Russian Federal Security Service, Sverdlovsk branch*

License number: *B 351000*

Activities: *Measures and/ or services for state secret protection*

Issued: *05.05.2008*

Expires: *05.05.2011*

License authority: *Russian Federal Security Service, Sverdlovsk branch*

License number: *B 350999*

Activities: *Working with state secret information*

Issued: *05.05.2008*

Expires: *05.05.2011*

License authority: *Russian Federal Security Service, Sverdlovsk branch*

License number: *0007575*

Activities: *Working with state secret information*

Issued: *23.09.2008*

Expires: *05.05.2011*

License authority: *Russian Federal Security Service, Sverdlovsk branch*

License number: *0007573*

Activities: *Working with state secret information*

Issued: *23.09.2008*

Expires: *05.05.2011*

License authority: *Russian Federal Security Service, Sverdlovsk branch*

License number: *0007576*

Activities: *Working with state secret information*

Issued: *23.09.2008*

Expires: *05.05.2011*

License authority: *Russian Federal Security Service, Sverdlovsk branch*

License number: *0007577*

Activities: *Working with state secret information*

Issued: *23.09.2008*

Expires: *05.05.2011*

License authority: *Russian Federal Security Service, Sverdlovsk branch*

License number: *0007574*

Activities: *Working with state secret information*

Issued: *23.09.2008*

Expires: *05.05.2011*

License authority: *Russian Federal Security Service, Sverdlovsk branch*
License number: *0007578*
Activities: *Working with state secret information*
Issued: *23.09.2008*
Expires: *05.05.2011*

License authority: *Federal Service exercising supervision in mass and telephone communications and cultural heritage protection*
License number: *59723*
Activities: *Local telephone services, except for payphones and means of multiple access*
Issued: *02.06.2008*
Expires: *02.06.2013*

License authority: *Federal Service exercising supervision in mass and telephone communications and cultural heritage protection*
License number: *59724*
Activities: *Assignment telecommunication services*
Issued: *02.06.2007*
Expires: *02.06.2012*

License authority: *Federal Service exercising supervision in mass and telephone communications and cultural heritage protection*
License number: *59650*
Activities: *Assignment telecommunication services*
Issued: *21.05.2007*
Expires: *21.05.2012*

License authority: *Federal Service exercising supervision in mass and telephone communications and cultural heritage protection*
License number: *59651*
Activities: *Local telephone services, except for payphones and means of multiple access*
Issued: *21.05.2007*
Expires: *21.05.2012*

License authority: *Federal Service exercising supervision in mass and telephone communications and cultural heritage protection*
License number: *59652*
Activities: *Local telephone services, except for payphones and means of multiple access*
Issued: *05.06.2007*
Expires: *05.06.2012*

License authority: *Russian Federal Security Service, Sverdlovsk branch*
License number: *0007008*
Activities: *Working with state secret information*
Issued: *17.10.2008*
Expires: *05.05.2011*

License authority: *Russian Ministry for Regional Development*
License number: *GS-5-66-01-1027-0-6671163413-012982-1*
Activities: *Construction of Responsibility Level 1-2 buildings and facilities in compliance with the state standard*
Issued: *28.12.2008*
Expires: *29.12.2013*

3.2.6. Joint ventures of the Issuer

The Issuer does not arrange joint ventures with other companies

3.3. Future plans of the Issuer

OAO "IDGC of Urals" is one of the largest energy companies in the Urals arranging functioning of distributive grid complex in Kurgan, Sverdlovsk, Chelyabinsk and Perm regions.

In accordance with the aims of the energy sector restructuring and its Charter the Company's aims are:

- Implementation of state policy in energy sector;
- Creation of conditions for effective functioning of the regional DGC;
- Effective exploitation and centralized technological management of grid objects;
- Implementation of united strategy in investments and fund raising for reaching system-wide purposes of DGC development;
- Elaboration and implementation of scientific and technical policy and introduction of new progressive types of technologies and equipment;
- No-break and reliable energy supply to consumers in the service area and profit acquisition.

Provision of reliable and sustainable performance of the Company is reached due to:

- Overcoming of ageing of the Company's fixed assets, change of obsolete equipment and usage of cutting-edge technologies, equipment, materials (110-220 kV SF6 circuit breakers, 10 kV vacuum switchers, self-supported isolated wire on 0.38 kV aerial line, overload limiters, low-maintenance batteries, polymer insulator, etc.)
- Decrease of energy losses due to regulating voltage in 6-10 kV networks, putting non-loaded transformers into reserve, unload overloaded lines, increase carrying capacity of grids due to reactive power management.
- Improvement and increase of quality in maintenance, decrease of quantity and length of disconnections by implementing new technologies.
- Monitoring current power equipment and implementation of modern methods and testing and diagnostic gadgets (including thermal control, no-break control of cable insulators).
- PS reconstruction with increasing transformer capacity.
- Implementation of cutting-edge communication and telematics gadgets, IT development.
- Renewal of special-purpose vehicles and mechanisms.
- Application of new information technologies while managing grids on SAP 6.0 platform.

IDGCU grids development is based on "Energy sector development schemes" of the service area elaborated taking into account development plans of all energy system participants and load increase forecast.

Main principles forming the basis for the Company's strategy in perspective development of the grids are stated below:

1. Energy demand satisfaction and creation of energy reserves to be ahead of regional development.
2. Provision of quality and reliable energy supply.
3. Construction of new supplying centers.
4. Unloading of existing transits.
5. Radial axial grid structure.
6. Limitation of energy voltage class applied to 35 kV and transition of grids to higher voltage classes.
7. development of 110 kV for transmission and distribution of power from 220 kV PS and electric stations;
8. Implementation of new cutting-edge equipment.

Main directions of the Company's grid development are:

- Connection of new consumers to the Company's grids with a view to provide development of the Urals economy and to increase volume of services on energy transmission.
- Construction of energy objects to liquidate energy voltage deficit areas and provision of reliable and sustainable energy system performance.
- Creation of united energy grid area, i.e. consolidation of energy assets on the service area to provide reliable energy supply as well as creation of opportunities for developing regional territorial energy systems.

Development of industrial complex shall enable to implement federal programs, national projects, regional programs and territory development plans.

OAO "IDGC of Urals" elaborated target programs, fundamental for long-term programs of the Company's grid development:

1. Overall reconstruction of PS 35-110 kV, reconstruction of TP, RP 6-10/0.4 kV;
2. Reconstruction of 35, 110 kV, 0.4-10 kV aerial lines, reconstruction of 0.4-10 kV cable lines;
3. Replacement of 35-110 kV oil switches for air-free and SF6 circuit breakers, changes of 6-10 kV oil switches for air-free ones;
4. decrease of "close" energy centers;
5. New construction of PS-35-110 kV, 35-110 kV lines, grids construction;
6. Reactive capacity compensation;
7. IT infrastructure development;
8. Metering system development;

9. Communications and ACS development;
10. RPA device development;
11. Replacement of current transformers and 35-110 kV voltage transformers, change of aerial fuses for overvoltage limiters, replacement of high-voltage transformer leads, replacement of OLTC, replacement of CP devices for switches, replacement of accumulator batteries;
12. High-voltage laboratories update;
13. Client support centers development;
14. Automation of business processes and financial activities;
15. Implementation of the ecology policy;
16. Improvements in labor protection.

Currently, in accordance with Government Decree #977 dd. 01.12.2009, we elaborated a long-term 2011-2015 investment program (being in the process of approval in Russian Ministry of Energy and regional Authorities) to form RAB tariff. According to it, new construction and reconstruction includes 4358 MVA of transformer capacity and 7753 km of lines (of various voltage) till 2015.

3.4. Participation of the Issuer in industrial, bank and financial groups, holdings, concerns and associations

Name of a group, holding, concern or association: *The Issuer participates on group of companies belonging to OAO "IDGC Holding"*

Participation: *since 2008*

Place and functions of the Issuer:

Being a subsidiary company of OAO "IDGC Holding", the Issuer plays an important role in forming energy industry in Russia in terms of grid complex and is focused on the functions below:

- Implementation of united energy policy realized by the Russian government and OAO "IDGC Holding" on the regional level;
- Provision of reliability of grid performance;
- Implementation of long-term investment programs in energy industry;
- Prevention of incidents in industry;
- Creation of favorable conditions for consumers and shareholders.

3.5. Subsidiary and associated companies of the Issuer

Full name: *Open Joint-Stock Company "Ekaterinburg Electric Grid Company"*

Short name: *OAO "EESK"*

Location: *1 B. Eltsyna Ulitsa, Ekaterinburg, Russia, 620014*

TIN: *6658139683*

PSRN: *1026602312770*

Subsidiary Company: *Yes*

Associated company: *No*

Grounds upon which the company shall be deemed the Issuer's subsidiary: **prevailing share of the Issuer in the Charter Capital of the given company**

Share of the subsidiary's Charter Capital owned by the Issuer, %: *91.04*

Share of the subsidiary's ordinary shares owned by the Issuer, %: *91.04*

Main business line of the subsidiary company. Significance of the subsidiary company for the Issuer's operation:

Energy transmission using line of 0.4-110 kW, development of grids in Ekaterinburg and connection of consumers to electric networks of OAO "EESK"

The Board of Directors

Name	Year of birth	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Yuri Veniaminovich ADLER	1975	0	0
Aleksey Valeryevich KUROCHKIN	1973	0	0
Yuri Vyacheslavovich LEBEDEV	1963	0	0
Maksim Mikhailovich SAUKH	1979	0	0
Aleksandr Sergeevich SEMERIKOV	1957	0.00011	0.00011
Konstantin Vladimirovich SHEVCHENKO	1977	0	0
Sergey Viktorovich KLIMENKO	1961	0	0
Evgeny Gennadyevich POPOV	1959	0	0
Valery Nikolayevich RODIN (chairperson)	1952	0.0081	0.0081

The sole executive body

Name	Year of birth	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Aleksandr Sergeevich SEMERIKOV	1957	0.00011	0.00011

Collegiate executive body

There is no collegiate executive body

Full name: **Open Joint-Stock Company "Ekaterinburgenergosbyt"**

Short name: **OAO "EES"**

Location: **48 Surikova Ulitsa, Ekaterinburg, Russia, 620144**

TIN: **6671250899**

PSRN: **1086658002617**

Subsidiary Company: **Yes**

Associated company: **No**

Grounds upon which the company shall be deemed the Issuer's subsidiary: **prevailing share of the Issuer in the Charter Capital of the given company**

Share of the subsidiary's Charter Capital owned by the Issuer, %: **91.04**

Share of the subsidiary's ordinary shares owned by the Issuer, %: **91.04**

Main business line of the subsidiary company. Significance of the subsidiary company for the Issuer's operation:

Purchase of energy on wholesale and retail markets, realization of energy on the wholesale and retail energy markets to consumers (including individuals)

The Board of Directors

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %
Anna Yuryevna KATINA	1982	0	0
Sergey Viktorovich KLIMENKO	1961	0	0
Sergey Mikhailovich ZOLOTAREV	1966	0	0
Andrei Adolfovich PESTOV	1970	0	0
Aleksandr Sergeevich SEMERIKOV (chairperson)	1957	0.00011	0.00011
Tatyana Aleksandrovna SELIVERSTOVA	1972	0	0
Sayan Balzhinimaevich TSYRENDASHIEV	1979	0	0
Evgeny Gennadyevich POPOV	1959	0	0
Valery Nikolayevich RODIN	1952	0.0081	0.0081

The sole executive body

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %
Sergey Evgenyevich POPOV	1959	0	0

The collegiate executive body

There is no collegiate executive body

Full name: **Open Joint-Stock Company "Sverdlovenergozhystroy"**

Short name: **OAO "Sverdlovenergozhystroy"**

Location: **19 Chaikovskogo Ulitsa, Ekaterinburg, Russia, 620142**

TIN: **6671111479**

PSRN: **1026605241926**

Subsidiary Company: **Yes**

Associated company: **No**

Grounds upon which the company shall be deemed the Issuer's subsidiary: **prevailing share of the Issuer in the Charter Capital of the given company**

Share of the subsidiary's Charter Capital owned by the Issuer, %: **100**

Share of the subsidiary's ordinary shares owned by the Issuer, %: **100**

Main business line of the subsidiary company. Significance of the subsidiary company for the Issuer's operation:

Construction of industrial and housing objects, managing activities on building industry and executing functions of customer while building objects of industrial and civil purposes, sale of housing by own funds or by attracting investor or other borrowed funds, property rental

The Board of Directors

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %
Margarita Aleksandrovna STORCHAY	1982	0	0
Vasilyi Borisovich GORSHKOV	1981	0	0
Victoria Grigoryevna KLIMOVA	1970	0	0
Aleksandr Evgenyevich RESHETNIKOV	1982	0	0
Evgeny Sergeevich KRALIN	1980	0	0

The sole executive body

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %
Evgeny Sergeevich KRALIN	1980	0	0

The collegiate executive body

There is no collegiate executive body

Full name: **Limited Liability Company "Security Service "Permenergo"**

Short name: **OOO "SS "Permenergo"**

Location: **48 Komsomolskiy Prospect, Perm, Russia, 614990**

TIN: **5904038818**

PSRN: **1025900892731**

Subsidiary Company: **Yes**

Associated company: **No**

Grounds upon which the company shall be deemed the Issuer's subsidiary: **prevailing share of the Issuer in the Charter Capital of the given company**

Share of the subsidiary's Charter Capital owned by the Issuer, %: **100**

Main business line of the subsidiary company. Significance of the subsidiary company for the Issuer's operation:

Protection of life and health of citizens, designing, installation and field service of fire and security alarm. Protection of objects belonging to Permenergo Subsidiary of OAO "IDGC of Urals"

The Board of Directors

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %
Aleksey Alekseevich KRASNIKOV (chairperson)	1950	0	0
Aleksey Vladimirovich SANIN	1976	0	0
Aleksey Gennadyevich CHIRKOV	1979	0	0
Aleksey Valeryevich KONDRATYEV	1981	0	0
Irina Yuryevna BOYKO	1960	0	0

The sole executive body

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %
Viktor Nikolayevich PALCHIKOV	1949	0	0

The collegiate executive body

There is no collegiate executive body

Full name: **Closed Joint-Stock Company "Insurance Company "Privat-Energostrakh"**

Short name: **ZAO "SK "Privat-Energostrakh"**

Location: **70 Komsomolskiy Prospect, Perm, Russia, 614990**

TIN: **5902118063**

PSRN: **1025900888661**

Subsidiary Company: **Yes**

Associated company: **No**

Grounds upon which the company shall be deemed the Issuer's subsidiary: **prevailing share of the Issuer in the Charter Capital of the given company**

Share of the subsidiary's Charter Capital owned by the Issuer, %: **99.87**

Share of the subsidiary's ordinary shares owned by the Issuer, %: **99.87**

Share of the Issuer's Charter Capital owned by the subsidiary company, %: **0.000096**

Share of the Issuer's ordinary shares owned by the subsidiary company, %: **0.000096**

Main business line of the subsidiary company. Significance of the subsidiary company for the Issuer's operation: **Insurance activities. Life and health insurance of persons working at Permenergo Subsidiary of OAO "IDGC of Urals".**

The Board of Directors

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %
Aleksey Vladimirovich DORODNOV (chairperson)	1979	0	0
Sergey Valeryevich IVANOV	1979	0	0
Irina Vladimirovna KUZMINYKH	1967	0	0
Vasilyi Borisovich GORSHKOV	1981	0	0
Margarita Aleksandrovna STORCHAY	1982	0	0

The sole executive body

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %
Sergey Valeryevich IVANOV	1979	0	0

The collegiate executive body

There is no collegiate executive body

Full name: **Open Joint-Stock Company "Permelektrosetremont"**

Short name: **OAO "PESR"**

Location: **38 Geroev Khasana Ulitsa, Perm, Russia, 614990**

TIN: **5904113977**

PSRN **1045900515430**

Subsidiary Company: **Yes**

Associated company: **No**

Grounds upon which the company shall be deemed the Issuer's subsidiary: **prevailing share of the Issuer in the Charter Capital of the given company**

Share of the subsidiary's Charter Capital owned by the Issuer, %: **100**

Share of the subsidiary's ordinary shares owned by the Issuer, %: **100**

Main business line of the subsidiary company. Significance of the subsidiary company for the Issuer's operation: **Repair of energy equipment, technical update and energy object reconstruction. Repair of energy equipment on the objects belonging to Permenergo branch of OAO "IDGC of Urals"**

The Board of Directors

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %
Aleksey Vladimirovich DORODNOV (chairperson)	1979	0	0
Leonid Semenovich ISTOMIN	1949	0	0
Oleg Gennadyevich BELKIN	1977	0	0
Dmitry Vyacheslavovich TIKHANOV	1981	0	0

Margarita Aleksandrovna STORCHAY	1982	0	0
----------------------------------	------	---	---

The sole executive body

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %
Oleg Gennadyevich BELKIN	1977	0	0

The collegiate executive body

There is no collegiate executive body

Full name: **Open Joint-Stock Company "Permenergotrans"**

Short name: **ОАО "Permenergotrans"**

Location: **61 Kosmonavtov Shosse, Perm, Russia, 614990**

TIN: **5903047633**

PSRN: **1045900360197**

Subsidiary Company: **Yes**

Associated company: **No**

Grounds upon which the company shall be deemed the Issuer's subsidiary: **prevailing share of the Issuer in the Charter Capital of the given company**

Share of the subsidiary's Charter Capital owned by the Issuer, %: **100**

Share of the subsidiary's ordinary shares owned by the Issuer, %: **100**

Main business line of the subsidiary company. Significance of the subsidiary company for the Issuer's operation:

Cargo carriage, passenger transfer, forwarding trade, etc.

The Board of Directors

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %
Evgeny Gennadyevich POPOV (chairperson)	1959	0	0
Aleksey Yuryevich LEBEDINSKY	1973	0	0
Sergey Pavlovich KORNILKOV	1974	0	0
Dmitry Vyacheslavovich TIKHANOV	1981	0	0
Irina Yuryevna BOIKO	1960	0	0

The sole executive body

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %
Aleksey Yuryevich LEBEDINSKY	1973	0	0

Collegiate executive body

There is no collegiate executive body

Full name: **Open Joint-Stock Company "Kurganenergo"**

Short name: **ОАО "Kurganenergo"**

Location: **40 Lenina Ulitsa, Kurgan, Russia, 640000**

TIN: **4501013657**

PSRN: **1024500518393**

Subsidiary Company: **No**

Associated company: **Yes**

Grounds upon which the company shall be deemed the Issuer's subsidiary: **the Issuer owns more than 20% voting shares of the given company**

Share of the subsidiary's Charter Capital owned by the Issuer, %: **49**

Share of the subsidiary's ordinary shares owned by the Issuer, %: **53.8**

Main business line of the subsidiary company. Significance of the subsidiary company for the Issuer's operation:

Energy transmission and distribution. ОАО "Kurganenergo" is included into the Issuer's configuration approved by Russian Government Resolution #1857-r dd. 19.12.2007 as well as provides uninterrupted energy supply of Kur-

gan region alongside with other similar companies.

The Board of Directors

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %
Yuri Aleksandrovich ZVEREV (chairperson)	1953	0	0
Sergey Anatolyevich GUSAK	1977	0	0
Aleksey Gennadyevich CHIRKOV	1975	0	0
Yuri Veniaminovich ADLER	1975	0	0
Mikhail Sergeevich GILEV	1974	0	0
Aleksandr Nikolayevich MASHENTSEV	1981	0	0
Elena Igorevna SERGEEVA	1977	0	0

The sole executive body

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %
Oleg Sergeevich SHEVCHENKO	1965	0	0

Collegiate executive body

There is no collegiate executive body

Full name: *Closed Joint-Stock company "Managing Company "Energofinance"*

Short name: *ZAO "Managing Company "Energofinance"*

Location: *2 Sibirskaya Ulitsa, Perm, Russia, 614000*

TIN: *5902350323*

PSRN:

Subsidiary Company: *no*

Associated company: *yes*

Grounds upon which the company shall be deemed the Issuer's subsidiary: **the Issuer owns more than 20% voting shares of the given company**

Share of the subsidiary's Charter Capital owned by the Issuer, %: *45*

Share of the subsidiary's ordinary shares owned by the Issuer, %: *45*

Main business line of the subsidiary company. Significance of the subsidiary company for the Issuer's operation:

Fiduciary management of non-state funds. There were no activities in the reported period.

The Board of Directors

There is no Board of Directors

The sole executive body

Name	Year of birth	share in the Charter Capital owned by the person, %	share in the ordinary shares owned by the person, %

The collegiate executive body

There is no collegiate executive body

3.6. Composition, structure and value of the Issuer's fixed assets, prospects of acquisition, replacement, retirement of fixed assets as well as all facts of fixed assets encumbrance

3.6.1. Fixed assets

As of 2009

Measurement unit: **RUR.**

Fixed assets	Initial (replacement) value	Depreciation

Land plots	7 833 844	0
Buildings	6 430 493 241	2 723 229 319
Constructions	1 554 652 875	505 619 007
Transfer mechanisms	32 229 161 028	18 778 034 379
Machines and equipment	35 622 210 025	26 548 661 435
Other fixed assets	575 813 218	363 884 626
TOTAL	76 420 164 231	48 919 428 766

Reported period: **31.12.2009**

As of the end of the reported period

Measurement unit: **RUR**.

Fixed assets	Initial (replacement) value	Depreciation
Land plots	6 440 156 533	2 758 874 245
Buildings	1 554 244 280	524 372 281
Constructions	32 318 379 948	18 997 035 992
Transfer mechanisms	35 652 996 541	26 837 488 227
Machines and equipment	9 557 143	0
Other fixed assets	563 976 619	362 951 737
TOTAL	76 539 311 064	49 480 722 482

Reported period: **31.03.2010**

Results of the last revaluation of fixed assets and long lease fixed assets performed for the last 5 completed financial years preceding the reported period or for each completed financial year preceding the reported period if the Issuer operates less than 5 years and as of the reported quarter

There was no asset revaluation as of the reported period.

Plans on acquisition, replacement, retirement of fixed assets with the value equaling 10% and more of the Issuer's fixed assets value and other fixed assets as well as information on fixed asset encumbrance as of the reported period: ***The Issuer does not plan acquisition, replacement and retirement of fixed assets with the value equaling 10% and more of the Issuer's fixed asset value.***

IV. Information on financial and business performance of the Issuer

4.1. Financial and operating results

4.1.1. Profit and losses

Measurement unit: **RUR thous.**

Indicator	2005	2006	2007	2008	2009	3M 2010
Revenues	255 225	567 614	710 863	35 964 707	41 297 636	13 341 519
Gross profit	30 496	30 312	38 146	2 017 536	4 674 025	503 968
Net profit (non-distributed profit (uncovered loss))	15 324	4 374	4 008	862 085	1 053 267	55 134
Return on Equity (ROE), %	60.51	14.73	11.89	3.19	2.8	0.05
Return of Assets (ROA), %	8.5	5.86	4.97	2.11	2.5	0.13
Net margin, %	6	0.77	0.56	2.4	2.55	0.41
Operating margin, %	11.95	5.34	5.37	5.61	11.32	3.78
Capital turnover	10.08	19.11	21.06	1.01	1.16	0.38
Uncovered loss as of the reported period	0	0	0	0	0	0
Uncovered loss (as of the reported period)/ Total balance	0	0	0	0	0	0

Economic analysis of the Issuer's cost effectiveness based on the dynamics of indices. Reasons for profit/loss shown in the financial statement:

1Q 2010 revenues increased on 1Q 2009 due to consumption increase and improvement of overall economic situation in Russia.

Positive value of ROE (0.19%) characterizes the Company's profitability.

ROA (0.13%) demonstrates the ability of the Company's assets to gain profits.

4.1.2. Factors that influenced the amount of revenues and profit (loss) from the main business lines

1Q 2010 revenues increased on 1Q 2009 due to consumption increase and improvement of overall economic situation.

4.2. The Issuer's liquidity, capital adequacy and current assets

Measurement unit: *RUR thous.*

Indicator	2005	2006	2007	2008	2009	3M 2010
Own circulating assets	20 726	18 638	9 799	-5 285 564	-5 427 718	-5 180 852
Permanent Capital Asset Ratio	0.18	0.37	0.71	1.2	1.2	1.19
Current liquidity ratio	1.1	1.41	1.21	1.73	1.3	1.22
Quick liquidity ratio	1.1	1.31	1.08	1.45	1.12	1.06
Internal resources autonomy ratio	0.14	0.4	0.42	0.66	0.67	0.66

Economic analysis of liquidity and paying ability:

Non-current assets prevail in the asset structure (78%). It is common for grids to have a high share of non-current assets. These circumstances explain negative values of own circulating assets that is typical for all IDGCs.

Liquidity ratios comply with the normative level and demonstrate the ability to discharge short-term obligations.

Autonomy ratio characterizes the share of own assets channeled to form the Company's property and demonstrates the level of dependency from external financing. This indicator is on a considerably high level. That demonstrates that the Issuer is almost independent from external financing.

Opinions of the Issuer's managing bodies regarding the factors that lead to changes in liquidity and paying capacity coincide. The BoD members do not have special opinions with regard to the factors.

4.3. Amount and structure of capital and current assets

4.3.1. Amount and structure of capital and current assets

Measurement unit: *RUR thous.*

Indicator	2005	2006	2007	2008	2009	3M 2010
Amount of the Charter Capital	10 000	10 000	10 000	8 743 049	8 743 049	8 743 049
Overall value of own stock repurchased by the Issuer to be sold afterward	0	0	0	0	0	0
Share of own stock repurchased by the Issuer of overall amount of placed shares (Charter Capital)	0	0	0	0	0	0
Capital reserves	0	500	500	500	43 568	43 568
Earned Capital	0	0	0	0	17 009 503	17 009 503
Retained Net Profit	15 324	19 198	23 206	1 367 873	2 378 072	2 433 206
Total capital	25 324	29 698	33 706	27 120 925	28 174 192	28 229 326

The amount of the charter capital stated herein corresponds to the Issuer's founding documents

Structure and amount of current assets of the Issuer in accordance with the Issuer's financial statements

Indicator	2005	2006	2007	2008	2009	3M 2010
Current assets	175 693	63 639	56 695	8 429 634	8 413 646	9 217 956

Materials and inventories	419	3 385	6 022	1 083 588	1 091 602	1 180 060
Input value added tax	3 226	1 157	303	45 181	54 367	28 769
Accounts receivable (more than 12 months after the reported period)	0	0	0	128 131	99 509	94 502
Accounts receivable (within 12 months after the reported period)	122 226	52 229	28 147	6 574 142	6 126 960	6 526 332
Short-term financial investments	45 000	0	0	0	0	30 000
Cash and equivalents	4 822	6 868	22 223	598 592	1 041 208	1 358 293
Other current assets	0	0	0	0	0	0

Resources for financing current assets

The resources for financing current assets are own funds, accounts payable and bank loans

The Issuer's policy on financing current assets as well as factors that can cause changes in the policy and evaluation of occurrence probability:

The Issuer's policy focuses on optimizing the amount and composition of financial resources, taking into account effective usage of own resources and sufficient financial stability

4.3.2. Financial investments of the Issuer

As of 2009

The list of financial investments of the Issuer which comprise 10% and more of its financial investments as of the end of the reported period

Investments to issued securities

Type of securities: *shares*

Full name of the Company that issued the securities: ***Open Joint-Stock Company "Kurganenergo"***

Short name: ***ОАО "Kurganenergo"***

Location: ***40, Lenina Ulitsa, Kurgan, Russia 0***

State registration date	Registration number	Authority
22.11.2003	1-01-00069-A	FSC of Russia

Number of securities owned by the Issuer: ***78 887 994***

Total nominal value of the securities owned by the Issuer, RUR: ***78 887 994***

Total book value of the securities owned by the Issuer: ***1 185 413 596.95***

There are no preferred shares. There were no 2007-2009 dividends announced and paid out by ОАО "Kurganenergo"

Type of securities: *shares*

Full name of the Company that issued the securities: ***Open Joint-Stock Company "Ekaterinburg Electric Grid Company"***

Short name: ***ОАО "EESK"***

Location: ***1 Borisa Eltsyna Ulitsa, Ekaterinburg, Russia***

State registration date	Registration number	Authority
16.04.2002	1-01-65011D	FSC of Russia

Number of securities owned by the Issuer: ***1 080 000 000***

Total nominal value of the securities owned by the Issuer, RUR: ***1 080 000 000***

Total book value of the securities owned by the Issuer: ***933 088 204.7***

There are no preferred shares. As for 2008 dividend payout, there were dividend payments in the amount of 12 960 000.0 or RUR 0.012 per ordinary share.

Investments to non-issued securities

There are no investments to non-issued securities comprising 10% and more of all financial investments.

Other financial investments

There are no other financial investments comprising 10% and more of all financial investments.

Information on the amount of potential losses related to bankruptcy of the companies in which the Issuer invested:

Information on losses is submitted according to financial investments shown in the Issuers statements as of the beginning of the reported period and up to the end of the last reported quarter

Standards (rules) of accounting statements in accordance with which the Issuer made calculations shown at the present item of the report:

Decree of the Ministry of Finance #126n dd. 10.12.2002 “On approval of regulations on accounting “Accounting financial investments” PBU 19/02”

As of the reported period

The list of financial investments of the Issuer which comprise 10% and more of its financial investments as of the end of the reported period

Investments to issued securities

Type of securities: *shares*

Full name of the Company that issued the securities: *Open Joint-Stock Company "Kurganenergo"*

Short name: *OAO "Kurganenergo"*

Location: *40, Lenina Ulitsa, Kurgan, Russia*

State registration date	Registration number	Authority
22.11.2003	1-01-00069-A	FSC of Russia

Number of securities owned by the Issuer: **78 887 994**

Total nominal value of the securities owned by the Issuer, RUR: **78 887 994**

Total book value of the securities owned by the Issuer: **1 185 413 596.95**

There are no preferred shares. There were no 2007-2009 dividends announced and paid out by OAO "Kurganenergo"

Type of securities: *shares*

Full name of the Company that issued the securities: *Open Joint-Stock Company "Ekaterinburg Electric Grid Company"*

Short name: *OAO "EESK"*

Location: *1 Borisa Eltsyna Ulitsa, Ekaterinburg, Russia*

State registration date	Registration number	Authority
16.04.2002	1-01-65011D	FSC of Russia

Number of securities owned by the Issuer: **1 080 000 000**

Total nominal value of the securities owned by the Issuer, RUR: **1 080 000 000**

Total book value of the securities owned by the Issuer: **933 088 204.7**

There are no preferred shares. As for 2008 dividend payout, there were dividend payments in the amount of RUR 12 960 000.0 or RUR 0.012 per ordinary share.

Investments to non-issued securities

There are no investments to non-issued securities comprising 10% and more of all financial investments.

Other financial investments

There are no other financial investments comprising 10% and more of all financial investments.

Information on the amount of potential losses related to bankruptcy of the companies in which the Issuer invested:

Information on losses is submitted according to financial investments shown in the Issuers statements as of the beginning of the reported period and up to the end of the last reported quarter

Standards (rules) of accounting statements in accordance with which the Issuer made calculations shown at the present item of the report:

Decree of the Ministry of Finance #126n dd. 10.12.2002 “On approval of regulations on accounting “Accounting financial investments” PBU 19/02”

4.3.3. Non-tangible assets of the Issuer

As of 2009

Measurement unit: *RUR*.

Intangible assets	Initial (replacement) value	Depreciation
Patents, licenses	35 921	17 879

Standards (rules) of accounting statements in accordance to which the Issuer discloses information on its intangible assets:

The Issuer keeps records of intangible assets in accordance with "Regulations on accounting intangible assets" PBU 14/2007

As of the reported period

Measurement unit: *RUR*.

Intangible assets	Initial (replacement) value	Depreciation
Patents, licenses	35 921	17 879

Standards (rules) of accounting statements in accordance to which the Issuer discloses information on its intangible assets:

According to item 3 PBU 14/2007 "Accounting of intangible assets", intangible assets are the following assets meeting the following conditions:

- the object is able to bring economic benefits in future, in particular, the object is designed for usage while producing, rendering services, for management needs of the company;
- the company is entitled to gain economic profits, which the object can produce in future (the company has proper documents supporting the asset existence and rights of the company to the intellectual results or individuality facilities - patents, certificates, other protective documents, contract on alienation of exclusive right to intellectual results or individuality facilities, documents supporting transition of exclusive right without contract, etc.) as well as limitations to access of other persons to economic benefits;
- possibility of detachment or separation (identification) of the object from other assets;
- the object is designed for long-term usage, i.e. useful life with duration of more than 12 months or usual operating cycle if it exceeds 12 months;
- the company does not intend to sell the object within 12 months or usual operating cycle if it exceeds 12 months;
- real (initial) value of the object can be significantly determined;
- the object lacks physical composition.

A joint-stock company does not recognize objects as intangible assets with regard to which, while reflecting them in the accounting records (during qualification), there is a decision to alienate them to the benefit of other persons – resale, swap, etc. are intended. In this case the object is qualified as goods.

To intangible asset objects one can refer the ones created or purchased according to the following contracts:

- exclusive right of patentee to inventions, industrial samples, useful models;
- exclusive rights of certificate holder to trade mark, service mark, place of goods origin;
- exclusive copyright to PC programs, data bases;
- scientific, literature works and works of art;
- know-hows;
- goodwill appeared due to the purchase of a company as a property complex (on the whole or as a part)

Intangible assets are reflected in the accounting records according to their initial value determined by the reason of their appearance (purchase, own creation, acceptance as a stock in the charter capital, etc.). The cost of intangible assets, according to which they were reflected, cannot be changed except for the cases stipulated by the Russian legislation.

There is no revaluation of intangible assets according to the current market price. Initial cost of purchased goodwill is determined by calculations as a margin between the purchase price, paid to the seller while acquiring the company as a property complex (on the whole or as a part) and the sum of all assets and liabilities according to the balance as of the purchase (acquisition) date.

Positive goodwill should be viewed as a bid paid by a buyer anticipating future economic benefits due to purchased non-identified assets and should be reflected as a separate inventory item.

Negative goodwill should be viewed as a price allowance given to a buyer due to the lack of constant buyers, quality reputation, marketing and sales skills, business contacts, management experience, level of personnel qua-

lification, etc.

Negative goodwill is reflected as financial results (other revenues).

The sum of depreciation on intangible assets is determined by norms calculated from the initial price and useful life (linear method).

Useful life is determined by an expert commission and is approved by the CEO of a company (or by a special person authorized for such activities) while reflecting an object in accounting documents, basing upon the following statements:

- according to rights, acquired by patents, certificates and other similar protective documents, containing validity terms or terms stipulated by legislation – basing upon the terms set forth in the document;
- according to rights acquired by author's contracts, concession contracts and other similar contracts containing certain validity terms for acquired intangible assets – basing upon terms stipulated by such contracts;
- according to other objects of intangible assets – basing upon expected terms of object use during which a joint-stock company gain economic benefits from the assets;
- according to intangible assets objects, useful life of which cannot be determined, depreciation is set forth on a 20-year basis (but no longer than the longevity of property complex related to the asset);
- the useful life of goodwill and arrangement expenses is set on a 20-year basis (but no longer than the longevity of property complex related to the asset).

Depreciation is charged every month on a special account "Depreciation of intangible assets".

Depreciation charge cannot be stopped, besides conservation of property complex related to the asset on the whole.

Use of intangible asset objects for production, service rendering or for management purposes is terminated due to:

- termination of validity of a company's right to intellectual results or individuality facilities;
- transfer, according to alienation contract, exclusive right to intellectual results or individuality facilities;
- transfer of exclusive right to other persons without contract (including according to the procedure of universal legal succession and during execution upon this intangible asset);
- termination of usage caused by moral depreciation;
- transfer as a share to the charter capital of other company, share fund;
- transfer according to contract of swap, donation; a share in joint venture;
- revelation of asset deficiency during inventory;
- in other cases.

In case the object is retired, its price is subject to writing-off during corresponding period. The retirement is reflected according to residual cost in a procedure set forth for fixed assets.

4.4. Information on policy and expenses of the Issuer on sci-tech development, licenses and patents, new developments and researches

The Issuer possesses:

Industrial patents – 16, 1 patent in force,

15 patents ceased to be in force but they can be renewed.

– **IZ 2155401 A method for drying high voltage wire covering**

Application: 99108324/09, 13.04.1999

Starting date: 13.04.1999,

Owner of the patent: OAO "Sverdlovenergo"

Status: as of 30.09.2009 ceased to be in force but can be renewed

– **IZ 2218499 Axle-box for adjusting valve**

Application: 2001126029/06 Application date: 2001.09.24

Starting date: 2001.09.24

Owners of the patent: Stanislav Vasilyevich KUZMIN, Vladimir Afanasyevich SINTSOV, OAO "Sverdlovenergo"

Status: as of 30.09.2009 ceased to be in force but can be renewed

– **IZ 2234610 Two-port valve with internal stabilizer**

Application: 2001133510/06 Application date: 2001.12.07

Starting date: 2001.12.07

Owners of the patent: Vladimir Afanasyevich SINTSOV, OAO "Sverdlovenergo"

Status: as of 30.09.2009 ceased to be in force but can be renewed

– **IZ 2168514 A method for obtaining inhibitor of mineral salting**

Application: 2000114153/04 Application date: 2000.06.06

Starting date: 2000.06.06

Owner of the Patent: OAO "Sverdlovenergo"

Status: as of 30.09.2009 ceased to be in force but can be renewed

– **IZ 2196234 Regulating grid valve with gearing**

Application: 2001104783/06 Application date: 2001.02.20

Starting date: 2001.02.20
 Owners of the patent: Vladimir Afanasyevich SINTSOV, OAO "Sverdloenergo"
 Status: as of 30.09.2009 ceased to be in force but can be renewed

- **IZ 2113754 A method for controlling press-work of stator core**
 Application: 96118850/09 Application date: 1996.09.20
 Owner of the patent: OAO "Sverdloenergo"
 Status: as of 30.09.2009 ceased to be in force but can be renewed
- **IZ 2155429 A method for controlling press-work of stator core**
 Application: 99120899/09 Application date: 1999.10.05
 Starting date: 1999.10.05
 Owner of the patent: OAO "Sverdloenergo"
 Status: as of 30.09.2009 ceased to be in force but can be renewed
- **IZ 2212751 A method for controlling press-work of stator core of synchronous machine**
 Application: 2001127071/09 Application date: 2001.10.04
 Starting date: 2001.10.04
 Owner of the patent: OAO "Sverdloenergo"
 Status: as of 30.09.2009 ceased to be in force but can be renewed
- **N 2154518 A method for gas scrubbing and operating device**
 Starting date: 13.10.1998,
 Owner of the patent: OAO "Sverdloenergo"
 Status: as of 30.09.2009 ceased to be in force but can be renewed
- **N 2218999 A method for application of fluorinated surface-active agents on antifriction bearing**
 Starting date: 29.05.2002
 Owner of the patent: OAO "Sverdloenergo"
 Status: as of 30.09.2009 – in force
- **N 2153920 A method for gas scrubbing and operating device**
 Starting date: 10.11.1998,
 Owner of the patent: OAO "Sverdloenergo"
 Status: as of 30.09.2009 ceased to be in force but can be renewed
- **N 2207560 A method for controlling impurity of ion exchanger**
 Starting date: 08.11.2001
 Owner of the patent: OAO "Sverdloenergo"
 Status: as of 30.09.2009 ceased to be in force but can be renewed
- **IZ 2132106 device for electric system control**
 Application: 97117198/28, 20.10.1997
 Owner of the patent: OAO "Sverdloenergo"
 Status: as of 30.09.2009 ceased to be in force but can be renewed
- **IZ 2155270 A method for composition check of cutout and adjusting valves of steam turbine**
 Application: 99106027/06, 24.03.1999
 Starting date: 24.03.1999
 Owner of the patent: OAO "Sverdloenergo"
 Status: as of 30.09.2009 ceased to be in force but can be renewed
- **IZ 2185009 A method for recovery of nickel cadmic batteries and operating device**
 Application: 2000114154/09, 06.06.2000
 Starting date: 06.06.2000
 Owner of the patent: OAO "Sverdloenergo"
 Status: as of 30.09.2009 ceased to be in force but can be renewed
- **IZ 2224578 A method for defining impurity of mechanical filter by metal compounds**
 Application: 2002119049/28, 15.07.2002
 Starting date: 15.07.2002
 Owner of the patent: OAO "Sverdloenergo"
 Status: as of 30.09.2009 ceased to be in force but can be renewed

The list of useful models that are not used:

- UM 10112 A device for gas scrubbing
- UM 10880 A measuring device for generator reverse active power
- UM 11890 A measuring device for turbo generator reverse active power
- UM 11895 A device for defining the water impurity level
- UM 17730 A controlling device for hermiticity pipe coupling
- UM 19659 An adjusting grid valve with gearing
- UM 22235 A controlling device for checking geometrical form of metal reservoir walls with external covering
- UM 21847 Ringing generator of user unit condensation

- UM 23939 A diffusing device for adjusting valve
- UM 29865 A device for glazing temperature tracks for turbine rotor
- UM 35012 Electric and mechanical vibration exciter
- UM 15312 Plate shears
- UM 15425 A device for recovering nickel cadmic battery
- UM 9101 A device for condenser charging
- UM 14159 A cutting device for coiled material
- UM 14165 A glazing device for gate seats
- UM 14263 A blanking operations device for sealing ring made of elastic graphite
- UM 14287 A batch box for hard-running materials
- UM 22975 A two-port valve with internal stabilizer

The Issuer received these intellectual property objects according to the act of transfer and acceptance as a result of Sverdlovenergo merger.

There were no payments during the reported period.

Risk factors regarding a possibility of patent, licenses expiration: Top management of OAO “IDGC of Urals” took a decision to reject keeping patents valid because the things do not belong to production technology of the Company.

4.5. Trend analysis of the core business of the Issuer

Historically energy sector plays an important role for the Russian economy. Being a constituent part of fuel and energy the sector corrects the development of all spheres and serves as an indicator for economic stability in the country.

Nowadays main peculiarity of energy sector development is a transition from negative tendencies in energy consumption appeared in 1990-s to energy consumption increase tendency appeared in 1999. Energy consumption increase and production increase coincided and this enables us to speak of the tendency stability and, as a consequence, of the necessity to satisfy the growing demand for ensuring economic growth. In 4Q2008, due to global crisis, there is a decrease on energy consumption in metallurgy and machine-building.

The growth of industrial production was accompanied by increase of paying ability of the commercial consumers and this improved non-payment problems in the sector. In 2000-2002 payments for energy consumption reached 100%, earlier debts being paid or restructured. Financial crisis bears the risk of decrease in paying ability of consumers.

The growth of economy, alongside with accompanying structural shifts, sets a new goal for energy sector. The energy sector should be an infrastructure that is able to support the creation of new industrial capacities or expansion of the current ones where required. This goal shall demand a forced development of grids and technological structure in energy sector and increase of its flexibility.

Main development tendencies in 2002-2005 were:

- Creation of infrastructural organizations of wholesale market: System operator – OAO “SO CDM UES”, Company for managing UNES (OAO “FSK UES”, Trade system administrator (NP “ATS”);
- Creation of generating, sales, grid companies;
- Start of free sector for wholesale trade on energy “5-15”;
- Start of sector for wholesale trade on electric output.

Changes in regulatory environment are stated below:

1. Access to wholesale energy market (WEM) for generating companies and OAO “FSK UES” since 01.01.2006. This caused the review of information exchange system between the market participants and toughening of requirements to energy accounting in gridcos.

2. Approval and enactment since 01.09.2006 of the Rules on wholesale and retail energy markets of transition period (Government Decrees #529 and 530 dd. 31.08.2006). Besides the change of the current system of WEM and clear perfection of all subjects of wholesale and retail markets these documents shall lead to changes in payments for gridcos’ services and customer relations.

3. Changes in regulating charges for services rendered by OAO “FSK UES” since 01.07.2006. Introduction of new principles of UNES price regulation enabled gridcos to accurately plan the volume and FSK’ service charges for 2006-2008.

4. Changes in regulating charges for transmission services rendered by gridcos since 01.01.2008., double-rate tariff payment for the services – rate for network maintenance and rate for loss compensation;

5. Continuing work for setting uniform tariff for transmission services stipulated by the Federal Tariff Service and Russian Government required support of current and new “network boilers” in 2007. This scheme, aside from setting uniform tariff for transmission services requires contractual relations on energy transfer. In 2009 there are 2 network boiler schemes in gridcos of the Company’s service area.

The following factors have a significant impact on the energy sector: reform velocity, namely readiness of regulatory environment, paying ability of consumers as well as technical status of main productive assets.

4.5.1. Analysis of factors and conditions affecting Issuer's activities

Energy reform and a considerable level of state industry regulation (including tariff regulation) are the main factors having a considerable impact on the energy sector on the whole, the Issuer's activities and other companies in the service area as well as other participants of energy market.

The factors and conditions capable to influence the Issuer's activities are stated below:

- Overvaluation of contract demand volume planned at calculation of energy transmission services from the volume in forecasted balance of the Federal Tariff Service, consumer refusal to pay for the services according to contract demand due to energy consumption decrease;

- Decrease of real energy consumption in comparison to the planned levels which were taken for calculation of energy transmission tariffs;

- The FTS's approval of ultimate transmission tariffs that do not include required financial expenses for ensuring reliable and non-stop current activities of the Company as well as its further development;

- Incident increase due to depreciation of the Company's assets. Physical depreciation and technological aging of the fixed assets, toughening of requirements for reliability and fail-safety, increase of possible severe accidents as a result of energy object destruction - all this demands a special attention to the issues of reliability and security assets.

These factors are constituent parts of overall development tendency of the energy market. In Issuer's opinion, they are capable to have a short-term impact on the Issuer's business in a mid-term perspective.

Measures already taken by the Issuer and planned future measures for efficient usage of the factors and conditions.

The Issuer currently implements active investment policy both to update old equipment, to develop grids as well as to launch of new objects.

The Issuer plans to invest in grids in its service area.

Measures taken by the Issuer and future measures:

In the Issuer's opinion, the following measures will be effective at present as well as future:

- Creation of conditions and prerequisites for investments into energy sector;
- Joint activities on adjustment of regional development plans for more accurate and precise energy sector development;

- Increase of regional energy sector efficiency;

- Creation of united grid area using integration of regional networks into the Company's networks to increase reliability of energy supply;

- Achievement of optimal economically reasoned level tariff for energy resources taking into account the balance of economic interests of energy companies and consumers.

Significant events/factors that can have a very negative impact on a possibility to gain the same or even higher future results compared to the results of the last reported period. Possible occurrence of such events or factors.

The FTS's approval of ultimate transmission tariffs that do not include required financial expenses for ensuring reliable and non-stop current activities of the Company as well as its further development. The Issuer evaluates the event occurrence possibility as a very high one.

Significant events/ factors that can improve business results and occurrence possibility as well as their duration.

Significant events/ factors that can improve the Issuer's business are the above-stated factors influencing the sector on the whole. For more efficient functioning under new environment the Issuer needs to develop and implement: complex long-term programs of technical update and reconstruction, including increase in capacity, flexibility and manageability of equipment operating mode, technological processes automation and new technology implementation. These measures will enable to prevent threats regarding depreciation and aging of the Company's equipment decreasing possibility of incidents occurrence and increase operating efficiency of the current constructions.

4.5.2. The Issuer's competitors

Gridcos occupy a dominant position in energy transmission on their service areas. Their market share reaches 90–95% on high voltage and 20–70% on low voltage. As of 2007 the share has not significantly changed but still there is a slight increase of the Company's share on low voltage due to acquisition of allied grids. The Company's competitors in energy transmission are allied municipal and private gridcos. Thus, in the Company's service area there are about 250 allied gridcos (including industrial enterprises rendering services for subconsumers). Among the largest are: OAO "Ekaterinburg Electric Grid Company" (a SAC of OAO "Sverdlovenego"); OAO "Regional Grid Company"; OAO "Sverdlovsk Railroad" (a subsidiary of OAO "Russian Railroads"); GUP SO "Oblkommunenergo"; ZAO "Tagilenergoseti"; OOO "Lukoil-Energogaz"; OAO "KES-Prikamye"; "Energosbyt"; OOO "SC Contact", OOO "Chelyabinskaya Electrosetevaya Kompaniya", OOO "Oblastnaya Setevaya Kompaniya" (Chelyabinsk), OAO «Yuzhno-Uralskaya Railroad–Subsidiary of OAO RZHD.

Policy with regard to competitors lies in subsequent M&A of the competitors. Besides, there are 2 direct contracts in the Company's service area:

- between OAO "Transneftservice-S" and OAO "FSK UES" (Chelyabinsk region),

- between OAO "EK Vostok" (consumers - OAO "Corporation VSMPO-AVISMA", OAO "Severskiy Tube Plant") and OAO "FSK UES" (Perm and Sverdlovsk regions).

Still, according to the contracts, the consumption volume is not high. All other consumers, connected to UNES are served by the Company according to the property lease contracts on "last mile equipment usage" drawn with OAO "FSK UES".

V. Detailed information on persons being members of management and control bodies of the Issuer and brief overview on the personnel

5.1. Information on structure and competence of the managing bodies of the Issuer

Full structure of the managing bodies and their competence in accordance with the Charter (founding documents):

In compliance with item 9.1., article 9 of the Charter managing bodies of the Issuer are:

- **General Shareholder Meeting**, a supreme managing body
- **Board of Directors**, body executing general management of the Issuer's activities
- **Management Board**, a collegiate executive body
- **General Director**, sole executive body

The competence of general shareholder meeting is stated in article 10 of the Charter:

"10.2. The following issues shall pertain to the reference of the General Meeting of Shareholders:

- 1) Charter amendments or revision approvals;
- 2) Company's re-organization;
- 3) Company's liquidation, appointment of liquidation commission and approval of interim and final liquidation balance-sheets;
- 4) Definition of quantity, denomination, category (type) of declared shares and the rights provided by those shares;
- 5) Increasing the Company's Charter Capital by raising share denominations or placement of additional shares;
- 6) Decreasing the Company's Charter Capital by reducing the share denominations, purchase a share portions for the purpose of reducing their total amount as well, by repayment of the Company-purchased or repurchased shares;
- 7) Company shares splitting and consolidation;
- 8) Making decision on the Company's placement of bonds convertible into shares and other emissive securities convertible into shares;
- 9) Designating the Company's Board of Directors, election of its members and early termination of their powers;
- 10) Election of the Company Audit Commission and early termination of their powers;
- 11) Approval of the Company's Auditor;
- 12) Decision-taking on transferring powers of the sole executive body of the Company to a managing organization (manager) and early termination of its powers;
- 13) Approval of annual statements, annual accounting statements including profit and loss statements (profit and loss accounts) of the Company, as well as profit distribution (including payment (declaration) of dividends, with the exception of profit distributed according to 1Q, 1H, 3Q results) and Company's losses based on the financial year results;
- 14) Payment (declaration) of dividends as a the result of the first quarter, six months, nine months of financial year;
- 15) Defining the procedure of conducting the Company's General Shareholder Meeting;
- 16) Decision-taking on approving transactions in the instances envisioned by the Article 83 of Federal Law "On Joint-Stock Companies";
- 17) Decision-taking on approving major transactions in the instances envisioned by the Article 79 of Federal Law "On Joint-Stock Companies";
- 18) Decision-taking on participation in financial and industrial groups, associations and other unions of profit-oriented organizations;
- 19) Approval of internal documents regulating the activities of the Company's bodies;
- 20) Decision-taking about the pay-out of remuneration and/or compensations to the Company's Audit Commission members;
- 21) Decision-taking on the pay-out of remuneration and/or compensations to the Company's Board of Directors;
- 22) Solutions of other issues as envisaged by Federal Law "On Joint-Stock Companies"..

No matters related to the reference of the General Shareholder Meeting may be passed over for resolution to the Board of Directors and the Company's CEO.

The General Shareholder Meeting is not authorized to grant consideration or make decisions in respect of the issues not related to its scope of reference by Federal Law "On Joint-Stock Companies"

The decision made by the General Shareholder Meeting on an issue put to vote is accepted by the majority of shareholders' votes who own the voting shares of the Company and participate in the meeting unless stated otherwise by Federal Law "On Joint-Stock Companies".

The decision made by the General Shareholder Meeting is accepted by the majority of three thirds of shareholders' votes – the owners of the voting shares of the Company who participate in the meeting and consider the following issues:

- charter amendments or revision approvals;
- company re-organization;
- company liquidation, appointment of liquidation commission and approval of interim and final liquidation balance-sheets;
 - definition of quantity, denomination, category (type) of declared shares and the rights provided by those shares;
 - decreasing the Company's Charter Capital by reducing the share denominations, purchase of share portions for the purpose of reducing their total amount as well, by repayment of the Company-purchased or repurchased shares;
 - placement of stocks (emissive securities convertible into shares) by close subscription upon the decision of the General Shareholder Meeting to increase the Charter Capital of the Company by placing extraordinary shares (to place the Company's emissive securities convertible into shares);
 - placement by open subscription to common shares equal to more than 25 (twenty five) percent of the placed before common shares;
 - open subscription to emissive securities convertible into common shares which can be converted into shares in the amount of more than 25 (twenty five) percent of the placed before common shares;
 - approval of major transactions of property which cost is more than 50 (fifty) percent of the Company's assets balance-sheet value;
- Other issues as envisaged by Federal Law "On Joint-Stock Companies".

Decision on approving an interested-party transaction, in compliance with Article 83 of Federal Law "On Joint-Stock Companies" is taken by GSM's majority of votes of the shareholders that are not interested in the transaction.

Decisions on the issues stated in subitems 2, 5, 7, 8, 12-21, item 10.2, Article 10 of the Charter as well as on issue on decrease of the Charter Capital by decreasing nominal value of shares are taken by the general shareholder meeting only under the BoD's proposal".

The competence of the Issuer's BoD is stated in article 15 of the Charter:

«15.1. The Company's Board of Directors shall manage the Company with the exception of matters related to the reference of the General Shareholder Meeting by Federal Law "On Joint-Stock Companies" and the present Charter.

The following points shall pertain to the reference of the Board of Directors:

- 1) Definition of the Company's priorities and development strategy;
- 2) Calling the annual and extraordinary General Shareholder Meeting except the instances specified in the item 14.8., Article 14 hereof as well as announcement of the date of a new General Meeting instead of the planned meeting which was not held due to the lack of quorum;
- 3) Approval of the agenda of the General Shareholder Meeting;
- 4) Election of a secretary for the General Shareholder Meeting;
- 5) Determination of the date when the list of persons authorized to participate in the General Meeting is to be drawn up; approval of estimated expenses of the General Meeting organization and other issues connected with its preparation and organization;
- 6) Proposal of items envisaged by subitems 2, 5, 7, 8, 12-20, item 10.2, Article 10 herein for resolution by the General Shareholder Meeting as well as the issue of reducing the Charter Capital of the Company via the share denomination reduction;
- 7) Company's placement of bonds and other equity securities with the exception of cases outlined by the RF legislation and the present Charter;
- 8) Approving resolution on the emission of securities, prospectus for securities and capital issue results report, report on the results of acquisition of shares from the Company's shareholders, reports of the share repayment results, reports on results of the Company's shareholders demands to repurchase their shares;
- 9) Valuation (monetary value) of property, offering price and re-purchase of equity securities in cases envisaged by Federal Law "On Joint Stock Companies", as well as, when addressing the issues indicated in the subitems 11, 21, 22, 38, item 15.1., Article 15 hereof;
- 10) Acquisition of the Company's offered shares, bonds and other securities in cases envisioned by Federal Law "On Joint Stock Companies";
- 11) Alienation (sale) of the Company shares made available for the Company as a result of their purchase or repurchase from the Company's shareholders, as well as in other cases envisaged by Federal Law "On Joint Stock Companies";

- 12) Election of the General Director/CEO of the Company or early termination of her/his powers including taking resolution on the early termination of her/his job contract;
- 13) Determination of the number of people in the Company's management, election of managers, determination of their remuneration and compensations, early termination of their powers including resolutions on the early termination of their job contracts;
- 14) Recommendations to the General Shareholder Meeting in relation to remuneration and compensations to be paid to the Audit Commission members and Auditor fees;
- 15) Recommendations for the amount of share dividends and payment procedure;
- 16) Approval of internal documents of the Company determining the order of the Company's funds formation and use;
- 17) Decision-taking on the Company's funds use; approval of cost estimates of sources in special-purpose funds and review of the results of such sources use;
- 18) Approval of internal documents of the Company except those which approval lies in the scope of the General Shareholder Meeting as well as executive bodies of the Company;
- 19) Business plan (updated business plan) approval including investment program and the report about their execution as well as the approval (adjustment) of the major figures of the Company's cash flow;
- 20) Establishment of SACs and the opening of representative offices of the Company, their liquidation, making amendments to the Company's Charter concerning the opening of SACs and representative offices (including change of names and addresses of such SACs and representative offices) and their liquidation;
- 21) Company participation in other organizations (entering an existing organization or forming a new one including coordination of constitutive documents) and (pursuant to the subitem 22, item 15.1., Article 15 hereof) the purchase, sale and encumbrance of capital shares of the organizations the Company participates in, change in interest in the charter capital of a corresponding organization, termination of the Company's participation in other entities;
- 22) Taking resolution on the Company's conclusion of one or more interrelated transactions to alienate, mortgage or other encumbrance on the shares and interests of SACs not engaged in the generation, transmission, dispatching, distribution and sales of electrical and thermal energy in cases where market cost of shares or interests being the subject of transaction defined in accordance with the opinion from independent appraisal are more than RUR 30 mln., as well, in other instances (amount) to be determined by the individual resolutions of the Company's Board of Directors;
- 23) Definition of the Company's credit policy as regards granting of loans by the Company, conclusion of credit agreements and loan agreements, issue of sureties, accepting obligations ensuing from a bill (issue of promissory notes and bills of exchange), property mortgage and making decisions about the Company concluding the above transactions in cases where the decision tree was not outlined by the Company's credit policy, as well as making decisions in line with the Company-envisioned credit policy with reference to decision-making about bringing the Company debt position in line with the limits specified by the Company's credit policy;
- 24) Approval of major transactions in cases envisioned by Article X of Federal Law "On Joint Stock Companies";
- 25) Approval of transactions envisaged by Article XI of Federal Law "On Joint-Stock Companies";
- 26) Approval of the Company's Registrar, details of contract and contract termination
- 27) Election of the BoD Chairperson and early termination of her/his power;
- 28) Election of the Deputy BoD Chairperson and early termination of her/his authority;
- 29) Election of the Company's Corporate Secretary and early termination of her/his authority;
- 30) Preliminary approval of decisions regarding the Company's transactions connected with gratuitous transfer of the Company property or title (demands) to oneself or a third party; transactions involving discharge of property liability for oneself or a third party; transactions connected with gratuitous rendering by the Company of the services (completion of works) to third parties in cases (amount) to be defined by separate BoD resolutions and resolutions about the conclusion by the Company of the above transactions in cases where the above-stated cases (amounts) were left undetermined;
- 31) Decision-taking on the suspension of the governing organization (manager) powers;
- 32) Taking resolution on the appointment of the Company's CEO or calling her/him to disciplinary liability;
- 33) Calling the Company's CEO to disciplinary liability or reward in accordance with the Russian legislation on labor;
- 34) Review of the CEO's reports on the corporate activities (including those relating to her/his performance of job duties), about implementation of resolutions taken by the Company's General Shareholder Meeting and the Board of Directors;
- 35) Approving the procedure of the Company interaction with the corporate entities where the Company has a stake;
- 36) Shaping the Company's (its representatives') position including the instruction to accept or refrain from voting for the agenda points or vote "FOR", "AGAINST" or "ABSTAIN" in respect of the draft resolutions, issues of the agenda at the General Shareholder Meeting (participants) of SACs (further – affiliates) unless their functions pass over to the Board of Directors, as well as the Board of Directors' meeting of affiliates (except the issue to approve the agenda of the General Shareholder Meeting of affiliates when the function of the General Shareholder Meeting of affiliates is passed over to the Board of Directors of the Company):

- a) Agenda for the affiliates' General Shareholder Meeting (participants);
- b) Affiliate restructuring or liquidation;
- c) Definition of the SAC's BoD, nomination and election of its members and early termination of their powers;
- d) Definition of amount, par value, category (type) of affiliate's authorized shares and the rights vested by those shares;
- e) Increase of SAC's charter capital by increasing the share denominations or by placing additional shares;
- f) Placement of affiliate's securities convertible into common shares;
- g) Splitting and consolidation of affiliates' shares;
- h) Approval of major transactions concluded by an affiliate;
- i) Affiliate participation in other companies (entry into the existing company or setup of a new company) as well as acquisition, alienation and encumbrance of shares and interests in the charter capital of companies where the affiliate has a stake; change in participatory interest of relevant company;
- j) Conclusion of transactions by an affiliate (including multiple interrelated transactions) involving alienation or eventual alienation of the property comprising the main assets, intangible assets, incomplete construction sites for the purpose of electricity/thermal energy generation, transmission, dispatching, and distribution in cases (quantities), to be defined by the procedure of Company interaction with the companies in which the Company has a stake being approved by the Board of Directors of the Company;
- k) on changes and additions to the SAC's founding documents;
- l) Establishing the procedure for paying remuneration to the members of the Board of Directors and Audit Commission of an affiliate;
- m) Approval of target values of key performance indicators (updated target values of key performance indicators);
- n) Approval of report on meeting the planned values for the key year- and quarter-based performance indicators;
- o) Business plan (updated business plan) approval;
- p) Business plan progress report approval (review);
- q) Approval of profit and loss distribution based on the fiscal year-end results;
- r) Recommendations for the share dividend size and payout procedure;
- s) Dividends payment (declaration) based on results of the first quarter/half-year/nine-month period of fiscal year as well as fiscal year results;
- t) Investment program approval (update);
- u) Investment program performance report approval (review);
- v) Approval of Regulation for Affiliate Insurance Coverage;
- w) Approval of Affiliate Underwriters (approval of the affiliate underwriters selection results);
- x) Approval of insurance broker to select the affiliate underwriters;
- y) Approval of Affiliate Insurance Coverage Program;
- z) Approval of Revisions in Affiliate Insurance Coverage Program;
- z1) Review of report by the sole executive board in relation to the insurance coverage.

37) Shaping the Company's (its representatives') position for the following agenda points at the meetings if the affiliate board of directors (including the instruction to accept or refrain from agenda voting or to vote "FOR", "AGAINST" or "ABSTAIN" for draft resolutions):

a) Shaping positions of the affiliate representatives for the agenda points at the General Meetings of Shareholders (participants) and meetings of the board of directors at both affiliated units and units subordinate to affiliated companies relating to conclusion (approval) of transactions (including multiple interrelated transactions) to involve potential alienation of the property comprising the capital assets, intangible assets, incomplete construction projects for the purpose of electricity/thermal energy generation, transmission, distribution in cases (quantities) defined by the procedure of interaction between the Company and organizations where the Company has some interests and being approved by the Company's Board of Directors;

b) Defining positions of affiliate representatives for the issue of agendas of the General Meetings of Shareholders (participants) and meetings of the board of directors at affiliated companies and companies subordinate to that affiliate that are involved in generation, transmission, dispatching, distribution and sale of electrical and thermal energy; reorganization, liquidation, increase of charter capital in such companies by increasing the share par value or via placement of additional shares, and offering securities convertible into common shares;

38) Preliminary approval of decisions on the Company performance of the following:

a) Transactions to involve non-current assets of the Company in excess of 10 percent of the balance-sheet value of those Company assets for the date of such transaction;

b) Transactions (including multiple interrelated transactions) involving alienation or potential alienation of property comprising the main assets, intangible assets, uncompleted construction objects for the purpose of electrical/thermal energy generation, transmission, dispatching, distribution in the cases (quantities) being defined by the individual resolutions of the Company's BoD;

c) Transactions (including multiple interrelated transactions) involving alienation or potential alienation of property comprising the main assets, intangible assets, uncompleted construction objects for the purposes other than electric-

al/thermal energy generation, transmission, dispatching, distribution in cases (quantities) to be defined by the individual resolutions of the Company's BoD.

39) Nomination by the Company of candidatures for election to the sole executive board, other management bodies, control bodies, as well as candidatures of the auditor at the legal entities where the Company has interests and which are involved into electrical/thermal energy generation, transmission, dispatching, distribution and sales as well as maintenance and other service activity types;

40) Determining the insurance coverage for the Company, to include the Company underwriter approval;

41) Approval of the structure of executive boards of the Company and their change;

42) Approval of candidatures nominated for separate positions of the Company's executive boards by the Board of Directors of the Company;

43) Preliminary approval of collective agreement, agreements concluded by the Company within the framework of regulating social and labor relations;

44) Forming the committees of the Company's Board of Directors, election of the committee members of the Company's Board of Directors and early termination of powers of the Board of Directors committee chairs;

45) Approval of independent appraiser (-s) candidatures for valuation of shares, property and other Company assets in cases envisaged by the Federal Law "On Joint-Stock Companies", the present Charter and individual resolutions by the Board of Directors;

46) Approval of financial advisor candidature to be hired in accordance with the Federal Law "On Securities Market", as well as candidatures of securities emission organizers and advisors to the transactions directly related to raising funds in the form of public borrowings;

47) Preliminary approval of transactions capable of entailing foreign cash commitments (or commitments with the values being attached to foreign cash) in cases and amount to be defined by individual resolutions of the Board of Directors, as well, if the above cases (amounts) were not defined by the Board of Directors;

48) Shaping the purchase policy of the Company including the approval of the Provision for Regulated Procurement of Products, Works, Services, approval of the manager for the central procurement body of the Company and its members, as well as approval of annual comprehensive procurement program and making other decisions pursuant to the Company-approved documents in charge of procurement policy of the Company;

49) Taking resolution on nomination of the Company's CEO to the government awards;

50) Approval of target values (updated values) of some key performance indicators (KPI) of the Company and completion reports;

51) Shaping the Company policy in area of enhancing reliability of distribution grids and other network facilities, including approval of Company's strategic programs to improve reliability of the grid facilities, their development and safety;

52) Shaping the Company housing policy such as granting corporate support to employees to improve their housing conditions in the form of subsidies, expenditure compensations, interest-free loans and making decisions on the Company's provision of the above support in cases where support policy was not defined by the corporate housing policy;

53) Other issues related to the reference of the Board of Directors by Federal Law, "On Joint Stock Companies" and the present Charter.

Matters related to the reference of the Board of Directors which may not be passed over for consideration by the Company's CEO.

Whilst exercising their rights and fulfilling job duties, the BoD members shall act in the Company interests using their rights and fulfilling job duties in respect of the Company in good faith and reasonably.

The members of the Board of Directors shall be liable to the Company for the losses incurred by the Company through their wrongful acts (inaction) unless federal laws defined other grounds and scope of liability.

In this respect, no liability would be incurred by the members of the Board of Directors who voted against the decision which resulted in Company losses or who abstained from voting.

The Management Board's competence is stated in Article 22 of the Charter:

«22.2. The management board has the following issues in its scope of reference:

1) Development and submittal of the Company's development strategy to the Board of Directors;

2) Preparation of the annual (quarter) business plan including the investment program and the report on the results of their execution, approval (adjustment) of cash flow (budget) of the Company;

3) Preparation of the annual report of the Company's financial and economic activities, the General Meeting's and the Board's of Directors resolutions implemented by the Management Board;

4) Review of reports prepared by the Company's Deputy General Directors, heads of separate structural units of the Company, results of implementation of approved plans, programs, instructions as well as review of reports, documents and other information about the Company's and its affiliates' and subordinate units' business;

5) Making decisions concerning the issues in the scope of the supreme authorities of units where the Company has 100 (one hundred) percent of charter capital (taking into account the subitems 36, 37 item 15.1., Article 15 hereof);

6) Preparation and submittal to Board of Directors of the financial and economic reports of those business units where the Company has 100 (one hundred) percent of charter capital;

7) Decision-taking to conduct major transactions of property, works and services which cost amounts to 1 up to 25 percent of the Company's assets balance-sheet value at the moment of making a decision to conduct such a transaction (except the instances specified in the subitem 38, item 15.1 hereof);

8) Address other issues of Company's running activity according to the decisions of the General Meeting of Shareholders, Board of Directors as well as the issues subject to the board's consideration by the CEO of the Company.

The number of members on the Management Board elected by the Board of Directors is determined by the Board of Directors at the CEO's proposal.

If the Board of Directors decides against some candidates to the Management Board, the Board of Directors is authorized to nominate candidates chosen by the member (members) of the Board of Directors to the Management Board.

The number of members on the Company's Management Board cannot be less than 3 (three) persons.

The Management Board reaches a quorum if more than half of its elected members participate in the meeting (absentee ballot).

All decisions are made by the majority of the members' votes present at the meeting of the Management Board (participating in the absentee ballot). In case of a tied ballot, the decisive vote shall be cast by the Chairperson of the Management Board.

The CEO's competence is stated in article 23 of the Charter:

«23.2. The scope of reference of the CEO shall include all matters of day-to-day management of the Company with the exception of issues related to the reference of the General Shareholder Meeting, the Board of Directors and the Management Board.

23.3. The CEO of the Company shall act without the power of attorney on the Company's behalf, including the restrictions envisioned by the RF legislation, the present Charter and resolutions by the Board of Directors as follows:

- ensure fulfillment of the Company's policy plans required for reaching its objectives;
- organize for accounting records maintenance and reporting within the Company;
- administer the Company property, make transactions on Company behalf, issue powers of attorney, open the clearing and other Company accounts with banks, other credit institutions (and also in the law-envisaged instances) at organizations being the professional participants of securities market;
- issue orders, approve (adopt) instructions, in-house regulations and other in-house documents of the Company as regards her/his scope of reference; give directions obligatory for execution by all Company employees;
- approve the SACs and Representative Office Regulations of the Company;
- approve the Company organization chart as well as staffing table and official salaries of the Company employees;
- exercise the employer rights and liabilities in relation to the Company employees as envisaged by the labor legislation;
- perform the functions of the Chairperson of the Company;
- distribute responsibilities between the deputy general directors;
- submit reports of financial and business activities of affiliated and subordinate companies, whose shares (interests) the Company owns as well as information about other corporate entities where Company has a stake for review by the Board of Directors except cases described in the subitem 6) item 22.2 Article 22 hereof;
- not later than 45 (forty five) days prior to the date of the annual General Shareholder Meeting, submit the annual statement, annual financial statements, profit and loss statement of the Company (profit and loss accounts), distribution of profits and losses for the Board of Directors review;
- Address other issues of Company's running activity with the exception of issues related to the reference of the General Shareholder Meeting, Board of Directors or the Management Board.

The Board of Directors shall elect the CEO of the Company by the majority of votes cast by the Board of Directors members taking part in the meeting.

Nomination of candidatures to the position of the CEO for further election by the Board of Directors shall comply with the operating procedure defined by the Board of Directors regulations..

The Issuer approved Corporate Behavior Code or other similar document:

Information on Corporate Governance Code or other similar document.

Corporate Governance Code is approved by the BoD's resolution (Protocol # 55 dd. 02.06.2009.)

Web-site with a free access to it: www.mrsk-ural.ru

Web-site with a free access to the current version of the Charter and internal documents: www.mrsk-ural.ru

5.2. Information on persons being members of the Issuer's managing bodies

5.2.1. The Issuer's BoD membership

Name: **Nikolai N. SHVETS**

(Chairperson)

Year of birth: **1956**

Education: **Higher**

Positions for the last 5 years:

Period	Company	Position
2004-2007	FGUP "Rosoboronexport"	General Director Assistant
2007-2008	Amur region Administration	First Deputy Chairperson
2008-2009	Legislative assembly of Amur region	Chairperson
2009-present day	OAO "IDGC Holding"	General Director
2009- present day	OAO "IDGC of Center and Volga"	a BoD member
2009- present day	OAO "Lenenergo"	a BoD member
2009- present day	OAO "MOESK"	a BoD member

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Konstantin V. SHEVCHENKO**

Year of birth: **1977**

Education: **Higher**

Positions for the last 5 years:

Period	Company	Position
2003-2005	ZAO "Versatel"	Director of Sales Directorate
2005-2006	ZAO "KES"	Project Manager
2006-present day	Moscow Representative Office "EDM Electricity Distribution Management (Cyprus) Limited"	Director
2009 – present day	OAO "EESK"	A BoD member

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Svetlana A. MURAVYOVA**

Year of birth: **1973**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
2002	2004	OAO "Registrator R.O.S.T."	Head of Section for External Corporate Events
2004	2006	ZAO "KES"	Chief specialist of Grids Management Department
2006	present day	Moscow Representative Office "EDM Electricity Distribution Management (Cyprus) Limited"	Head of Corporate Section

Share in the Charter Capital/ ordinary shares: *none*

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: *the Issuer had no option emission*

Share in the SAC's Charter Capital: *None*

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: *None*

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: *none*

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: *none*

Name: *Valery N. RODIN*

Year of birth: *1952*

Education: *Higher*

Positions for the last 5 years:

Period		Company	Position
1994	2005	OAO "Sverdlovenergo"	General Director
2005	2006	OAO "TGK-9"	General Director
2006	2008	OAO "TGK-1"	General Director
2009	present day	OAO "IDGC of Urals"	General Director
2009	Present day	OAO "EESK"	A BoD member
2009	Present day	OAO "EES"	A BoD member

Share in the Charter Capital/ ordinary shares: *0.0081%/0.0081%*

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: *the Issuer had no option emission*

Share in the SAC's Charter Capital: *None*

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: *None*

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: *none*

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: *none*

Name: *Sergey N. POPOVSKY*

Year of birth: *1971*

Education: *Higher*

Positions for the last 5 years:

Period		Company	Position
2005	2007	NP "ATS"	Head of WEVM financial accounts Department; A MB member – Deputy MB Chairperson on WEVM financial accounts
2008	2008	OAO "ATS"	A MB member – Deputy MB Chairperson on WEVM financial accounts
2008	present day	NP "Market Council"	A MB member – Deputy MB Chairperson
2009	present day	OAO "IDGC of Center"	A BoD member
2009	present day	OAO "IDGC of Center and Volga"	A BoD member
2009	present day	OAO "IDGC of North West"	A BoD member
2009	present day	OAO "IDGC of Volga"	A BoD member

2009	present day	OAO "IDGC of North Caucasus"	A BoD member
2009	present day	OAO "IDGC of South"	A BoD member

Share in the Charter Capital/ ordinary shares: *none*

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: *the Issuer had no option emission*

Share in the SAC's Charter Capital: *None*

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: *None*

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: *none*

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: *none*

Name: *Valery M. SHOGENOV*

Year of birth: *1981*

Education: *Higher*

Positions for the last 5 years:

Period		Company	Position
2004	2008	Federal Energy Agency	Deputy Head of Section, Head of Section
2008	present day	Russian Energy Ministry	Deputy Director of Directorate
2009	present day	OAO "IDGC of Center and Volga"	A BoD member
2009	present day	OAO "IDGC of North West"	A BoD member
2009	present day	OAO "IDGC of Siberia"	A BoD member
2009	present day	OAO "IDGC of North Caucasus"	A BoD member
2009	present day	OAO "IDGC of South"	A BoD member

Share in the Charter Capital/ ordinary shares: *none*

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: *the Issuer had no option emission*

Share in the SAC's Charter Capital: *None*

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: *None*

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: *none*

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: *none*

Name: *Yuri N. PANKSTYANOV*

Год рождения: *1980*

Education: *Higher*

Positions for the last 5 years:

Period		Company	Position
2003	2004	Federal Energy Commission of the Russian Federation	Specialist
2004	2008	OAO "FSK UES"	Head of Department
2008	present day	OAO "IDGC Holding"	Head of Tariff Department

Share in the Charter Capital/ ordinary shares: *none*

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: *the Issuer had no option emission*

Share in the SAC's Charter Capital: *None*

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: *None*

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: *none*

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: *none*

Name: *Andrei B. LUKIN*

Year of birth: **1970**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
2003	2006	OAO RAO "UES of Russia", OAO "Kish GRES"	Deputy General Director for Marketing and Sales, Deputy General Director for Development, Deputy General Director for Investments and Capital Construction
2006	2007	OAO RAO "UES of Russia"	Head of UES Development Department
2007	2008	Federal Energy Agency	Deputy Head
2008	present day	OAO "IDGC Holding"	Director (Head of Strategy and Development Center)

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Sergey N. IVANOV**

Year of birth: **1961**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
2002	2006	FGUP "Concern Rosenergoatom"	Deputy General Director for Economics and Finance – Executive Director, Deputy General Director – Director for Restructuring and Corporate Governance
2007	2008	ZAO "Inter RAO UES"	Deputy General Director for Strategy and Investments
2008	present day	OAO "FSK UES"	First Deputy MB Chairperson
2009	present day	OAO "IDGC of Center"	A BoD member
2009	present day	OAO "IDGC of North West"	A BoD member
2009	present day	OAO "IDGC of Siberia"	A BoD member
2009	present day	OAO "IDGC of Volga"	A BoD member
2009	present day	OAO "Lenenergo"	A BoD member
2009	present day	OAO "MOESK"	A BoD member

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Petr M. EROKHIN**

Year of birth: **1946**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
2002	present day	OAO "System Operator – Central Dispatcher Directorate of United Energy System" until 2008, since 2008 - OAO "System Operator of United Energy System"	A BoD member, General Director of OAO "SO UES" Subsidiary, ODU of Urals

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Aleksey V. DEMIDOV**

Year of birth: **1976**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
2003	2006	ZAO "Sevmorneftegaz"	First Deputy General Director
2006	2006	OAO "Gazprom"	Advisor to Deputy MB Chairperson
2006	2009	OAO NK "Rosneft"	First Deputy Financial Director
2009	present day	OAO "IDGC Holding"	Deputy General Director for Economics and Finance
2009	present day	OAO "IDGC of Center and Volga"	A BoD member
2009	present day	OAO "IDGC of North West"	A BoD member
2009	present day	OAO "IDGC of Siberia"	A BoD member
2009	present day	OAO "IDGC of North Caucasus"	A BoD member
2009	present day	OAO "Lenenergo"	A BoD member
2009	present day	OAO "MOESK"	A BoD member

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

5.2.2. Information on the sole executive body of the Issuer

Name: **Valery N. RODIN**

Year of birth: **1952**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
1994	2005	OAO "Sverdlovenergo"	General Director
2005	2006	OAO "TGK-9"	General Director
2006	2008	OAO "TGK-1"	General Director
2009	present day	OAO "IDGC of Urals"	General Director

2009	Present day	OAO "EESK"	A BoD member
2009	Present day	OAO "EES"	A BoD member

Share in the Charter Capital/ ordinary shares: **0.0081%/0.0081%**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

5.2.3. The membership of the collegiate executive membership of the Issuer

Name: **Valery N. RODIN**

(Chairperson)

Year of birth: **1952**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
1994	2005	OAO "Sverdlovenergo"	General Director
2005	2006	OAO "TGK-9"	General Director
2006	2008	OAO "TGK-1"	General Director
2009	present day	OAO "IDGC of Urals"	General Director
2009	Present day	OAO "EESK"	A BoD member
2009	Present day	OAO "EES"	A BoD member

Share in the Charter Capital/ ordinary shares: **0.0081%/0.0081%**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Sergey M. ZOLOTAREV**

Year of birth: **1966**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
2002	2005	Energosbyt, OAO "Chelyabenergo" Subsidiary	Chief Operating Officer – Head of Energy Inspection
2005	2008	OAO "Chelyabenergo"	Deputy General Director for Service Development and Realization
2008	present day	OAO "IDGC of Urals"	Deputy General Director for Service Development and Realization
2009	present day	OAO "EES"	A BoD member

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies:

None

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Sergey A. SEMERIKOV**

Year of birth: **1979**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
2002	2008	OAO "Ekaterinburg Electric Grid Company"	Deputy Director for Strategic Development
2008	present day	OAO "IDGC of Urals"	Deputy General Director for Capital Construction

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Yuri V. LEBEDEV**

Year of birth: **1963**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
2003	2006	OAO "Udmurtenergo"	Head of Grids Exploitation Directorate
2006	2007	OAO "Udmurtenergo"	Director of Central Electric Networks
2007	2008	OAO "Sverdlovennergo"	Deputy General Director for Technical Issues – Chief Operating Officer
2008	present day	OAO "IDGC of Urals"	Deputy General Director for Technical Issues – Chief Operating Officer
2009	Present day	OAO "EESK"	A BoD member

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Olga M. ABROSIMOVA**

Year of birth: **1953**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
1992	2008	OAO "Sverdlovennergo"	Chief Accountant

2008	2009	OAo "IDGC of Urals"	Chief Accountant of Sverdlovenego Subsidiary at OAo "IDGC of Urals"
2009	present day	OAo "IDGC of Urals"	Chief Accountant

Share in the Charter Capital/ ordinary shares: **0.0009%/0.0009%**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Aleksey A. KRASNIKOV**

Year of birth: **1950**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
2001	2006	HQ of Russian Internal Affairs Ministry in the Urals Federal District	Head of HQ
2006	2007	OAo "Airport Koltsovo"	Deputy General Director for Security
2009	present day	OAo "IDGC of Urals"	Deputy General Director for Security and Controlling
2010	Present day	OOO "SB Permenergo"	BoD Chairperson

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Evgeny G. POPOV**

Year of birth: **1959**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
2002	2006	Regional Duma, House of Assembly of Sverdlovsk region	Deputy Assistant
2007	2009	MUP "Underground Railway Construction Authority"	Chief specialist on construction coordination, Director Deputy, Acting Director
2009	Present day	OAo "IDGC of Urals"	Deputy General Director for Corporate Governance
2009	Present day	OAo "EESK"	A BoD member
2009	Present day	OAo "EES"	A BoD member
2009	Present day	OAo "Permenergotrans"	A BoD member

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options

owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Igor V. BUTAKOV**

Year of birth: **1961**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
2005	2007	ОАО "Chelyabenergo"	Technical director, Chief Operating Officer, First Deputy General Director – Chief Operating Officer, Acting Chief Operating Officer, Executive officer
2008	Present day	ОАО "IDGC of Urals" – Chelyabenergo Subsidiary	Deputy General Director – Director of Subsidiary

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Oleg M. ZHDANOV**

Year of birth: **1959**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
2005	2005	ОАО "Permenergo"	Executive Director
2005	2007	ОАО "Permenergo"	General Director
2006	2007	Legislative Assembly of Perm region	Deputy
2007	2008	ОАО "Permenergo"	Executive Director
2008	Present day	ОАО "IDGC of Urals" – Permenergo Subsidiary	Deputy General Director – Director of Subsidiary

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Oleg B. MOSHINSKY**

Year of birth: **1969**

Education: **Higher**

Positions for the last 5 years:

Period	Company	Position
--------	---------	----------

2002	2006	OAo "Ekaterinburg Electric Grid Company"	Deputy Chief Operating Officer
2006	2009	OAo "Ekaterinburg Electric Grid Company"	Chief Operating Officer
2009	Present day	OAo "IDGC of Urals" – Sverdlovenego Subsidiary	Deputy General Director – Director of Subsidiary

Share in the Charter Capital/ ordinary shares: **0.000001/ 0.000001%**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: **None**

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

5.3. Remuneration, benefits and/or reimbursement of expenses granted to the members of the Issuer's managing bodies

Information on remuneration paid to each managing body (except for natural person being the sole executive body) as of the last reported completed quarter:

The Board of Directors

Remuneration, RUR	1 521 332
Salary, RUR	0
Bonuses, RUR	0
Commission fees, RUR	0
Privileges, RUR	0
Expense compensation, RUR	0
Other payments, RUR	0
Other, RUR	0
TOTAL, RUR	1 521 332

Information on current agreements regarding the payments during the current financial year: Remunerations and compensations are paid to the BoD members according to the Regulations on Remuneration and Compensation paid to the Company's BoD members approved by General Shareholder Meeting – the Management Board of OAO RAO "UES of Russia" on 30.04.2008 (Protocol #1865pr/3 dd. 30.04.2008).

According to item 4.1. of the Regulations, for the participation in a BoD session held as absentee ballot (poll) a BoD shall be paid a fee in the amount equal to 8 (eight) minimum monthly first-class worker base rates fixed by the tariff agreement in the RF electric power industry (further - Agreement) as of the date of the session adjusted according to the index specified in the Agreement. Such remuneration is paid within one month after a BoD session.

For the participation in BoD sessions held in the form of compresence a BoD member shall be paid a fee in the amount equal to 10 (ten) minimum monthly first-class worker base rates fixed by the tariff agreement in the RF electric power industry (further - Agreement) as of the date of the meeting adjusted according to the index specified in the Agreement. Such remuneration is paid within one month after a BoD session.

The remuneration paid to the Chairperson (Deputy Chairperson) for each session where she/he performs the functions of the BoD Chairperson, pursuant to the item 4.1. of the Regulations, shall be increased by 50%.

In accordance with item 4.2. of the Regulations the BoD members shall be paid extra remuneration for the net profit ratio based on the annual statements approved by the GSM..

Remuneration for the last completed financial year approved by the authorized managing body that was not paid as of the end of the reported period: **none**

Collegiate executive body

Remuneration, RUR	0
Salary, RUR	0

Bonuses, RUR	0
Commission fees, RUR	0
Privileges, RUR	0
Expense compensation, RUR	0
Other payments, RUR	0
Other, RUR	0
TOTAL, RUR	0

Information on current agreements regarding the payments during the current financial year: *none*

Remuneration for the last completed financial year approved by the authorized managing body that was not paid as of the end of the reported period: *none*

5.4. Information on the structure and competence of financial control bodies

Detailed description of the structure and competence of financial control bodies of the Issuer: The structure and competence of financial control bodies is stipulated in article 24 of the Charter:

«24.1. General Shareholder Meeting shall elect the Audit Commission to provide control over the financial and business activities of the Company for the period till the next annual shareholder meeting.

In case of electing the Audit Commission at an Extraordinary General Shareholder Meeting, the members of the Audit Commission will be deemed to be elected for the period till the next annual General Shareholder Meeting.

The panel of the Audit Commission will include 5 (five) persons.

Subject to decision by the General Shareholder Meeting, the powers of all or individual members of the Audit Commission may be early terminated.

The scope of the Audit Commission reference shall include the following:

- confirmation of validity of data contained in the annual report, annual financial statements, profit and loss statement of the Company;

- analysis of Company's financial status, identify inventory for improving financial status of the Company and provide recommendations for the managing bodies of the Company;

- organization and conduct of inspections (audit) of financial and business activities by the Company, namely:

- inspections (audits) of the Company's financial, accounting, payment and calculation and other documentation regarding the Company's financial and business activities in its compliance with the RF legislation, the Company Charter, internal and other documents of the Company;

- control over integrity and use of the main assets;

- control over compliance with the stipulated procedure of writing off the insolvent debtors on to the Company's losses;

- control over expenditure of the Company monetary funds in accordance with the approved business plan and Company budget;

- control over the buildup and usage of contingency and other special-purpose funds of the Company;

- inspections of correct and timely accrual and payment of dividends against the Company shares, bond yields, yields generated by other securities;

- check of compliance with the previously issued compliance reports for elimination of infractions and drawbacks revealed by previous inspections (audits);

- Fulfilling other activities (actions) connected with the inspecting financial and business activities of the Company.

The Issuer created an Internal Control Department

Working period of internal audit/ internal control department and its key personnel:

Internal control over financial activities in OAO "IDGC of Urals" is carried out on the basis of the Regulations on internal financial control procedures approved by the Company's BoD Protocol on 26.12.2008 (Protocol#49 dd. 11.01.2009).

Basic functions of Internal Audit department; responsibility of internal audit department, interaction with executive bodies of the Issuer and the BoD:

Interaction of internal audit department and external auditor:

The Issuer also approved internal document setting rules for preventing insider information usage

Information on a document stipulating prevention of insider information usage:

The Company's Regulations on insider information is approved on 21.11.2008 by the Company's BoD (Protocol#47 dd.21.11.2008).

Web-page with the access to the Regulations: www.mrsk-ural.ru

5.5. Information on persons being members of financial control bodies of the Issuer

Name of the financial control body: *Audit Commission*

Name: *Sergey B. SIDOROV*

Year of birth: *1952*

Education: *Higher*

Positions for the last 5 years:

Period		Company	Position
1999	2004	OAO RAO "UES of Russia"	Head of Financial Audit Department

Share in the Charter Capital/ ordinary shares: *none*

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: *the Issuer had no option emission*

Share in the SAC's Charter Capital: *None*

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: *None*

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: *none*

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: *none*

Name: *Irina V. MIKHNO*

Year of birth: *1957*

Education: *Higher*

Positions for the last 5 years:

Period		Company	Position
2001	2004	Representative office of OAO RAO "UES of Russia" "Sibirenergo"	Adviser on audit commission activities
2004	2008	OAO RAO "UES of Russia"	Deputy Head of Department, Head of Section at Internal Audit Department
2008	present day	OAO "IDGC of Holding"	Deputy Head of Department, Head of Section at Internal Audit Department

Share in the Charter Capital/ ordinary shares: *none*

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: *the Issuer had no option emission*

Share in the SAC's Charter Capital: *None*

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies: *None*

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: *none*

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: *none*

Name: *Mikhail V. SMIRNOV*

Year of birth: *1982*

Education: *higher*

Positions for the last 5 years:

Period		Company	Position
2004	2004	OAO RAO "UES of Russia"	Leading expert
2005	2005	OAO RAO "UES of Russia"	Leading expert
2006	2009	OAO RAO "UES of Russia"	Head of Information Analytical Section
2009	Present day	OAO "IDGC Holding"	Head of Section

Share in the Charter Capital/ ordinary shares: *none*

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: *the Issuer had no option emission*

Share in the SAC's Charter Capital: *None*

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies:

None

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Olga V. ROKHLINA**

Year of birth: **1974**

Education: **higher**

Positions for the last 5 years:

Period		Company	Position
2001	2003	Representative office of OAO RAO "UES of Russia" for managing Volga region energy companies "Volgaenergo"	Adviser on audit commission activities
2003	2004	Fund "Institute of Professional Directors"	Adviser on audit commission activities
2004	2008	OAO RAO "UES of Russia"	Leading expert of Section for Inspection Methodical Ware at Internal Audit Department
2008	present day	OAO "IDGC Holding"	Leading expert of Section for Audit Arrangement

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies:

None

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

Name: **Vitaly V. SHELKOVY**

Year of birth: **1973**

Education: **Higher**

Positions for the last 5 years:

Period		Company	Position
2004	2005	OAO RAO "UES of Russia"	Leading expert of Internal Audit Department at Corporate Center
2005	2006	OAO "Russian Communal Systems"	Head of Control Audit Directorate
2006	2007	ZAO "Complex Energy Systems"	Deputy Head of Internal Audit Department
2007	present day	ZAO "Complex Energy Systems"	Deputy Head of Internal Audit Department

Share in the Charter Capital/ ordinary shares: **none**

Number of shares (of each category/type) that can be purchased as a result of execution of rights on the Issuer's options owned by him/her: **the Issuer had no option emission**

Share in the SAC's Charter Capital: **None**

Information on any family relations with other persons being members of the Issuer's managing and/ or control bodies:

None

Information on the person's administrative responsibility for infringements in finance, tax, levies and securities market or criminal responsibility (previous convictions) for economy crimes or crimes against states: **none**

Information on positions in managing bodies of commercial companies when these companies undergo bankruptcy case and/or one of bankruptcy proceedings stated by the Russian legislation on bankruptcy: **none**

5.6. Information on remuneration, benefits and/or expense compensation by financial control body of the Issuer

Information on remuneration paid to each financial control activities. All types of remuneration, including wages, bonuses, benefits and (or) expense reimbursement, as well as other remunerations paid out as of the last reported financial year:

Measurement unit: **RUR**

Name of financial control body: **Audit Commission**

Remuneration, RUR	0
Salary, RUR	0
Bonuses, RUR	0
Commission fees, RUR	0
Privileges, RUR	0
Expense compensation, RUR	0
Other payments, RUR	0
Other, RUR	0
TOTAL, RUR	0

Information on current agreements regarding the payments during the current financial year:

Remunerations on the body as of the last completed financial year approved by the authorized managing body of the Issuer that was not paid out during the reported period: *There were no such facts*

5.7. Information on number, educational level and structure of the Issuer's personnel. Changes in quantity of the Issuer's personnel

Measurement units: *RUR thous.*

Indicator	2009	1Q 2010
Staff on the payroll, persons.	10 455	11 505
Share of employees with higher education, %	41	37.8
Money for salaries	2 994 032	1 429 272
Money for social benefit	145 534	14 932
Overall volume of spent money	34 013 875 374	5 950 052 147

5.8. Information on any liabilities of the Issuer to the employees regarding the possibility of their participation in the Charter (Share) Capital of the Issuer

The Issuer has no liabilities to the employees regarding the possibility of their participation in the Charter (Share) Capital of the Issuer

VI. Information on the Issuer's shareholders and interested-party transactions effected by the Issuer

6.1. Information on total number of the Issuer's shareholders

Total number of persons registered in the Issuer's registrar as of the final date of the last reported quarter: **17 829**

Total number of nominal holders of the Issuer's shares: **15**

6.2. Information on the Issuer's shareholders owning no less than 5% of its Charter Capital or no less than 5% of its ordinary shares as well as information on shareholders of such holders owning no less than 20% of the Charter Capital or no less than 20% of its ordinary shares

The Issuer's shareholders owning no less than 5% of its Charter Capital or no less than 5% of its ordinary shares:

Nominal holder

Information on the nominal holder:

Full company name: **Limited Liability Company "Depositary and Corporate Technologies"**

Short company name: **OOO "DKT"**

Location: **17/1 Ramenki Ulitsa, Moscow, Russia, 119607**

TIN: **7729520219**

PSRN: **1057746181272**

Telephone: (495) 641-3031; (495) 641-3032; (495) 641-3033
Fax: (495) 641-3031
E-mail: info@depotech.ru
License of professional securities market participant
Number: 177-11151-000100
Issued: 03.04.2008
Expires: *termless*
Issuing authority: *FSC (FSFM) of Russia*
Number of ordinary shares registered in the Issuer's registrar in favor of the nominal holder: 45 041 557 954

Nominal holder

Information on the nominal holder:
Full company name: *Closed Joint-Stock Company "Depository Clearing Company"*
Short company name: *ZAO "DKK"*
Location: *31b Shabolovka Ulitsa, Moscow, Russia, 115162*
TIN: 7710021150
PSRN: 1027739143497
Telephone: (495) 956-0999; (495) 232-6804
Fax: (495) 232-6804
E-mail: dcc@dcc.ru
License of professional securities market participant
Number: 177-06236-0001000
Issued: 09.10.2002
Expires: *termless*
Issuing authority: *FSC (FSFM) of Russia*
Number of ordinary shares registered in the Issuer's registrar in favor of the nominal holder: 30 441 883 457

Nominal holder

Information on the nominal holder:
Full company name: *Closed Joint-Stock Company "National Depository Center"*
Short company name: *ZAO "NDC"*
Location: *1, corp.13, building 4 Kislovsky Pereulok, Moscow, Russia, 105062*
TIN: 7703394070
PSRN: 1097799013256
Telephone: (495) 234-4280
Fax: (495) 956-0938
E-mail: info@ndc.ru
License of professional securities market participant
Number: 177-03431-00010
Issued: 04.12.2000
Expires: *termless*
Issuing authority: *FSC (FSFM) of Russia*
Number of ordinary shares registered in the Issuer's registrar in favor of the nominal holder: 3 809 256 874

6.3. Information on the share on the Issuer's Charter Capital owned by the government or municipal bodies as well as special right ("golden share")

Share in the Issuer's Charter Capital owned by the federal government, %: 3.7123
A person/ Entity that manages the shares:
Full company name: *the Russian Federation represented by the Federal Agency on State Property Management*
Share of the Issuer's Charter Capital owned by the Russian subjects, %: *none*
Share in the Issuer's Charter Capital owned by the municipal bodies, %: *none*
Special right on participation of the Russian Federation, Russian subjects, municipal bodies in management of the Issuer ('golden share'), term of validity for special right ('golden share'): *none*

6.4. Information on restrictions imposed on participation in the Issuer's Charter Capital

There are no restrictions in the Issuer's Charter Capital.

6.5. Information on changes in the structure and share of the Issuer's shareholders owning no less than 5% of its Charter (Share) Capital or no less than 5% of its ordinary shares

Information on the structure of the Issuer's shareholders that owned no less than 5% of the charter (share) capital, if the Issuer is a joint-stock company, information on shareholders owning no less than 5% of ordinary shares as of the register of persons entitled to participation in each general shareholder meeting held during the last 5 completed financial years preceding the end date of the reported period or as of the each completed financial year preceding the end date of the reported quarter if the Issuer operates less than 5 years and as of the last quarter according to the register of persons entitled for participation in each of such meetings.

The date for compiling the list of the persons entitled to participate in general shareholder meeting: **31.12.2005**

The list of shareholders

Full company name: **Russian Open Joint-Stock Company of Energy Sector "UES of Russia"**

Short company name: **OAO RAO "UES of Russia"**

Share in the charter capital of the Issuer, %: **100**

Share of the Issuer's ordinary shares, %: **100**

The date for compiling the list of the persons entitled to participate in general shareholder meeting: **31.12.2006**

The list of shareholders

Full company name: **Russian Open Joint-Stock Company of Energy Sector "UES of Russia"**

Short company name: **OAO RAO "UES of Russia"**

Share in the charter capital of the Issuer, %: **100**

Share of the Issuer's ordinary shares, %: **100**

The date for compiling the list of the persons entitled to participate in general shareholder meeting: **31.12.2007**

The list of shareholders

Full company name: **Russian Open Joint-Stock Company of Energy Sector "UES of Russia"**

Short company name: **OAO RAO "UES of Russia"**

Share in the charter capital of the Issuer, %: **100**

Share of the Issuer's ordinary shares, %: **100**

The date for compiling the list of the persons entitled to participate in general shareholder meeting: **31.12.2008**

The list of shareholders

Full company name: **Open Joint-Stock Company "IDGC Holding"**

Short company name: **OAO "IDGC Holding"**

Share in the charter capital of the Issuer, %: **51.5169**

Share of the Issuer's ordinary shares, %: **51.5169**

Full company name: **Closed Joint-Stock Company "Depositary Clearing Company"**

Short company name: **ZAO "DKK"**

Share in the charter capital of the Issuer, %: **33.2879**

Share of the Issuer's ordinary shares, %: **33.2879**

The date for compiling the list of the persons entitled to participate in general shareholder meeting: **31.03.2009**

The list of shareholders

Full company name: **Open Joint-Stock Company "IDGC Holding"**

Short company name: **OAO "IDGC Holding"**

Share in the charter capital of the Issuer, %: **51.5169**

Share of the Issuer's ordinary shares, %: **51.5169**

Full company name: **Closed Joint-Stock Company "Depositary Clearing Company"**

Short company name: **ZAO "DKK"**

Share in the charter capital of the Issuer, %: **31.9537**

Share of the Issuer's ordinary shares, %: **31.9537**

The date for compiling the list of the persons entitled to participate in general shareholder meeting: **30.06.2009**

The list of shareholders

Full company name: **Open Joint-Stock Company "IDGC Holding"**

Short company name: **OAO "IDGC Holding"**

Share in the charter capital of the Issuer, %: **51.5169**

Share of the Issuer's ordinary shares, %: **51.5169**

Full company name: **Closed Joint-Stock Company "Depositary Clearing Company"**

Short company name: **ZAO "DKK"**

Share in the charter capital of the Issuer, %: **30.1615**
Share of the Issuer's ordinary shares, %: **30.1615**

The date for compiling the list of the persons entitled to participate in general shareholder meeting: **30.09.2009**

The list of shareholders

Full company name: ***Open Joint-Stock Company "IDGC Holding"***

Short company name: ***OAO "IDGC Holding"***

Share in the charter capital of the Issuer, %: **51.517**

Share of the Issuer's ordinary shares, %: **51.517**

Full company name: ***Closed Joint-Stock Company "Depository Clearing Company"***

Short company name: ***ZAO "DKK"***

Share in the charter capital of the Issuer, %: **32.906**

Share of the Issuer's ordinary shares, %: **32.906**

Full company name: ***Closed Joint-Stock Company "National Depository Center"***

Short company name: ***ZAO "NDC"***

Share in the charter capital of the Issuer, %: **5.3604**

Share of the Issuer's ordinary shares, %: **5.3604**

The date for compiling the list of the persons entitled to participate in general shareholder meeting: **31.12.2009**

The list of shareholders

Full company name: ***Open Joint-Stock Company "IDGC Holding"***

Short company name: ***OAO "IDGC Holding"***

Share in the charter capital of the Issuer, %: **51.517**

Share of the Issuer's ordinary shares, %: **51.517**

Full company name: ***Closed Joint-Stock Company "Depository Clearing Company"***

Short company name: ***ZAO "DKK"***

Share in the charter capital of the Issuer, %: **33.5286**

Share of the Issuer's ordinary shares, %: **33.5286**

Full company name: ***Closed Joint-Stock Company "National Depository Center"***

Short company name: ***ZAO "NDC"***

Share in the charter capital of the Issuer, %: **5.5958**

Share of the Issuer's ordinary shares, %: **5.5958**

The date for compiling the list of the persons entitled to participate in general shareholder meeting: **31.03.2010**

The list of shareholders

Full company name: ***Open Joint-Stock Company "IDGC Holding"***

Short company name: ***OAO "IDGC Holding"***

Share in the charter capital of the Issuer, %: **51.517**

Share of the Issuer's ordinary shares, %: **51.517**

Full company name: ***Closed Joint-Stock Company "Depository Clearing Company"***

Short company name: ***ZAO "DKK"***

Share in the charter capital of the Issuer, %: **32.56**

Share of the Issuer's ordinary shares, %: **32.56**

Full company name: ***Closed Joint-Stock Company "National Depository Center"***

Short company name: ***ZAO "NDC"***

Share in the charter capital of the Issuer, %: **4.4**

Share of the Issuer's ordinary shares, %: **4.4**

6.6. Information on interested-party transactions effected by the Issuer

Information on number and amount of transactions acknowledged by the Russian legislation as being interest-party transactions that demanded approval of the authorized managing body of the Issuer as of the last reported period

Measurement units: **RUR.**

Indicators	Total number	Total volume in money terms
------------	--------------	-----------------------------

Interest-party transactions effected by the Issuer as of the reported period that demanded approval of the authorized managing body of the Issuer	9	1 535 535 001
Interest-party transactions effected by the Issuer as of the reported period that were approved by the Issuer's general shareholder meeting	0	0
Interest-party transactions effected by the Issuer as of the reported period that were approved by the Issuer's Board of Directors (supervisory board)	9	1 535 535 001
Interest-party transactions effected by the Issuer as of the reported period that demanded approval by the Issuer's authorized managing body of the Issue but were not approved.	0	0

Transactions (groups of associated transactions), which price reach 5% and more of the book value of the Issuer's assets determined by its financial statements as of the last reported date prior to the transaction effected by the Issuer as of the last reported quarter: *none*

Total volume of interest-party transactions in money terms effected by the Issuer as of the last reported period, RUR: *1 535 535 001*

Interest-party transactions (groups of associated transactions) as well as information on a BoD or AGM decision to approve it was not taken in cases when such approval is obligatory with the Russian legislation: *none*

6.7. Information on accounts receivable

As of 2009

Measurement units: *RUR thous.*

Type of accounts receivable	Term of payment	
	Within 1 year	Over 1 year
Accounts receivable from buyers and customers	4 676 087	8 187
Including overdue	0	x
Accounts receivable on bills receivables	0	0
Including overdue	0	x
Accounts receivable (founders's share to the charter capital)	0	0
Including overdue	0	x
Accounts receivable on advances given	162 141	0
Including overdue	0	x
Other accounts receivable	1 288 732	91 322
Including overdue	0	x
TOTAL	6 126 960	99 509
Including overdue		x

Debtors which share is no less than 10% of the overall accounts receivable as of the reported period.

Full company name: *Open Joint-Stock Company "Sverdlovenergosbyt"*

Short company name *ОАО "Sverdlovenergosbyt"*

Location: *92 Kuznechnaya Ulitsa, Ekaterinburg, Russia*

Accounts receivable, RUR: *1 697 219 887*

Amount and terms of overdue accounts receivable (interest rate, fines, penalties): *0*

Debtor is not an affiliated person of the Issuer

As of the end of the reported period

Measurement units: *RUR thous.*

Type of accounts receivable	Term of payment	
	Within 1 year	Over 1 year
Accounts receivable from buyers and customers	4 294 706	7 707
Including overdue	0	x

Accounts receivable on bills receivables	20 000	0
Including overdue	0	x
Accounts receivable (founders's share to the charter capital)	0	0
Including overdue	0	x
Accounts receivable on advances given	270 541	0
Including overdue	0	x
Other accounts receivable	1 941 085	86 795
Including overdue	0	x
TOTAL	6 526 332	94 502
Including overdue	0	x

Debtors which share is no less than 10% of the overall accounts receivable as of the reported period.

Full company name: **Open Joint-Stock Company "Sverdlovenergosbyt"**

Short company name **OAO "Sverdlovenergosbyt"**

Location: **92 Kuznechnaya Ulitsa, Ekaterinburg, Russia**

Accounts receivable, RUR: **1 700 377 000**

Amount and terms of overdue accounts receivable (interest rate, fines, penalties): **0**

Debtor is not an affiliated person of the Issuer

VII. Financial accounts of the Issuer and other financial information

7.1. Annual financial accounts of the Issuer

2009

Balance Sheet as of December 31, 2009

	Form#1 according to ARCMD	Codes
	Date	0710001
Company: Open Joint-Stock company "Interregional Distributive grid company of Urals"	RNCBO	31.12.2009
Taxpayer identification number	TIN	76507836
Types of activities	RNCEA	6671163413
Legal organizational form: open joint-stock company	ARCFO	40.10.2
Units of measurement: RUR.	ARCMU	384
Location: 140 Mamina Sibiryaka 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	19	30
Fixed assets	120	24 584 353	27 500 735
Construction in progress	130	5 204 265	3 568 928
Investments in valuable property	135	0	0
Long-term financial investments	140	2 305 594	2 290 916
Deferred tax assets	145	210 542	330 326
Other non-current assets	150	0	0
TOTAL ON SECTION I	190	32 304 773	33 690 935

II. CURRENT ASSETS			
Inventory	210	1 083 588	1 091 602
Raw material and other similar valuable property	211	765 790	841 263
Rearers and fatteners	212	0	0
Expenses in uncompleted production	213	0	0
End product and products for sale	214	40 001	37 350
Goods delivered	215	0	0
Deferred expenses	216	277 797	212 989
Other materials and expenses	217	0	0
Value-added tax on acquired valuable property	220	45 181	54 367
Accounts receivable (payments in more than 12 months following the reported date)	230	128 131	99 509
Purchasers and customers (62, 76, 82)	231	3 805	8 187
Accounts receivable (payments within 12 months following the reported date)	240	6 574 142	6 126 960
Purchasers and customers (62, 76, 82)	241	3 857 266	4 676 087
Short-term financial investments (56,58,82)	250	0	0
Borrowings to companies for less than 12 months	251	0	0
Own shares purchased from shareholders	252	0	0
Other short-term financial investments	253	0	0
Cash	260	598 592	1 041 208
Other current assets	270	0	0
TOTAL ON SECTION II	290	8 429 634	8 413 646
ASSETS(190 + 290)	300	40 734 407	42 104 581

LIABILITIES	Line code	As of the reported period	As of the end of the reported period
1	2	3	4
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	500	43 568
Reserves formed according to legislation	431	0	0
Reserves formed according to the founding documents	432	500	43 568
Non-distributed profit (uncovered loss)	468	1 367 873	1 324 805
TOTAL ON SECTION III	470	0	1 053 267
III. CAPITAL AND RESERVES	490	27 120 925	28 174 192
IV. LONG-TERM LIABILITIES			
Loans and borrowings	510	5 161 534	5 583 562
Interest paid on loans and borrowings	511	35 812	0
Deferred tax liabilities	515	932 224	1 069 798
Other long-term liabilities	520	2 449 222	798 531
TOTAL ON SECTION IV	590	8 578 792	7 451 891
V. SHORT-TERM LIABILITIES			
Loans and borrowings	610	1 200 000	0
Interest paid on loans and borrowings	611	6 958	26 503

Accounts payable	620	3 631 480	6 340 816
Suppliers and contractors	621	2 379 927	3 127 653
Debt to employees	622	97 431	118 230
Debt to state non-budgetary funds	623	42 133	40 793
Debts on taxes and levies	624	160 841	569 069
Other creditors	625	951 148	2 485 071
Debts to founders	630	24 083	22 154
Deferred revenues	640	96 607	89 025
Reserves for future expenses	650	75 562	0
Other short-term liabilities	660	0	0
TOTAL ON SECTION V	690	5 034 690	6 478 498
LIABILITIES (490 + 590 + 690)	700	40 734 407	42 104 581

INFORMATION ON VALUES STATED IN OFF-BALANCE SHEET ACCOUNTS			
Indicators	Line code	As of the start of the reported period	As of the end of the reported period
1	2	3	4
Leased assets	910	1 395 259	3 330 856
Including leasing	911	1 526	0
Inventory for safe custody	920	191 848	10 733
Goods taken for commission	930	0	0
Writing off debt from insolvent debtors	940	1 607 126	797 493
Provision of liabilities and payments received	950	75 998	69 225
Provision of liabilities and payments paid out	960	2 203 286	65
Housing depreciation	970	15 287	16 111
Depreciation of external amenity objects and other similar objects	980	1 137	1 235
Intangible assets obtained for usage	990	0	0

**Profit and Loss Statement
as of 2009**

Form# 2 according to ARCMD

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.**

Location: **140 Mamina Sibiryaka Ulitsa, Ekaterinburg, Russia 620026**

Codes	
0710002	
Date	31.12.2009
RNCBO	76507836
TIN	6671163413
RNCEA	40.10.2
ARCFO	
ARCMU	384

Indicator	Line code	As of the reported period	Corresponding period of the previous year
1	2	3	4
Revenues and expenses on usual activities			
Revenues from sale of goods, services (except for VAT, excise taxes and other obligatory payments)	010	41 297 636	23 777 692
Expenses	020	-36 623 611	-22 184 052
Gross profit	029	4 674 025	1 593 640
Commercial expenses	030	0	0
Administrative expenses	040	0	0
Sales profit (loss)	050	4 674 025	1 593 640
Operating revenues and expenses			
Interest receivable	060	14 598	12 708
Interest payable	070	-728 621	-305 314
Income from participating in other companies	080	13 242	13 313
Other operating profits	090	3 845 828	1 436 095
Other operating expenses	100	-6 426 100	-1 531 925
Pre-tax profit (loss)	140	1 392 972	1 218 517
Deferred tax assets	141	119 784	-50 412
Deferred tax liabilities	142	-137 574	-73 127
Current income tax	150	-468 806	-373 598
Other similar obligatory payments	151	146 891	139 972
Net profit (loss) of the reported period	190	1 053 267	861 352
FOR INFORMATION:			
Permanent tax liabilities (assets)	200	231 991	221 021
Basic earnings per share	201	0.01	0.02
Diluted earnings per share	202	0	0

Indicator	Line code	As of the reported period		As of the corresponding period of the previous year	
		profit	loss	profit	loss
1	2	3	4	5	6
Fines, penalties and forfeits acknowledged by	230	41 813	267	12 831	9 905

court and there are court resolutions on their collection					
Profit (loss) of last years	240	353 552	844 325	3 161	38 742
Reimbursement of loss caused by non-fulfillment or improper liabilities execution	250	19 944	5 614	9 374	979
Exchange rate difference on foreign exchange operations	260	322	54	9	193
Contributions to assessed reserves	270		1 962 349		101 884
Writing off of accounts receivable and payable with expired term of legal limitation	280	12 445	35 081	9 680	519 344

**Capital changes Report
as of 2009**

Form# 3 according to ARCMD

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.**

Location: **140 Mamina Sibiryaka Ulitsa, Ekaterinburg, Russia 620026**

	Codes
	0710003
Date	31.12.2009
RNCBO	76507836
TIN	6671163413
RNCEA	40.10.2
ARCFO	
ARCMU	384

I. Capital changes						
Indicator	Line code	Charter capital	Added capital	Reserve capital	Non-distributed profit (non-covered loss)	Total
1	2	3	4	5	6	7
Balance as of December 31 of the year preceding the year before	010	10 000	0	500	23 206	33 706
Changes in accounting policy	011				0	0
Revaluation of fixed assets	012		0		0	0
Balance as of January, 1 of the year before	020	10 000	0	500	23 206	33 706
Recalculation of foreign currencies	023		0			0
Net profit	025				861 352	861 352
Dividends	026				-4 008	-4 008
Payments to reserve fund	030				0	0
Increase of capital due to:						
Additional share issue	041					0
Increase of nominal share value	042					0
Legal entity restructuring	043	8 733 049			327 649	9 060 698
Other			17 009 503			17 009 503
Decrease of capital due to:						
Decrease of share nominal	051					0
Decrease of share number	052					0
Legal entity restructuring	053					0
Balance as of December, 31 of the previous year	060	8 743 049	17 009 503	500	1 208 199	26 961 251
Changes in accounting policy	061					0
Revaluation of fixed assets	062					0
Change of income tax rates					159 674	159 674
Balance as of January, 1 of the reported year	100	8 743 049	17 009 503	500	1 367 873	27 120 925

Recalculation of foreign currencies	102					0
Net profit	106				1 053 267	1 053 267
Dividends	108				0	0
Payments to reserve fund	110			43 068	-43 068	
Increase of capital due to:						
Additional share issue	121					0
Increase of nominal share value	122					0
Legal entity restructuring	123					
I. Capital changes						
Decrease of capital due to:						
Decrease of share nominal	131					0
Decrease of share number	132					0
Legal entity restructuring	133					0
Balance as of December, 31 of the reported year	140	8 743 049	17 009 503	43 568	2 378 072	28 174 192

II. Reserves					
Indicator	Line code	Balance as of the beginning of the reported year	Received during the reporting period	Spent during the reported period	Balance as of the end of the reported year
1	2	3	4	5	6
Reserves formed according to the legislation:					
Data of the previous year	150	0	0	0	0
Data of the reported year	151	0	0	0	0
Reserves formed according to the founding documents:					
Reserve fund					
Data of the previous year	152	500			500
Data of the reported year	153	500	43 068	0	43 568
Estimated reserves					
Bad debt reserve					
Data of the previous year	160	0	60 206	0	60 206
Data of the reported year	161	60 206	4 492 776	-2 539 900	2 013 082
Reserve for investment depreciation					
Data of the previous year	162	0	41 678	0	41 678
Data of the reported year	163	41 678	14 473	-5 000	51 151
Reserves for the future expenses:					
Reserve for conditional facts of operating activity					
Data of the previous year	180	0	560 920	-485 358	75 562
Data of the reported year	181	75 562		-75 562	

For information

Indicator	Code	Balance as of the beginning of the reported year		Balance as of the end of the reported year	
1	2	3		4	
1) Net assets	200	27 217 532		28 263 217	
		From the budget		From non-budget funds	
		As of the reported year	As of the previous year	As of the reported year	As of the previous year
		3	4	5	6
2) Received for:					
Expenses on usual operations - total	210	0	0	0	0
including:		0	0	0	0
Capital investments into non-current assets	220	0	0	0	0
including		0	0	0	0

**Cash Flow Report
as of 2009**

Form#4 according to ARCMD

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.**

Location: **140 Mamina Sibiryaka Ulitsa, Ekaterinburg, Russia 620026**

	Codes
	0710004
Date	31.12.2009
RNCBO	76507836
TIN	6671163413
RNCEA	40.10.2
ARCFO	
ARCMU	384

Indicator	Line code	As of the reported period	Corresponding period of the previous year
1	2	3	4
Cash at the beginning of the reported year	010	598 450	22 223
Cash flows on the current activities			
Money received buyers, customers	020	42 892 887	27 619 237
Gains in extraordinary circumstances	040	27 461	0
Other revenues	050	214 958	119 379
Cash given to:			
Payments of acquired goods, materials and other current assets	150	-32 938 079	-21 161 176
wages	160	-2 994 032	-1 754 718
Dividends, interests	170	-838 207	-303 523
Taxes and levies	180	-2 312 542	-1 231 462
Payments in extraordinary circumstances	181	-632	0
Social payments	185	-145 534	-6 381
Other expenses	190	-1 514 555	-574 197
Net cash from the current activities	200	2 391 725	2 707 159
Cash flows in investment activities			
Revenues from the sale of fixed assets and other non-current assets	210	18 351	160 768
Revenues from the sale of securities and other financial investments	220	226 039	151 960
Received dividends	230	11 803	13 322
Received interest	240	14 488	20 890
Gains from bond redemption given to other companies	250	2 833	2 161
Other gains	260	291	1 056
Acquisition of subsidiaries	280	0	0
Acquisition of fixed asset objects, profitable investments into material values and intangible assets	290	-2 443 147	-3 907 585
Acquisition of securities and other financial investments	300	0	-20 847
Loans given to other companies	310	0	0
Other expenses	320	-37	0
Net cash from investment activities	340	-2 169 379	-3 578 275
Cash flows from financial activities			

Gains from issues of shares or other equity securities	350	0	0
Gains from loans and borrowings given by other companies	360	10 628 720	3 821 746
Redemption of loans and borrowings (no interest)	390	-10 408 330	-2 538 062
Redemption of financial lease obligations	400	0	-50 837
Net cash from financial activities	410	220 390	1 232 847
Net increase (decrease) of cash and equivalents	420	442 736	361 731
Gains from separation balance sheet	425	0	214 496
Balance of cash as of the reported period	430	1 041 186	598 450
Value of changes of foreign currency in relation to Russian ruble	440	0	0

**Supplement to the Balance Sheet
as of 2009**

Form# 5 according to ARCMD

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.**

Location: **140 Mamina Sibiryaka Ulitsa, Ekaterinburg, Russia 620026**

	Codes
	0710005
	Date
	31.12.2009
	RNCBO
	76507836
	TIN
	6671163413
	RNCEA
	40.10.2
	ARCFO
	ARCMU
	384

Intangible assets					
Indicator	Line code	Presence as of the beginning of the reported year	Received	Retired	Balance as of the end of the reported period
1	2	3	4	5	6
Intellectual property (exclusive rights to intellectual property results)	010	36	12	0	48
including:					
From patentee (invention, production sample, useful model)	011	36	0	0	36
From right owner of PC programs, data bases	012	0	0	0	0
From right owner of chip works	013	0	0	0	0
From owner of trade mark and service mark, name of goods origin	014	0	12	0	12
From patentee (selection achievements)	015	0	0	0	0
Arrangement expenses	020	0	0	0	0
Goodwill	030	0	0	0	0
Other	040	0	0	0	0

Indicator	Line code	As of the beginning of the reported year	As of the end of the reported period
1	2	3	4
Depreciation of intangible assets - total	050	17	18

Fixed assets					
Indicators	Line code	Presence at the beginning of the reported year	Received	Retired	Balance as of the end of the reported period
1	2	3	4	5	6
Buildings	110	6 331 926	264 373	-165 806	6 430 493

Constructions and transfer equipment	111	31 066 266	2 808 225	-90 677	33 783 814
Machine and equipment	112	33 730 167	2 073 754	-181 711	35 622 210
Vehicles	113	312 018	4 621	-12 703	303 936
Production inventory	114	157 910	3 100	-7 053	153 957
Draft cattle	115	0	0	0	0
Productive livestock	116	0	0	0	0
Long-term plants	117	362	0	0	362
Other types of fixed assets	118	119 492	1 335	-3 269	117 558
Land plots and objects of environmental management	119	2 665	5 169	0	7 834
Capital investments into profound land improvement	120	0	0	0	0
Total	130	71 720 806	5 160 577	-461 219	76 420 164

Indicator	Line code	As of the beginning of the reported period	As of the end of the reported period
1	2	3	4
Depreciation of fixed assets - total	140	47 136 453	48 919 429
including:			
Buildings and constructions	141	21 153 324	22 006 883
Machines, equipment, machinery, vehicles	142	25 816 645	26 788 092
other	143	166 484	124 454
Fixed assets leased - total	150	867 304	792 930
including:			
Buildings and constructions	151	455 148	399 486
Machines, equipment, machinery, vehicles	152	403 432	384 459
other	153	8 724	8 985
Fixed asset object fixed to conservation	155	66 443	10 382
Received fixed asset objects (lease) -total	160	1 395 259	3 330 856
including:			
Buildings and constructions	161	531 332	608 706
Machines, equipment	162	97 240	88 774
other	163	766 687	2 633 376
Immovable objects launched and under the state registration	165	1 008 012	2 044 517
For information:			
Revaluation of fixed asset objects	170	0	0
Initial (reductive) value	171	0	0
depreciation	172	0	0
Change of price for fixed asset objects as a result of completion of construction, equipment, reconstruction and partial liquidation	180	985 824	536 407

Profitable investments into material values					
Indicators	Line code	Presence at the beginning of the reported year	Received	Retired	Balance as of the end of the reported period

1	2	3	4	5	6
Property for lend-lease	210	0	0	0	0
Property given according to rental contract	220	0	0	0	0
Other	230	0	0	0	0
Total	240	0	0	0	0
Depreciation of profitable investments into material values	250	0	0	0	0

Expenses on scientific, research, experimental and technological works					
Type of work	Line code	Presence at the beginning of the reported year	Received	Retired	Balance as of the end of the reported period
1	2	3	4	5	6
Total	310	0	0	0	0

Indicator	Line code	At the beginning of the reported year	At the end of the reported period
1	2	3	4
FOR INFORMATION. Expenses on non-accomplished scientific, research, experimental, construction and technological work	320	0	0
Indicator	Line code	At the beginning of the reported year	At the end of the reported period
1	2	3	4
Expenses on non-accomplished scientific, research, experimental, construction and technological work, that had no results (referred to extraordinary expenses)	330	0	0

Expenses on natural resource exploration					
Type of work	Line code	Balance as of the beginning of the reported year	Received	Retired	Balance as of the end of the reported period
1	2	3	4	5	6
Expenses on natural resource exploration - total	410	0	0	0	0
Indicator	Line code	At the beginning of the reported year	At the end of the reported period		
1	2	3	4		
Expenses on mineral wealth with non-accomplished field search and evaluation, follow-up exploration and (or) hydro geological search and other similar works	420	0	0		
Expenses on mineral wealth exploration referred to extraordinary expenses during the reported period that were acknowledged futile	430	0	0		

Financial investments					
Indicator	Line code	Long-term		Short-term	
		As of the beginning of the reported year	As of the end of the reported period	As of the beginning of the reported year	As of the end of the reported period
1	2	3	4	5	6
Shares to charter capitals of other companies - total	510	2 293 091	2 278 618	0	0
Including SACs	511	2 293 091	2 278 618	0	0
Federal and municipal securities	515	0	0	0	0
Securities of other companies - total	520	10 544	11 439	0	0
Including debt securities (bonds, bills)		0	0	0	0
Loans given	525	1 849	849	0	0
Deposits	530	100	0	0	0
Other	535	10	10	0	0
Total	540	2 305 594	2 290 916	0	0
Overall financial investments possessing current market value					
Shares to charter capitals of other companies - total	550	544	1 439	0	0
Including SACs	551	0	0	0	0
Federal and municipal securities	555	0	0	0	0
Securities of other companies - total	560	0	0	0	0
Including debt securities (bonds, bills)	561	0	0	0	0
Other	565	0	0	0	0
Total	570	544	1 439	0	0
FOR INFORMATION					
Financial investments possessing current market value, change of value as a result of value correction	580	-2 882	895	0	0
On debt securities margin between initial cost and nominal value is referred to financial result of the reported year	590	0	0	0	0

Accounts payables and receivables					
Indicator	Line code	Balance as of the beginning of the reported year		Balance as of the end of the reported period	
		3	4	3	4
1	2	3	4	3	4
Accounts receivable:					
Short-term - total	610	6 574 142	6 126 960		
Including :					
Payments to suppliers and customers	611	3 857 266	4 676 087		
Advances given	612	1 399 802	162 441		
other	613	1 317 074	1 288 432		
Long-term - total	620	128 131	99 509		
Including :					

Payments to suppliers and customers	621	3 805	8 187
Advances given	622	14 383	0
other	623	109 943	91 322
Total	630	6 702 273	6 226 469
Accounts payable:			
Short-term - total	640	4 838 438	6 367 319
Including :			
Payments to suppliers and customers	641	2 379 927	3 127 653
Advances taken	642	402 827	1 978 221
Taxes and levies	643	160 841	569 069
Credits	644	1 206 958	26 488
Loans	645	0	15
Other	646	687 885	665 873
Long-term - total	650	7 646 568	6 382 093
including:			
Credits		4 189 306	5 581 924
Loans		1 008 040	1 638
Other		2 449 222	798 531
TOTAL		12 485 006	12 749 412

Expenses			
Indicator	Line code	As of the reported period	As of the previous period
1	2	3	4
Material expenses	710	2 954 341	2 590 320
Wages	720	3 311 370	2 018 843
Social benefits	730	708 856	422 832
Depreciation	740	2 069 919	1 237 543
Other expenses	750	27 579 125	15 914 514
Total on expenses	760	36 623 611	22 184 052
Changes of balances [+], decrease [-]:			
Production in progress	760	0	0
Deferred expenses	766	-64 808	274 330
Future expense reserve	767	-75 562	75 562

Pledges			
Indicator	Line code	As of the reported period	As of the previous period
1	2	3	4
Received - total	810	75 998	69 225
including:			
Bills	811	0	0
Property under pledge	820	0	0
including:			
Fixed asset objects	821	0	0
Securities and other financial investments	822	0	0

Other	823	0	0
Given – total	830	2 203 286	65
including:			
Bills	831	0	0
Property under pledge	840	0	0
including:			
Fixed asset objects		0	0
Securities and other financial investments		0	0
Other		0	0

State support					
Indicator		Line code	As of the reported period		As of corresponding period of the previous year
1		2	3	4	
Budget funds received - total		910	0		0
including reserve			0		0
Target transfer - other			0		0
		As of the beginning of the reported period	Received as of the beginning	Returned during the reported period	As of the end of the reported period
1	2	3	4	5	6
Budget loans - total			0	0	0

7.2. Quarterly financials as of the last reported quarter

Balance Sheet as of March 31, 2010

	Form#1 according to ARCMD	Codes
		0710001
	Date	31.03.2010
Company: Open Joint-Stock company "Interregional Distributive grid company of Urals"	RNCBO	76507836
Taxpayer identification number	TIN	6671163413
Types of activities	RNCEA	40.10.2
Legal organizational form: open joint-stock company	ARCFO	
Units of measurement: RUR.	ARCMU	384
Location: 140 Mamina Sibiryaka 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	76
Fixed assets	120	27 500 735	27 058 589
Construction in progress	130	3 568 928	3 700 467
Investments in valuable property	135	0	0
Long-term financial investments	140	2 290 916	2 291 704
Other long-term financial investments	145		
Deferred tax assets	148	330 326	446 396
Other non-current assets	150	0	0
TOTAL ON SECTION I	190	33 690 935	33 497 232
II. CURRENT ASSETS			
Inventory	210	1 091 602	1 180 060
Raw material and other similar valuable property	211	841 263	871 707
Rearers and fatteners	212	0	0
Expenses in uncompleted production	213	0	0
End product and products for sale	214	37 350	35 369
Goods delivered	215	0	0
Deferred expenses	216	212 989	272 984
Other materials and expenses	217	0	0
Value-added tax on acquired valuable property	220	54 367	28 769
Accounts receivable (payments in more than 12 months following the reported date)	230	99 509	94 502
Purchasers and customers (62, 76, 82)	231	8 187	7 707
Accounts receivable (payments within 12 months following the reported date)	240	6 126 960	6 526 332
Purchasers and customers (62, 76, 82)	241	4 676 087	4 294 705
Short-term financial investments (56,58,82)	250	0	30 000
Borrowings to companies for less than 12 months	251	0	0

Own shares purchased from shareholders	252	0	0
Other short-term financial investments	253	0	0
Cash	260	1 041 208	1 358 293
Other current assets	270	0	0
TOTAL ON SECTION II	290	8 413 646	9 217 956
ASSETS(190 + 290)	300	42 104 581	42 715 188

LIABILITIES	Line code	As of the reported period	As of the end of the reported period
1	2	3	4
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	43 568
Reserves formed according to legislation	431	0	0
Reserves formed according to the founding documents	432	43 568	43 568
Non-distributed profit of the previous years	468	2 378 072	2 378 072
Non-distributed profit (uncovered loss)	470	0	55 134
TOTAL ON SECTION III	490	28 174 192	28 229 326
IV. LONG-TERM LIABILITIES			
Loans and borrowings	510	5 583 562	4 920 000
Deferred tax liabilities	515	1 069 798	1 171 933
Other long-term liabilities	520	798 531	837 941
TOTAL ON SECTION IV	590	7 451 891	6 929 874
V. SHORT-TERM LIABILITIES			
Loans and borrowings	610	0	0
Interest paid on loans and borrowings	611	26 503	1 235
Accounts payable	620	6 340 816	7 291 805
Suppliers and contractors	621	3 127 653	3 385 718
Debt to employees	622	118 230	366 994
Debt to state non-budgetary funds	623	40 793	133 143
Debts on taxes and levies	624	569 069	595 277
Other creditors	625	2 485 071	2 810 673
Debts to founders	630	22 154	22 136
Deferred revenues	640	89 025	87 054
Reserves for future expenses	650	0	153 758
Other short-term liabilities	660	0	0
TOTAL ON SECTION V	690	6 478 498	7 555 988
LIABILITIES (490 + 590 + 690)	700	42 104 581	42 715 188

INFORMATION ON VALUES STATED IN OFF-BALANCE SHEET ACCOUNTS			
Indicators	Line code	As of the start of the reported period	As of the end of the reported period
1	2	3	4

Leased assets	910	3 330 856	3 399 566
Including leasing	911	0	0
Inventory for safe custody	920	10 733	10 807
Goods taken for commission	930	0	0
Writing off debt from insolvent debtors	940	797 493	775 657
Provision of liabilities and payments received	950	69 225	67 304
Provision of liabilities and payments paid out	960	65	65
Housing depreciation	970	16 111	16 066
Depreciation of external amenity objects and other similar objects	980	1 235	1 260
Intangible assets obtained for usage	990	0	0

**Profit and Loss Statement
as of 3M 2010**

Form# 2 according to ARCMD

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.**

Location: **140 Mamina Sibiryaka Ulitsa, Ekaterinburg, Russia 620026**

Codes	
0710002	
Date	31.03.2010
RNCBO	76507836
TIN	6671163413
RNCEA	40.10.2
ARCFO	
ARCMU	384

Indicator	Line code	As of the reported period	Corresponding period of the previous year
1	2	3	4
Revenues and expenses on usual activities			
Revenues from sale of goods, services (except for VAT, excise taxes and other obligatory payments)	010	13 341 519	11 161 316
Expenses	020	-12 837 551	-10 073 883
Gross profit	029	503 968	1 087 433
Commercial expenses	030	0	0
Administrative expenses	040	0	0
Sales profit (loss)	050	503 968	1 087 433
Operating revenues and expenses			
Interest receivable	060	5 304	15
Interest payable	070	-152 696	-160 647
Income from participating in other companies	080	0	0
Other operating profits	090	631 973	262 142
Other operating expenses	100	-881 540	-1 492 321
Extraordinary profit	120		
Extraordinary expenses	130		
Pre-tax profit (loss)	140	107 009	303 378
Deferred tax assets	141	116 069	17 681
Deferred tax liabilities	142	-102 136	-67 872
Current income tax	150	-65 438	-58 318
Other similar obligatory payments	151	-370	-21 939
Net profit (loss) of the reported period	190	55 134	-389 948
FOR INFORMATION:			
Permanent tax liabilities (assets)	200	31 877	59 503
Basic earnings per share	201	0	0
Diluted earnings per share	202	0	0

Indicator	Line code	As of the reported period		As of the corresponding period of the previous year	
		profit	loss	profit	loss

1	2	3	4	5	6
Fines, penalties and forfeits acknowledged by court and there are court resolutions on their collection	230	1 981	2 264	15 873	0
Profit (loss) of last years	240	40 010	55 993	14 043	591 766
Reimbursement of loss caused by non-fulfillment or improper liabilities execution	250	539	1 011	1 947	345
Exchange rate difference on foreign exchange operations	260	12	0	0	0
Contributions to assessed reserves	270		180 066		586 273
Writing off of accounts receivable and payable with expired term of legal limitation	280	79	118	0	0

7.3. Consolidated financial statements as of the last completed financial year

It is not disclosed in the reported quarter

7.4. Information on accounting policy of the Issuer

For additional information visit: <http://www.mrsk-ural.ru/en/359>

7.5. Information on overall export as well as share of export in overall sales

The Issuer does not export goods (services)

7.6. Information on the Issuer's property value and significant changes occurred in the structure of the Issuer's property following the end of the last completed financial year

The overall value of immovables as of the end of the reported period, RUR: **43 524 544 091**

Accumulated amortization as of the end of reported period, RUR: **25 482 344 619**

Information on significant changes in the structure of immovables occurred within 12 months since the end of the reported quarter: ***There were no significant changes in the structure of immovables within 12 months since the end of the reported period***

Information on any acquisitions or retirement of any property owned by the Issuer due to any reasons, if the book value of the property exceeds 5% of the book value of the Issuer's assets as well as information on any significant changes occurred in the structure of other property following the end of the last completed financial year prior to the end of the reported quarter: ***There were no such changes***

7.7. Information on the Issuer's lawsuits in cases when such lawsuit can significantly affect financial and business activities of the Issuer

№	Plaintiff/ defendant	Starting date of the process	Amount in controversy (RUR)	Subject of lawsuit	Results
1	OAO "Permenergo" (Perenergo Subsidiary of OAO "IDGC of Urals"/Interregional inspection of Federal Tax Service of Russia #4	January, 2008	RUR 631 394 070, including as of 2004 – RUR 328 437 635, as of 2005–RUR 302 956 435 and RUR 128 506 725 (fine) as well as corresponding sums of poenas	On acknowledging non-regulatory act of the tax body invalid (Resolution of the tax body on bringing to responsibility for tax offence regarding additional charge of tax)	Resolution of Moscow Arbitration Court dd. 01.11.2008, appeal resolution dd. 07.05.2009, cassation resolution dd. 14.08.09, resolution of Moscow Arbitration Court following new examination of claim dd. 18.02.2010 (examined in terms of income tax arrears – RUR 19 mln.). The claim is satisfied, except for RUR 9.6 mln. (tax arrears) + RUR 5 mln. (fines and penalties).
2	OAO "Sverdlovenergo"(Sverdlovsk Subsidiary of OAO "IDGC of Urals")/ Interregional inspection of Federal Tax Service of Russia #4	December, 2008	1) Income tax - RUR 263 902 532, 2) VAT - RUR 345 891, 3) land tax – RUR 8 284 718, 4) Individual income tax - RUR 2275.	On acknowledging non-regulatory act of the tax body invalid (Resolution of the tax body on rejection to bring to responsibility regarding additional charge of taxes, poenas as well as claims regarding charge of the taxes and poenas)	Resolution of Arbitration Court dd. 03.08.2009 satisfied claims, except for RUR 345 891 (VAT) and RUR 2275 (individual income tax). Appeal resolution dd. 23.12.2009 left the previous resolution without changes.
3	OAO "Sverdlovenergo"(Sverdlovsk Subsidiary of OAO "IDGC of Urals")/ Interregional inspection of Federal Tax Service of Russia	March, 2009	1) Income tax-RUR 102 900 116, 2) VAT - RUR 660 617 701, poena on income tax RUR 24 665 894,01, poena on VAT RUR 252 711 481,88	On acknowledging non-regulatory act of the tax body invalid (Resolutions of the tax body #02-47/179	Resolution of Moscow Arbitration Court dd. 18.09.2009 and appeal resolution dd. 29.01.2010 rejected RUR 601 mln. (arrears and corresponding fines and penalties). As for the rest, our claims were satis-

#4		, fine on income tax - RUR 18 120 561,54 , on VAT - RUR 132 123 540, 20	dd. 28.12.2007 regarding additional charge of expenses, poenas and tax sanctions)	fied.
----	--	---	---	-------

VIII. Additional information on the Issuer and its placed securities

8.1. Additional information on the Issuer

8.1.1. Information on amount, structure of the Charter capital of the Issuer

Amount of the Charter Capital of the Issuer as of the last reported quarter, RUR: **8 743 048 571.1**

Ordinary shares

Overall nominal value: **8 743 048 571.1**

Share in the Charter Capital, %: **100**

Preferred shares

Overall nominal value: **0**

Share in the Charter Capital, %: **0**

8.1.2. Information on changes in the amount of the Charter Capital of the Issuer

Сведения Information on changes in the amount of the Charter capital of the Issuer as of 5 last completed financial years preceding the end of the reported period as well as during the reported period

Date of changes in the Charter capital: **24.03.2008**

Amount of the Charter capital prior to changes (RUR): **10 000 000**

The structure of the Charter capital prior to changes

Ordinary shares

Overall nominal value: **10 000 000**

Share in the Charter capital, %: **100%**

Preferred shares:

Overall nominal value: **0**

Share in the Charter capital, %: **0**

Amount of the Charter capital following the changes (RUR): **251 418 597.4**

The Issuer's managing body that took a resolution on changes in the Charter capital: **General shareholder meeting OAO "IDGC of Urals"**

Protocol date: **25.12.2007**

Protocol number: **1795pr/9**

Date of changes in the Charter capital: **03.06.2008**

The Charter capital prior to changes (RUR): **251 418 597.4**

The structure of the Charter capital prior to changes

Ordinary shares

Overall nominal value: **251 418 597.4**

Share in the Charter capital, %: **100%**

Preferred shares

Overall nominal value: **0**

Share in the Charter capital, %: **0**

Amount of the Charter capital following the changes (RUR): **8 743 048 571.1**

The Issuer's managing body that took a resolution on changes in the Charter capital: **General shareholder meeting of OAO "IDGC of Urals"**

Protocol date: **25.12.2007**

Protocol number: **1795pr/9**

8.1.3. Information on formation and usage of the reserve fund as well as other funds of the Issuer

As of 2005.

Information on formation and usage of the reserve fund as well as other funds of the Issuer being formed by its net profit

Fund: **Reserve**

Amount of fund set forth by the founding documents: **5% from the Charter capital**

Fund in money terms as of the end of the reported period, RUR: **0**

Fund amount in % from the Charter capital: **0**

Contributions during the reported period: **0**

Money used from the fund during the reported period: **0**

Directions for fund usage:

As of 2006.

Information on formation and usage of the reserve fund as well as other funds of the Issuer being formed by its net profit

Fund: **Reserve**

Amount of fund set forth by the founding documents: **5% from the Charter capital**

Fund in money terms as of the end of the reported period, RUR: **500 000**

Fund amount in % from the Charter capital: **5**

Contributions during the reported period: **500 000**

Money used from the fund during the reported period: **0**

Directions for fund usage: **The reserve fund was not used.**

As of 2007.

Information on formation and usage of the reserve fund as well as other funds of the Issuer being formed by its net profit

Fund: **Reserve**

Amount of fund set forth by the founding documents: **5% from the Charter capital**

Fund in money terms as of the end of the reported period, RUR: **500 000**

Fund amount in % from the Charter capital: **5**

Contributions during the reported period: **0**

Money used from the fund during the reported period: **0**

Directions for fund usage: **The reserve fund was not used.**

As of 2008.

Information on formation and usage of the reserve fund as well as other funds of the Issuer being formed by its net profit

Fund: **Reserve**

Amount of fund set forth by the founding documents: **5% from the Charter capital**

Fund in money terms as of the end of the reported period, RUR: **500 000**

Fund amount in % from the Charter capital: **5**

Contributions during the reported period: **0**

Money used from the fund during the reported period: **0**

Directions for fund usage: **The reserve fund was not used.**

As of 2009.

Information on formation and usage of the reserve fund as well as other funds of the Issuer being formed by its net profit

Fund: **Reserve**

Amount of fund set forth by the founding documents: **5% from the Charter capital**

Fund in money terms as of the end of the reported period, RUR: **43 568 000**

Fund amount in % from the Charter capital: **5**

Contributions during the reported period: **43 068 000**

Money used from the fund during the reported period: **0**

Directions for fund usage: **The reserve fund was not used.**

As of the reported quarter

Information on formation and usage of the reserve fund as well as other funds of the Issuer being formed by its net profit

Fund: **Reserve**

Amount of fund set forth by the founding documents: **5% from the Charter capital**

Fund in money terms as of the end of the reported period, RUR: **43 568 000**

Fund amount in % from the Charter capital: **5**

Contributions during the reported period: **0**

Money used from the fund during the reported period: **0**

Directions for fund usage: **The reserve fund was not used.**

8.1.4. Information of the procedure for convention and arrangement of the supreme managing body meeting

Name of supreme managing body of the Issuer: **General shareholder meeting**

Procedure of notifying shareholders on the meeting of the supreme body of the Issuer:

In case of arranging general shareholder meeting in the form of meeting (compresence):

Information on the meeting is published in "Rossyiskaya Gazeta" as well as disclosed on the corporate web-site within 30 (Thirty) days prior to the meeting.

Voting papers are sent by a registered letter to an address from the list of persons entitled to participate in the meeting or given against signature within 20 (Twenty) days prior to the meeting.

In case when a general shareholder meeting is arranged in the form of absentee voting:

A message on the meeting by absentee voting is published by the Company in newspaper "Rossyiskaya Gazeta" as well as disclosed on the corporate web-site within 30 (Thirty) days prior to the final day of voting papers receipt.

Voting papers are sent by a registered letter to an address from the list of persons entitled to participate the general shareholder meeting or given against signature to a person from the list of those entitled to participate in the general shareholder meeting within 20 (Twenty) days prior to the final day of voting papers receipt.

Persons (bodies), entitled to convene (demand arrangement of) extraordinary meeting of the Issuer's managing body as well as the procedure of forwarding such demands:

Extraordinary general shareholder meeting is arranged by a resolution of the Company's BoD on its own initiative, a demand of the Company's Audit Commission, Auditor as well as a shareholder (shareholders), owning no less than 10 (Ten) % of voting shares as of the demand submission date.

The convention of general shareholder meeting on a demand of the Company's Audit Commission, Auditor or shareholder (shareholders) owning no less than 10 (Ten) % of voting shares is arranged by the Company's Board of Directors.

Such general shareholder meeting should be held within 40 (Forty) days since submittal of the demand on convening an EGM, except for the case stipulated in item 14.9 of the Charter.

In the demand there should be issues subject to introduction into the meeting agenda.

Persons (person), demanding convention of an EGM, are entitled to introduce an EGM resolution draft, proposal on the form of general shareholder meeting. In case when a demand to convene an EGM contains a proposal on candidate nomination, this proposal is covered by the corresponding statements of the Article 13 of the Charter.

The Company's BoD is not entitled to introduce changes into agenda issue and issue resolution wording, as well as change the proposed form of an EGM convened by the demand of the Audit Commission, Auditor or shareholders (shareholder) being owners of no less than 10 (Ten) % of the voting shares.

In case when a demand on an EGM was submitted by a shareholder (shareholders), it should contain name of the shareholder (shareholders) demanding convention of a meeting, number, category (type) of the shares.

A demand of convening an EGM is signed by a person (persons) demanding an EGM convention.

The procedure for determining a date for the meeting of the Company's supreme governing body: an AGM is held no earlier than 2 months and no later than 6 months following the end of financial year.

The convention of an EGM on a demand by the Company's Audit Commission, Auditor or shareholders (shareholder) owning no less than 10% of voting shares is held by the Company's Board of Directors.

Such general shareholder meeting should also be held within 40 (Forty) days since the demand, except for the case when the proposed agenda of the EGM contains an issue on election of the Company's Board of Directors.

In case when a proposed agenda of an EGM contains an issue on election of the Company's BoD:

General shareholder meeting should be held within 90 (Ninety) days since a demand on convening an EGM.

Shareholders (shareholder) of the Company owning no less than 2% of voting shares on the whole are entitled to propose candidates for election to the Company's BoD. The number cannot exceed the membership of the Company's BoD.

Such proposals should be submitted to the Company in no less than 30 (Thirty) days prior to the date for holding an EGM.

The Company's BoD is obliged to review the submitted proposals and take a decision to include them onto the agenda of an EGM or to refuse the inclusion within 5 (Five) days following the end of the term disclosed in paragraph 2 of the present subitem.

The date for compiling the list of persons entitled to participate in a general shareholder meeting cannot be determined earlier than the date of decision-taking on holding a general shareholder meeting and more than 85 (Eighty five) days prior to a general shareholder meeting.

A message on holding an EGM should be disclosed within 70 (Seventy) days prior to the date.

Persons that are entitled to introduce proposals into meeting agenda of the supreme governing body as well as the procedure for introducing such proposals: Shareholders (shareholder) owning no less than 2% of voting shares within 60 (Sixty) days since the end of financial year are entitled to introduce issues onto the agenda of AGM and nominate candidates for BoD, Audit Commission. The number of the candidates cannot exceed the membership of the corresponding body.

Persons that are entitled to get acquainted with the information (materials) submitted for arranging a meeting of the supreme governing body of the Issuer as well as the procedure of get acquainted with the information (materials): ***Information (materials) on the agenda issues within 20 (Twenty) days, in case of a general shareholder meeting which agenda contains an issue on restructuring of the Company, should be available within 30 (Thirty) days prior to a GSM to persons entitled to participate in a GSM for study in premises of the Executive office of the Issuer and other places disclosed in a message on a GSM. This information (materials) should be available to persons participating in GSM during it.***

An information reviewing procedure for persons entitled to participate in general shareholder meeting as well as the list of such information is determined by a resolution taken by the Company's Board of Directors.

A procedure for announcing resolutions taken by the supreme governing body as well as voting results: *In case when general shareholder meeting is held in the form of meeting (compresence):*

Voting results and resolutions taken by the Company's GSM can be announced on the Company's GSM.

In case when voting results and resolutions taken by the Company's GSM were not announced on the GSM, within 10 (Ten) days since compilation of the protocol on the voting results resolutions taken by the Company's GSM as well as voting results are published in "Rossyiskaya Gazeta" as well as on the corporate web-site.

In case of holding a GSM in the form of absentee voting:

Resolutions taken by the GSM as well as voting results in the form of Voting results report within 10 (Ten) days since compilation of the voting results protocol are published in "Rossyiskaya Gazeta" as well as on the corporate web-site.

8.1.5. Information on commercial organizations in which the Company owns no less than 5% of the Charter capital or no less than 5% of ordinary shares

The list of commercial organizations in which the Issuer owns no less than 5% of the Charter capital or 5% of ordinary shares as of the last reported quarter

Full company name: ***Open Joint-Stock Company "Ekaterinburg Electric Grid Company"***

Short company name: ***ОАО "ЕЕСК"***

Location: ***1 Borisa Eltsyna Ulitsa, Ekaterinburg, Russia, 620014***

TIN: ***6658139683***

PSRN: ***1026602312770***

The Issuer's share in the Charter capital, %: ***91.04***

The share of ordinary stock owned by the Issuer, %: ***91.04***

Share of the company in the Issuer's Charter capital, %: ***0***

Share of the Issuer's ordinary stock owned by the company, %: ***0***

Full company name: ***Open Joint-Stock Company "Ekaterinburgenenergobyt"***

Short company name: ***ОАО "ЕЕС"***

Location: ***48 Surikova Ulitsa, Ekaterinburg, Russia, 620144***

TIN: ***6671250899***

PSRN: ***1086658002617***

The Issuer's share in the Charter capital, %: ***91.04***

The share of ordinary stock owned by the Issuer, %: **91.04**
Share of the company in the Issuer's Charter capital, %: **0**
Share of the Issuer's ordinary stock owned by the company, %: **0**

Full company name: **Open Joint-Stock Company "Sverdlovenergozhylstroy"**
Short company name: **OAO "Sverdlovenergozhylstroy"**
Location: **19 Chaikovskogo Ulitsa, Ekaterinburg, Russia, 620142**
TINH: **6671111479**
PSRN: **1026605241926**

The Issuer's share in the Charter capital, %: **100**
The share of ordinary stock owned by the Issuer, %: **100**
Share of the company in the Issuer's Charter capital, %: **0**
Share of the Issuer's ordinary stock owned by the company, %: **0**

Full company name: **Limited Liability Company "Security service "Permenergo"**
Short company name: **OOO "SB "Permenergo"**
Location: **48 Komsomolsky Prospect, Perm, Russia, 620000**
TIN: **5904038818**
PSRN: **1025900892731**

The Issuer's share in the Charter capital, %: **100**
Share of the company in the Issuer's Charter capital, %: **0**
Share of the Issuer's ordinary stock owned by the company, %: **0**

Full company name: **Closed Joint-Stock Company Insurance Company "Privat-Energostrakh"**
Short company name: **ZAO IC "Privat-Energostrakh"**
Location: **3 Komsomolsky Prospect, Perm, Russia, 614000**
TIN: **5902118063**
PSRN: **1025900888661**

The Issuer's share in the Charter capital, %: **99.87**
The share of ordinary stock owned by the Issuer, %: **99.87**
Share of the company in the Issuer's Charter capital, %: **0.000096**
Share of the Issuer's ordinary stock owned by the company, %: **0.000096**

Full company name: **Open Joint-Stock Company "Permelectrosetremont"**
Short company name: **OAO "PESR"**
Location: **38 Geroev Hasana Ulitsa, Perm, Russia, 614041**
TIN: **5904113977**
PSRN: **1045900515430**

The Issuer's share in the Charter capital, %: **100**
The share of ordinary stock owned by the Issuer, %: **100**
Share of the company in the Issuer's Charter capital, %: **0**
Share of the Issuer's ordinary stock owned by the company, %: **0**

Full company name: **Open Joint-Stock Company "Permenergotrans"**
Short company name: **OAO "Permenergotrans"**
Location: **61, Kosmonavtov Shosse, Perm, Russia, 614600**
TIN: **5903047633**
PSRN: **1045900360197**

The Issuer's share in the Charter capital, %: **100**
The share of ordinary stock owned by the Issuer, %: **100**
Share of the company in the Issuer's Charter capital, %: **0**
Share of the Issuer's ordinary stock owned by the company, %: **0**

Full company name: **Open Joint-Stock Company "Kurganenergo"**
Short company name: **OAO "Kurganenergo"**
Location: **40 Lenina Ulitsa, Kurgan, Russia, 640000**
TIN: **4501013657**
PSRN: **1024500518393**

The Issuer's share in the Charter capital, %: **49**
The share of ordinary stock owned by the Issuer, %: **53.8**

Share of the company in the Issuer's Charter capital, %: 0
Share of the Issuer's ordinary stock owned by the company, %: 0

Full company name: **Limited Liability Company "Insurance Company "Ring of the Urals"**
Short company name: **OOO "Insurance Company "Ring of the Urals"**
Location: **3 M. Zhukova Ulitsa, Ekaterinburg, Russia, 620014**
TIN: **6629010981**
PSRN: **1026602315189**
The Issuer's share in the Charter capital, %: 7.4
The share of ordinary stock owned by the Issuer, %: 7.4
Share of the Issuer's ordinary stock owned by the company, %: 0

Full company name: **Closed Joint-Stock Company "Managing Company "Energofinance"**
Short company name: **ZAO "MC "Energofinance"**
Location: **2 Sibirskaya Ulitsa, Perm, Russia, 614000**
TIN: **5902350323**
PSRN:
The Issuer's share in the Charter capital, %: 45
The share of ordinary stock owned by the Issuer, %: 0
Share of the company in the Issuer's Charter capital, %: 0
Share of the Issuer's ordinary stock owned by the company, %: 0

Full company name: **Open Joint-Stock Company "Perm Air Company - Perm Airlines"**
Short company name: **OAO "Perm Airlines"**
Location: **47 Kuibysheva Ulitsa, Perm, Russia, 614016**
TIN: **5902121570**
PSRN: **1045900079169**
The Issuer's share in the Charter capital, %: 10
The share of ordinary stock owned by the Issuer, %: 10
Share of the company in the Issuer's Charter capital, %: 0
Share of the Issuer's ordinary stock owned by the company, %: 0

Full company name: **Open Joint-Stock Company "Uralenergostroy"**
Short company name: **OAO "Uralenergostroy"**
Location: **97a Lenina Prospect, Ekaterinburg, Russia, 620000**
TIN:
PSRN:
The Issuer's share in the Charter capital, %: 5.73
The share of ordinary stock owned by the Issuer, %: 5.73
Share of the company in the Issuer's Charter capital, %: 0
Share of the Issuer's ordinary stock owned by the company, %: 0

8.1.6. Information on major transactions effected by the Issuer

As of 2005.

There were no major transactions effected during the period

As of 2006.

There were no major transactions effected during the period

As of 2007.

There were no major transactions effected during the period

As of 2008.

There were no major transactions effected during the period

As of 2009.

There were no major transactions effected during the period

As of the reported quarter

There were no major transactions effected during the period

8.1.7. Information on the Issuer's credit ratings

No credit ratings are assigned to the Issuer

8.2. Information on each category (type) of the Issuer's shares

Category of shares: *ordinary*

Nominal value of each share (RUR): *0.1*

Number of shares outstanding: *87 430 485 711*

Number of additional shares being placed at the moment (number of additional shares regarding which state registration of the issue report was not yet carried out): *0*

Number of authorized shares: *2 475 713 367*

Number of shares on the Issuer's balance sheet: *0*

Number of additional shares that can be placed as a result of conversion of outstanding securities converted into shares or as a result of execution of liabilities on the Issuer's options: *0*

Share issues of the category (type):

Date of state registration	Registration number
03.05.2005	1-01-32501-D

Rights granted to the holders:

Rights are stipulated in item 6.2, Article 6 of the Company's Charter:

"6.2. Every common registered share in the Company shall give equal amount of rights to the shareholder who owns it. Shareholders with the ordinary registered shares shall have the following rights:

- 1) To participate either in person or through their representatives at the General Meeting of Shareholders with the voting right for all issues pertaining to their competence;
- 2) To introduce proposals into the General Meeting agenda pursuant to the RF legislation and the present Charter;
- 3) To obtain information about the Company activities and get familiar with the Company documents pursuant to the Article 91 of Federal Law "On Joint Stock Companies", other legal regulatory acts and the present Charter;
- 4) To receive dividends declared by the Company;
- 5) To get pre-emptive right to purchase extraordinary shares and emissive securities convertible into shares placed via subscription in the amount proportionate to their own common shares in the instances envisaged by the RF legislation;
- 6) To get a portion of the Company property in case of its liquidation;
- 7) To fulfill other rights envisioned by the RF legislation and the present Charter "

Limitation of maximum votes belonging to a shareholder is not stipulated by the Charter. Preferred shares were not issued.

8.3. Information on preceding issues of emissive securities of the Issuer, except for its shares

8.3.1. Information on issues that were redeemed (cancelled)

Type of security: *bonds*

Form of security: *documentary bearer*

Series: *02*

Documentary interest-bearing non-convertible with obligatory centralized custody

State registration number: *4-02-32501-D*

State registration date: *27.03.2008*

Registration authority: *FSFM of Russia*

Additional issues: *none*

Number of securities in the issue: *600 000*

Nominal value of each security, RUR: *1 000*

Nominal price volume, RUR: *600 000 000*

Redemption date: *13.05.2008*

Reasons for redemption of the securities: **discharge of liabilities**

8.3.2. Information on outstanding security issues

Type of security: *bonds*
Form of security: *documentary bearer*
Series: *01*
Documentary interest-bearing non-convertible with obligatory centralized custody
Information on depositary providing centralized custody
Full company name: ***Closed Joint-Stock Company "National Depositary Center"***
Short company name: ***ZAO "NDC"***
Location: ***1/13 building 4, Srednyi Kislovskiy Pereulok, Moscow, Russia***
Information on license issued for depositary activities:
Number: ***177-03431-000100***
Issued: ***04.12.2000***
Expires: ***termless***
Issuing authority: ***FSC (FSFM) of Russia***
Number of securities in the issue: ***1 000 000***
Nominal value of each security, RUR: ***1 000***
Nominal price volume: ***1 000 000 000***
State registration number: ***4-01-32501-D***
State registration date: ***27.03.2008***
Registration authority: ***FSFM of Russia***
State registration date for Placement Results Report: ***13.05.2008***
Registration authority: ***FSFM of Russia***
Additional security issues: ***none***
Rights granted by each security:

Bonds are direct absolute liabilities of the Issuer. A bondholder is entitled to receive its nominal value within the terms stated in the Issue Resolution and Prospectus. A bondholder is entitled to obtain interest from its nominal value (coupon yield). The procedure of its determination is stipulated in the Issue Resolution and the Prospectus. A bondholder is entitled to free sale and other types of the bond alienation. A bondholder who bought a bond during initial offering is not entitled to settle transactions with the bond prior to state registration of Placement Report in accordance with the current Russian legislation. All bond debts of the Issuer shall be legally equal and mandatory with regard to all bondholders. The Issuer is obliged to ensure repayment to bondholders in case when the issue is acknowledged invalid according to the legislation. In case of default or improper discharge of liabilities on bonds, bondholders or their authorized persons (including nominal bondholders) are entitled to advert to an entity that provided guarantees on the bonds in accordance with terms of guarantees in the form of pledge.

Securities placed: ***Yes***
Method of placement: ***conversion***
Placement term
Starting date of placement: ***30.04.2008***
End date of placement: ***30.04.2008***

Security placement procedure:

Conversion of documentary interest-bearing non-convertible bearer bonds of series 01 with centralized obligatory custody of OAO "Permenergo", state registration 4-01-00118-A dd. 17.04.2007, into the bonds of the present issue.

Placement price

Price and procedure for price determination: ***RUR 1000***

Prerogative right

Procedure for executing prerogative right of purchasing the placed securities:

Terms and procedure of payment for securities

Share, non-placement of which the issue (additional issue), is considered invalid as well as procedure for returning money paid for the securities (or additional issue), in case it is acknowledged invalid

Procedure and terms of the securities redemption

Redemption is done by a Payment agent for and on behalf of the Issuer. Bond redemption is done in Russian currency in non-cash procedure to parties entitled to obtain redemption. Discharge of liabilities on bond redemption is done according to the list of bondholders and/or nominal holders in NDC. Bond redemption is paid to bondholders being bondholders as of the end of operating day in NDC, preceding 6th working day prior to redemption date. Discharge of liabilities to a bondholder from the list of holders and/or nominal holders is acknowledged proper, including when the bonds are alienated following the date of compilation of the list. It is presumed that nominal holders are authorized to obtain redemption. Redemption is also accompanied by coupon yield as of the last coupon period. If the redemption date falls on weekend, despite be it state holiday or weekend for accounting operations, the sum is paid out on the first working day preceding the weekend. A bondholder is not entitled to demand interest accrual or other compensation for such

payment delays. Writing off during redemption is done following discharge of all liabilities to bondholders on yield and nominal value payments. The certificate is discharged following the writing of all bonds from DEPO accounts in NDC.

Interest (coupon) yield, procedure and terms of payments:

Coupon yield on bonds

Coupon period is 182 days.

First coupon interest rate is 8.15% per annum, the rate is determined by contest held by ZAO "SE MICEX" among potential bond purchasers of OAO "Permenergo" (state registration number: **4-01-00118-A dd. 17.04.2007**) on May 29, 2007 at starting date of placement.

According to the Issuer's resolution, interest rates on 2nd, 3rd, 4th, 5th, 6th coupons are equal to 1st coupon rate.

Coupon end date	Coupon rate, % per annum
27.11.2007	8.15
27.05.2008	8.15
25.11.2008	8.15
26.05.2009	8.15
24.11.2009	8.15
25.05.2010	8.15
23.11.2010	The rate is determined by the Issuer
24.05.2011	The rate is determined by the Issuer
22.11.2011	The rate is determined by the Issuer
22.05.2012	The rate is determined by the Issuer

Interest coupon rates which amount was not determined by the Issuer prior to bond placement ($i=(j+1), \dots, 10$), is determined by the Issuer numerically following state registration of Placement report on a day of determining i^{th} coupon which occurs no later than 10 (Ten) calendar days prior to payment ($i-1$)th coupon. The Issuer is entitled to determine also any coupons following i^{th} coupon on a day of i^{th} coupon determination (k – last of determined coupons).

Payment on any coupon per bond is calculated as follows:

$$K(j) = C(j) * N * (T(j) - T(j-1)) / 365 / 100 \%$$

j – index number of coupon period, $j=1-10$;

$K(j)$ – coupon payment on each bond;

N – nominal value of a bond (RUR);

$C(j)$ – interest rate on j^{th} coupon;

$T(j-1)$ – starting date of j^{th} coupon period;

$T(j)$ – end date of j^{th} coupon period.

Terms and procedure for yield payment

Bonds as well as yield payment are direct absolute liabilities of the Issuer. Coupon is paid by a Payment agent for and on behalf of the Issuer. If the coupon end date falls on weekend, despite be it state holiday or weekend for accounting operations, the sum is paid out on the first working day preceding the weekend. A bondholder is not entitled to demand interest accrual or other compensation for such payment delays. Coupon yield is paid in Russian currency in non-cash procedure to parties entitled to obtain redemption. It is presumed that nominal holders are authorized to obtain redemption. Discharge of liabilities is done on the basis of the list of holders and/ or nominal holders submitted by NDC.

Information on guarantees: *The issue is provided by guarantee. The pledger is Open Joint-Stock Company "Sverdlovenergozhystroy"*

8.3.3. Information on issues when the Issuer failed to discharge its liabilities (default)

There are no such issues

8.4. Information on the pledger

State registration bond issue number: **4-01-32501-D**

Information on the pledger

Full company name: **Open Joint-Stock Company "Sverdlovenergozhystroy"**

Short company name: **OAO "Sverdlovenergozhystroy"**

Location: **19 Chaikovskogo Ulitsa, Ekaterinburg, Russia, 620142**

TIN: 6671111479
PSRN: 1026605241926

8.5. Terms ensuring bond liabilities discharge

According to the guarantee agreement (the text of the agreement is in Appendix#2 to the Issue Resolution and Appendix#10 to the Prospectus).

The pledger is obliged to be in charge of default and/or improper discharge of liabilities on payment of nominal value as well as overall coupon yield determined according to the Issue Resolution and Prospectus (item 1.3. of the guarantee agreement).

— The Pledger is also obliged to be in charge of default and/or improper discharge of the Issuer's liabilities on bond acquisition in procedures, terms and conditions stated in the Issue Resolution and Prospectus (item 1.4. of the guarantee agreement).

— The Pledger also ensures discharge of the Issuer's liabilities on early payment of nominal value and/or coupon yield as of the corresponding period which shall occur as a result of resolution on liquidation or bankruptcy taken by the Issuer's managing bodies or state authorities, in case of decision-taking on restructuring as well as payment when the bond issue is acknowledged invalid (item 1.7. of the guarantee agreement).

— The Pledger is equally responsible for default and/or improper discharge of liabilities stated in items 1.3., 1.4. and 1.7 (item 1.8. of the guarantee agreement).

— The Pledger is not responsible for reimbursement of legal expenses for debt collection and other losses of holders caused by default or improper discharge of liability to pay nominal value and/or coupon yield (item 1.6. of the guarantee agreement).

Amount of guarantee:

— Extent of liability for default and/or improper discharge of liabilities is limited to RUR 1 000 000 000. (series 01 bonds) and RUR 600 000 000 (series 02 bonds) as well as total coupon yield on the bond issues (1 000 000 bonds and 600 000 bonds correspondingly).

— Extent of liability for default and/or improper discharge of liabilities stated in 1.4. of the guarantee agreement is set as equal to overall sum of default and/or improperly discharged Issuer's liabilities on bond acquisition in a procedure, terms and conditions stipulated by the Issue Resolution and Prospectus.

— Extent of liabilities for default and/or improper discharge of liabilities stated in item 1.7 of the guarantee agreement is set as equal to overall sum of default and/or improperly discharged Issuer's liabilities on pre-term payment of nominal value and/or coupon yield as of the corresponding period which may occur as a result of resolutions taken by the Issuer's managing bodies or state authorities on liquidation or bankruptcy when the Issuer's managing bodies take a resolution on restructuring as well as bond payment when the bond issue is acknowledged invalid.

Terms of guarantee and procedure for execution of bondholder rights on the provided guarantee:

If a bondholder did not receive the money in full on the day of payments in accordance to the Issue Resolution and Prospectus or on the day of pre-term redemption as stated in item 1.7. of the guarantee agreement or on the redemption day, he is entitled to submit a written demand on payment directly to the Pledger (Demand to the Pledger).

The Pledger is entitled to refuse satisfying the demand if a bondholder violated items 3.1., 3.2., 3.3. or 8.3 of the guarantee agreement or in case stipulated in item 6.2.

Payment demands compiled according to subitems 3.2 and 3.3 of the guarantee agreement cannot be presented for payment after 90 (Ninety) days since the date when the Issuer should pay nominal value and/or coupon yield or buy-out bonds according to the Issue Resolution and Prospectus.

The Pledger transfer the sums for a holder to an account stated in the Demand to the Pledger within 15 (Fifteen) working days since the receipt of the properly compiled and submitted demand

8.5.1. Terms for ensuring discharge of liabilities on bonds with mortgage coverage

The Issuer did not place bonds with mortgage coverage

8.6. Information on companies registering rights for the Issuer's securities

Entity that keeps register of the Issuer's security holders: *registrar*

Information on registrar

Full company name: *Open Joint-Stock Company "Central Moscow Depository"*

Short company name: *OAO "CMD"*

Location: *3b Orlikov Pereulok, Moscow, Russia*

TIN: *7708047457*

PSRN: *1027700095730*

Information on the license

Number: *10-000-1-00255*

Issued: **13.09.2002**

Expires: *termless*

License authority: **FCS (FSFM) of Russia**

Date when the registrar started to register the Issuer's security holders: **28.02.2006**

The Company has documentary securities with centralized obligatory custody

Depositories

Full company name: **Closed Joint-Stock "National Depository Center"**

Short company name: **ZAO "NDC"**

Location: **1/13 building 4, Srednyi Kislovskiy Pereulok, Moscow, Russia**

TIN: **7703394070**

PSRN: **1097799013256**

Information on the license

Number: **177-03431-000100**

Issued: **04.12.2000**

Expires: *termless*

License authority: **FCS (FSFM) of Russia**

8.7. Information on legislation regulating import and export of capital and able to influence dividend and interest payments as well as other payments to non-residents

The list of legal acts on dividends, including those that regulate payments to non-residents:

1. Civil Code of the Russian Federation (part 1) dated 30.11.1994, #51-FZ;
2. Tax Code of the Russian Federation (part 1) dated 31.07.1998 #146-FZ (articles 11, 45);
3. Tax Code of the Russian Federation (part 2) dated 05.08.2000 #117-FZ (Articles 207, 208, 215, 224, 284, 310, 312);
4. Federal Law dated 26.12.1995 #208-FZ "On Joint-Stock Companies" (articles 42, 43);
5. Federal Law dated 22.04.1996 #39-FZ "On securities market";
6. Federal Law dated 05.03.1999 #46-FZ "On protection of rights and legitimate interests of investors on securities market";
7. Federal Law dated 25.07.2002 #115-FZ "On legal status of foreigners in Russia";
8. Federal Law dated 26.10.2002 #127-FZ "On bankruptcy";
9. Federal Law dated 10.12.2003 #173-FZ "On currency regulation and control";
10. Federal Law dated 07.08.2001 #115-FZ "On anti-money laundering and terrorism financing".
11. Decree of FSC of Russia dated 02.10.1997 #27 "On approval of the Regulations on keeping register of securities holders".
12. Decree of Superior Commercial Court Plenum of Russia dated 18.11.2003 #19 "On several issues of applying Federal Law "On Joint-Stock Companies" (item 15).
13. Intergovernmental agreements on evading double taxation (with regard to income and property taxes as well as on prevention of income and property tax evasion).

8.8. Taxation of yield on the Issuer's securities

Taxation of yield derived from the Issuer's securities is governed by the Tax Code of the Russian Federation and other legislative Acts adopted in accordance with the Tax Code.

TAX RATES

Type of yield	Legal Entities		Natural Persons	
	Residents	Non-residents	Residents	Non-residents
Yield from security sale	24% (including Federal budget - 6,5%; regional budget - 17,5%)	20%	13%	30%
Dividend yield	9%	15%	9%	15%

TAXATION OF NATURAL PERSONS.

Type of tax – yield tax

Yield gained from resources in Russia includes:

— Dividends and interest received from Russian company as well as interest received from private entrepreneurs and (or) foreign company regarding its representative office in Russia;

— Revenues from sale of shares or other securities as well as participation shares in the Charter capital of companies.

Tax base.

Taxpayer income received as a material gain is a material gain received from purchase of securities. Tax base is determined as an excess of market value defined with regard to ultimate limits of market price fluctuations over real

expenses for acquisition of the securities. The procedure for determining market price and ultimate limits of security price fluctuations is set by a federal body regulating the security market.

The following revenues are used when determining tax base on revenues from operations with securities:

- Purchase and sale of securities circulating on organized security market;
- Purchase and sale of securities not circulating on organized security market.

Revenue (loss) on purchase and sale of securities is determined by difference between revenues obtained from security sale and documented expenses on acquisition, keeping and sale of securities incurred by the taxpayer or deductions acknowledged for reduction of revenues from purchase and sale.

Such expenses include:

1. money paid to the seller according to the agreement;
2. payment for depositary services;
3. fees to professional participants, discount paid to managing company of a mutual fund while selling investment unit determined in accordance with the procedure stipulated by Russian legislation on investment funds;
4. exchange fees;
5. payment for registrar services;
6. other expenses directly connected to sale, purchase and custody of securities spent on services rendered by professional participants.

Revenue (loss) from security purchase-sale circulating on organized security market is decreased (increased) by interest paid for using money taken for the transaction within the sums calculated from the current refinancing rate of the Central Bank.

Loss on operations with securities circulating on organized market is determined given the ultimate fluctuation limits of market prices.

Shares that circulate on organized market are securities listed by trade institutions owning license issued by the federal body regulating security market.

Market quotation of a security circulating on organized market is an average weighted price on transactions settled during trade day by a trade institution. If a security was traded with the use of two or more trade institutions a taxpayer is entitled to independently choose market quotation from any of the trade institution. If a trade institution does not calculate average weighted price, it is calculated as a half of maximum and minimum price of transactions effected during the trading day at this trade institution.

If taxpayer's expenses on acquisition, sale and custody cannot be charged as expenses on acquisition, sale and custody, these expenses are distributed proportionally to cost estimate of securities regarding the expenses. The cost estimate is calculated as of the expense date.

Loss on security transactions circulating on organized market obtained as a result of such operations decreases tax base on purchase-sale of securities of such category.

Revenue from purchasing and sale of securities not circulating on organized market which met demands set for organized market securities at the moment of acquisition can be reduced by a loss obtained during the tax period on purchasing and sale of organized market securities.

Date of real revenue:

- day for revenue payment, including transfer of revenue to taxpayer's bank accounts or by his order to third parties' accounts – when obtaining revenues in money form;
- day of security purchase.

Tax base on is determined at the end of tax period. Calculation and tax payment is done by tax agent at the end of tax period or revenue payment to taxpayer prior to regular tax period.

When a tax agent pays money prior to the end of regular tax period the tax is paid out of a revenue share equaling real money that were paid out. Revenue share is determined as a multiplication of overall revenue and paid sum and cost estimate ratio determined at the money payment date by the tax agent acting as a broker. If there is more than one payment during a tax period, tax is calculated by accrued method taking into account tax paid out earlier

Cost estimate is determined on the basis of real and documented expenses on acquisition.

Money payment is payment of cash, transfer of money to bank account of a natural person or third party's on his order.

If it is impossible to deduct tax from taxpayer, a tax agent (broker, trustee or other person effecting operations to the benefit of a taxpayer) within 1 month since occurrence of this circumstance notifies tax authority in a written form on impossibility of such deduction and taxpayer's debt. In this case the tax is paid according to Article 228 of Tax Code.

TAXATION OF LEGAL ENTITIES

Type of tax – income tax.

The revenues include:

1. Revenues from sale;
2. Extraordinary revenues, including interest on securities and other debt liabilities and/ or share in other companies.

Tax base.

Revenues from sale are determined on the basis of sale price.

Expenses on sale are determined on the basis of acquisition price (including expenses on its acquisition), expenses on sale, discounts from cost estimate of investment units.

Securities are acknowledged as organized market securities only when the following requirements are simultaneously observed:

1) if they are admitted for trading by at least one trading institution that has such a right in accordance with the domestic legislation;

2) if information on prices (quotations) is published in mass media (including e-media) or may be submitted to any interested party by trade institution or another authorized entity within 3 years following the operations;

3) if a market quotation can be calculated as it is stipulated in domestic legislation.

Market share of organized market securities for taxation is a real sale price if this price is between minimal and maximum price (price interval) for the security registered by trading institution as of the transaction date. In case of sale of organized market securities at the price lower than minimal price of transaction on organized market, minimal price will be used in determining financial result.

With regard to securities, not traded on organized markets, real sale price is taken for taxation when any of the following requirements are met:

1) if real price of the corresponding transaction is between prices for similar security registered by trading institution as of transaction date or date of nearest trading occurred prior to the corresponding transaction, if there were transactions with the security at least once within the last 12 months;

2) if fluctuation of real price is within 20% increase or decrease from average weighted price for a similar security calculated by trade institution in accordance with the rules as of the transaction date or nearest trading occurred prior to transaction date if there were transactions with the security at least once within the last 12 months.

Tax base is determined separately by a taxpayer except for the tax base determined by professional participants. Herewith, taxpayers (except for professional participants rendering dealer services) determine tax base with organized market securities separately from the tax base on securities not circulating on organized market.

When selling or other alienation of securities a taxpayer independently chooses one of the following writing-off methods according to accounting policy:

1) FIFO;

2) LIFO;

3) by unit cost.

According to the Issuer's accounting policy expenses on cost of withdrawal is written-off by unit cost.

Taxpayers that received loss (losses) from operations with securities in preceding tax period or preceding tax period are entitled to decrease tax base obtained from operations with securities in reported (tax) period (to transfer losses to future) according to Article 283 of Tax Code.

Herewith, losses from operations with securities not circulating on organized market received in the previous tax period (previous tax periods) can decrease tax base from operations with such securities determined in the reported (tax) period. Losses from operations with organized market securities received on the previous tax period (previous tax periods) can reduce tax base from operations on sale of such securities.

During tax period transfer of losses to the future that were incurred in the corresponding tax period from operations with organized market securities and securities not circulating on the organized market is done separately on these security categories within income from operations with such securities.

In case a tax agent pays revenues to a foreign company which, according to international treaties (agreements) are taxed in Russia at low rates, calculation and deduction of tax is done by a tax agent according to low rates if a foreign company submits to a tax agent a confirmation stated by item 1, Article 312 of the Russian Tax Code.

Applying statements disclosed in international treaties of the Russian Federation a foreign company should submit to a tax agent a confirmation that this foreign company is located in a country that has a tax treaty with the Russian Federation that should be assured by competent authority of the correspondent country. In case this confirmation is in a foreign language, a tax agent is also provided with a Russian copy.

By submitting a confirmation to a tax agent paying out revenues (regarding which there is a international treaty of Russia on favorable taxation) prior to the payment date a foreign company with a right to revenues receives tax remissions by a payment agent or taxation at reduced rates.

Taxes deducted from revenues received by foreign companies are transferred by a tax agent to the federal budget simultaneously with paying out the revenues in foreign currency or Russian rubles according official rates of the Russian Central Bank as of the tax deduction date.

8.9. Information on declared and paid dividends on the Issuer's shares as well as bond yield

8.9.1. Information on declared and paid dividends on the Issuer's shares as of the last 5 completed financial years or as of each completed financial year if the Issuer operates less than 5 years

Dividend period

Year: **2007**

Period: **full year**

The Issuer's governing body that took a resolution on dividend pay-out on the Issuer's shares: **The Management Board of OAO RAO "UES of Russia" (executing functions of the IDGCU's GSM)**

Date when the Issuer's governing body took a decision to pay-out dividends: **30.04.2008**

Register date:

Protocol compiled on: **30.04.2008**

Protocol number: **1865pr/3**

Category (type) of shares: **ordinary**

Declared dividends paid out on this category of shares, per share, RUR: **0.001594**

Total amount of declared dividends paid out on the category of shares, RUR: **4 007 863.86**

Overall amount of declared dividends paid on all types of shares, RUR: **4 007 863.86**

Term for dividend pay-out: **Within 15 days since decision-taking**

Form and other conditions of declared dividend pay-out: **in monetary terms**

Period, category of shares		Dividend per share, RUR	Total dividends, RUR	Governing body that took a decision	Date and number of the Protocol	Term and form of dividend pay-out	Total Dividend Pay-out as of 31.03.2009, RUR
2007	common	0,0015941	4007863,86	The MB of OAO RAO "UES"	Protocol #1865pr/3 dd. 30.04.2008	Within 15 days since decision-taking	4007863,86
Dividend history of DGC merged into OAO "IDGC of Urals"							
Dividend history of Permenergo							
2003	common	5,825	210928842,00	AGM	Protocol#16 dd. 25.06.2004	Within 60 days since the resolution, in monetary form	210405797,07
	preferred	5,825	66134137,50				64754019,63
9M 2004	common	18,09	655056266,40	EGM	Protocol#19 dd. 15.12.2004	Within 30 days since the resolution, in monetary form	653390695,51
	preferred	18,09	205384815,00				200930554,58
2005	common	2,1803694	78953269,50	AGM	Protocol#23 dd. 16.06.2006	Within 60 days since the resolution, in monetary form	78712326,07
	preferred	8,1792162	92862731,71				90619113,63
2006	common	2,0458756	78083121,36	AGM	Protocol#25 dd. 25.05.2007	Within 60 days since the resolution, in monetary form	77770004,35
	preferred	5,80586429	65916881,32				63842593,73
Dividend history of Sverdlovenergo							
2003	common	0,1447	75683626,06	AGM	Protocol#12 dd. 09.07.2004	Within 60 days since the resolution, in monetary form	75437493,33
	preferred	0,1447	25227529,29				24615358,38
9M 2004	common	0,273	142783632,29	EGM	Protocol#14 dd. 01.01.2005	Within 30 days since the resolution, in monetary form	142242936,1
	preferred	0,273	47569185,09				46361772,42
2004	common	0,353883	185086806,40	AGM	Protocol#17 dd. 16.06.2005	Within 60 days since the resolution, in monetary form	184434876,28
	preferred	0,353883	61662724,10				60 330 162,28
2005	common	0,01342	7018889,80	AGM	Protocol#18 dd. 30.05.2006	Within 60 days since the resolution, in monetary form	6 982 675,55
	preferred	0,01342	2338390,62				2 265 980,53
2006	common	0,0619594	32405816,91	AGM	Protocol#19 dd. 30.05.2007	Within 60 days since the resolution, in monetary form	32254737,09
	preferred	0,0619594	10796181,70				10450343,23

Dividend history of Chelyabenergo							
9M 2004	common	0,0377	202451482,00	EGM	Protocol dd. 31.12.2004	Within 60 days since the reso- lution, in monetary form	202052640,85
	preferred	0,09	50 084 752,52				46 935 298,98
2004	common	0,0093035	43236963,31	AGM	Protocol dd. 28.06.2005	Within 60 days since the reso- lution, in monetary form	43 931 757,34
	preferred	0,007871	6762918,21				6 068 124,18
2005	preferred	0,003961	3403368,56	AGM	Protocol# dd.02.06.2006	Within 60 days since the reso- lution, in monetary form	2 919 430,83

Declared dividends of OAO "Permenergo", OAO "Sverdlovennergo" and OAO "Chelyabenergo" for the recent years (as of March 31, 2010) were not paid out in full due to mistakes in data on some shareholders in the register (lack of bank details, accounts that are under the process of inheritance performance).

8.9.2. Yield from bond issues for the last 5 completed financial years preceding the end of the last reported quarter or for the last completed financial year if the Issuer operates less than 5 years

Type of security: *bonds*

Form of security: *documentary bearer bonds*

Series: *01*

Documentary interest-bearing non-convertible with centralized obligatory custody

State registration number: *4-01-32501-D*

State registration date: *27.03.2008*

Registering authority: *FSFM of Russia*

Date of state registration of Issue Results Report: *03.07.2007*

Registering authority: *FSFM of Russia*

Number of bonds: *1 000 000*

Nominal par value, RUR: *1 000*

Total nominal volume of the bond issue: *1 000 000 000*

Information on yield from bonds:

Type of yield: *coupon yield*

Form of yield payment: *Coupon is paid by a Payment agent for and on behalf of the Issuer. If the coupon end date falls on weekend, despite be it a state holiday or weekend for accounting operations, the sum is paid out on the first working day preceding the weekend. A bondholder is not entitled to demand interest accrual or other compensation for such payment delays. Coupon yield is paid in Russian currency in non-cash form to parties entitled to obtain coupon yield.*

Reported period: *first coupon period 29.05.2007-27.11.2007.*

Coupon yield per a bond: *RUR 40.64.*

Coupon yield of the bond issue: *RUR 40 640 000.*

Term for payment: *27.11.2007.*

Reported period: *second coupon period 27.11.2007 - 01.04.2008.*

Other conditions of yield payment: *yield payment at redemption of bonds upon creditors' demand due to the Issuer's restructuring*

Coupon yield per a bond: *RUR 28.13*

Coupon yield of the bond issue: *RUR 13 420 569.83.*

Term for payment: *01.04.2008.*

Reported period: *second coupon period 27.11.2007 - 14.04.2008*

Other conditions of yield payment: *yield payment at redemption of bonds upon creditors' demand due to the Issuer's restructuring*

Coupon yield per a bond: *RUR 31.04*

Coupon yield of the bond issue: *RUR 12 177 923.20*

Term for payment: *14.04.2008.*

Reported period: *second coupon period 27.11.2007 - 27.05.2008*

Coupon yield per a bond: *RUR 40.64.*

Coupon yield of the bond issue: *RUR 5 306 730.56.*

Term for payment: **27.05.2008**.

Reported period: **third coupon period 27.05.2008 - 25.11.2008**

Coupon yield per a bond: **RUR 40.64**

Coupon yield of the bond issue: **RUR 40 640 000**

Term for payment: **25.11.2008**

Type of yield: **nominal value, redemption of bonds on the creditors' demand due to the Issuer's restructuring**

Reported period: **fourth coupon period 26.11.2008 - 26.05.2009**

Coupon yield per a bond: **RUR 40.64**.

Coupon yield of the bond issue: **RUR 40 640 000**

Term for payment: **26.05.2009**

Type of yield: **nominal value, redemption of bonds on the creditors' demand due to the Issuer's restructuring**

Reported period: **fifth coupon period 27.05.2009 - 26.11.2009**.

Coupon yield per a bond: **RUR 40.64**.

Coupon yield of the bond issue: **RUR 66 568.32**.

Term for payment: **26.11.2009**.

Form and procedure of yield payment:

The procedure of bond redemption on the creditor's demand was approved by the Issuer and on February 06, 2008 it was forwarded to the bondholders recorded as of the date when a decision on restructuring in the form of merger to OAO "IDGC of Urals" was taken by the Company's EGM, i.e. as of January 18, 2008. The notification was also disclosed on the corporate web-site and periodicals ("State Registration Mercury").

To execute the right for pre-term redemption a bondholder - a NDC bailor or nominal holder - a NDC bailor - authorized by a bondholder for activities regarding pre-term redemption submits an application to the Company.

The Company accepts the creditors' demands within 30 days since submittal of notification on resolution on restructuring in the form of merger to bondholders or within 30 days since public disclosure of the message on the resolution in periodicals ("State Registration Mercury").

The documents submitted according to the present Procedure are reviewed by the Company and NDC within 15 days since the receipt by the Company.

After the Company reviewed the documents, the Company forwards a written notification on the results of application review to a bondholder, namely:

- *Notification on allowance of application or notification on refusal, reasons for refusal and comments to the documents included.*

In case the comments can be resolved a bondholder submits to the Company a range of documents subject to re-examination by the Company within 15 working days since the receipt.

Demands on pre-term redemption are to be satisfied until April 15, 2008, but no earlier than the date when the Company submitted an application to the creditor.

Demands are to be satisfied by paying out nominal value of RUR 1 000 per bond as well as coupon yield (as of the date of money transfer from the Company's bank account). After settlements with creditors NDC writes off bought-out bonds from the DEPO-account of bondholders to the Issuer account.

Term for yield payment: **15.04.2008**

Number of bonds redeemed by the Issuer: **869 421**

Redemption price: **100% of the nominal value**

Yield amount: **RUR 869 421 000**.

Type of security: **bonds**

Form of security: **registered non-documentary**

Series: **02**

Documentary interest-bearing non-convertible with centralized obligatory custody

State registration number: **4-02-32501-D**

State registration date: **27.03.2008**

Registering authority: **FSFM of Russia**

Date for state registration of Issue Results Report: **03.04.2007**

Registering authority: **FSFM of Russia**

Number of bonds in the issue: **600 000**

Nominal value of each bond, RUR: **1 000**

Overall nominal value volume: **600 000 000**

General information on yield:

Reported period: **first coupon period 17.05.2007 -15.11.2007**
 Coupon yield per a bond: **RUR 41.88**
 Coupon yield of the bond issue: **RUR 25 128 000**
 Term for payment: **15.11.2007**

Reported period: **second coupon period 15.11.2007-15.05.2008**
 Coupon yield per a bond: **RUR 41.88**
 Coupon yield of the bond issue: **RUR 21 128 000**
 Term for payment: **15.05.2008.**

Reported period: **third coupon period 15.05.2008-16.05.2008, coupon yield at redemption of bonds on the creditors' demand**
 Coupon yield per a bond: **RUR 0.23**
 Coupon yield of the bond issue: **RUR 138 000**
 Term for payment: **16.05.2008.**

Type of yield: **nominal value, redemption of bonds on the creditors' demand due to the Issuer's restructuring**
 Form and procedure for yield payment:

Redemption date on the holders' demands submitted during the redemption period is determined as 2nd working day of ith coupon period.

The bonds are redeemed on the creditors' demand according to the following procedures:

a) a bondholder concludes a contract with any broker being a trade exchange participant and submits an instruction to take measures to sell bonds to the Issuer. A bondholder being a trade exchange participant acts independently. Trade participant acting for and on behalf of bondholder or at his own expense hereinafter is referred to as a Holder or a Bondholder;

b) During submission period a Holder should forward to the Issuer's agent a written notification on intention to sell a certain amount of bonds (hereinafter referred to as the Notification). The notification should be signed by the authorized person of a Holder. The Issuer redeems bonds on the creditor's demand according to the rules of exchange.

In case of exchange restructuring or liquidation or in case when such redemption using exchanges as is stated in the Issue Resolution and Prospectus does not correspond with the Russian legislation, the Issuer decides on the trade institution using which the Issuer will conclude transactions for redemption. In this case, the bonds will be redeemed according to the legal documents regulating such trade institutions. The Issuer also should publish information on the trade institution used for transactions alongside with the message on coupon rate determination.

Redemption price:

100% from the par value of the bond issue. The Issuer also pays coupon yield calculated according to the present Issue Resolution and Prospectus as of the redemption date. Bonds are paid in monetary form, non-cash settlement, in Russian currency according to the exchange rules.

c) Transactions on redemption are settled through the Issuer's agent in the trading system of the exchange according to the rules of the exchange.

The redeemed bonds can be re-issued in future and can circulate on trading market until the end of redemption (in case the Issuer complies with the Russian legislation).

Term for payment: **16.05.2008**

Number of bonds redeemed: **600 000**

Yield amount: **RUR 600 000 000.**

8.10. Other information

Information in this item is disclosed according to the Regulations on Information Policy of OAO "IDGC of Urals" approved by a BoD resolution on 18.11.2008 (Protocol#47 dd. 18.11.2008).

8.10.1. Information on the Registrar remuneration.

According to the register maintenance contract concluded with Open Joint-Stock Company "Central Moscow Depository", the registrar received RUR 1 388 104.8 as of 2009.

During 1Q 2010 OAO "Central Moscow Depository" received RUR 513 781.

8.10.2. Intragroup transactions of the Company:

№	Contractor	Subject for contract	Price
1	OOO "Urals Transport Company"	The Contractor, according to the contract, is obliged to render services using special vehicles and mechanisms as well as the Client's passenger and cargo transportation. The Client is obliged to pay for the services in a stipulated procedure. Contract terms: the Contract shall come into force	Not exceeding RUR 557 150 971.2, including 18% VAT.

		since the signing date and cover operations between the Parties since January 01, 2010 and shall be in force till December 31, 2010.	
2	OOO "Permskoe ATP"	The Contractor, according to the contract, is obliged to render services using special vehicles and mechanisms as well as the Client's passenger and cargo transportation. The Client is obliged to pay for the services in a stipulated procedure. Contract terms: the Contract shall come into force since the signing date and cover operations between the Parties since January 01, 2010 and shall be in force till December 31, 2010.	Not exceeding RUR 500 756 600.0, including 18% VAT%.
3	OOO "Chelyabinskoe ATP"	The Contractor, according to the contract, is obliged to render services using special vehicles and mechanisms as well as the Client's passenger and cargo transportation. The Client is obliged to pay for the services in a stipulated procedure. Contract terms: the Contract shall come into force since the signing date and cover operations between the Parties since January 01, 2010 and shall be in force till December 31, 2010.	Not exceeding RUR 475 005 441.0, including 18% VAT.

8.10.3. Information on the Issuer's market-maker:

During the reported period there was no market-maker involved by the Issuer.

8.11. Information on the securities and the Issuer ownership of which is certified by Russian depositary receipts

The Issuer is not an issuer of the securities, ownership of which is certified by Russian depositary receipts.