



Мы создаем
энергию прогресса

JSC TGC-1
Interim Report
January-September 2009

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TGC-1

1. TGC-1 IN FIGURES

Operational highlights for 9 months 2009 *

	9M 2008	9M 2009	Δ (%)
Electricity generation, mln kWh	19,670.1	19,297.3	-1.9
Electricity useful output, mln kWh **	20,656.9	20,690.0	0.2
Heat generation, thousand GCal	17,385.5	17,671.8	1.6
Heat useful output, thousand GCal **	16,622.3	16,793.8	1.0

* including Murmanskaya CHPP

** Including purchased power

Key financials (RAS) for 9 months 2009 (thousand RUR)

	9M 2008	9M 2009	Δ (%)
Sales	21,722,500	25,247,106	16.2
Costs	(21,207,272)	(22,569,175)	6.4
Operating profit	515,228	2,677,931	419.8
Pre-tax profit	178,152	3,136,947	1,660.8
Net profit	(127,635)	2,368,296	1,955.5
Total assets	72,868,724	88,434,339	21.4

2. PRODUCTION

Electricity generation and output for 9 months 2008-2009

	Electricity generation (thousand kWh)			Electricity useful output (thousand kWh). except purchased power energy			Electricity useful output (thousand kWh). including purchased power energy		
	9M 2008	9M 2009	Δ (%)	9M 2008	9M 2009	Δ (%)	9M 2008	9M 2009	Δ (%)
Nevsky branch	11,003,393.7	10,642,670.3	-3.3	9,930,969.0	9,593,800.6	-3.4	11,061,861.8	11,074,236.6	0.1
Karelsky branch	3,105,669.2	3,171,649.7	2.1	2,959,531.7	3,027,543.5	2.3	3,075,609.7	3,165,941.3	2.9
Kolsky branch	5,538,932.1	5,461,075.1	-1.4	5,379,290.5	5,270,401.9	-2.0	6,507,702.8	6,437,765.9	-1.1
Total TGC-1	19,647,994.9	19,275,395.1	-1.9	18,269,791.1	17,891,746.0	-2.1	20,645,174.3	20,677,943.9	0.2
Murmanskaya CHPP	22,055.2	21,906.7	-0.7	11,702.5	12,093.1	3.3	11,702.5	12,093.1	3.3
Total TGC-1 incl. Murmanskaya CHPP	19,670,050.1	19,297,301.7	-1.9	18,281,493.6	17,903,839.1	-2.1	20,656,876.8	20,690,037.0	0.2

Heat generation for 9 months 2008-2009

	Heat generation (GCal)			Heat useful output (GCal) Including purchased power energy		
	9M 2008	9M 2009	Δ (%)	9M 2008	9M 2009	Δ (%)
Nevsky branch	13,697,737.0	14,111,359.0	3.0	13,155,446.0	13,492,423.2	2.6
Karelsky branch	1,144,311.0	1,124,115.0	-1.8	1,115,586.0	1,092,204.0	-2.1
Kolsky branch	853,040.3	841,972.4	-1.3	802,136.0	744,584.4	-7.2
Total TGC-1	15,695,088.3	16,077,446.4	2.4	15,073,168.0	15,329,211.6	1.7
Murmanskaya CHP	1,690,420.6	1,594,389.0	-5.7	1,549,083.7	1,464,625.3	-5.5
Total TGC-1 including Murmanskaya CHP	17,385,508.9	17,671,835.4	1.6	16,622,251.7	16,793,836.9	1.0

Utilization factor of maximum capacity for 9 months 2009, %

	CHP	HPP	HPP+CHP
Nevsky branch	41.3	72.2	46.9
Karelsky branch	39.1	59.1	53.0
Kolsky branch	14.1	49.6	43.6
Total TGC-1	38.6	56.7	46.8

Specific fuel consumption on Company's CHPPs for 9 months 2009

	Specific fuel consumption		Specific fuel consumption on electricity output	
	electricity output, G/kWh	heat output, kg/GCal	on heating cycle. G/kWh	on condensation cycle. G/kWh
Nevsky branch				
Central CHP	413.62	157.85	356.43	522.19
Pravoberegnaya CHP-5	258.80	150.55	236.57	360.46
Vasiliostrovskaya CHP-7	312.72	140.73	286.85	471.56
Dubrovskaya CHP-8	493.75	172.70	438.28	497.77
Pervomayskaya CHP-14	375.96	161.23	335.68	484.29
Avtovskaya CHP-15	340.13	134.03	291.42	479.49
Vyborgskaya CHP-17	334.37	129.93	280.05	435.91
Severnaya CHP-21	283.19	123.56	245.89	408.33
Jugnaya CHP-22	262.41	132.54	220.60	337.14
An average of Nevsky branch	303.82	140.09	260.00	405.21
Karelsky branch				
Petrozavodskaya CHP	293.10	129.05	252.55	402.81
DPS	352.33			
An average of Karelsky branch	293.10	129.05	252.55	402.81
Kolsky branch				
Apatitskaya CHP	325.06	143.04	325.06	
An average of Kolsky branch	325.06	143.04	325.06	
An average of TGC-1	303.61	139.47	262.10	404.86

Fuel mix for 9 months 2009, %

TGC-1 branches	gas	fuel oil	coal	diesel
Nevsky branch	99.23	0.77	0	-
Karelsky branch	99.65	0	-	0.35
Kolsky branch	-	0.28	99.72	-
Total TGC-1	94.98	0.70	4.30	0.02
Murmanskaya CHP	-	100	-	-
Total TGC-1 incl. Murmanskaya CHP	89.68	6.24	4.06	0.02

3. SALES

ELECTRIC POWER AND CAPACITY

Electricity sales breakdown by market sectors for 9 months 2009, thousands kWh

	Total TGC-1 (%)	Total TGC-1 (thousand kWh)	Nevsky branch	Karelsky branch	Kolsky branch
Regulated sector of the wholesale market	53.9	11,138,308.9	6,275,924.7	1,705,658.3	3,156,725.9
Day-ahead market	37.1	7,665,209.9	3,834,211.4	1,363,814.5	2,467,184.0
Balancing market	2.8	574,966.4	367,063.1	55,133.7	152,769.7
Fixed-date electricity and capacity contracts	1.3	266,702.9	175,918.4	38,067.1	52,717.5
СДД	0.2	40,987.7	22,234.7	0.0	18,753.0
Export	4.6	959,319.1	370,984.5	0.0	588,334.6
Retail market	0.2	32,448.7	27,899.8	3,267.8	1,281.1
TOTAL	100.0	20,677,943.9	11,074,236.6	3,165,941.3	6,437,765.9

Capacity sales for 9 months 2009, MW/month

	Total TGC-1 (%)	Total TGC-1 (MW/month)	Nevsky branch	Karelsky branch	Kolsky branch
Regulated sector of the wholesale market	69.2	4,112.74	2,308.17	522.02	1,282.55
Long term electricity and capacity contracts (HPP/APP)	4.0	236.91	107.58	29.77	99.57
Fixed-date electricity and capacity contracts	23.3	1,383.22	724.04	146.24	512.94
Competitive Capacity Screening	3.5	207.21	142.40	55.59	9.22
TOTAL	100.0	5,940.08	3,282.19	753.61	1,904.28

Electricity and capacity revenues for 9M 2009, thousand RUR

	TGC-1	Electricity			Capacity		
		Nevsky	Karelsky	Kolsky	Nevsky	Karelsky	Kolsky
Regulated sector of the wholesale market	6,873,517.8	3,232,509.8	238,649.1	182,717.4	1,848,891.3	528,943.5	841,806.7
Long term electricity and capacity contracts (HPP/APP)	182,118.2				81,353.3	30,888.2	69,876.7
Day-ahead market contracts	4,362,783.5	2,405,744.1	770,924.9	1,186,114.5			
Balancing market	251,353.3	158,733.8	45,502.8	47,116.7			
Fixed-date electricity and capacity contracts	1,438,525.8	142,672.7	30,590.9	45,620.4	648,633.9	142,131.3	428,876.6
Unregulated contracts	25,071.7	15,994.4		9,077.3			
Competitive Capacity Screening	199,316.9				136,602.4	56,153.3	6,561.2
Export	1,245,206.8	505,794.3		739,412.5			
Retail market	80,246.9	29,624.9	50,622.0				
TOTAL	14,658,140.8	6,491,073.9	1,136,289.6	2,210,058.8	2,715,480.8	758,116.3	1,347,121.3
TOTAL electricity	9,837,422.4						
TOTAL capacity	4,820,718.4						

Electricity and capacity purchase for 9M 2009

	Volume thous. kWh		Volume. thous. (MW)
Day-ahead market	2,123,822.5	Competitive Capacity	286.0
Balancing market	642,645.9	Screening	
Fixed-date electricity and capacity contracts	19,729.5	Fixed-date electricity and capacity contracts	15.4
TOTAL	2,786,197.8	TOTAL	301.4

HEAT

Heat revenue, thousand RUR

	9M 2008	9M 2009	Δ (%)
Nevsky branch	7,128,752	8,702,117	22.1
Karelsky branch	436,571	485,093	11.1
Kolsky branch	525,930	666,977	26.8
Total, TGC-1	8,091,253	9,854,188	21.8

Useful output structure, thousand GCal

	9M 2008		9M 2009		Δ (%)
	Total TGC-1 (thous. GCal)	Total TGC-1, (%)	Total TGC-1 (thous. GCal)	Total TGC-1, (%)	
	15,073.2	100.0	15,329.2	100.0	1.7
Industrial consumers	804.9	5.3	793.3	5.2	-1.4
Housing consumers	7,084.2	47.0	8,291.3	54.1	17.0
Other consumers	3,722.4	24.7	3,024.0	19.7	-18.8
Heat suppliers (resellers)	3,461.7	23.0	3,220.6	21.0	-7.0

TARIFFS

Average electricity tariffs in 2009

	since 01.01.2008, kop./kWh	since 01.01.2009, kop./kWh	Changes
Nevsky branch	68.11	79.96	17.4%
Karelsky branch	43.27	48.12	11.2%
Kolsky branch	29.24	31.73	8.5%
TGC-1	54.37	61.27	12.7%
Murmanskaya CHP	265.0	300.0	13.2%

Heat tariffs in 2009

	since 01.01.2008, RUR/G Cal	since 01.01.2009, RUR/G Cal	Changes
Nevsky branch	540.26	645.75	19.5%
St. Petersburg	536.09	641.87	19.7%
Lenoblast	724.28	816.61	12.7%
Karelsky branch	401.97	473.42	17.8%
Kolsky branch	642.00	777.00	21.0%
TGC-1	536.24	640.92	19.5%
Murmanskaya CHP	969.36	1202.82	24.1%

4. FINANCIAL PERFORMANCE REVIEW

Revenue breakdown

	9M 2008		9M 2009		Δ (%)
	Thous. RUR	(%)	Thous. RUR	(%)	
Electricity and capacity including	12,904,973	59.4	14,658,141	58.1	13.6
Electricity and capacity in regulated sector	7,542,733	34.7	6,873,518	27.2	-8.9
Electricity and capacity in Competitive Capacity Screening	4,636,967	21.3	6,459,169	25.6	39.3
Export electricity and capacity	669,577	3.1	1,245,207	4.9	86.0
Electricity and capacity on retail	55,695	0.3	80,247	0.3	44.1
Heat	8,091,253	37.2	9,854,188	39.0	21.8
Other production, works, services	726,274	3.3	734,777	2.9	1.2
Total revenue	21,722,500	100.0	25,247,106	100.0	16.2

Costs breakdown

	9M 2008		9M 2009	
	Thous. RUR	%	Thous. RUR	%
Total costs	21,004,374	100.0	22,481,532	100.0
Fuel	9,361,642	44.6	8,933,606	39.7
Purchased energy	1,770,188	8.4	2,183,452	9.7
Water for technology process	1,352,132	6.4	1,386,273	6.2
Fixed assets repairing	1,372,499	6.5	1,677,520	7.5
Salary fund & uniform social tax	2,381,801	11.3	2,615,987	11.6
Amortization	1,740,669	8.3	2,148,364	9.6
Heat transit	627,905	3.0	755,925	3.4
Wholesale & retail market services	338,520	1.6	451,292	2.0
Rent	195,201	0.9	213,603	1.0
Taxes	648,345	3.1	706,014	3.1
Others	1,215,472	5.8	1,409,495	6.3

5. CONDENSED FINANCIAL STATEMENT

(ACCORDING TO RUSSIAN ACCOUNTING STANDARDS)

Balance sheet

	Thous. RUR	
ASSETS	01.01.2009	30.09.2009
I. NON-CURRENT ASSETS		
Intangible assets	-	-
Fixed assets, including:	36,910,041	41,009,980
land	25,365	25,365
buildings, machinery and equipment, facilities	36,428,032	40,637,365
other types of fixed assets	456,644	347,250
construction in progress	14,655,142	22,723,798
Income yielding investments into tangible assets	149	116
Long-term financial investments, including:	2,111,094	2,113,522
subsidiaries	372,972	375,550
associated companies	20,000	20,000
other companies	91,849	91,699
long-term loans	1,618,273	1,618,273
other long-term financial investments	8,000	8,000
Other non-current assets	317,421	368,454
TOTAL non-current assets	53,993,847	66,215,870
II. CURRENT ASSETS		
Inventories	2,408,904	2,305,077
Value added tax on purchased tangibles	314,202	658,606
Accounts receivable, payments for which are expected in more than 12 months	53,600	39,768
Accounts receivable, payments for which are expected within 12 months, including:	20,197,835	15,652,247
buyers and customers	3,896,112	3,060,290
bills receivable	-	-
Debts of associated and depended companies	-	-
advances paid	14,407,700	10,648,158
other receivables	1,894,023	1,943,799
short-term financial investments	1,126,050	3,153,360
cash and cash equivalents	1,191,406	409,411
TOTAL current assets	25,291,997	22,218,469
TOTAL ASSETS	79,285,844	88,434,339
SHAREHOLDER'S EQUITY AND LIABILITIES		
III. SHAREHOLDER'S EQUITY		
Authorized share capital:	38,543,414	38,543,414
in preferred shares	-	-
in ordinary shares	38,543,414	38,543,414
Paid up shares from shareholders	(5)	-
Capital surplus	39,706,871	39,680,132
Capital reserves	42,899	54,465
Retained profit of prior periods	1,471,525	1,486,697
Losses of prior periods	(16,671,906)	(16,671,906)

Retained profit of the reporting period	-	2,368,296
Losses of the reporting period	-	-
TOTAL shareholder's equity	63,092,798	65,461,098
IV. LONG-TERM LIABILITIES		
Loans and credits	2,283,930	5,809,894
Deferred tax liability	1,499,079	1,912,817
Other long-term liabilities	-	-
TOTAL LONG-TERM LIABILITIES	3,783,009	7,722,711
V. SHORT-TERM LIABILITIES		
Loans and credits, including:	2,507,800	7,876,472
bank credits	2,482,071	6,531,483
loans	25,729	1,344,989
Accounts payable, including:	9,902,155	7,044,009
bank credits	7,881,052	5,023,820
suppliers and contractors	-	-
notes payable	17,776	123,717
wages payable to staff	32,485	43,353
payables to state and off-budget funds	255,233	251,702
charges to budget	1,554,780	1,205,060
advances received	160,829	396,357
other payables	-	-
Payables to participants (founding parties)	82	49
Deferred income	-	330,000
TOTAL short-term liabilities	12,410,037	15,250,530
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES	79,285,844	88,434,339

Income statement

Index	Thousand RUR	
	9M 2009	9M 2008
<i>Profit and loss from ordinary activities</i>		
Revenues	25,247,106	21,722,500
Electricity and power for internal customers	13,412,934	12,235,396
Electricity and power (export)	1,245,207	669,577
Heat	9,854,188	8,091,253
Other products, works and services	734,777	726,274
Cost of goods sold	(22,569,175)	(21,207,272)
Electricity and power for internal customers	(11,575,774)	(11,449,011)
Electricity and power (export)	(249,295)	(51,550)
Heat	(10,656,463)	(9,503,813)
Other products, works and services	(87,643)	(202,898)
Gross profit	2,677,931	515,228
Profit (loss) from sales	2,677,931	515,228
<i>Other profit and expenses</i>		
Interest income	210,681	509,732
Interest expenses	(401,617)	(156,726)
Other organizations participation income	-	-
Other income	8,526,430	651,933
Other expenses	(7,876,478)	(1,342,015)
Pre-tax profit	3,136,947	178,152
Deferred tax assets	-	-
Deferred tax liability	(414,295)	(307,568)
Current profit tax	(353,308)	-
Other similar mandatory payments	(1,048)	1,781
Profit tax and other similar mandatory payments	(768,651)	(305,787)
Profit after tax	2,368,296	(127,635)
Net profit	2,368,296	(127,635)

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