

QUARTERLY REPORT

Open Joint-Stock Company "Interregional Distributive Grid Company of Urals"

Issuer's Code: 32501-D

As of 1Q 2012

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

**Information contained in the present quarterly report is subject to disclosure pursuant to the
Russian legislation on securities**

General Director of IDGC of Urals Date: May 12, 2012	_____ V.N. Rodin signature
Chief Accountant Date: May 12, 2012	_____ O.M. Abrosimova signature

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Introduction

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

The Issuer's security prospectus was registered.

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)

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
Mikhail Viktorovich AZOVTSEV	1978
Mikhail Yuryevich KURBATOV (Chairperson)	1981
Konstantin Mikhailovich YUSHKOV	1964
Valery Nikolayevich RODIN	1952
Maksim Mikhailovich SAUKH	1979
Boris Iosiphovich MEKHANOSHIN	1950
Dmitry Dmitryevich MIKHEEV	1983
Aleksey Yuryevich STEPANOV	1964
Konstantin Vladimirovich SHEVCHENKO	1977
Taras Vyacheslavovich SHEVCHENKO	1973
Sergey Evgenyevich YURCHUK	1966

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: *Operating Directorate of Commercial Bank Agropromcreditbank (Open Joint-Stock Company)*

Short bank name: *ОАО КБ Агропромкредит*

Location: *13 Quarter 2, Microdistrict 5, Lytkarino, the Moscow region, 140083*

TIN: *5026014060*

BIC: **044552710**
Account number: **40702810301010000927**
Correspondent account: **30101810500000000710**
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: **40702810228000002693**
Correspondent account: **30101810400000000952**
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: **30101810800000000945**
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: **40702810300261002747**
Correspondent account: **30101810800000000945**
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: **"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: **77 a Maksima Gorkogo Ulitsa, Perm, Russia, 614007**

TIN: **7744001497**
BIC: **045773808**
Account number: **40702810600320700776**
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

Full company name: **Joint-Stock Commercial Savings Bank of the Russian Federation – Urals Bank of the Russian Savings Bank, Nizhnyi Tagil office #232**
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, office #7004/0405**
Short bank name: **office #7004/0405 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, office #1769/072**
Short bank name: **office #1769/072 of the Russian Savings Bank**
Location: **1 Sverdlova Ulitsa, Ekaterinburg, 623530**
TIN: **7707083893**
BIC: **046577674**
Account number: **40802810316130014819**
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: **Serov office #1705 of the Russian Savings Bank**
Location: **15/6 Zaslavskogo Ulitsa, Serov, 624992**
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, office 1704/0105**

Short bank name: **office 1704/0105 of the Russian Savings Bank**

Location: **21 Ulitsa Gagarina, Artemovsky, 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, office 1727/073**

Short bank name: **office 1727/073 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: **76 Ulitsa Permskaya, 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), Zapadno-Uralskiy Bank Komi-Permyatskoe office #0729**

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), Zapadno-Uralskiy Bank Berezniki office #8405**

Short bank name: **Berezniki office #8405 of the Russian Savings Bank**

Location: **127 Yubileynaya 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), Zapadno-Uralskiy Bank Kungur office #1638/0143**

Short bank name: **Kungur 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), Zapadno-Uralskiy Bank Chaikovskiy office #1675**

Short bank name: **Chaikovskiy 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), Zapadno-Uralskiy Bank Chusovoi office #1629**

Short bank name: **Chusovoi 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), Zapadno-Uralskiy Bank Ocher office #6131**

Short bank name: **Ocher 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), Zapadno-Uralskiy Bank Lenin office #22**

Short bank name: **Lenin 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), Zapadno-Uralskiy Bank Lenin office #22**

Short bank name: **Lenin 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*

Information on the bank

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

Short bank name: *OAO KB Agropromkredit" ("Uralskiy" branch)*

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

TIN: *5026014060*

BIC: *046577995*

Account number: *40702810100120000001*

Correspondent account: *30101810700000000995*

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: *40702810100267002747*

Correspondent account: *30101810800000000945*

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: *40702840400263002097*

Correspondent account: *30101810800000000945*

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: *40702840400263002097*

Correspondent account: *30101810800000000945*

Type of account: *operating*

Information on the bank

Full bank name: *Open Joint-Stock Company Savings Bank of Russia, Kalinin office #8544*

Short bank name: *Kalinin office #8544, Savings Bank of Russia, OAO*

Location: *14 Ulitsa Kalinina, Chelyabinsk, 454084*

TIN: *7707083893*

BIC: *047501602*

Account number: *40702810272190122493*

Correspondent account: *30101810700000000602*

Type of account: *operating*

Information on the bank

Full bank name: *Open Joint-Stock Company Savings Bank of Russia – Urals Bank branch, Lenin office # 11*

Short bank name: *Lenin office # 11, Urals Bank branch of Savings Bank of Russia, OAO*

Location: *31v, Ulitsa Malysheva, Ekaterinburg, 620014*

TIN: *7707083893*

BIC: *046577674*

Account number: *40702810216160067567*

Correspondent account: *30101810500000000674*

Type of account: *operating*

1.3. Information on auditor (auditors) of the Issuer

Information on the auditor nominated to perform independent audit of financial statements of the issuer as well as consolidated financial statements of the issuer and/or group of companies being controlling and controlled entities to each other or obliged to prepare such statements under other reasons and in order stipulated by the federal legislation, if any of the companies is the issuer (hereinafter referred to consolidated financial statements, comprising the Quarterly report, based on the contract concluded with the auditor as well as information on the auditor approved (elected) for auditing annual financial statements, including consolidated financial statements as of the current and completed financial year.

Full company name: *Closed Joint-Stock Company HLB Vneshaudit*

Short company name: *HLB Vneshaudit, ZAO*

Location: *25-27/2, Ulitsa Bolshaya Yakimanka, Moscow, 109180*

TIN: *7706118254*

PSRN: *1027739314448*

Telephone: *(495) 967-0495*

Fax: *(495) 967-0497*

E-mail: *vneshaudit@vneshaudit.ru*

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

Full name: *Non-commercial partnership Institute of Professional Auditors*

Location: *14 Ulitsa Nametkina, Moscow, 117420*

Additional information:

HLB Vneshaudit, ZAO is registered in the register for auditors and auditing companies, registered number 10202000095

Financial year (years) from the last 5 completed financial years and current financial year when the auditor audited (will audit) independent inspection of annual financial statements of the issuer

Financial statements, year	Consolidated financial statements, year	Consolidated financial statements, year
2010		

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 IDGC Holding, OAO. To participate in the selection auditor companies should meet the following requirements:

- 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 IDGC Holding, OAO), 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 the auditor.*

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. There were no special auditor assignments.

Remuneration determination procedure, actual amount of remunerations paid to the auditor at the end of completed financial year when the auditor audited the Issuer's financials

The amount of the remuneration is determined by the BoD (BoD protocol #72 dd. 03.08.2010.) equaling RUR 1 921 429. 4., including 18% VAT. The remuneration is paid in full.

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

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

Full company name: ***Limited Liability Company FinExpertiza***

Short company name: ***FinExpertiza, OOO***

Location: ***69 Prospekt Mira, Moscow, 129110***

TIN: ***7708096662***

PSRN: ***1027739127734***

Telephone: ***(495) 775-2200***

Fax: ***(495) 775-22031***

e-mail: ***info@finexpertiza.ru***

Information on the membership in self-regulated auditor organizations

Full name: ***Non-commercial partnership Auditor Chamber of Russia***

Location: ***3/9, building 3, Pereulok Tretyi Syromyatnicheskiy, Moscow, 105120***

Additional information:

Certificate on the membership in self-regulated auditor organization - #4209

Financial year (years) from the last 5 completed financial years and current financial year when the auditor audited (will audit) independent inspection of annual financial statements of the issuer

Financial statements, year	Consolidated financial statements, year	Consolidated financial statements, year
2011		

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 IDGC Holding, OAO. To participate in the selection auditor companies should meet the following requirements:

- *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 IDGC Holding, OAO), 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 the auditor.*

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. There were no special auditor assignments

Remuneration determination procedure, actual amount of remunerations paid to the auditor at the end of completed financial year when the auditor audited the Issuer's financials:

The remuneration of the auditor is determined by the BoD and totals RUR 2 000 005.6 (BoD Protocol #89 dd. 08.08.2011).

In 2011 the auditor earned RUR 900 400, including 18% VAT.

in 1Q 2012 the auditor earned RUR 1 099 605, including 18% VAT.

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: none..*

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 were no appraisers engaged under the reasons stipulated by the item during 12 months since the end of the reported period

1.5. Information on the Issuer's advisors

There were no advisors engaged under the reasons stipulated by the item during 12 months since the end of the reported period

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

Dynamics of the indicators characterizing financial and economic operations of the issuers, calculated with the usage of data from financial statements

Standards (rules) of the financial statements: *Russian Accounting Statements (RAS)*

Measurement unit for calculating labor capacity: *RUR thous./empl.*

Indicator	2011	3M 2012
Labor capacity	4 550.6	1 177.2
Debt/Equity	0.51	0.54
Long-term debt/ Long-term debt and Equity	0.21	0.22
Current income/ Debt	0.97	3.41
Overdue debt, %	0	0

All indicators are calculated using the recommended methodology

Analysis of financial and economic operations of the issuer using economic analysis of the indicators above:

To calculate the indicators we used methodology recommended by the Regulations on information disclosure approved by FSFM Decree # 11-46/pz-n dd. 04.10.2011.

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 provided by a trade institution and determined by the Procedure for market price calculation of securities and ultimate limit for market price fluctuation under Chapter 23 of the Russian Tax Code approved by FSFM Decree # 10-65/pz-n dd. 09.11.2010

Measurement unit: *RUR thous.*

Indicator	2011	1Q 2012
Market capitalization	17 442 381.9	20 338 953.9

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:

Closed Joint-Stock Company "Stock Exchange MICEX", address: 13, building 1, Bolshoi Kislovskiy Pereulok, Moscow, 125009, phone: (495)363-32-32, fax: (495)705-96-22, http: www.micex.zu,

2.3. Liabilities of the Issuer

2.3.1. Accounts payable

As of 2011

Debt structure

Measurement unit: *RUR thous.*

Indicator	Value
Long-term debt	6 445 568
including:	
credits	6 030 928

Borrowing and loans, except for bonds	0
bonds	0
Short-term debt	5 881 580
including:	
credits	0
Borrowing and loans, except for bonds	0
bonds	219
Overall overdue debt	0
including:	
credits	0
Borrowing and loans, except for bonds	0
bonds	0

Payables structure

Measurement unit: *RUR thous.*

Indicator	Value
Overall payables	12 327 148
Including overdue	0
including	
Budget and state non-budget funds	248 369
Including overdue	0
Suppliers and contractors	4 437 905
Including overdue	0
Personnel	1 096
Including overdue	0
Other	1 608 631
Including overdue	0

There are no overdue payables

Creditor having no less than 10% of overall payables or no less than 10% of overall debt (long-term and short-term):

Full Company name: *Savings Bank, OAO*

Short Company name: *Savings Bank, OAO*

Location: *19 Ulitsa Vavilova, Moscow, 117997*

TIN: *7707083893*

Payables: *3 944 652*

RUR thous.

Amount and conditions of overdue payables (interest rate, fines, penalties):

Affiliation of creditor to the issuer: *no*

Full Company name: *Gazprombank, OAO*

Short Company name: *Gazprombank, OAO*

Location: *16 building 1 Ulitsa Nametkina, Moscow, 117420*

TIN: *7744001497*

Payables: *2 086 276*

RUR thous.

Amount and conditions of overdue payables (interest rate, fines, penalties):

Affiliation of creditor to the issuer: *no*

As of 3M 2012

Debt structure

Measurement unit: *RUR thous.*

Наименование показателя	Значение показателя
Long-term debt	6 976 833
including:	
credits	6 698 979
Borrowing and loans, except for bonds	0
bonds	0
Short-term debt	6 406 428
including:	
credits	0
Borrowing and loans, except for bonds	0
bonds	219
Overall overdue debt	0
including:	
credits	0
Borrowing and loans, except for bonds	0
bonds	0

Payables structure

Measurement unit: *RUR thous*

Indicator	Value
Overall payables	13 383 261
Including overdue	0
including	
Budget and state non-budget funds	505 935
Including overdue	0
Suppliers and contractors	4 559 812
Including overdue	0
Personnel	205 433
Including overdue	0
Other	1 412 883
Including overdue	0

There are no overdue payables

Creditor having no less than 10% of overall payables or no less than 10% of overall debt (long-term and short-term):

Full Company name: ***Gazprombank, OAO***Short Company name: ***Gazprombank, OAO***Location: ***16 building 1 Ulitsa Nametkina, Moscow, 117420***TIN: ***7744001497***Payables: ***2 686 276******RUR thous.***

Amount and conditions of overdue payables (interest rate, fines, penalties):

Affiliation of creditor to the issuer: ***no***

Full Company name: *Savings Bank, OAO*
Short Company name: *Savings Bank, OAO*
Location: *19 Ulitsa Vavilova, Moscow, 117997*
TIN: *7707083893*
Payables: *4 012 703*

RUR thous.

Amount and conditions of overdue payables (interest rate, fines, penalties):

Affiliation of creditor to the issuer: *no*

2.3.2. Credit history of the Issuer

Discharge of the issuer's liabilities on credit and/or loan contracts during the last completed financial year and current financial year, including contracts concluded by bond issue and sale, principal debt totaling 5% and more of book asset value as of the end of the last completed reported period (quarter, year) preceding the conclusion of a contract, regarding which the set term for financial statement dissemination has expired as well as other credit and/or loan contracts the issuer considers significant.

In 2011 credit and loan indebtedness increased by RUR 493.5 mln and totaled RUR 6031.1 mln. As of 1Q 2012 debt increased by RUR 668.1 mln. and, as of 31.03.2012, totaled RUR 6 699.2 mln. As of 1Q 2012 the Company has 10 open credit contracts.

The issuer does not have credit contracts with principal debt exceeding 5% of book asset value. The obligations on each contract are discharged on time. The quality of debt servicing is high.

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

There are no such 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 expense

2.4. Risks related to the 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 information 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.

Internal control system is designed to monitor and timely prevent internal and external risks influencing strategic and operating goals of the Company. The Company permanently works hard to reveal events potentially influencing any aspect of the Company's operations, to appraise and control possible negative consequences or appearing possibilities of such consequences, to take efficient measures to minimize or liquidate the risks as well as, if required, improvement of results shown by the chosen strategy.

The key aims on internal control system are:

1. Improvement of corporate governance system to ensure rational assurance in observation of interests and rights of shareholders and investors (efficient and successful resource usage, asset preservation, compliance control as well as authenticity and objectivity of management and financial reporting and reliability of its preparation).

2. Increase of efficiency and effectiveness of activities related to the implementation of the development strategy of the Company using risk management system and efficient control procedures.

3. Facilitation of timely adaptation of the Company to changes in external and internal environment. Performance principles, processes and procedures of Internal control and risk management system (hereinafter referred to as ICRMS) of IDGC of Urals are regulated by Risk Management Policy of IDGC of Urals, OAO (approved by the BoD resolution, protocol #70 dd. 04.06.2010) and Internal Control Policy of IDGC of Urals, OAO (approved by the BoD resolution, protocol #70 dd. 04.06.2010).

To support the documents the following regulations were approved:

- *The Regulations on Control Environment and Risks of Business Process – Commercial Metering and Transmission Sales (approved by the BoD resolution, protocol #85 dd. 01.06.2011).*
- *The Regulations on Control Environment and Risks of Business Process – Exploitation (approved by the BoD resolution, protocol #85 dd. 01.06.2011).*
- *The Regulations on Control Environment and Risks of Business Process – Purchase Management (approved by the BoD resolution, protocol #85 dd. 01.06.2011).*
- *The Regulations on Control Environment and Risks of Business Process – Connection sales (approved by the BoD resolution, protocol #89 dd. 05.08.2011).*

Besides, Decree #229 dd. 26.07.2011 approved the Methodic recommendations on risk management to determine approaches and methods for risk discovering, evaluation and minimization on all governance levels.

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 RM methods include:

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

2.4.1. 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.*

Our key business lines are energy transmission and connection that are regulated by the state. To keep tariffs for end users the state imposes restrictions on the growth of a regulated tariff element, and this is a disadvantage for IDGC of Urals, OAO. The risk appeared in IQ 2011 as a result of Government Decree #1172 dd. 27.12.2010. According to the Decree average boiler tariff growth for energy transmission for 2011 shall not exceed 15% on the previous year. IDGC of Urals constantly works hard over economic grounding for tariff-included expenses as well as controls own expenses and tariff completion. We prepare and submit justifying materials and information to regional regulators as well as work out and approve long-term development programs. Strengthening of responsibility for grounding of expenses included into RGR and adoption of maximum possible RGR by the regulators are main measures to manage the risks.

Transition to RAB is aimed at cutting down the influence of state tariff regulation on the Company's operations. Permenergo branch is one of the pilot projects that transited to RAB in 2008. Other branches transited to RAB regulation during 2011. However, the transition has lead to the risk factors related to non-fulfillment of such long-term RAB parameters as rate of return and internal rate of return. To minimize the factors the Company implements cost-cutting programs and plans its activities according to approved tariffs.

It is not inconceivable that under restricted growth of end-user and network rates local regulator may approve considerable revenue growth for several gridcos by cutting down (or retaining) revenues of IDGC of Urals in favor of other gridcos. Key directions for risk minimization are submission of justifying materials to the local regulators that prove the necessity of expense increase not less than average network tariff growth as well as cooperation with local regulator on firm position with regard to required advanced growth of expenses since the Company is a strategic regional company.

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.

The Company's measures to manage the risks:

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.

2.4.2. Federal and regional risks

IDGC of Urals, OAO 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 IDGC of Urals, OAO, to debt capital markets as well as had a negative influence on purchasing power of our consumers.

In December, 2009 rating agency "Standard and Poor's" reviewed its outlook from Negative to Stable regarding ratings of the Russian Federation as well as approved long- and short-term rating in foreign currency at "BBB/A-3", long- and short-term rating in notional currency at "BBB+/A-2". 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 IDGC of Urals, OAO. 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-recessionary measures to decrease negative effect as much as possible, including the following:

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

IDGC of Urals, OAO 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 for the majority of the Company's fixed assets.

2.4.3. Financial risks

IDGC of Urals, OAO as any economic entity, is subject to various financial risks. Since IDGC of Urals, OAO 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 IDGC of Urals, OAO 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, IDGC of Urals, OAO 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.

2.4.4. 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.

There exist legal risks, particularly, related to controversial interpretation of legal norms which can lead to incorrect taxation and tax payments. 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. 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. IDGC of Urals, OAO, 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).

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 IDGC of Urals, OAO.

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

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 currency legislation. Risks related to changes in currency legislation and control almost will not affect our operations, since we do not plan to operate outside Russia. Our services are nominated in RUR and payments cannot be referred to payments to foreign suppliers.

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. 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 IDGC of Urals, OAO 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. Changes in tax legislation as of 2Q 2011 do not significantly affect the issuer's financial interest. There are the following changes:

- procedure of acknowledging R&D expenses,
- procedure of acknowledging expenses related to acquisition of rights to use personal computers (Federal Law #132-FZ dd. 07.06.2011)

The Issuer plans its further operations taking into account the changes. Risks related to changes in customs control regulations and duties. At the present moment and during the reported period the Issuer has not dealt with operations regulated by customs and currency control legislation. Therefore, changes in customs control regulations and duties are not a significant legal risk for us.

Risks related to changes of requirements in licensing of the Issuer's operations or of rights to use circulation-limited objects. Reasons, conditions and procedure for licensing are regulated by Federal Law #128-FZ dd. 08.08.2001 "On Licensing Several Activities". Our primary operations - energy transmission and connection – are not subject to licensing according to the Russian legislation. During 1Q 2010 changes to the above-mentioned law did not affect our current operations, since it did not deal with our operations. In case of changes/ raised demand to obtain a license, we'll take the required measures and obtain licenses and permissions.

Risks related to changes in energy legislation.

FST Decree #365-e5 dd. 30.11.2010 approved the Methodic Guidelines on the determination of retail connection prices. These Guidelines regulate connection fees (up to 35 kV voltage level, up to 10000 kVA capacity level and less than 35 kV and 10000 kVA capacity level) as well as connection fees based on standardized tariffs.

New Guidelines stipulate the procedure for individual connection fees, including the coordination procedure among applicants, grids and authorized executive body as well as contain a new section stipulating the determination of expenses spent on grid construction (from grids to connected equipment and/or energy objects included into connection fee).

Government Decree # 1242 dd. 31.12.2010 stipulates changes to Government decree on retail market functioning into the Fundamentals of energy pricing approved by Government Decree #109 dd. 26.02.2004, Government Decree #530 dd. 31.08.2006 on the approval of rules regulating retail market functioning during the transition period", which specify the procedure for regulated tariff determination and choice. They also stipulate the specificity of energy producer (supplier) participation in retail purchase and sale, including commissioning of generation objects that produce energy and commissioning of connected equipment.

Risks related to changes in court practice on issues related to the issuer's operations (including licensing) 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.

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. Since the Issuer does not plan to operate on external markets, we do not analyze the effect of legal risks related to the Issuer operations on external markets.

2.4.5. Risks related to the Issuer's operations

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

At present 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 certain operations or usage of circulation-limited objects (including natural resources).

In accordance with Federal Law #128-FZ dd. 08.08.2001 "On licensing certain operations" 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.

Compliance risks

Violations of terms for connection and for requesting the amount of connection fee from a regulator are factors of risks related to bringing to responsibility for violating antimonopoly legislation with regard to connection. To minimize the risks all our branches use software enabling to control terms of execution of connection requests and local regulating documents determining activities performed during the arrangement of connection procedure.

Breaks and failures of head-end and network equipment, information system, data transmission channels are IT-related risk factors. To minimize the risks we perform scheduled-preventive maintenance, create reserve channels, upgrade computing capacities, network and technological equipment.

Key factors for risks related to corporate governance are non-transparency of ownership structure, conflicts between various shareholder groups, relations between shareholders and management, conflict of interests between management and shareholders, low corporate culture. Main activities focused on the risk mitigation are close-cut distribution of authority and responsibility between the BoD and executive bodies, determination of the strategy and tasks of the Company, observation of shareholder interests, control of the Audit Commission, subdivision responsible for internal audit and risk management and external auditor.

Untimely registration (re-registration) of land plots and title of ownership, untimely changes of real boundaries of the plots, low-quality contractor operations are factors of risks related to property management. Permanent monitoring of contractor operations, timely submission of documents to local authorities, control over title document custody are main measures taken by IDGC of Urals on risk reduction.

Tax risks are generic for IDGC of Urals and any other company operating in Russia. Primarily, tax risks are caused by the specificity of the current legislation, its changes, equivocating interpretation of regulatory documents, contradictory court sentences on similar cases. Nevertheless, these risk factors are not significant for IDGC of Urals, OAO. Permanent monitoring of changes in legislation and court practice enables us to plan our financial and economic operations with regard to changes. Accounting and legal departments work hand in hand over methodology of tax base calculation and control their compliance with the current legislation. There is also a preliminary legal expertise of corporate procedures, operations and transactions of the Company. Company thinks that the risk is insignificant.

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*

Date when the full company name was introduced: *14.08.2007*

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

Date when the short company name was introduced: *14.08.2007*

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

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

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

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

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

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

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

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

Explanations required to evade 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: *IDGC of Urals and Volga, OAO*

Date of naming: *28.02.2005*

Basis for naming: *Decree of RAO UES MB Chairperson #28r dd. 24.02.2005 28p on the establishment of IDGC of Urals and Volga (state registration certificate dd. 28.02.2005 #002017106 series 66).*

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 is created for the time being

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 IDGC of Urals and Volga, OAO) 15 DGCs - regional discos: Kirovenergo, OAO, Kurganenergo, OAO, Marienergo, OAO, Mordovenergo, OAO, Orenburgenergo OAO, Permenergo, OAO, Penzaenergo, OAO, Samara distributive company, OAO, Saratov distributive company, OAO, Sverdlovenegero, OAO, Tyumenenergo, OAO, Udmurtenergo, OAO, Ulyanovsk distributive company OAO, Chelyabenergo OAO and 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 IDGC of Urals, OAO included: Sverdlovenegero, OAO, Chelyabenergo OAO, Permenergo, OAO and Kurganenergo, OAO.

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 (IDGC of Urals, OAO for short).

In December 2007 Federal Antimonopoly Service of Russia approved our reorganization in the form of the merger of Sverdlovenegero, OAO, Chelyabenergo, OAO, Permenergo, OAO and "Kurganenergo", OAO. Also in December 2007, to convert the shares of the merged companies, the EGM of IDGC of Urals, OAO 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 Sverdlovenegero, OAO, Chelyabenergo, OAO and Permenergo, OAO 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 Kurganenergo, OAO, which is also in the Company's service area, by virtue of the fact that Kurganenergo shareholders did not approve the merger, IDGC of Urals, OAO 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 Sverdlovenegero, OAO, Chelyabenergo, OAO and Permenergo, OAO as a result of the merger into IDGC of Urals, OAO. These merged companies became subsidiaries of IDGC of Urals, OAO.

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.

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.

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 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 are:

- *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.

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) 215-26-85*

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/ru/328*

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

Location of the Department: *office 617, 140 Mamina Sibiryaka Ulitsa, Ekaterinburg, Russia, 620026*

Tel: *(343)215-26-58, (343)215-26-67*

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 office of the Issuer according to its charter (founding documents):

Name: *Sverdlovenergo branch of IDGC of Urals*

Location: *17a Prospekt Kosmonavtov, Ekaterinburg, 620217*

Opened: *30.04.2008*

Head of the branch (representative office)

Name: *Oleg Borisovich MOSHINSKYI*

Proxy expires on: *31.12.2012*

Name: *Permenergo branch of IDGC of Urals*

Location: *48 Komsomolskiy Prospekt, Perm, 614990*

Opened: *30.04.2008*

Head of the branch (representative office)

Name: *Oleg Mikhailovich ZHDANOV*

Proxy expires on: *31.12.2012*

Name: *Chelyabenergo branch of IDGC of Urals*

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

Opened: *30.04.2008*

Head of the branch (representative office)

Name: *Igor Vladimirovich BUTAKOV*

Proxy expires on: *31.12.2012*

3.2. Core business activities of the Issuer

3.2.1. Industry classification of the Issuer

Key business line according to ARCEA.: **40.10.2**

ARCEA Codes
40.10.3
40.10.5
33.20.9
45.1
74.14
74.15.2
63.12.21
64.20.11
45.2
45.21
45.21.2
45.21.3
45.21.4
74.20
45.21.5

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 thous.**

Lines of business activities: **energy transmission**

Indicator	2010	2011
Revenues from this line of business activity, RUR	47 763 291	52 866 144
Share in total revenues of the Issuer, %	95.94	96.87

Indicator	2011, 3 мес.	2012, 3 мес.
Revenues from this line of business activity, RUR	14 432 103	13 716 068
Share in total revenues of the Issuer, %	96.68	97.27

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

Decrease of revenues in 1Q 2012, in comparison to the corresponding period of the previous year, was due to transmission tariff reduction since May 01, 2011. (Government Decree #1172 dd. 27.12.2010) as well as transfer of 110 kV lines, used for supplying Bogoslov Aluminum Plant to FSK.

Line of business activities: **Technological connection**

Indicator	2010	2011
Revenues from this line of business activity, RUR	1 685 727	1 327 617
Share in total revenues of the Issuer, %	3.39	2.43

Indicator	2011, 3 мес.	2012, 3 мес.
Revenues from this line of business activity, RUR	445 442	302 878
Share in total revenues of the Issuer, %	2.98	2.15

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

There were no such changes.

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

Indicator	2010	2011
Revenues from this line of business activity, RUR	329 117	373 012
Share in total revenues of the Issuer, %	0.66	0.68

Indicator	2011, 3 мес.	2012, 3 мес.
Revenues from this line of business activity, RUR	48 847	82 662
Share in total revenues of the Issuer, %	0.33	0.59

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

There were no such changes.

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

Indicator	2010	2011
Revenues from this line of business activity, RUR	5 661	4 974
Share in total revenues of the Issuer, %	0.01	0.01

Indicator	2011, 3 мес.	2012, 3 мес.
Revenues from this line of business activity, RUR	1 335	1 407
Share in total revenues of the Issuer, %	0.01	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

There were no such changes.

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 and increase of energy consumption

Overall expense structure of the Issuer

Наименование статьи затрат	2011	2012, 3 мес.
Raw materials and supplies, %	1.83	1.1
Purchased component parts, semi-finished inventory, %	0	0
Production works and services rendered by external companies, %	4.04	2.73
Fuel, %		0
Energy, %	0.65	0.83
Wages, %	9.7	8.33
Interest payable, %		0

Rental payments, %	0.6	0.77
Social benefits, %		
Fixed assets depreciation, %	5.32	6.14
Taxes included into product costs, %	0.24	0.27
Other expenses		
Depreciation of intangible assets, %		0
Remuneration for innovation proposals, %		0
Obligatory insurance payments, %		0
Travelling and hospitality costs, %	0.19	0.14
other, %	77.4	79.68
Infrastructure payments		74.04
Services by third parties, including		1.58
Transportation and communication		0.16
Personnel training		0.16
Legal and information services		0.03
Auditor and consulting services		0.08
Security services		0.41
Utilities expenses		0.16
Management expenses		0.44
Other services		0.14
Other expenses		4.06
Total: expenses on production and sale of goods (works, services), %	100	100
For information: Revenue from services	109	108.97

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:

The issuer accounts revenues and expenses according to PBU 9/99 "Revenues" Ministry of Finance Decree #32/n dd. 06.05.1999, version dd. 08.11.2010.) and according to PBU 10/99 "Expenses" (Ministry of Finance Decree dd.06.05.1999, version dd. 08.11.2010.

3.2.3. Raw materials and suppliers of the Issuer

As of 2011

Suppliers of the Issuer that provide no less than 10% of all raw material supplies: **none**

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 3M2012

Suppliers of the Issuer that provide no less than 10% of all raw material supplies: **none**

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

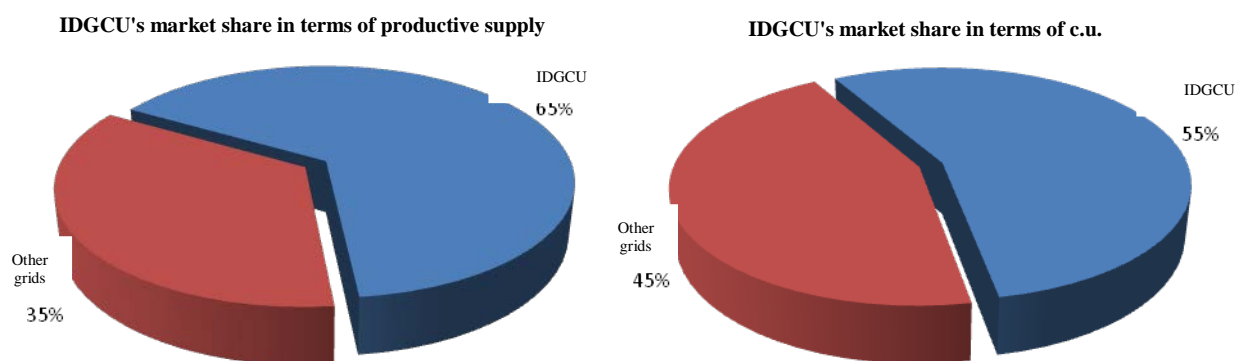
Import share in supplies of raw materials and goods, forecast for availability of import sources in future and possible alternative sources: ***There are no import deliveries***

3.2.4. Market outlets of the Issuer

Main markets where the Issuer operates:

IDGC of Urals, OAO 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 289 allied grid companies (including plants rendering services on energy transmission to sub-consumers), the number of large ones reaching 30. As of 31.12.2011 In terms of productive supply to final consumer, the Company’s share on the communal energy market reaches 65 %. In terms of C.U we occupy 55 % of communal energy market.



In terms of C.U. Permenergo branch occupies 65 %; Sverdlovenergo – 45 %; Chelyabenergo – 62 %. The share of productive supply to final consumer is as follows: Permenergo branch - 71 %, Sverdlovenergo - 64 %, Chelyabenergo - 64 %.

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:

- 1. Malfunction of grid equipment and, as a consequence, increase of consumer curtailment;*
- 2. Limitations or absence of technical opportunity to connect new consumers;*
- 3. 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. Additional requirements to issuers being joint-stock investment funds, insurance or credit organizations, mortgage brokers

3.2.7. Additional requirements to issuers dealing with mining operations

The key business line of the Issuer is not mining operations

3.2.8. Additional requirements to issuers dealing with telecom services

The key business line of the Issuer is not telecom services

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:

- 1. Implementation of state policy in energy sector;*
- 2. Creation of conditions for effective functioning of the regional DGC;*
- 3. Effective exploitation and centralized technological management of grid objects;*
- 4. Implementation of united strategy in investments and fund raising for reaching system-wide purposes of DGC development;*
- 5. Elaboration and implementation of scientific and technical policy and introduction of new progressive types of technologies and equipment;*
- 6. 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:*
 - 1. 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.)*
 - 2. 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.*
 - 3. Improvement and increase of quality in maintenance, decrease of quantity and length of disconnections by implementing new technologies.*

4. *Monitoring current power equipment and implementation of modern methods and testing and diagnostic gadgets (including thermal control, no-break control of cable insulators).*
5. *PS reconstruction with increasing transformer capacity.*
6. *Implementation of cutting-edge communication and telematics gadgets, IT development.*
7. *Renewal of special-purpose vehicles and mechanisms.*
8. *Application of new information technologies while managing grids on SAP 6.0 platform.*
9. *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:

1. *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.*
2. *Construction of energy objects to liquidate energy voltage deficit areas and provision of reliable and sustainable energy system performance.*
3. *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.*
4. *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 by the 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:

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

3.5. Controlled companies of a significant importance to the issuer

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

Short name: *EESK, OAO*

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

TIN: *6658139683*

PSRN: *1026602312770*

Grounds upon which the issuer controls the company:

The Company is acknowledged as a subsidiary, since the Issuer, due to its domination in the charter capital, has a possibility to determine resolutions adopted by such company. The Company is acknowledged associated since the Issuer is entitled to administer over 20% of the voting shares.

The feature of the Issuer's control over company: *a right to administer over 50% of votes in the supreme management body of the company under the Issuer's control*

Type of control: *direct control*

Share of the charter capital of the controlled company owned by the Issuer, %: *91.04*

Share of common shares owned by the Issuer, %: *91.04*

Share of the Issuer's charter capital owned by the controlled company, %: *0*

Share of the Issuer's common shares owned by the controlled company, %: *0*

Main business line of the company:

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	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Yuri Veniaminovich ADLER	0	0
Mikhail Viktorovich AZOVTSEV	0	0
Aleksey Valeryevich KUROCHKIN	0	0
Evgeny Gennadyevich POPOV	0	0
Aleksandr Sergeevich SEMERIKOV	0.00011	0.00011
Viktor Yakovlevich OVCHINNIKOV	0	0
Aleksei Petrovich KOZHEMYAKO	0	0
Valery Nikolayevich RODIN (chairperson)	0.0081	0.0081
Maksim Mikhailovich SAUKH	0	0

The sole executive body

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

Collegiate executive body

There is no collegiate executive body

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

Short name: ***EES, OAO***

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

TIN: ***6671250899***

PSRN: ***1086658002617***

Grounds upon which the issuer controls the company:

The Company is acknowledged as a subsidiary, since the Issuer, due to its domination in the charter capital, has a possibility to determine resolutions adopted by such company. The Company is acknowledged associated since the Issuer is entitled to administer over 20% of the voting shares.

The feature of the Issuer's control over company: ***a right to administer over 50% of votes in the supreme management body of the company under the Issuer's control***

Type of control: ***direct control***

Share of the charter capital of the controlled company owned by the Issuer, %: ***91.04***

Share of common shares owned by the Issuer, %: ***91.04***

Share of the Issuer's charter capital owned by the controlled company, %: ***0***

Share of the Issuer's common shares owned by the controlled company, %: ***0***

Main business line of the subsidiary company:

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	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Sergey Vyacheslavovich VASILYEV (chairperson)	0	0
Aleksei Petrovich KOZHEMYAKO	0	0
Sergey Mikhailovich ZOLOTAREV	0	0
Mikhail Viktorovich AZOVTSEV	0	0
Aleksandr Sergeevich SEMERIKOV	0.00011	0.00011
Ilya Aleksandrovich SHPINEV	0	0
Sayan Balzhinimaevich TSYRENDASHIEV	0	0
Sergey Evgenyevich POPOV	0	0
Aleksey Gennadyevich CHIRKOV	0	0

The sole executive body

Name	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Sergey Evgenyevich POPOV	0	0

The collegiate executive body

There is no collegiate executive body

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

Short name: ***SB Permenergo, OOO***

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

TIN: 5904038818
PSRN: 1025900892731

Grounds upon which the issuer controls the company:

The Company is acknowledged as a subsidiary, since the Issuer, due to its domination in the charter capital, has a possibility to determine resolutions adopted by such company. The Company is acknowledged associated since the Issuer is entitled to administer over 20% of the voting shares.

The feature of the Issuer's control over company: ***a right to administer over 50% of votes in the supreme management body of the company under the Issuer's control***

Type of control: ***direct control***

Share of the charter capital of the controlled company owned by the Issuer, %: **100**

Share of the Issuer's charter capital owned by the controlled company, %: **0**

Share of the Issuer's common shares owned by the controlled company, %: **0**

Main business line of the subsidiary company.:

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

The Board of Directors

Name	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Aleksey Alekseevich KRASNIKOV (chairperson)	0	0
Aleksey Vladimirovich SANIN	0	0
Aleksey Gennadyevich CHIRKOV	0	0
Aleksey Valeryevich KONDRATYEV	0	0
Irina Yuryevna BOYKO	0	0

The sole executive body

Name	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Viktor Nikolayevich PALCHIKOV	0	0

The collegiate executive body

There is no collegiate executive body

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

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

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

TIN: **5902118063**

PSRN: **1025900888661**

Grounds upon which the issuer controls the company:

The Company is acknowledged as a subsidiary, since the Issuer, due to its domination in the charter capital, has a possibility to determine resolutions adopted by such company. The Company is acknowledged associated since the Issuer is entitled to administer over 20% of the voting shares.

The feature of the Issuer's control over company: ***a right to administer over 50% of votes in the supreme management body of the company under the Issuer's control***

Type of control: ***direct control***

Share of the charter capital of the controlled company owned by the Issuer, %: **99.87**

Share of common shares owned by the Issuer, %: **99.87**

Share of the Issuer's charter capital owned by the controlled company, %: **0**

Share of the Issuer's common shares owned by the controlled company, %: **0**

Main business line of the subsidiary company:
no activities.

The Board of Directors

Name	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Aleksey Vladimirovich DORODNOV (Chairperson)	0	0
Sergey Valeryevich IVANOV	0	0
Victoria Grigoryevna KLIMOVA	0	0
Vasilyi Borisovich GORSHKOV	0	0
Elena Viktorovna REN	0	0

The sole executive body

Name	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Oleg Gennadyevich BELKIN	0	0

The collegiate executive body

There is no collegiate executive body

Full name: ***Limited Liability Company "Uralenergotrans"***

Short name: ***OOO "Uralenergotrans"***

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

TIN: ***6672319085***

PSRN: ***1105903003580***

Grounds upon which the issuer controls the company:

The Company is acknowledged as a subsidiary, since the Issuer, due to its domination in the charter capital, has a possibility to determine resolutions adopted by such company. The Company is acknowledged associated since the Issuer is entitled to administer over 20% of the voting shares.

The feature of the Issuer's control over company: ***a right to administer over 50% of votes in the supreme management body of the company under the Issuer's control***

Type of control: ***direct control***

Share of the charter capital of the controlled company owned by the Issuer, %: **100**

Share of the Issuer's charter capital owned by the controlled company, %: **0**

Share of the Issuer's common shares owned by the controlled company, %: **0**

Main business line of the subsidiary company:

Passenger transfer and cargo carriage by auto transport, railroads, planes and water transport (including dangerous cargo); technical maintenance and repairs of railway vehicles; exploitation, maintenance of auto transport, railroad vehicles, planes and water transport as well as hoisting machines used for technological purposes

The Board of Directors

Name	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Evgeny Gennadyevich POPOV (Chairperson)	0	0

Aleksey Yuryevich LEBEDINSKY	0	0
Aleksey Gennadyevich CHIRKOV	0	0
Dmitry Vyacheslavovich TIKHANOV	0	0
Dmitry Vladimirovich SHAPLYKO	0	0

The sole executive body

Name	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Aleksey Yuryevich LEBEDINSKY	0	0

Collegiate executive body

There is no collegiate executive body

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

Short name: **Kurganenergo, OAO**

Location: **3 Ulitsa Nevezhina, Kurgan, Russia, 640003**

TIN: **4501013657**

PSRN: **1024500518393**

Grounds upon which the issuer controls the company:

The Company is acknowledged associated since the Issuer is entitled to administer over 20% of the voting shares.

The feature of the Issuer's control over company: ***the Company is an associated company, since the Issuers share us over 20%.***

Type of control: ***direct control***

Share of the charter capital of the controlled company owned by the Issuer, %: **49**

Share of common shares owned by the Issuer, %: **53.8**

Share of the Issuer's charter capital owned by the controlled company, %: **0**

Share of the Issuer's common shares owned by the controlled company, %: **0**

Main business line of the subsidiary company:

Energy transmission and distribution. Kurganenergo, OAO 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 the Kurgan region alongside with other similar companies.

The Board of Directors

Name	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Yuri Aleksandrovich ZVEREV (chairperson)	0	0
Sergey Anatolyevich GUSAK	0	0
Aleksey Gennadyevich CHIRKOV	0	0
Yuri Veniaminovich ADLER	0	0
Aleksandr Vladimirovich KONDRASHOV	0	0
Aleksandr Nikolayevich MASHENTSEV	0	0
Elena Igorevna SERGEEVA	0	0

The sole executive body

Name	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Oleg Sergeevich SHEVCHENKO	0	0

Collegiate executive body

There is no collegiate executive body

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

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

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

TIN: ***5902350323***

PSRN:

Grounds upon which the issuer controls the company:

The Company is acknowledged associated since the Issuer is entitled to administer over 20% of the voting shares.

The feature of the Issuer's control over company: ***the Company is an associated company, since the Issuers share us over 20%.***

Type of control: ***direct control***

Share of the charter capital of the controlled company owned by the Issuer, %: ***45***

Share of common shares owned by the Issuer, %: ***45***

Share of the Issuer's charter capital owned by the controlled company, %:

Share of the Issuer's common shares owned by the controlled company, %:

Main business line of the subsidiary company:

Inactive. No operations.

The Board of Directors

There is no Board of Directors

The sole executive body

Name	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %

The collegiate executive body

There is no collegiate executive body

Full name: ***Open Joint-Stock Company Energy Service Company of the Urals***

Short name: ***Energy Services Company of the Urals, OAO***

Location: ***19 Ulitsa Chaikovskogo, Ekaterinburg, the Sverdlovsk region, Russia, 620142***

TIN: ***6671345406***

PSRN: ***1116671000434***

Grounds upon which the issuer controls the company:

The Company is acknowledged as a subsidiary, since the Issuer, due to its domination in the charter capital, has a possibility to determine resolutions adopted by such company. The Company is acknowledged associated since the Issuer is entitled to administer over 20% of the voting shares.

The feature of the Issuer's control over company: ***a right to administer over 50% of votes in the supreme management body of the company under the Issuer's control***

Type of control: ***direct control***

Share of the charter capital of the controlled company owned by the Issuer, %: **100**

Share of common shares owned by the Issuer, %: **100**

Share of the Issuer's charter capital owned by the controlled company, %: **0**

Share of the Issuer's common shares owned by the controlled company, %: **0**

Main business line of the subsidiary company:

Implementation of measures on energy efficient light for budget and private consumers and distribution of the most energy efficient light technologies

The Board of Directors

Name	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Vladimir Alekseevich SHILOV (Chairperson)	0	0
Aleksey Gennadyevich CHIRKOV	0	0
Evgeny Gennadyevich POPOV	0	0
Sergey Anatolyevich GUSAK	0	0
Oleg Borisovich MOSHINSKY	0.000001	0.000001
Mikhail Nikolayevich BERESNEV	0	0
Vladimir Vyacheslavovich INOZEMTSEV	0	0

The sole executive body

Name	Share in the Charter Capital owned by the person, %	Share of ordinary shares owned by the person, %
Mikhail Nikolayevich BERESNEV	0	0

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 2011.

Measurement unit: **RUR thous.**

Fixed assets	Initial (replacement) value	Depreciation
Land plots	43 588	0
Buildings	6 886 016	-2 974 474
Facilities, except lines	2 011 817	-621 008
Lines and Equipment	36 420 932	-20 557 511
Power vehicles and equipment producing energy, equipment transforming energy	40 493 790	-28 415 077

Furniture and production equipment	162 113	-126 220
Other fixed assets	1 218 681	-501 583
TOTAL	87 236 937	-53 195 873

Information on methods of depreciation contributions:
Linear depreciation method was applied to all facilities.

Reported period: **31.12.2011**

As of the end of the reported period
Measurement unit: **RUR thous.**

Fixed assets	Initial (replacement) value	Depreciation
Land plots	44 375	0
Buildings	6 908 149	-3 015 239
Facilities, except lines	2 011 501	-644 876
Lines and Equipment	36 448 043	-20 831 841
Power vehicles and equipment producing energy, equipment transforming energy	40 523 317	-28 818 232
Furniture and production equipment	161 696	-129 789
Other fixed assets	1 210 262	-522 958
TOTAL	87 307 343	-53 962 935

Information on methods of depreciation contributions:
According to the accounting policy of the Issuer depreciation is charged linearly basing on the useful life of the objects

Reported date: **31.03.2012**

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:

IV. Information on financial and business performance of the Issuer

4.1. Financial and operating results

Dynamics of indicators characterizing financial and economic results of the issuer, including its profitability and loss-making calculated under financial statements

Standards (rules) under which financial statements are prepared: **RAS**

Measurement unit for uncovered loss: **RUR thous.**

Indicator	2011	3M 2012
Net margin, %	4.67	0.9
Asset turnover rate, times	1.15	0.29
Return on assets, %	5.4	0.26
Return on equity, %	8.23	0.31
Uncovered loss as of the reported date	0	0

Uncovered loss as of the reported date/ balance value, %		
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All indicators are calculated using recommended methodology: *Yes*

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

Decrease of revenues in IQ 2012, in comparison to the corresponding period of 2011, was caused by reduction of transmission tariffs since May 01, 2011 (Government Decree #1172 dd. 27.12.2010) as well as transfer of 110 kV lines, used to supply Bogoslov Aluminum Plant, to FSK's lease. Positive value of ROE (0,31%), indicates profitability of the Company. ROA (0,26%) shows the ability of assets to produce a profit.

Opinions of the management bodies of the issue on reasons and level of influence on the results do not coincide: *No*

A BoD member or MB member has a special opinion on the reasons and/or the level of influence on the results shown in a BoD protocol and insists on the exposure of the opinion in the quarterly report: *No*

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

Dynamics of indicators characterizing the liquidity of the issuer under financial statements

Standards (rules) under which financial statements are prepared: *RAS*

Measurement unit for net working capital: *RUR thous.*

Indicator	2011	3M 2012
Net working capital	-114 848	232 468
Current liquidity ratio	1	1.05
Quick liquidity ratio	0.84	0.85

At issuer's discretion, here comes dynamics of indicators characterizing the liquidity of the issuer under consolidated financial statements included into the quarterly report: *No*

All indicators are calculated using recommended methodology: *No*

Economic analysis of liquidity and paying capacity of the issuer, own capital sufficiency to discharge short-term liabilities and coverage of current opex based on the analysis of indicators dynamics, including description of factors that, in the management opinion, had the most significant influence on liquidity and paying capacity:

Opinions of the management bodies of the issue on reasons and level of influence on the results do not coincide: *No*

A BoD member or MB member has a special opinion on the reasons and/or the level of influence on the results shown in a BoD protocol and insists on the exposure of the opinion in the quarterly report: *No*

4.3. Financial investments of the Issuer

As of 2011.

The list of financial investments of the Issuer which comprise 5% 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 Ekaterinburg Electric Grid Company*

Short name: *EESK, OAO*

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

TIN: *6658139683*

PSRN: *1026602312770*

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

Number of securities owned by the issuer: **983 278 240**

Nominal value of securities owned by the issuer: **983 278 240 RUR x 1**

Overall book value of securities by the issuer: **933 088 204**

Measurement unit: **RUR.**

The issuer is a subsidiary and/or associated company in relation to the issuer that prepared the report. On June 10, 2011 EESK AGSM (protocol 22 dd. 15.06.2012) adopted a resolution on dividend pay-out as of 2010 results as of equal to RUR 0.0137 per common share. Payment term – within 60 days since the resolution on payment.

Additional information:

Type of securities: **shares**

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

Short name: **Kurganenergo, OAO**

Location: **3 Ulisa Nevezhina, Kurgan, Russia**

TIN: **4501013657**

PSRN: **1024500518393**

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**

Nominal value of securities owned by the issuer: **78 887 994 RUR x 1**

Overall book value of securities by the issuer: **1 185 413 596.95**

Measurement unit: **RUR.**

The issuer is a subsidiary and/or associated company in relation to the issuer that prepared the report.

The issuer does not own preferred shares. No dividends were announced and paid out

Additional information:

Investments to non-issued securities

There are no investments to non-issued securities comprising 5% and more of all financial investments

Other financial investments

There are no other financial investments comprising 5% 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:

Financial investments are accounted according to PBU 19/02 (Decree of the Ministry of Finance #126n dd. 10.12.2002). All financial investments are accounted according to initial value.

As of 2011.

The list of financial investments of the Issuer which comprise 5% 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: **Kurganenergo, OAO**

Location: **3 Ulisa Nevezhina, Kurgan, Russia**

TIN: **4501013657**

PSRN: **1024500518393**

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**

Nominal value of securities owned by the issuer: **78 887 994 RUR x 1**

Overall book value of securities by the issuer: **1 185 413 596.95**

Measurement unit: **RUR.**

The issuer is a subsidiary and/or associated company in relation to the issuer that prepared the report.

The issuer does not own preferred shares. No dividends were announced and paid out

Additional information:

Type of securities: *shares*

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

Short name: **EESK, OAO**

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

TIN: **6658139683**

PSRN: **1026602312770**

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

Number of securities owned by the issuer: **983 278 240**

Nominal value of securities owned by the issuer: **983 278 240 RUR x 1**

Overall book value of securities by the issuer: **933 088 204**

Measurement unit: **RUR.**

The issuer is a subsidiary and/or associated company in relation to the issuer that prepared the report. On June 10, 2011 EESK AGSM (protocol 22 dd. 15.06.2012) adopted a resolution on dividend pay-out as of 2010 results as of equal to RUR 0.0137 per common share. Payment term – within 60 days since the resolution on payment.

Additional information:

Investments to non-issued securities

There are no investments to non-issued securities comprising 5% and more of all financial investments

Other financial investments

There are no other financial investments comprising 5% 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:

Financial investments are accounted according to PBU 19/02 (Decree of the Ministry of Finance #126n dd. 10.12.2002). All financial investments are accounted according to initial value..

4.4. Non-tangible assets of the Issuer

As of 2011.

Measurement unit: **RUR.**

Intangible assets	Initial (replacement) value	Depreciation
Patent	49	-6
Trademarks	24	-11

TOTAL	73	-17
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Standards (rules) of accounting statements in accordance to which the Issuer discloses information on its intangible assets: *Intangible assets are accounted according to PBU 14/2007 (Decree of the Ministry of Finance #153n dd. 27.12.2007). Depreciation is calculated by a linear method based on the useful life of intangible assets.*

Reported date: **31.12.2011**

As of the end of the reported date

Measurement unit: **RUR.**

Intangible assets	Initial (replacement) value	Depreciation
Patents, Trademarks	73	-19
TOTAL	73	-19

Standards (rules) of accounting statements in accordance to which the Issuer discloses information on its intangible assets: *Intangible assets are accounted according to PBU 14/2007 (Decree of the Ministry of Finance #153n dd. 27.12.2007). Depreciation is calculated by a linear method based on the useful life of intangible assets.*

Reported date: **31.03.2012**

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

The Issuer's top-management decided not to prolong the patents since they have nothing to do with production technology used by IDGC of Urals, OAO.

4.6. 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:

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

4.6.1. 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 of asset.

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

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.

4.6.2. The Issuer's competitors

The issuer operated as a monopoly regulated by the state in transmission and connection tariffs. The issuer occupies a dominant position on transmission market in the service area.

In terms of conventional units the market share is 65% (Permenergo), 45% (Sverdlovenergo), 62% (Chelyabenergo).

In terms of productive supply the market share is 71% (Permenergo), 64% (Sverdlovenergo), 64% (Chelyabenergo).

There are 289 local grids in our service area, including industrial plants providing services for sub-consumers, 30 being large ones, including: Ekaterinburg Electric Grid Company, OAO, Regional grid company, OAO; Sverdlovsk railroad – branch of RZhD, OAO; Oblkommunenergo, GUP SO; Tagilenergoseti, ZAO; Lukoil – Energogaz, OOO; KES-Prikamye, OAO; Energosbyt, OAO; SC Kontakt, OOO; Chelyabinsk electric grid company, OOO; Regional grid company, OOO (Chelyabinsk).

Policy with regard to competitors lies in subsequent M&A of the competitors.

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:

“The following issues shall pertain to the GSM reference:

- 1) *Introduction of amendments and supplements to the Charter or approval of a new version of the Charter;*
- 2) *The Company’s re-organization;*
- 3) *The Company’s liquidation, appointment of a liquidation commission and approval of interim and final liquidation balance-sheets;*
- 4) *Definition of quantity, nominal value, category (type) of authorized shares and the rights provided by the shares;*
- 5) *Increase of the Charter capital by enlarging the nominal value or placing additional shares;*
- 6) *Decrease of the Charter capital by reducing the nominal value, purchasing shares to reduce their total amount as well as by redeeming shares acquired or paid-up by the Company;*
- 7) *Splitting and consolidation of the Company shares;*
- 8) *Decision-taking on the placement of bonds convertible into shares and other emissive securities convertible into shares;*
- 9) *Determination of the BoD membership, election of its members and early termination of their powers;*
- 10) *Election of the Audit Commission and early termination of their powers;*
- 11) *Approval of the Company’s auditor;*
- 12) *Decision-taking on transferring the powers of the sole executive body of the Company to a managing company (a managing director) and early termination of its powers;*
- 13) *Approval of annual reports and financials including profit and loss statements (profit and loss accounts) of the Company, as well as profit distribution (including dividend pay-out (declaration), except for the profit distributed as 3M, 6M and 9M dividends and losses as of the financial year;*
- 14) *Dividend pay-out (declaration) as of 3M, 6M and 9M results;*
- 15) *Determination of the procedure for arranging a GSM;*
- 16) *Decision-taking on approving transactions in cases envisaged by Article 83 of the Federal Law "On Joint-Stock Companies";*
- 17) *Decision-taking on approving major transactions in cases envisaged by Article 79 of the Federal Law "On Joint-Stock Companies";*
- 18) *Decision-taking on participation in financial and industrial groups, associations and other unions of commercial companies;*
- 19) *Approval of internal documents regulating the activities of the Company’s bodies;*
- 20) *Decision-taking on remuneration and/or compensations paid to the Audit Commission;*
- 21) *Decision-taking remuneration and/or compensations paid to the Board of Directors;*
- 22) *Decision-taking on other issues stipulated by the Federal Law "On Joint-Stock Companies".*

Issues referred to the GSM competence shall not be passed over for resolution to the Board of Directors, Management Board and CEO. A GSM shall not be entitled to review or take decisions on the issues that are not referred to its competence by the Federal Law "On Joint-Stock Companies".

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

“The Board of Directors shall manage the Company, except for issues referred to the GSM competence by the Federal Law "On Joint-Stock Companies" and the present Charter.

The following issues shall pertain to the BoD reference:

- 1) *1) Definition of the Company’s priorities and development strategy;*
- 2) *AGM and EGM convention, except for the cases specified in item 14.8., Article 14 hereof as well as announcement of the date for a new GSM instead of the abortive one, not held due to the lack of quorum;*
- 3) *Approval of the GSM agenda;*
- 4) *Election of a GSM secretary;*
- 5) *Determination of the date when the list of persons entitled to participate in the General Meeting is to be drawn up; approval of estimated expenses for GSM arrangement and other issues connected with its preparation and arrangement;*
- 6) *Proposal of issues, envisaged by subitems 2, 5, 7, 8, 12-20, item 10.2, Article 10 herein, for GSM’s resolution as well as the issue on the Charter Capital reduction by reducing nominal value;*
- 7) *Placement of bonds and other securities, except for the cases outlined by the Russian legislation and present Charter;*
- 8) *Approval of Security Issue Resolution, the Prospectus and Issue Results Reports, Acquisition Results Reports, Redemption Results Reports, Buy-out Results Reports;*
- 9) *Evaluation (monetary value) of property, offering and buy-out price in cases envisaged by the Federal Law “On Joint-Stock Companies”, as well as solving issues stipulated by subitems 11, 22, 38, item 15.1., Article 15 hereof;*

- 10) *Acquisition of the outstanding shares, bonds and other securities in cases stipulated by the Federal Law "On Joint-Stock Companies";*
- 11) *Alienation (sale) of the shares possessed by the Company as a result of purchase or buy-out as well as in other cases stipulated by the Federal Law "On Joint-Stock Companies";*
- 12) *Election of the CEO and early termination of the powers including decision-taking on the early termination of the labor contract;*
- 13) *Determination of the Management Board membership, election of MB members, determination of remuneration and compensations paid to them, early termination of their powers;*
- 14) *Recommendations to the GSM on remuneration and compensations paid to the Audit Commission members and Auditor's fee;*
- 15) *Recommendations on the dividend amount and payment procedure;*
- 16) *Approval of the Company's internal documents stipulating the procedure for Company's fund generation and usage;*
- 17) *Decision-taking on fund usage; approval of special-purpose fund cost estimates and review of cost estimate completion results;*
- 18) *Approval of the Company's internal documents, except for the documents which approval pertains to the GSM competence as well as other internal documents which approval pertains to the competence of executive bodies;*
- 19) *Approval of a business plan (updated business plan), including investment program and a quarterly report on their completion as well as the approval (adjustment) of the control indicators of the Company's cash flows;*
- 20) *Review of investment program, including amendments to it;*
- 21) *Establishment of branches and representative offices, their liquidation as well as introduction of amendments to the Charter concerning the establishment of branches and representative offices (including change of their names and location) and their liquidation;*
- 22) *Decision-taking on the participation in other companies (joining an existing organization or forming a new one including approval of founding documents) and the purchase, sale and encumbrance of the charter capital in companies in which the Company participates, change of the share to the charter capital of a corresponding company, withdrawal from other companies;*
- 23) *Definition of the Company's credit policy regarding granting of loans, conclusion of credit and loan agreements, provision of guarantees, acceptance of bill obligations (promissory notes and bills of exchange), property hypothecation and decision-taking on making the above-mentioned transactions in cases when decision tree is not outlined by the Company's credit policy, as well as decision-taking on adjustment of the Company's debt position to the limits, set forth by the Company's credit policy;*
- 24) *Approval of major transactions in cases set forth by Article X of the Federal Law "On Joint-Stock Companies";*
- 25) *Approval of transactions set forth by Article XI of the Federal Law "On Joint-Stock Companies";*
- 26) *Approval of the Company's Registrar, details of the contract and contract termination;*
- 27) *Election of the BoD Chairperson and early termination of the powers;*
- 28) *Election of the BoD Deputy Chairperson and early termination of the powers;*
- 29) *Election of the Corporate Secretary and early termination of the powers;*
- 30) *Preliminary approval of decisions regarding the Company's transactions connected with gratuitous transfer of the Company property or title (demands) to itself or a third party; transactions involving discharge of property liability to itself or a third party; transactions connected with gratuitous rendering by the Company of the services to third parties in cases (amounts) determined by separate BoD resolutions and adoption of resolutions on transaction conclusion in cases where the above-stated cases (amounts) are left undetermined;*
- 31) *Decision-taking on the suspension of the powers possessed by a managing company (a managing director);*
- 32) *Decision-taking on the appointment of the Acting CEO, in cases determined by separate BoD resolutions, as well as bringing her/him to disciplinary liability;*
- 33) *Bringing the CEO and MB members to disciplinary liability or reward in accordance with the Russian labor legislation;*
- 34) *Review of CEO's reports on operations (including those relating to her/his performance), on implementation of GSM and BoD resolutions;*
- 35) *Approval of the interaction procedure between the Company and companies in which the Company has a stake;*
- 36) *Determination of the Company's (its representatives') position, including the instruction to vote or refrain from voting on agenda issues, to vote "FOR", "AGAINST", "ABSTAIN" on the following agenda issues of the SAC's GSM (except for the cases when SAC GSM functions are performed by the BoD) and BoD sessions (except for the issue on GSM agenda approval when functions of SAC GSM are performed by the BoD):*
 - a) *Determination of SAC GSM agenda;*
 - b) *Affiliate restructuring or liquidation;*
 - c) *Determination of the membership in management and control bodies of SACs, nomination, election of the members and pre-term termination of their powers, nomination and election of the sole executive bodies of SACs and pre-term termination of powers;*
 - d) *Definition of the membership of SAC management and control bodies, nomination, election of the members and*

- pre-term termination of the powers, nomination, election and pre-term termination of the powers of the sole executive body;*
- e) Determination of amount, par value, category (type) of SAC's authorized shares and the rights vested by those shares;*
 - f) Increase of the SAC's charter capital by increasing the nominal value or by placing additional shares;*
 - g) Placement of SAC's securities convertible into common shares;*
 - h) Splitting and consolidation of SAC's shares;*
 - i) Approval of major transactions concluded by SACs;*
 - j) SAC's participation in other companies (joining an existing company or establishment of a new company) as well as acquisition, alienation and encumbrance of shares and interests in the charter capital of companies where a SAC has a stake; change in participatory interest of relevant company;*
 - k) Conclusion of transactions by a SAC (including multiple interrelated transactions) involving acquisition, 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 (amounts), determined by the interaction procedure between companies in which the Company participates, approved by the BoD;*
 - l) Introduction of amendments and supplements to SAC's founding documents;*
 - m) Determination of the procedure for SAC's BoD and AC members remuneration pay-out;*
 - n) Approval of target key performance indicators (adjusted target key performance indicators);*
 - o) Approval of a report on the completion of planned annual and quarter key performance indicators;*
 - p) Approval of a business plan (an updated business plan), including investment program and a quarterly report on its execution;*
 - q) Approval of a report on business plan completion;*
 - r) Approval of profit and loss distribution based on the fiscal year-end results;*
 - s) Recommendations for dividend amount and payout procedure;*
 - t) Dividends payment (declaration) as of 1Q, 1H, 9M as well as fiscal year results;*
 - u) Review of an investment program, including amendments to it;*
 - v) Approval (review) of a report on investment program completion.*
- 37) *Determination of the Company's (its representatives') position on the following SAC BoD agenda issues (including the instruction to vote or refrain from voting on agenda issues or to vote "FOR", "AGAINST" or "ABSTAIN" on draft resolutions):*
- a) Determination of SAC representatives' positions on agenda issues of GSM and BoD of their SACs regarding conclusion (approval) of transactions (including multiple interrelated transactions) to involve acquisition, alienation or 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 (amount) determined by the interaction procedure between companies in which the Company participates, approved by the BoD;*
 - b) Determination of SAC representatives' positions on agenda issues of GSM and BoD of their SACs that are involved in generation, transmission, dispatching, distribution and sale of electrical and thermal energy, regarding reorganization, liquidation, increase of the charter capital by increasing the nominal share value or by placing additional shares as well as offering securities convertible into common shares;*
- 38) *Preliminary approval of the Company's decisions on:*
- a) Transactions involving the Company's non-current assets exceeding 10% of the book value of the assets according to the data reflected in the financials as of the last reported date;*
 - b) Transactions (including multiple interrelated transactions) involving acquisition, 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 cases (amount) determined by special BoD resolutions;*
 - c) Transactions (including multiple interrelated transactions) involving acquisition, alienation or potential alienation of property comprising the main assets, intangible assets, uncompleted construction objects for the purposes other than electrical/thermal energy generation, transmission, dispatching, distribution in cases (amount) determined by special BoD resolutions.*
- 39) *Nomination of candidates for election to the sole executive body, other management and control bodies, as well as auditor candidates at legal entities in which the Company participates and which are involved into electrical/thermal energy generation, transmission, dispatching, distribution and sales as well as maintenance and other service activity types;*
- 40) *Determination of directions for insurance coverage of the Company, including approval of a Company's underwriter;*
- 41) *Approval of the organization structure of the Company's Executive Office and introduction of amendments to it;*
- 42) *Approval of the Regulations on the CEO's financial stimulation, Regulations on financial stimulation of the Company's management; approval of the management list.*

- 43) Approval of candidates nominated for several positions of the Company's Executive Office determined by the BoD;
- 44) Preliminary approval of the collective agreement, agreements concluded by the Company within the framework of regulating social and labor relations as well as approval of documents on state pension provision for the employees;
- 45) Creation of BoD committees, election of BoD committee members and pre-term termination of the powers possessed by the BoD Committee Chairpersons;
- 46) Approval of independent appraiser (-s) candidates for appraisal of shares, property and other Company assets in cases stipulated by the Federal Law "On Joint-Stock Companies", the present Charter and special BoD resolutions;
- 47) Approval of a financial advisor candidate, hired in accordance with the Federal Law "On Securities Market", as well as candidates for issue manager and advisors on transactions directly related to raising funds in the form of public borrowings;
- 48) Preliminary approval of transactions capable of entailing foreign cash commitments (or commitments with the values being attached to foreign cash) in cases and amount determined by special BoD resolutions as well as when the BoD has not determined the above-mentioned cases (amounts);
- 49) Approval of the Company's purchase policy, including the approval of the Regulations on the regulated purchase procedures, approval of the head of the central purchase body and its members, as well as approval of annual purchase program and decision-taking pursuant to the documents regulating purchase policy of the Company;
- 50) Decision-taking on the CEO nomination to government awards;
- 51) Approval of target (adjusted) key performance indicators (KPIs) and KPI completion reports;
- 52) Shaping the Company's policy aimed at enhancing the reliability of distribution grids and other network facilities, including approval of the Company's strategic programs to improve grids reliability, development and safety;
- 53) Shaping the Company's housing policy with regard to granting corporate support to employees to improve their living conditions by subsidies, expense compensations, interest-free loans and to taking decisions on the above-mentioned support in cases when support policy has not stipulated the support procedure;
- 54) Other issues referred to the BoD competence by the Federal Law, "On Joint-Stock Companies" and the present Charter.

Issues, referred to the BoD competence, shall not be passed over for consideration by the Company's CEO and Management Board.

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

“The MB competence shall include:

- 1) Elaboration and submission of the Company's development strategy for the BoD's review;
 - 2) Preparation of the annual (quarter) business plan, including the investment program and a completion report, approval (adjustment) of cash flows (budget) of the Company;
 - 3) Preparation of the Company's annual report on financial and economic operations as well as on the execution of GSM- and BoD-approved decisions by the MB;
 - 4) Review of reports, prepared by the CEO's deputies, heads of separate subdivisions, on the results of approved plans, programs, instructions as well as review of reports, documents and other information about operation of the Company and its SACs;
 - 5) Decision-taking on the issues referred to the competence of the supreme authorities of the companies where the Company possesses 100 (One hundred) percent of the charter capital (taking into account subitem 36, 37 item 15.1., Article 15 hereof);
 - 6) Preparation and submission of financial and economic reports of the companies where the Company possesses 100 (One hundred) percent of the charter capital for a BoD review;
 - 7) Decision-taking on conclusion of major transactions (property, work and services which cost amounts to 1 up to 25 percent of the Company's assets book value, determined as of the date of taking a decision to conclude such a transaction (except for the cases specified in subitem 38, item 15.1 hereof);
- Decision-taking on other issues according to decisions adopted by the GSM, BoD as well as issues submitted by the CEO for MB's review.

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

“The CEO's competence shall include all matters of day-to-day management of the Company, except for issues referred to the GSM, BoD and MB competence. The CEO shall act without the power of attorney, on behalf of the Company, including the restrictions stipulated by the Russian legislation, the present Charter and BoD resolutions:

Ensuring fulfillment of the Company's plans required for reaching its objectives;

- Arranging accounting and reporting operations;
- Administering the Company's property, concluding transactions on behalf of the Company, issuing powers of

- attorney, opening the clearing and other accounts at banks, other credit institutions (and also in cases stipulated by the legislation - at organizations being professional participants of securities market);
- Issuing decrees, approving (adopting) instructions, internal regulations and other internal documents of the Company regarding her/his competence; giving instructions obligatory for execution by all Company employees;
 - Approving the Regulations on the branches and representative offices;
 - Approving staff schedule and official salaries according to the organization structure of the Company's executive office;
 - Exercising rights and liabilities of the employer regarding the Company's employees as stipulated by the labor legislation;
 - Performing the functions of the MB Chairperson;
 - Distributing responsibility between the CEO deputies;
 - Submitting reports on financial and business operations of the subsidiary and associated companies, whose shares are owned by the Company as well as information on other companies where Company has a stake for a BoD's review, except for the cases described in subitem 6, item 22.2 Article 22 hereof;
 - Within 45 (Forty five) days prior to the AGM date, submitting annual report and financial statements, profit and loss statement as well as distribution of profits and losses for a BoD's review;
 - Considering other issues of the Company's activity, except for the issues related to the GSM, BoD or MB competence.

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

During the reported periods there were amendments to the charter (founding documents) of the Issuer or other internal documents regulating activities of the Issuer's managing bodies

Information on the amendment to the charter and internal documents regulating the activities of the Issuer's managing bodies:

on June 16, 2011 the AGSM (AGSM protocol #3 dd. 17.06.2011) approved the Charter in a new version. The following internal documents regulating management bodies of the Company were also approved in a new version -
- The Regulations on the AGSM arrangement and convention, the Regulations on the BoD arrangement and convention, the Regulations on the Management Board.

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

5.2.1. The Issuer's BoD membership

Name: **Mikhail Viktorovich AZOVTSEV**

Year of birth: **1978**

Education: **Higher, GU-Higher Economy School**

Positions for the last 5 years

Period		Company	Position
from	up to		
2002	2004	Russian Ministry for Economic Development and Trade	Head of Federal Relations Section
2004	Present day	KES, ZAO	Head of M&A Department
2009	2010	Vladimir Energy Supply Company, OAO	A BoD member
2009	2010	Orenburgenergosbyt, OAO	A BoD member
2010	Present day	Perm Energy Supply Company, OAO	A BoD member
2010	Present day	Saratovenergo, OAO	A BoD member
2010	Present day	TGK-6, OAO	A BoD member
2010	Present day	Lenenergo, OAO	A BoD member
2010	Present day	Komi Energy Supply Company, OAO	A BoD member

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

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 state: **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 Yuryevich KURBATOV (Chairperson)**

Year of birth: **1981**

Education: **St.Petersburg State University for Economics and Finances**

Positions for the last 5 years:

Period		Company	Position
since	Up to		
2010	Present day	IDGC Holding, OAO	Deputy General Director
2005	2010	Russian Ministry of Economic Development and Trade	Department head
2011	Present day	SG-Trans, OAO	A BoD member
2011	Present day	SO UES, OAO	A BoD member
2011	Present day	Tyumenenergo, OAO	A BoD member
2011	Present day	Upravlenie VOLS-VL, OAO	A BoD member
2011	Present day	IDGC of Urals, OAO	A BoD member
2011	Present day	IDGC of North West, OAO	A BoD member
2011	Present day	IDGC of Center, OAO	A BoD member
2011	Present day	TRK, OAO	A BoD member

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

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 state: **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 Mikhailovich YUSHKOV**

Year of birth: **1964**

Education: **Urals Polytechnical University (engineer faculty)**

Positions for the last 5 years:

Period		Company	Position
since	Up to		
2010	Present day	A branch of Wermuth Asset Management GmbH, OOO	Portfolio advisor
2006	2010	Entrepreneur	

Share in the Charter Capital/ ordinary shares: **0.341253/ 0.341253**

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 state: **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: **Urals Polytechnic Institute**

Positions for the last 5 years:

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

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

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 state: **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: **Maksim Mikhailovich SAUKH**

Year of birth: **1979**

Education: **Higher, St. Petersburg Humanitarian University of Trade Unions**

Positions for the last 5 years:

Period		Company	Position
since	Up to		
2008	Present day	IDGC Holding, OAO	Deputy Head of Corporate Governance and Shareholder Relations Department
2004	2008	RAO UES of Russia, OAO	Head of a Section at Corporate Governance and Shareholder Relations Department
2005	2010	Pskovenergosbyt, OAO	A BoD member
2005	2010	Kurortenergo, OAO	A BoD member
2005	2010	IDGC of Volga, OAO	A BoD member
2005	2010	Kubanenergo, OAO	A BoD member
2005	2010	SIC of South, OAO	A BoD member
2010	Present day	EESK, OAO	A BoD member

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

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 state: **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: **Boris Iosiphovich MEKHANOSHIN**

Year of birth: **1950**

Education: **Moscow Energy Institute**

Positions for the last 5 years:

Period		Company	Position
Since	Up to		
2010	Present day	IDGC Holding, OAO	Deputy General Director –

			Technical Director
1993	2010	GK OPTEN	General Director
1992	2004	Firma ORGRES	Deputy General Director

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

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 state: *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: *Dmitry Dmitryevich MIKHEEV*

Year of birth: *1983*

Education: *Altai Polzunov State Technical University*

Positions for the last 5 years:

Period		Company	Position
Since	Up to		
2008	Present day	IDGC Holding, OAO	Chief specialist, Head of Energy Saving Section
2007	2008	FSK UES	Manager at Energy Transfer Department
2006	2007	Altayenergosbyt, OAO	Deputy Section Head
2011	Present day	ESK Tyumenenergo, OAO	A BoD member
2011	Present day	MEK Energy Efficient Technologies, OAO	A BoD member
2011	Present day	Energoservice of Volga, OAO	A BoD member

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

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 state: *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 Yuryevich STEPANOV*

Year of birth: *1964*

Education: *Moscow Energy Institute*

Positions for the last 5 years:

Period		Company	Position
Since	Up to		
2010	Present day	Russian Ministry of Energy	Director of Operating Control and Management Department
2008	2010	KES, ZAO	Head of Technical Inspection Department
2007	2008	RAO UES of Russia, OAO	Directorate head

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

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 state: *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 Vladimirovich SHEVCHENKO**

Year of birth: **1977**

Education: **Drexel University, USA**

Positions for the last 5 years:

Period		Company	Position
Since	Up to		
2010	Present day	Infrastructure Capital, OOO	Deputy General Director
2006	2010	Moscow representative office of E.D.M. Electricity Distribution Management Limited	Director
2005	2006	KES, ZAO	Project Manager

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

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 state: **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: **Taras Vyacheslavovich SHEVCHENKO**

Year of birth: **1973**

Education: **Moscow State Lomonosov University, legal faculty, lawyer**

Positions for the last 5 years:

Period		Company	Position
Since	Up to		
2009	Present day	IDGC Holding, OAO	Purchase Director
2001	2009	Moscow Bar Association "Moscow League"	Lawyer

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

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 state: **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 Evgenyevich YURCHUK**

Year of birth: **1966**

Education: **Moscow State Lomonosov University, economy faculty, economist**

Positions for the last 5 years:

Period		Company	Position
Since	Up to		
2005	2008	North Shipyard, OAO	Director for Economy and Finance
2009	Present day	IDGC Holding, OAO	Director for Finance
2010	2011	IDGC of North West, OAO	A BoD member
2010	Present day	Lenenergo, OAO	A BoD member
2010	Present day	MOESK, OAO	A BoD member
2010	Present day	IDGC of South, OAO	A BoD member

Share in the Charter Capital/ ordinary shares: **0.00064/0.00064**

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 state: **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	Sverdlovenergo, OAO	General Director
2005	2006	TGK-9, OAO	General Director
2006	2008	TGK-1, OAO	General Director
2009	present day	IDGC of Urals, OAO	General Director
2009	Present day	EESK, OAO	A BoD member
2009	Present day	EES, OAO	A BoD member

Share in the Charter Capital/ ordinary shares: **0.008116%/0.008116%**

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: **non**

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	Sverdlovenergo, OAO	General Director
2005	2006	TGK-9, OAO	General Director
2006	2008	TGK-1, OAO	General Director
2009	present day	IDGC of Urals, OAO	General Director
2009	Present day	EESK, OAO	A BoD member
2009	Present day	EES, OAO	A BoD member

Share in the Charter Capital/ ordinary shares: **0.008116%/0.008116%**

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

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

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	Ekaterinburg Electric Grid Company, OAO	Deputy Director for Strategic Development
2008	present day	DGC of Urals, OAO	Deputy General Director for Capital Construction

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

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	Udmurtenergo, OAO	Head of Grids Exploitation Directorate
2006	2007	Udmurtenergo, OAO	Director of Central Electric Networks
2007	2008	Sverdlovenergo, OAO	Deputy General Director for Technical Issues – Chief Operating Officer
2008	present day	IDGC of Urals, OAO	Deputy General Director for Technical Issues – Chief Operating Officer

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

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

Share in the Charter Capital/ ordinary shares: **0.000947%/0.000947%**

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	Airport Koltsovo, OAO	Deputy General Director for Security
2009	present day	IDGC of Urals, OAO	Deputy General Director for Security and Controlling
2010	Present day	SB Permenergo, OOO	BoD Chairperson

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

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	Underground Railway Construction Authority, MUP	Chief specialist on construction coordination, Director Deputy, Acting Director
2009	Present day	IDGC of Urals, OAO	Deputy General Director for Corporate Governance
2009	Present day	EESK, OAO	A BoD member
2009	Present day	EES, OAO	A BoD member
2010	Present day	Uralenergotrans, OAO	A BoD member
2011	Present day	Ekateriburg Electric Grid Company, OAO	A BoD member

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

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	Chelyabenergo, OAO	Technical director, Chief Operating Officer, First Deputy General Director – Chief Operating Officer, Acting Chief Operating Officer, Executive officer
2008	Present day	Chelyabenergo branch of IDGC of Urals, OAO	Deputy General Director – Director of Subsidiary

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

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	Permenergo, OAO	Executive Director
2005	2007	Permenergo, OAO	General Director
2006	2007	Legislative Assembly of Perm region	Deputy
2007	2008	Permenergo, OAO	Executive Director
2008	Present day	Permenergo branch of IDGC of Urals, OAO	Deputy General Director – Director of Subsidiary

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

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	Ekaterinburg Electric Grid Company, OAO	Deputy Chief Operating Officer
2006	2009	Ekaterinburg Electric Grid Company, OAO	Chief Operating Officer
2009	Present day	Sverdlovenergo branch of IDGC of Urals, OAO	Deputy General Director – Director of Subsidiary

Share in the Charter Capital/ ordinary shares: **0.000001/ 0.000001%**

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**

The Management Board was formed by the BoD on April 16, 2008 (Protocol #39 dd. 18.04.08.), the MB members were elected by the BoD on 16.07.2008 (Protocol #44 dd. 18.07.2008), 26.12.2008 (Protocol #49 dd. 11.01.2009), 08.05.2009 (Protocol #54 dd. 12.05.2009), 11.09.2009 (Protocol #59 dd. 15.09.2009) and 21.10.2009 (Protocol #60 dd. 22.10.2009). The present MB contains 10 persons (protocol #60 dd. 22.10.09.).

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:

Measurement unit: **RUR**.

The Board of Directors

Indicator	2011	3M 2012
Remuneration, RUR	10 849	2 251
Salary, RUR	15 103	
Bonuses, RUR	0	0
Commission fees, RUR	0	0
Privileges, RUR	0	0
Expense compensation, RUR	0	0
Other property payments, RUR	0	0
Other, RUR	25 952	

Information on the current agreements of such payments during the present year:

There were no agreements concluded with BoD members in regard to remunerations and/or compensations

Collegiate executive body

Measurement unit: **RUR**

Indicator	2011	3M 2012
Remuneration, RUR	0	0
Salary, RUR	78 631	
Bonuses, RUR	0	0
Commission fees, RUR	0	0
Privileges, RUR	0	0
Expense compensation, RUR	0	0
Other property payments, RUR	0	0
Other, RUR	78 631	

Information on the current agreements of such payments during the present year:

There were no agreements concluded with MB members in regard to remunerations and/or compensations

Additional

information:

Remunerations and compensations to the BoD members are paid out according to the Regulations on Remunerations and Compensations paid to the BoD members (approved by the AGSM on 30.04.2008, protocol #1865pr/3).

According to item 4.1. of the Regulations, for the participation in an in-absentia BoD session a BoD member earns 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 the BoD session.

For the participation in in-praesentia BoD sessions a BoD member earns 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 the BoD session.

The remuneration paid to the Chairperson (Deputy Chairperson) for each meeting where s/he performs the function of the BoD Chairperson is increased by 50%.

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 according to the charter (founding documents) of the Issuer:

Detailed description of the structure and competence of financial control bodies of the Issuer according to the charter (founding documents) of the Issuer:

To provide control over the financial and business activities of the Company the GSM shall elect the Audit Commission for the period till the next AGM. In case when the Audit Commission is elected by the EGM the AC members shall be deemed to be elected for the period till the next AGM.

The AC membership shall include 5 (Five) persons. According to a GSM resolution, the powers of all or several AC members may be terminated ahead of time.

The Audit Commission competence shall include the following:

- 1. Confirmation of authenticity of information and data contained in annual report and financial statements as well as profit and loss statement;*
- 2. Analysis of the Company's financial status, identification of inventory for improving financial status of the Company and provision of recommendations to the management bodies;*
- 3. Arrangement of audit inspections of financial and business activities, namely:*
- 4. Checks (audits) of financial, accounting, payment and other documentation of the Company connected with the financial and business operations regarding its compliance with the Russian legislation, the Charter, internal and other documents of the Company;*
- 5. Control over safety, integrity and usage of the main assets;*
- 6. Control over compliance with the stipulated procedure for writing-off the insolvent debtors onto the Company's losses;*
- 7. Control over cash expenditures in accordance with the approved business plan and budget;*
- 8. Control over the build-up and usage of reserve and other special-purpose funds;*
- 9. Checks of correct and timely accrual and payment of dividends, bond yields, yields generated by other securities;*
- 10. Check of compliance with the previously issued instructions for elimination of violations and drawbacks revealed by the previous checks (audits);*
- 11. Completion of other activities connected with the check of financial and business operations".*

The Issuer created an Internal Audit 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:

- 1. The Regulations on internal financial control procedures approved by the Company's BoD Protocol on 26.12.2008 (Protocol#49 dd. 11.01.2009),*
- 2. The Risk Management Policy approved by the BoD on 04.06.2010 (Protocol #70 dd. 07.06.2010.)*
- 3. The Internal Control Policy approved by the BoD on 04.06.2010. (Protocol #70 dd. 07.06.2010.)*

Subdivision of the issuer fulfilling the functions of internal control and audit is Internal Control and Risk Management Department.

Basic functions of Internal Audit department; responsibility of internal audit department, interaction with executive bodies of the Issuer and the BoD:

- 1. Audit of accounting and financial statements submitted by HQ departments, branches and representative offices, including expertise of means and methods used for identification, evaluation, classification of information and preparation of statements based on it as well as special inspection of separate statement lines, including detailed audit of operations and account balances.*
- 2. Inspection of the observation of legislation and internal regulating documents as well as execution of resolutions adopted by management bodies and management guidance.*
- 3. Inspection of existence, status and provision of property protection and usage.*
- 4. Special investigation of cases, for instance, abuse of powers.*
- 5. Development and submission to management bodies conclusions on inspection results as well as proposals on breach cure and recommendations on governance efficiency increase.*
- 6. Performance of other functions stipulated by the internal documents.*

Interaction of internal audit department and external auditor:

A Company subdivision authorized to perform control/audit functions annually informs the Audit Committee on revealed violations, including non-implementation or improper implementation of internal documents.

The Issuer has approved an internal document stipulating 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 28.12.2011(Protocol #95dd.30.12.2011).

5.5. Information on persons being members of financial control bodies of the Issuer

Name of the financial control body: *Audit Commission*

Name: *Izumrud Aligadzhievna ALIMURADOVA (Chairperson)*

Year of birth: *1971*

Education: *Higher, Dagestan Lenin's State University, profession "Economics", qualification – economist.*

Positions for the last 5 years:

Period		Company	Position
2009	Present day	IDGC Holding, OAO	Head of Internal Audit Department
2003	2009	Energoconsulting, OAO	Director for Development

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

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: *Lyudmila Dmitriyevna KORMUSHKINA*

Year of birth: *1956*

Education: *Higher, Far East State Academy of Economics and Management, economist*

Positions for the last 5 years:

Period		Company	Position
2004	2008	RAO UES of Russia, OAO	Ведущий эксперт
2008	Present day	IDGC Holding, OAO	Начальник отдела внутреннего аудита, ревизионных проверок и экспертиз

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

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 Yuryevich BOGACHEV*

Year of birth:

Education: *Higher*

Positions for the last 5 years:

Period		Company	Position
2009	Present day	IDGC Holding, OAO	Leading expert of Section for Internal audit, Inspections and Expertise of Internal Control and Audit Department at IDGC Holding, OAO

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

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: *Vladimir Nikolayevich ARKHIPOV*

Year of birth: *1956*

Education: *Higher, Novosibirsk Electrotechnical Institute of Telecommunications, telecom engineer*

Positions for the last 5 years:

Period		Company	Position
2009	Present day	IDGC Holding, OAO	First Deputy Head of Security Department
2000	2006	Rosoboronexport, FGUP	Advisor
2006	2009	Rustel, ZAO	General Director

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

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 Aleksandrovna FILIPPOVA*

Year of birth: *1958*

Education: *Higher, Ryazan Professor Kostychev's Agricultural Institute, profession "Accounting", Auditor certificate "K 20805, Ministry of Finance Decree #359 dd. 23.12.2004"*

Positions for the last 5 years:

Period		Company	Position
2008	Present day	IDGC Holding, OAO	Leading expert of Audit Section at Internal Audit Department

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

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 paid for participation in the control body

Measurement unit: **thous RUR**

Indicator	2011	3M 2012
Remuneration, RUR	0	0
Salary, RUR	0	0
Bonuses, RUR	0	0
Commission fees, RUR	0	0
Privileges, RUR	0	0
Expense compensation, RUR	0	0

Other property payments, RUR	0	0
Other, RUR		

Information on current agreements on remunerations during the current year:

There were no agreements concluded with AC members on remunerations and/or compensations. AC members who are not the Company's staff, do not earn salary paid by the Company.

Additional information:

The payment procedure and the amount of remunerations paid to the Audit Commission members are regulated by the Company's internal document – The Regulations on Compensations and Remunerations paid to the Audit Commission members (approved by the AGM, the Protocol of RAO UES MB #1865 pr/3 dd. 30.04.2008). According to item 3.1 of the Regulations, an AC member earns nonrecurring remuneration, equal to 25 minimal tariff rates of 1-class worker determined by the industry tariff agreement, for participation in audit and inspection procedures.

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.*

Indicators	2011	3M 2012
Staff on the payroll, persons	12 260	12 260
Money for salaries as of the reported period	4 615 581	1 219 672
Money for social benefit as of the reported period	187 956	20 905

Personnel that have a significant influence on the issuer's operations (key personnel):

Valery Nikolayevich RODIN, the CEO,

Olga Mikhailovna ABROSIMOVA, the Chief Accountant

Sverdlovsk Regional Committee of All-Russian Energy Sector Trade Union: office 505 10 Ulitsa Pushkina, Ekaterinburg, 620075.

Chelyabinsk Regional Organization of All-Russian Energy Sector Trade Union: office 806, 46 Ulitsa Tsvillinga, Chelyabinsk, 454091.

Perm Regional Committee of Energy Sector Trade Union: 41a Ulitsa Poliny Osipenko, Perm, 614039

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 does not have 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: *17 151*

Total number of nominal holders of the Issuer's shares: *13*

Overall number of persons included into the register of persons entitled to participate in a GSM: *19 233*

Register date: *11.05.2011*

Owners of the common shares included into the list: *19 233*

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

Shareholders owning no less than 5% of its Charter Capital or no less than 5% of its ordinary shares

Full company name: *Open Joint-Stock Company "The Holding of Interregional Distributive Grid Companies"*
Short company name: *IDGC Holding, OAO*

Location: *26/1 Ulanskyi Pereulok, Moscow, Russia, 107996*
TIN: *7728662669*
PSRN: *108776000019*
Share in the Issuer's Charter Capital, %: *51.51699*
Share of the common share possessed by the entity, %: *51.51699*

Persons controlling a holder (shareholder) of the issuer

Full company name: *Russian Federation in the name of the Federal State Property Management Agency*
Short company name: *Russian Federation in the name of the Federal State Property Management Agency*
Location: *9 Nikolsky Pereulok, Moscow, 109012*
TIN: *7710723134*
PSRN: *1087746829994*

Basis in which a person controlling a holder (shareholder) exercises such control (participation in a legal entity being a holder (shareholder) of the issuer, conclusion of a partnership agreement, trust agreement, shareholder agreement or other agreement covering the execution of rights guaranteed by shares of a legal entity being a holder (shareholder) of the issuer:

A person controlling a holder (shareholder) due to dominating participation in its charter capital, it has an opportunity to determine resolutions adopted by the company.

Feature of control exercised by a person controlling a holder (shareholder) of the issuer: *a right to control over 50 votes in the supreme body of the company controlled by the issuer*

Type of control: *direct control*

Share in the Charter capital, %: *53.69*
Share of common stock owned by the person, %: *53.69*
Other information (upon discretion of the issuer):

Nominal holder

Information on the nominal holder:

Full company name: *Closed Joint-Stock Company "Depository Clearing Company"*
Short company name: *DKK, ZAO*

Location: *4building 7/1 Ulitsa Vozdvizhenka, Moscow, 125009*
TIN: *7710021150*
PSRN: *1027739143497*
Phone: *(495) 956-0999*
Fax: *(495) 232-6804*
e-mail: *dcc@dcc.ru*

Information on the license

#: *177-06236-000100*
Issued: *09.10.2002*
Expires: *termless*
Issuing authority: *FSFM of Russia*
Number of common shares: *29 692 177 711*
Number of preferred shares: *0*

Nominal holder

Information on the nominal holder:

Full company name: *Non-bank credit organization Closed Joint-Stock Company National Settlement Depository*
Short name: *NSD, NKO ZAO*

Location: *building 8, corp.13 1 Sredny Kislovsky Pereulok, Moscow, 125009*
TIN: *7702165310*
PSRN: *1027739132563*
Phone: *(495) 956-2790*
Fax: *(495) 232-0275*
e-mail:

Information on the license
#: *177-12042-000100*
Issued: *19.02.2009*
Expires: *termless*
Issuing authority: *FSFM of Russia*
Number of common shares: *5 231 567 675*
Number of preferred shares: *0*

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")

Information on managers of state and municipal shares: **none**

Persons that, on behalf of Russia, Russian constituent entity or municipal institution, perform functions of a holder (shareholder) of the issuer

Federal property

Name: *Federal Agency on State Property Management*

Location: *9 Nikolsky Pereulok, Moscow*

The amount of shares owned by the state or municipality: *3.7123*

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 imposed on participation 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

The list of shareholders (stockholders) possessing no less than 5% of the charter (share) capital of the Issuer, for issuers being joint- stock companies – also no less than 5% of common shares, determined as of the register date for the last 5 financial years preceding the end of the reported period or for each completed financial year preceding the end of the reported period in case the issuer operates less than 5 years, as well as as of the last quarter according to the list of people authorized to participate in each GSM.

Register date: *30.04.2008*

The list of shareholders (stockholders)

Full company name: *Open Joint-Stock Company Russian Joint-Stock Company "United Energy System if Russia"*

Short company name: *RAO UES of Russia, OAO*

Location: *101/3, Prospekt Vernadskogo, Moscow, 119526*

TIN: *7705018828*

Share in the Issuer's Charter Capital, %: *100*

Share of the common share possessed by the entity, %: *100*

Register date: *12.05.2009*

The list of shareholders (stockholders)

Full company name: *Open Joint-Stock Company "The Holding of Interregional Distributive Grid Companies"*

Short company name: *IDGC Holding, OAO*

Location: *26 Ulansky Pereulok, Moscow, 107996*

TIN: *7728662669*

PSRN: *1087760000019*

Share in the Issuer's Charter Capital, %: *51.51699*

Share of the common share possessed by the entity, %: *51.51699*

Full company name: *I.D.E.ELECTRICITY DISTRIBUTION INVESTMENTS 1 LIMITED*

Short company name: *I.D.E.ELECTRICITY DISTRIBUTION INVESTMENTS 1 LIMITED*

Location: *Naousis, 1, KARAPATAKIS BUILDING, P.C. 6018, Larnaca, Cyprus*

It is not a resident of Russia

Share in the Issuer's Charter Capital, %: *20.1678*

Share of the common share possessed by the entity, %: *20.1678*

Register date: *12.05.2010*

Full company name: *Open Joint-Stock Company "The Holding of Interregional Distributive Grid Companies"*

Short company name: *IDGC Holding, OAO*

Location: *26 Ulansky Pereulok, Moscow, 107996*

TIN: *7728662669*

PSRN: *1087760000019*

Share in the Issuer's Charter Capital, %: *51.51699*

Share of the common share possessed by the entity, %: *51.51699*

Full company name: *HQ BANKAKTIEBOLAG*

Short company name: *HQ BANKAKTIEBOLAG*

Location: *Naousis, 1, KARAPATAKIS BUILDING, P.C. 6018, Larnaca, Cyprus*

It is not a resident of Russia

Share in the Issuer's Charter Capital, %: *5.918*

Share of the common share possessed by the entity, %: *5.918*

Full company name: *I.D.E.ELECTRICITY DISTRIBUTION INVESTMENTS 1 LIMITED*

Short company name: *I.D.E.ELECTRICITY DISTRIBUTION INVESTMENTS 1 LIMITED*

Location: *Naousis, 1, KARAPATAKIS BUILDING, P.C. 6018, Larnaca, Cyprus*

It is not a resident of Russia

Share in the Issuer's Charter Capital, %: *20.3628*

Share of the common share possessed by the entity, %: *20.3628*

Register date: *11.05.2011*

The list of shareholders (stockholders)

Full company name: *Open Joint-Stock Company "The Holding of Interregional Distributive Grid Companies"*

Short company name: *IDGC Holding, OAO*

Location: *26 Ulansky Pereulok, Moscow, 107996*

TIN: *7728662669*

PSRN: *1087760000019*

Share in the Issuer's Charter Capital, %: *51.51699*

Share of the common share possessed by the entity, %: *51.51699*

Full company name: *I.D.E.ELECTRICITY DISTRIBUTION INVESTMENTS 1 LIMITED*

Short company name: *I.D.E.ELECTRICITY DISTRIBUTION INVESTMENTS 1 LIMITED*

Location: *Naousis, 1, KARAPATAKIS BUILDING, P.C. 6018, Larnaca, Cyprus*

It is not a resident of Russia

Share in the Issuer's Charter Capital, %: **20.65805**
 Share of the common share possessed by the entity, %: **20.65805**

Full company name: **ENERGYO SOLUTIONS RUSSIA (CYPRUS) LIMITED**
 Short company name: **ENERGYO SOLUTIONS RUSSIA (CYPRUS) LIMITED**
 Location: **Kunp, Lochagou Kapota, 23 ARMONIA COMPLEX BLOCK A, 4th floor, Flat/Office 401 P.C. 3020, Limassol, Cyprus**

It is not a resident of Russia

Share in the Issuer's Charter Capital, %: **5.232695**
 Share of the common share possessed by the entity, %: **5.232695**

Additional information:

Till April 30, 2008 the sole shareholder was RAO UES of Russia, OAO, therefore, there were no lists of persons entitled to participate in a GSM (till 30.04.2008). All resolutions were adopted by the sole shareholder unanimously.

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: **thous. 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	669 605
Interest-party transactions effected by the Issuer as of the reported period that were approved by the Issuer's general shareholder meeting		
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	669 605
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.		

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**

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**

Additional information:

Total transaction volume (in money terms) includes VAT.

6.7. Information on accounts receivable

As of 2011.

Measurement units: **RUR thous.**

Indicator	Value, RUR
Accounts receivable from buyers and customers	4 702 766
Including overdue	0
Accounts receivable on bills receivables	0
Including overdue	0
Accounts receivable (founders's share to the charter capital)	0

Including overdue	0
Other accounts receivable	503 544
Including overdue	0
TOTAL	5 400 107
Including overdue	0

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 Sverdlovenersosbyt***

Short company name ***Sverdlovenersosbyt, OAO***

Location: ***92 Kuznechnaya Ulitsa, Ekaterinburg, Russia***

Accounts receivable: ***2 040 183***

Measurement unit: ***RUR thous.***

Amount and terms of overdue accounts receivable (interest rate, fines, penalties): ***RUR 395 061 thous.***

Debtor is not an affiliated person of the Issuer

Full company name: ***open Joint-Stock Company Chelyabenersosbyt***

Short company name: ***Chelyabenersosbyt, OAO***

Location: ***260 Ulitsa Rossiiskaya, Chelyabinsk***

TIN: ***7451213318***

PSRN: ***1057423505732***

Accounts receivable: ***1 105 994***

Measurement unit: ***RUR thous.***

Amount and terms of overdue accounts receivable (interest rate, fines, penalties): ***RUR 62 289 thous.***

Debtor is not an affiliated person of the Issuer

As of the reported period

Measurement units: ***RUR thous.***

Indicator	Value, RUR
Accounts receivable from buyers and customers	4 930 048
Including overdue	0
Accounts receivable on bills receivables	0
Including overdue	0
Accounts receivable (founders's share to the charter capital)	0
Including overdue	0
Other accounts receivable	223 677
Including overdue	0
TOTAL	5 256 340
Including overdue	

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 Sverdlovenersosbyt***

Short company name ***Sverdlovenersosbyt, OAO***

Location: ***92 Kuznechnaya Ulitsa, Ekaterinburg, Russia***

Accounts receivable: ***1 401 364***

Measurement unit: ***RUR thous.***

Amount and terms of overdue accounts receivable (interest rate, fines, penalties): ***RUR 395 061 thous.***

Debtor is not an affiliated person of the Issuer

Full company name: ***open Joint-Stock Company Chelyabenersosbyt***

Short company name: ***Chelyabenersosbyt, OAO***

Location: ***260 Ulitsa Rossiiskaya, Chelyabinsk***

TIN: ***7451213318***

PSRN: 1057423505732

Accounts receivable: 1 272 955

Measurement unit: *RUR thous.*

Amount and terms of overdue accounts receivable (interest rate, fines, penalties): **RUR 213 189 thous.**

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

2011

Balance Sheet as of 2011

Company: **Open Joint-Stock company "Interregional Distributive grid company of Urals"**

Taxpayer identification number

Types of activities

Legal organizational form: **open joint-stock company**

Units of measurement: **RUR thous.**

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

Form#1 according to ARCMD

Date

RNCBO

TIN

RNCEA

ARCFO

ARCMU

Codes

0710001

31.12.2011

76507836

6671163413

40.10.2

47 / 41

384

Comments	Assets	Line code	As of 31.12.2011	As of 31.12.2010	As of 31.12.2009
1	2	3	4	5	6
	I. NON-CURRENT ASSETS				
5.1.1.- 5.2.2.	Intangible assets	1110	56	65	30
5.2.1.- 5.2.2.	Researches and developments	1120			
5.3.1.- 5.3.6.	Fixed assets	1130	36 694 389	33 063 298	31 129 252
5.3.1.	Income-bearing placements in material valuables	1140	0	0	0
5.4.1.- 5.4.3.	Financial investments	1150	2 194 284	2 200 313	2 290 916
5.7.2.	Deferred tax assets	1160	377 600	330 664	330 326
	Other non-current assets	1170	167 716	110 200	70 542
	TOTAL on Section I	1100	39 434 045	35 704 540	33 821 066
	II. CURRENT ASSETS				
5.5.1.- 5.5.2.	Inventory	1210	1 262 049	979 332	878 613
	Value-added tax on acquired valuable property	1220	24 641	39 632	54 367
5.6.1.- 5.6.4.	Accounts receivable	1230	5 400 107	6 228 109	5 741 900
5.4.1.- 5.4.3.	Financial investments (excluding cash equivalents)	1240	0	0	0
f.4	Cash and cash equivalents	1250	722 686	1 172 061	1 041 208
	Other current assets	1260	314 478	421 508	567 427
	TOTAL on Section II	1200	7 723 961	8 840 642	8 283 515
	ASSETS	1600	47 158 006	44 545 182	42 104 581

Comments	LIABILITES	Line code	As of 31.12.2011	As of 31.12.2010	As of 31.12.2009
1	2	3	4	5	6
	III. CAPITAL AND RESERVES				
3.1.	Charter capital	1310	8 743 049	8 743 049	8 743 094
	Own shares purchased from shareholders	1320	0	0	0
5.3.1., 5.1.1.	Revaluation of non-current assets	1340	0	0	0
3.1.	Added capital (non-revaluated)	1350	17 009 503	17 009 503	17 009 503
3.1.	Reserve capital	1360	180 470	96 121	43 568
3.1	Non-distributed profit (uncovered loss)	1370	5 283 720	3 064 824	1 739 873
	TOTAL on Section III	1300	31 216 742	28 913 497	27 535 993
	IV. LONG-TERM LIABILITIES				
5.6.7.- 5.6.8.	Loans and borrowings	1410	6 030 928	5 537 633	5 583 562
5.7.2.	Deferred tax liabilities	1420	1 806 957	1 408 419	1 069 798
5.7.1.	Estimated liabilities	1430	0	0	0
5.6.5.- 5.6.6.	Other liabilities	1450	414 639	596 933	798 531
	TOTAL on Section IV	1400	8 252 524	7 542 985	7 451 891
	V. SHORT-TERM LIABILITIES				
5.6.7.- 5.6.8.	Loans and borrowings	1510	33 592	2	26 503
5.6.5.- 5.6.6.	Accounts payable	1520	5 881 362	6 541 165	6 357 780
	Deferred revenues	1530	73 505	82 641	89 025
5.7.1.	Estimated liabilities	1540	1 696 497	1 463 093	638 199
	Other liabilities	1550	3 784	1 799	5 190
	TOTAL on Section V	1500	7 688 740	8 088 700	7 116 697
	LIABILITIES	1700	47 158 006	44 545 182	42 104 581

**Profit and Loss statement
as of 2011**

Company: **Open Joint-Stock company "Interregional Distributive grid company of Urals"**

Taxpayer identification number

Types of activities

Legal organizational form: **open joint-stock company**

Units of measurement: **RUR, thous.**

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

Form# 2 according to ARCMD

Date

RNCBO

TIN

RNCEA

ARCFO

ARCMU

Codes

0710002

31.12.2011

76507836

6671163413

40.10.2

47 / 41

384

Comments	Indicator	Line code	As of 12M 2011	As of 12M 2010
1	2	3	4	5
	Revenues	2110	54 571 746	49 783 797
	including			
	Transmission revenues	2111	52 866 144	47 763 291
	Connection revenues	2112	1 327 617	1 685 727
	Lease revenues	2116	278 491	175 539
	Revenues from other industrial services	2117	94 520	153 579
	Revenues from other non-industrial services	2118	4 974	5 661
2.1.	Expenses	2120	-50 063 731	-44 842 725
	including			
	Transmission costs	2121	-49 604 351	-44 441 080
	Connection costs	2122	-188 275	-185 022
	Costs on the arrangement of functioning and development of	2123		

	Russian UES in terms of grids			
	Lease costs	2126	-206 907	-95 802
	Costs from other industrial services	2127	-58 921	-90 373
	Costs from other non-industrial services	2128	-5 277	-30 448
	Gross profit (loss)	2100	4 508 015	4 941 072
2.1.	Commercial costs	2210	0	0
2.1.	Administrative costs	2220	0	0
	Sales profit (loss)	2200	4 508 015	4 941 072
	Revenues from participation in other companies	2310	291 161	118 784
	Interest receivable	2320	24 276	15 715
	Interest payable	2330	-240 650	-391 864
5.11.	Other revenues	2340	5 556 883	5 778 541
5.11.	Other expenses	2350	-7 099 869	-8 071 661
	Pre-tax profit (loss)	2300	3 039 816	2 390 587
2.3.	Current income tax	2410	-441 135	-574 759
2.3.	Including permanent tax liabilities (assets)	2421	241 245	482 441
2.3.	Changes in deferred tax liabilities	2430	-422 703	-455 383
2.3.	Changes in deferred tax assets	2450	119 065	128 551
2.3.	Other	2460	253 007	195 777
	Net profit (loss)	2400	2 548 050	1 684 773
	FOR INFORMATION:			
5.1.1., 5.3.1.	Revaluation of non-current assets, not included into net profit (loss) of the period	2510		
3.2.	Other operations, not included into net profit (loss) of the period	2520		
	Consolidated financial result of the period	2500	2 548 050	1 684 773
2.2.	Basic earnings (loss) per share	2900	0.03	0.02
2.2.	Diluted earnings (loss) per share	2910		

**Capital Changes Report
as of 2011.**

Form #3 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, thous.**

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

	Codes
	0710003
Date	31.12.2011
RNCBO	76507836
TIN	6671163413
RNCEA	40.10.2
ARCFO	47 / 41
ARCMU	384

1. Capital changes							
Indicator	Line code	Charter capital	Shares bought from shareholders	Added capital	Reserve capital	Non-distributed profit (loss)	Total
1	2	3	4	5	6	7	8
Balance as of December 31 of the year preceding the year before	3100	8 743 049	0	17 009 503	43 568	1 739 873	27 535 993
As of the reported period of the previous year:							
Capital increase – total:	3210	0	0	0	0	1 377 504	1 377 504
including:							
Net profit	3211					1 377 504	1 377 504
Property revaluation	3212						0
Revenues with regard to capital increase	3213						0
Additional share issue	3214						0
Increase of nominal share value	3215						
Reorganization of a legal entity	3216						
Capital decrease – total:	3220						
including:							
loss	3221						
Property revaluation	3222						
Revenues with regard to capital decrease	3223						
Decrease of nominal share value	3224						
Decrease of share amount	3225						
Reorganization of a legal entity	3226						
Dividends	3227						
Change of added capital	3230						
Change of reserve capital	3240				52 553	-52 553	

Capital increase as of December 31 of the previous year	3200	8 743 049	0	17 009 503	96 121	3 064 824	28 913 497
As of the reported period:							
Capital increase – total:	3310	0	0	0	0	2 548 050	2 548 050
including:							
Net profit	3311					2 548 050	2 548 050
Property revaluation	3312						
Revenues with regard to capital increase	3313						
Additional share issue	3314						
Increase of the nominal share value	3315						
Reorganization of a legal entity	3316						
Capital decrease - total:	3320					-244 805	-244 805
including:							
loss	3321						
Property revaluation	3322						
Revenues with regard to capital decrease	3323						
Decrease of nominal share value	3324						
Decrease of share amount	3325						
Reorganization of a legal entity	3326						
Dividends	3327					-244 805	-244 805
Change of added capital	3330						
Change of reserve capital	3340				84 349	-84 349	
Capital as of December 31 of the previous year	3300	8 743 049	0	17 009 503	180 470	5 283 720	31 216 742

2. adjustments due to the changes in accounting policy and correction of mistakes					
Наименование показателя	Line code	As of 31.12.2009	Capital changes in 2010		As of 31.12.2010
			On net profit	On other factors	
1	2	3	4	5	6
Capital – total					
Prior to adjustments	3400	28 174 192	1 684 773	0	29 858 965
Adjustments due to:					
Changes in accounting policy	3410	-638 199	-307 269	0	-945 468
Correction of mistakes	3420	0	0	0	0
Following adjustments	3500	27 535 993	1 377 504	0	28 913 497
including:					
Non-distributed profit					
до корректировок	3401	2 378 072	1 684 773	-52 553	4 010 292
Adjustments due to:					
Changes in accounting policy	3411	-638 199	-307 269		-945 468
Correction of mistakes	3421				0

Following adjustments	3501	1 739 873	1 377 504	-52 553	3 064 824
Other capital items with adjustments:					
(on items)					
Prior to adjustments	3402	0	0	0	0
Adjustment due to:					0
Changes in accounting policy	3412				0
Correction of mistakes	3422				0
Following adjustments	3502	0	0	0	0

Information				
Indicator	code	As of 31.12.2011	As of 31.12.2010	As of 31.12.2009
1	2	3	4	5
Net assets	3600	31 290 247	28 996 138	27 625 018

For other forms of financial statements prepared under RAS, please, use the Russian version.

Explanatory notes

Explanatory notes to the financial statements of Interregional Distributive Grid Company of Urals, OAO as of 2011 is in Appendix #1 hereof

The auditor report

*The auditor report of IDGC of Urals, OAO as of 2011 are in Appendix #1 hereof
During the reported period the issuer prepared annual financial reporting under IAS or GAAP*

Reported period

Year: **2011**

Quarter: **II**

Standards (rules), according to which the issuer prepared consolidated financial statements disclosed hereof
IAS

In 2011 the issuer prepared consolidated interim financial statements as of 6M 2011 ended on June 30, 2011. Consolidated interim financial statements as of 6M 2011 ended on June 30, 2011 (unaudited) is in Appendix #2 hereof.

7.2. Quarterly financial statements as of the last reported quarter

Balance Sheet as of 3M 2012

	Form#1 according to ARCMD	Codes
	Date	0710001
	31.03.2012	
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	47 / 41
Units of measurement: RUR thous.	ARCMU	384
Location: 140 Mamina Sibiryaka Ulitsa, Ekaterinburg, Russia 620026		

Comments	Assets	Line code	As of 31.03.2012	As of 31.12.2011	As of 31.12.2010
1	2	3	4	5	6
	I. NON-CURRENT ASSETS				
	Intangible assets	1110	54	56	65
	Researches and developments	1120	0	0	0
	Non-material assets	1130	0	0	0
	Material assets	1140	0	0	0
	Fixed assets	1150	36 758 943	36 694 389	33 063 298
	including				
	Land plots and other facilities	1151	44 375	43 588	25 712
	Buildings, vehicles and equipment, facilities	1152	32 734 386	33 244 485	29 930 358
	Other types of fixed assets	1153	565 647	752 991	381 382
	Uncompleted construction	1154	3 407 457	2 595 469	2 706 461
	Advances given for capital construction and acquisition of fixed assets	1155	7 078	57 856	19 385

	Investments in valuable property	1160	0	0	0
	Financial investments	1170	2 194 122	2 194 284	2 200 313
	Investments into subsidiaries	1171	1 007 530	1 007 530	1 002 530
	Investments into associated companies	1172	1 185 414	1 185 414	1 185 414
	Investments to other companies	1173	1 168	1 330	12 359
	Other long-term financial investments	1175	10	10	10
	Deferred tax assets	1180	812 293	377 600	330 664
	Other non-current assets	1190	180 064	167 716	110 200
	TOTAL ON SECTION I	1100	39 945 476	39 434 045	35 704 540
	II. CURRENT ASSETS				
	Inventory	1210	1 528 147	1 262 049	979 332
	including				
	Materials and other similar valuables	1211	1 498 092	1 231 211	946 190
	Finished products and goods for resale	1213	29 631	30 838	33 142
	Goods delivered	1214	424		
	Value-added tax on acquired valuable property	1220	2 780	24 641	39 632
	Accounts receivable	1230	5 256 340	5 400 107	6 228 109
	Payments are expected in over 12 months since the reported period	1231	78 563	76 564	278 410
	Purchasers and clients	12310 1	29 068	26 358	2 716
	Bills receivable	12310 2			200 626
	Other receivables	12310 4	49 495	50 206	75 068
	Payments are expected within 12 months since the reported period	1232	5 177 777	5 323 543	5 949 699
	Purchasers and clients	12320 1	4 900 980	4 676 408	4 062 211
	Bills receivable	12320 5	102 615	193 797	286 182
	Other receivables	12320 6	174 182	453 338	1 601 306
	Financial investments (excluding cash equivalents)	1240	0	0	0
	Cash and cash equivalents	1250	1 147 222	722 686	1 172 061
	Pay office	1251	63	45	63
	Operating accounts	1252	923 588	462 072	1 127 625
	Other monetary resources	1254	223 571	260 569	44 373
	Other current assets	1260	257 609	314 478	421 508
	TOTAL ON SECTION II	1200	8 192 098	7 723 961	8 840 642
	ASSETS	1600	48 137 574	47 158 006	44 545 182

Comments	LIABILITIES	Line code	As of 31.03.2012	As of 31.12.2011	As of 31.12.2010
1	2	3	4	5	6
	III. CAPITAL AND RESERVES				
	Charter Capital	1310	8 743 049	8 743 049	8 743 049

	Own shares purchased from shareholders	1320	0	0	0
	Revaluation of noncurrent assets	1340	0	0	0
	Added capital (no revaluation)	1350	17 009 503	17 009 503	17 009 503
	Reserve capital	1360	180 470	180 470	96 121
	Non-distributed profit (uncovered loss)	1370	5 411 235	5 283 720	3 064 824
	Of previous years	1371	5 283 720	5 283 720	3 064 824
	Of the reported period	1372	127 515		
	TOTAL ON SECTION III	1300	31 344 257	31 216 742	28 913 497
	IV. LONG-TERM LIABILITIES				
	Loans and borrowings	1410	6 698 979	6 030 928	5 537 633
	Bank credits subject to cancellation in over 12 months since the reported date	1411	6 698 979	6 030 928	5 537 414
	Loans subject to cancellation in over 12 months since the reported date	1412	0	0	219
	Deferred tax liabilities	1420	2 006 796	1 806 957	1 408 419
	Estimated liabilities	1430	0	0	0
	Other liabilities	1450	277 854	414 639	596 933
	TOTAL ON SECTION IV	1400	8 983 629	8 252 524	7 542 985
	V. SHORT-TERM LIABILITIES				
	Loans and borrowings	1510	41 519	33 592	2
	Bank credits subject to cancellation within 12 months since the reported date	1511	41 293	33 371	
	Loans subject to cancellation within 12 months since the reported date	1512	226	221	2
	Accounts payable	1520	6 406 209	5 881 362	6 541 165
	Purchasers and clients	1521	4 293 861	4 034 808	3 543 018
	Bills receivable	1522	190	190	190
	Wages and salaries	1523	205 433	1 096	68 304
	Debts to state non-budgetary funds	1524	93 314	79 831	54 632
	Debts in taxes and levies	1525	412 621	168 538	43 337
	Advances received	1526	1 351 935	1 529 110	1 870 174
	Other payables	1528	48 855	67 789	961 510
	Reserves for future expenses	1530	71 379	73 505	82 641
	Estimated liabilities	1540	1 286 869	1 696 497	1 463 093
	Other liabilities	1550	3 712	3 784	1 799
	TOTAL ON SECTION V	1500	7 809 688	7 688 740	8 088 700
	LIABILITIES	1700	48 137 574	47 158 006	44 545 182

**Profit and Loss Statement
as of 3M 2012.**

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 thous.**

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

	Codes
	0710002
Date	31.03.2012
RNCBO	76507836
TIN	6671163413
RNCEA	40.10.2
ARCFO	47 / 41
ARCMU	384

Comments	Indicator	Line code	3M 2012	3M 2011
1	2	3	4	5
	Revenues	2110	14 103 016	14 927 727
	including			
	Transmission revenues	2111	13 716 068	14 432 103
	Connection revenues	2112	302 878	445 442
	Lease revenues	2116	64 077	28 159
	Revenues from other industrial services	2117	18 586	20 688
	Revenues from other non-industrial services	2118	1 407	1 335
	Expenses	2120	-12 942 404	-13 626 805
	including			
	Transmission costs	2121	-12 840 893	-13 534 899
	Connection costs	2122	-31 895	-51 247
	Lease costs	2126	-57 568	-23 358
	Costs from other industrial services	2127	-10 547	-15 826
	Costs from other non-industrial services	2128	-1 501	-1 475
	Gross profit (loss)	2100	1 160 612	1 300 922
	Commercial costs	2210	0	0
	Administrative costs	2220	0	0
	Sales profit (loss)	2200	1 160 612	1 300 922
	Revenues from participation in other companies	2310		
	Interest receivable	2320	7 106	4 074
	Interest payable	2330	-110 489	-77 913
	Other revenues	2340	262 104	415 527
	Other expenses	2350	-1 134 551	-746 640
	Pre-tax profit (loss)	2300	184 782	895 970
	Current income tax	2410	-292 641	-70 269
	Including permanent tax liabilities (assets)	2421	23 917	42 976
	Changes in deferred tax liabilities	2430	-199 839	-214 598
	Changes in deferred tax assets	2450	434 693	77 937
	Other	2460	520	42 785
	Net profit (loss)	2400	127 515	731 825
	FOR INFORMATION:			

	Revaluation of non-current assets, not included into net profit (loss) of the period	2510		
	Other operations, not included into net profit (loss) of the period	2520		
	Consolidated financial result of the period	2500	127 515	731 825
	Basic earnings (loss) per share	2900	0.01	0.01
	Diluted earnings (loss) per share	2910		

7.3. Consolidated financial statements as of the last completed financial year

It is not disclosed during the reported period

7.4. Information on accounting policy of the Issuer

The accounting policy of IDGC of Urals, OAO for 2012 was approved by Decree #431 dd. 30.12.2011 and is disclosed in Appendix #3 hereof.

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

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

7.7. Information on the Issuer's lawsuits in cases when such lawsuit can significantly affect financial and business activities of the Issuer

During 2011 the issuer participated in the following processes:

Plaintiff/ defendant	Starting date of the process	Amount in controversy (RUR)	Subject of lawsuit	Results
1Q 2011				
Sverdlovenego branch of OAO "IDGC of Urals")/ Interregional inspection of Federal Tax Service of Russia #4	September 2010	VAT – RUR 601 617 613, poena on VAT - RUR 230 145 111.06, fine – RUR 120 323 523.	On acknowledging non-regulatory act of the tax body invalid (Claim #175 dd. 19.03.2010.)	Resolution of Sverdlovsk Arbitration Court dd.09.12.2010 partially satisfied stated claims (RUR 90 242 643). Appellate appeal was submitted. Resolution #17 AAC dd. 03.03.2011. resolution of the court of original jurisdiction was left unchanged, cassation appeal was submitted.
2Q 2011				
Sverdlovenego branch of OAO "IDGC of Urals")/ Interregional inspection of Federal Tax Service of Russia #4	September, 2010	VAT – RUR 601 617 613, poena on VAT - RUR 230 145 111.06, fine – RUR 120 323 523.	On acknowledging non-regulatory act of the tax body invalid (Claim #175 dd. 19.03.2010.)	Resolution of Sverdlovsk Arbitration Court dd.09.12.2010 partially satisfied stated claims (RUR 90 242 643). Appellate appeal was submitted. Resolution #17 AAC dd. 03.03.2011. resolution of the court of original jurisdiction was left unchanged, cassation appeal was submitted. On 22.06.2011 the cassation appeal was left unchanged.
In 3-4Q 2011 the issuer did not participate in processes that could have a significant impact on operations				
In 1Q 2012 the issuer did not participate in processes that could have a significant impact on operations				

VIII. Additional information on the Issuer and its placed securities

8.1. Additional information on the Issuer

8.1.1. Information on the amount and structure of the Issuer's charter capital

The amount of the Charter Capital of the Issuer as of the end of the last reported period, RUR: **8 743 048 571.1**

Common 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**

Information on the conformity of the charter capital and founding documents:

Net assets exceed the charter capital in more than 3 times and as of 31.12.2011 it amounted to RUR 31 290 247 thous.; as of 31.03.2012 - RUR 31 415 636thous.

8.1.2. Information on changes in the amount of the Charter Capital of the Issuer

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**

Structure of the charter capital following the changes

Common shares

Overall nominal value: **251 418 597.4**

Amount of share in the charter capital, %: **100**

Preferred

Overall nominal value: **0**

Amount of share in CC, %: **0**

The Issuer's managing body that took a resolution on changes in the Charter capital: **General shareholder meeting IDGC of Urals, OAO**

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 IDGC of Urals, OAO*

Protocol date: *25.12.2007*

Protocol number: *1795pr/9*

8.1.3. information on the procedure for convention and arrangement of a session of the issuer's supreme management body

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):

A GSM announcement shall be published by the Company in the Rossiyskaya Gazeta as well as be disclosed at the corporate website within 30 (thirty) days prior to its date.

Voting papers concerning agenda issues shall be forwarded by registered mail to address disclosed in the register or handed over to every person disclosed in the register against signature within 20 (twenty) days prior to a GSM.

In case when a general shareholder meeting is arranged in the form of absentee voting:

The announcement on a GSM, held by means of absentee ballot, shall be published by the Company in the Rossiyskaya Gazeta as well as on the corporate website within 30 (thirty) days prior to the Company's deadline for the receipt of voting papers.

Voting papers on the agenda issues shall be sent by registered mail to addresses stipulated by the list of the persons authorized to participate in a GSM or shall be submitted to such persons against signature within 20 (Twenty) days prior to the Company's deadline for the receipt of voting papers.

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:

An EGM shall be arranged upon a BoD decision, based upon its own initiative, a request from the Audit Commission and the Auditor as well as a shareholder (shareholders) possessing at least 10 (ten) percent of voting shares of the Company as of the request date.

An EGM, held according to a request from the Audit Commission and the Auditor as well as a shareholder (shareholders) possessing at least 10 (Ten) percent of voting shares, shall be arranged by the Board of Directors.

Such GSM shall be held within 40 (Forty) days since submission of a GSM request, except for the case specified in item 14.9. hereof.

This GSM request shall contain issues to be included onto the agenda.

A person (persons), requesting an EGM convention, shall be entitled to submit a draft EGM resolution as well as a proposal on an EGM form. In case this EGM convention request contains a nominee promotion proposal, this proposal shall be regulated by the corresponding statements of Article 13 hereof.

The Board of Directors shall not be entitled to change the wording of EGM agenda issues, issue resolutions and proposed form for an EGM convened upon the request from the Audit Commission, the Auditor as well as a shareholder (shareholders) possessing at least 10 (Ten) percent of voting shares.

In case an EGM convention is requested by a shareholder (shareholders), such request shall contain the name of a shareholder (shareholders) who demand the meeting as well as the quantity and category (type) of the Company shares possessed by them.

An EGM convention request shall be signed by a person (persons) requesting the EGM convention.

The procedure for determining a date for the meeting of the Company's supreme governing body: An AGM shall be held not earlier than two months and not later than six months following the end of the financial year.

An EGM, held according to a request from the Audit Commission and the Auditor as well as a shareholder (shareholders) possessing at least 10 (Ten) percent of voting shares, shall be arranged by the Board of Directors.

Such general shareholder meeting shall 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:

A GSM 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 shall be 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 adopted 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 the "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 the "Rossyiskaya Gazeta" as well as on the corporate web-site.

8.1.4. 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: ***EESK, OAO***

Location: ***1 Ulitsa Borisa Eltsyna, 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 Ekaterinburgenergosbyt***

Short company name: ***EES, OAO***

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: ***Limited Liability Company Security service Permenergo***

Short company name: ***SB Permenergo, OOO***

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: ***IC Privat-Energostrakh, ZAO***

Location: ***3 Komsomolskiy 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***

Share of the Issuer's ordinary stock owned by the company, %: ***0***

Full company name: ***Limited Liability Company "Uralenergotrans"***

Short company name: ***Uralenergotrans, OOO***

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

TIN: ***6672319085***

PSRN: ***1105903003580***

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: ***Open Joint-Stock Company Kurganenergo***

Short company name: ***Kurganenergo, OAO***

Location: ***3 Nevezhina Ulitsa, Kurgan, Russia, 640003***

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: ***Insurance Company Ring of the Urals, OOO***

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: ***MC Energofinance, ZAO***

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: ***Perm Airlines, OAO***

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: **Uralenergostroy, OAO**

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**

Full company name: **Open Joint-Stock Company Energy Service Company of the Urals**

Short company name: **Energy Service Company of the Urals, OAO**

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

TIN: **6671345406**

PSRN: **1116671000434**

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**

8.1.5. Information on major transactions effected by the Issuer

As of 2011

There were no major transactions effected during the period

As of the reported quarter

There were no major transactions effected during the period

8.1.6. 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 granted to the holders:

Rights are stipulated in item 6.2, Article 6 of the Company's Charter:

Every common registered share shall give equal amount of rights to a shareholder who owns it. Shareholders owning ordinary registered shares shall be entitled:

- 1) To participate either in person or through their representatives in a GSM with the voting right for all issues pertaining to their competence;*
- 2) To propose issues into a GSM agenda pursuant to the Russian legislation and the present Charter;*

- 3) *To obtain information about the Company's activities and get familiar with the Company documents pursuant to Article 91 of the 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 additional 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 Russian legislation;*
- 6) *To get a portion of the Company's property in case of its liquidation;*
- 7) *To fulfill other rights envisioned by the Russian legislation and the present Charter*

Other information disclosed by the Issuer at its own discretion:

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: *13.05.2010*

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

The security issue was assigned a state registration number

State registration number: *4-01-32501-D*

State registration date: *27.03.2008*

Registration authority: *FSFM of Russia*

Number of securities in the issue: *1 000 000*

Nominal price volume: *1 000 000 000*

Nominal value of each security, RUR: *1 000*

According to the Russian legislation there is no nominal value presence

Status: *in circulation*

State registration of Issue Results is not carried out: *no*

State registration of Issue Results: *27.03.2008*

Date when A notification on Issue results was submitted:

The number of interest (coupon) periods: *10*

Maturity date: *22.05.2012*

Fair indication: *yes*

Web-page containing the text of the Issue Resolution: www.mrsk-ural.ru/content/files/IR%20-%20disclosure/Bondprospectus.pdf

Additional security issues: *none*

There are no liabilities on the issue that were not discharged

8.4. Terms ensuring bond liabilities discharge

The issuer did not register the prospectus of pledged bonds, there was no commercial papers admitted for trading at the exchange

8.4.1. Terms for ensuring discharge of liabilities on bonds with mortgage coverage

The Issuer did not place bonds with mortgage coverage which liabilities are not discharged yet

8.5. 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: *Closed Joint-Stock Company Registrar Company STATUS*

Short company name: *STATUS, ZAO*

Location: *Moscow*

TIN: *7707179242*

PRSN: *1027700003924*

Information on the license

Number: *10-000-1-00304*

Issued: *12.03.2004*

Expires: *termless*

License authority: *FCS (FSFM) of Russia*

Date when the registrar started to register the Issuer's security holders: *20.12.2010*

Documentary bearer securities with centralized custody are in circulation.

Registrars

Full company name: *Non-banking Credit organization Closed Joint-Stock Company National Settlement Depository*

Short company name: *NKO ZAO NSD*

Location: *1/13 building 8, Srednyi Kislovskiy Pereulok, Moscow, Russia*

TIN: *7702165310*

PSRN: *1027739132563*

Information on license issued for depositary activities:

Number: *177-03431-000100*

Issued: *04.12.2000*

Expires: *termless*

Issuing authority: *FSC (FSFM) of Russia*

The shareholder can obtain information on issues related to the stockholding on the following addresses:

Ekaterinburg branch -185 Ulitsa Lunacharskogo, Ekaterinburg, 620075, phone: (343) 287-18-39, 287-18-49, 287-18-59

Perm branch – 50 Ulitsa Lenina, Perm, 614990, office 702, phone: (342) 218-01-66

8.6. 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

1. Russian Tax Code

2. Federal Law dated 22.04.1996 #39-FZ "On securities market"

3. Federal Law dated 26.12.1995 #208-FZ "On Joint-Stock Companies"

4. Federal Law dated 10.12.2003 #173-FZ "On currency regulation and control"

5. Federal Law dated 07.08.2001 #115-FZ "On anti-money laundering and terrorism financing".

6. Federal Law dated 05.03.1999 #46-FZ "On protection of rights and legitimate interests of investors on securities market"

7. Federal Law #39-FZ dd. 25.02.1999 on the investment activities as capital foreign investments in the Russian Federation"

8. Intergovernmental agreements on evading double taxation (with regard to income and property taxes as well as on

prevention of income and property tax evasion).

9. President Decree #1924 dd. 17.11.1993 on the activities of foreign banks and joint banks (non-residents) in Russia

10. Instruction of the Central Bank #117-I dd. 15.06.2004 pm the procedure for submission of documents and information by residents and non-residents to authorized banks during currency operations, procedure for accounting currency operations and transaction passports arrangement

8.7. 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:

money paid to the seller according to the agreement;

payment for depositary services;

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;

exchange fees;

payment for registrar services;

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:

Revenues from sale;

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.

8.8. Information on declared and paid dividends on the Issuer's shares as well as bond yield

8.8.1. Information on declared and paid dividends on the Issuer's shares

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***

Dividend period

Year: **2010**

Period: **full year**

The Issuer's governing body that took a resolution on dividend pay-out on the Issuer's shares: ***General Shareholder Meeting***

Date when the Issuer's governing body took a decision to pay-out dividends: **16.06.2011**

Register date: **11.05.2011**

Protocol compiled on: **17.06.2011**

Protocol number: ***AGSM protocol #3 dd. 17.06.2011***

Category (type) of shares: **ordinary**

Declared dividends paid out on this category of shares, per share, RUR: **0.0028**

Total amount of declared dividends paid out on the category of shares, RUR: **245 550 000**

Overall amount of declared dividends paid on all types of shares, RUR: **231 736 026.14**

Source for dividend payout: ***Net profit***

Dividend/ net profit, %: **14.5**

The share of paid-out dividends on shares of the type (category), %: **94.8**

Term for dividend pay-out:

dividends are paid out within 60 days since the resolution on the pay-out.

Form and other conditions of declared dividend pay-out: *in monetary terms*

Declared dividends were not paid in full

The reasons:

the dividends were paid out to all persons included into the dividend list, except persons without full and detailed requisites required for dividend pay-out.

According to the approved dividend policy principles (BoD protocol #73 dd. 31.08.2010) dividends are distributed from the net profit (without revaluation of financial investments) following its distribution to obligatory reserves, investment program as well as clearing off of the operating losses shown in previous years. Besides, there are the following newly approved conditions which are obligatory while deciding on the dividend payout:

- There should be net profit without revaluation of financial investments;
- Debt/EBITDA ratio as of the end of the year should not exceed 3;
- Set reliability and service quality indicators should be achieved.

As of 2011 the shareholders will receive RUR 244 805 thous as dividends. The amount of dividend per share shall total RUR 0.0028.

8.8.2. 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 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 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**

Reported period: **sixth coupon period 27.11.2009 - 26.05.2010.**

Coupon yield per a bond: **RUR 40.64.**

Coupon yield of the bond issue: **RUR 66 568.32.**

Term for payment: **25.05.2010.**

Reported period: **seventh coupon period 27.05.2010- 26.11.2010**

Coupon yield per a bond: **RUR 42.88.**

Coupon yield of the bond issue: **RUR 9 390.72.**

Term for payment: **23.11.2010.**

Reported period: **eighth coupon period 24.11.2010 - 24.05.2011**

Coupon yield per a bond: **RUR 42.88.**

Coupon yield of the bond issue: **RUR 9 390.72.**

Term for payment: **24.05.2010.**

Reported period: **eighth coupon period 24.11.2010 - 24.05.2011**

Coupon yield per a bond: **RUR 42.88.**

Coupon yield of the bond issue: **RUR 9 390.72**

Term for payment: **24.05.2011.**

Reported period: **ninth coupon period 25.05.2011 - 22.11.2011.**

Coupon yield per a bond: **RUR 42.88.**

Coupon yield of the bond issue: **RUR 9 390.72.**

Term for payment: **22.11.2011.**

2) Type of yield: **nominal value, redemption of bonds on the creditors' demand due to the Issuer's restructuring**
Form and procedure for yield payment: **for full version see the Russian version.**

Term for payment: **15.04.2008.**

Number of bonds redeemed: **869 421.**

Redemption price: 100% of nominal price

Yield amount: RUR 869 421 000.

3) Type of yield paid out on the bond issue: **please, see the Russian version for details.**

Term for payment: **26.05.2009.**

Number of bonds redeemed: **998 362.**

Redemption price: 100% of nominal price

Yield amount: RUR 998 362 000.

Number of bonds in circulation: 1 638.

Term for payment: **26.05.2010.**

Number of bonds redeemed: **1 419.**

Redemption price: 100% of nominal price

Yield amount: RUR 1 419 000.

Number of bonds in circulation: 219.

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**

Information on yield from bonds:

1) 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

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.**

2) 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**

On 13.05.2010 02-series documentary interest-bearing bearer bonds were redeemed, as of the redemption date the issuer had 600 bonds on its account. The amount of liabilities in money terms totaled RUR 0.

02-series bonds were redeemed on 13.05.2010.

As of 31.12.2011 219 01-series bonds were in circulation.

8.9. 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.

In 1Q 2012 Status, ZAO, the Company's registrar, received RUR 262 495m including payments for the register and information submission.

8.10.2. Intragroup transactions of the Company:

There were no intragroup transaction during the reported period

8.10.3. Information on the Issuer's market-maker:

During the reported period there was no market-maker involved by the Issuer.

8.10. 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