



JSC TGC-1

6M 2013 IFRS Results

August 27, 2013
Saint Petersburg

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Operational Highlights

	6M 2012	6M 2013	Change
Installed Capacity, MW*	6,864	7,238	+5.4%
Electricity Production, mn kWh, Including:	15,369	16,370	+6.5%
CHP	9,139	9,680	+5.9%
HPP	6,230	6,690	+7.4%
Electricity Sales Including Purchased Energy, mn kWh	17,772	18,787	+5.7%
Capacity Sales, MW per Month	5,261	5,654	+7.5%
Heat Output, thous Gcal	15,588	15,339	-1.6%
Useful Heat Output Including Purchased Energy, thous Gcal	15,596	15,177	-2.7%
Fuel Rate on Electricity**, g/kWh	282.8	277.2	-2.0%
Fuel Rate on Heat**, kg/Gcal	138.0	138.5	+0.4%
Installed Capacity Utilization Factor, %**	50.3	51.8	+3.0%
CHP	51.4	51.3	-0.2%
HPP	48.9	52.5	+7.4%

* As of July 1.

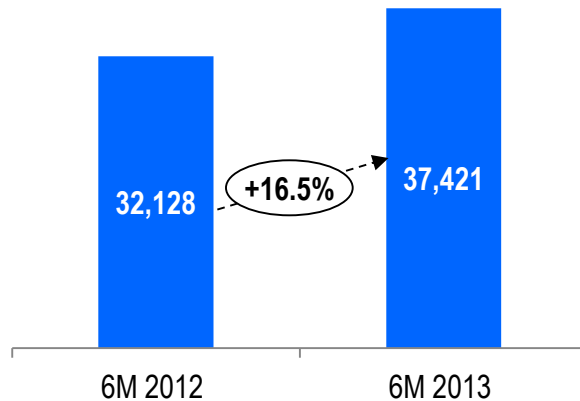
** Without Murmanskaya CHP.

Financial Highlights, mn RUR

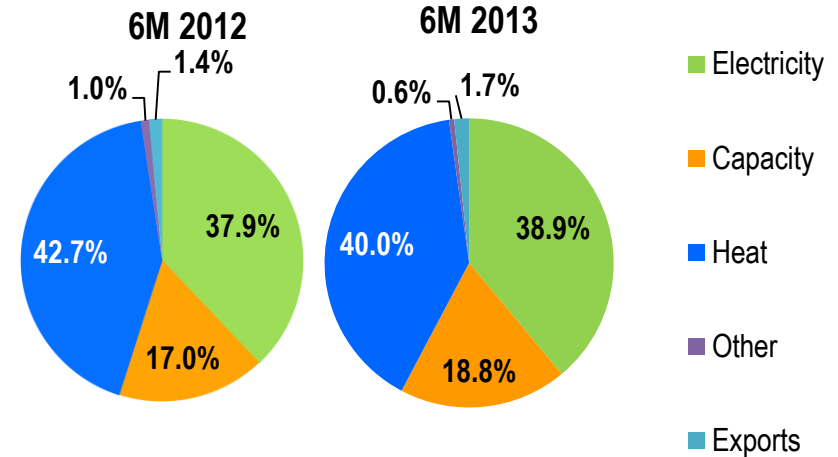
	6M 2012	6M 2013	Change
Revenue	32,128	37,421	+16.5%
Operating Expenses, incl.:	27,177	30,484	+12.2%
Fixed Costs	6,204	6,906	+11.3%
Variable Costs	18,721	20,637	+10.2%
Depreciation and amortization	2,691	3,322	+23.4%
Operating Income	438	381	-13.0%
Operating Profit	4,951	6,937	+40.1%
Profit Before Income Tax	4,065	5,617	+38.2%
EBITDA ***	7,642	10,259	+34.2%
Profit	3,179	4,357	+37.1%

*** For the purpose of business planning TGC-1 calculates EBITDA as "Operating profit + Depreciation of property, plant and equipment, intangible assets and investment property".

Revenue, mn RUR



Revenue Structure



Prices and tariffs, mn RUR

Показатель	6M 2012	6M 2013	Change
Average electricity price, thous RUR/MWh	748.6	850.0	+13.5
Average heat tariff, RUR/Gcal	825.4	911.9	+10.5
Average new capacity price, RUR/MWh per month	495,292.5	510,266.9	+3.0
Average old capacity price RUR/MWh per month	114,966.4	127,430.2	+10.8

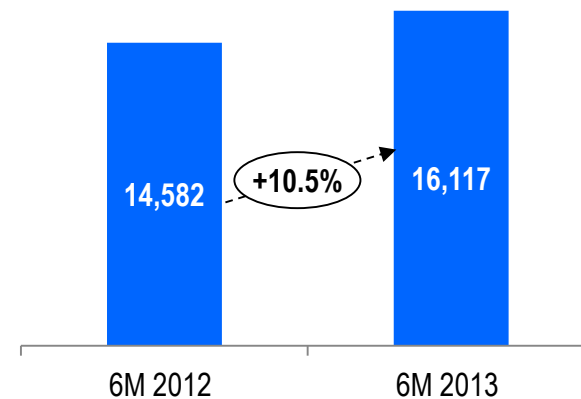
Revenue Change Factors, 6M 2013

- A 14.2% increase of the electricity sale price at the “day-ahead” market: from 803.02 RUR/MWh in 1H 2012 to 917.4 RUR/MWh in 1H 2013.
- Growth of the sale price at competitive power takeoff by 15.9% from 118,9 thous RUR/MWh to 137,8 thous RUR/MWh.
- New capacity performance, including supply of capacity to the wholesale market since 01.01.2013 by Pravoberezhnaya CHP (CCGT 450).
- Increased heat tariffs in 2H 2012 and subsidies for Murmanskaya CHP in 2Q 2013.

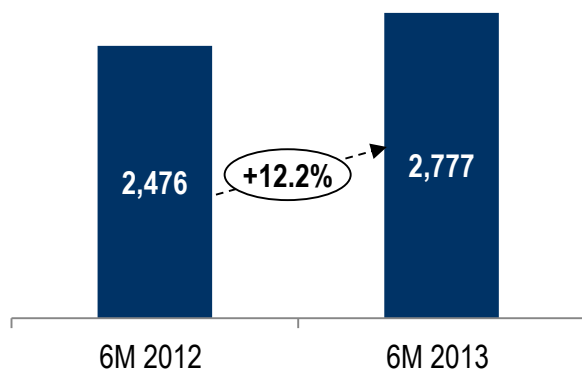
Variable Costs, mn RUR

	6M 2012	6M 2013	Change
Fuel	14,582	16,117	+10.5%
Electricity, Capacity and Heat Purchases	2,476	2,777	+12.2%
Water Usage Expenses	1,085	1,127	+3.9%
Other Materials	257	293	+14.0%
Heat Transmission	321	324	+0.9%
Total Variable Costs	18,721	20,637	+10.2%

Fuel Expenses, mn RUR



Electricity, Capacity and Heat Purchases Expenses, mn RUR



Variable Costs Change Factors

- Increased fuel costs due to gas price indexation.
- Growth of electricity, capacity and heat purchases expenses, resulting from growing prices at the “day-ahead” and balancing market, as well as, from growing purchases for export.
- Increase of water usage expenses on the back of transfer of supply systems at ES-2 of Tsentralnaya CHP, Vasileostrovskaya CHP and Vyborgskaya CHP to potable water.

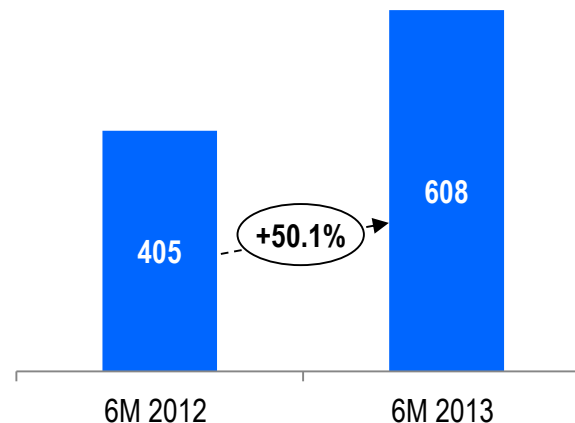
Fixed Costs, mn RUR

	6M 2012	6M 2013	Change
Employee Benefits	3,369	3,527	+4.7%
Repairs and Maintenance	811	887	+9.4%
Taxes Other than Income Tax	405	608	+50.1%
Fees of Electricity Market Operators	344	400	+16.3%
Rent	141	175	+24.1%
Insurance Cost	110	127	+15.5%
Other	1,024	1,182	+15.4%
Total Fixed Costs	6,204	6,906	+11.3%

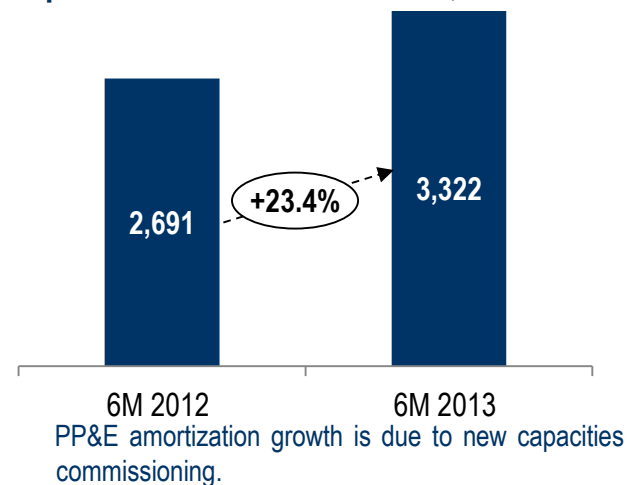
Fixed Costs Change Factors

- Increased taxes due to downside correction of the property tax amount in 1Q 2012 for the previous periods and cancellation since the beginning of 2013 of the tax allowances for heating networks.
- Higher repairs and maintenance expenses on the back of growing repairs volume of generating equipment in 2Q 2013 in accordance with the plan.
- Loss of 200.9 mn RUR from PP&E disposals at OJSC "Heating Network of Saint Petersburg" in the course of heating networks reconstruction
- Increased fees of electricity market operators due to new capacities at market.
- Growth of expenses related to payment recollection services on the back of growing revenue from heat sales.

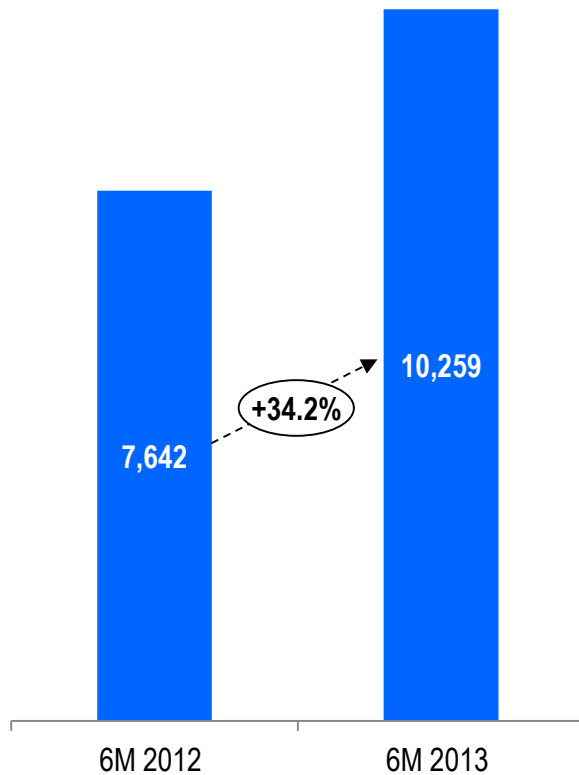
Taxes other than Income Tax, mn RUR



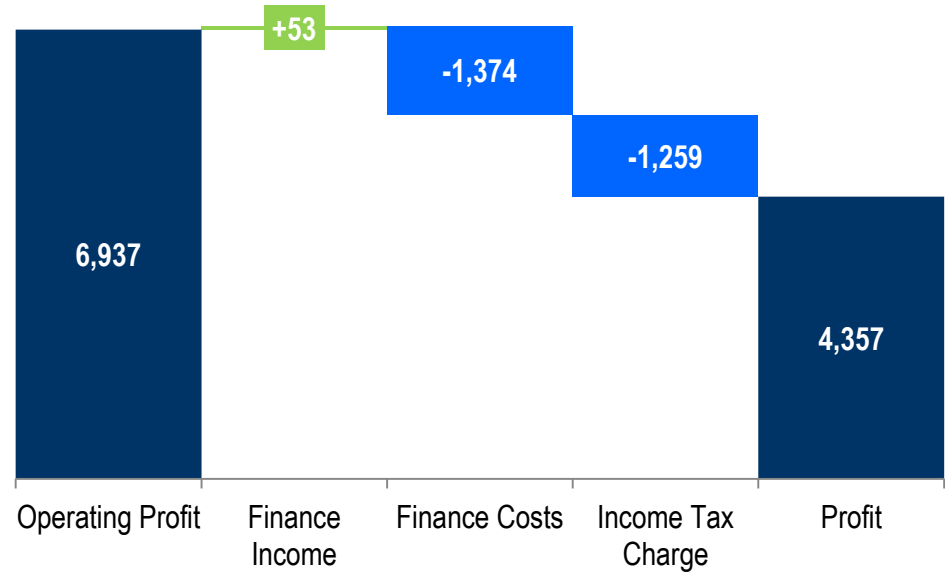
Depreciation and Amortization, mn RUR



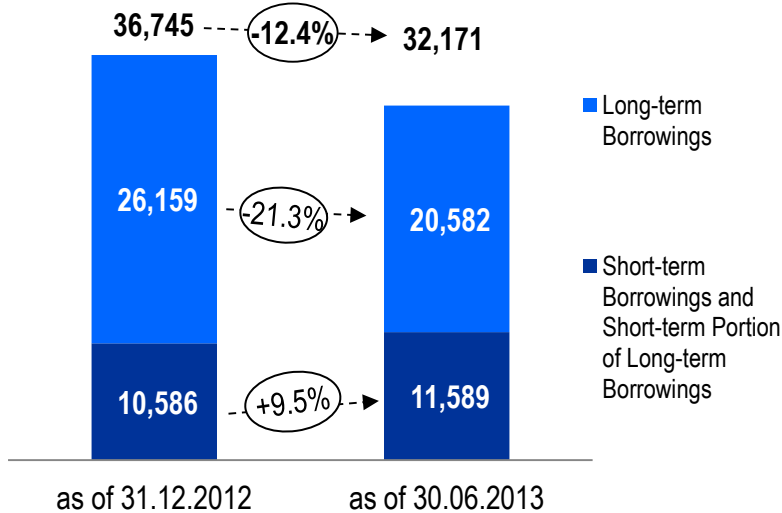
EBITDA, mn RUR



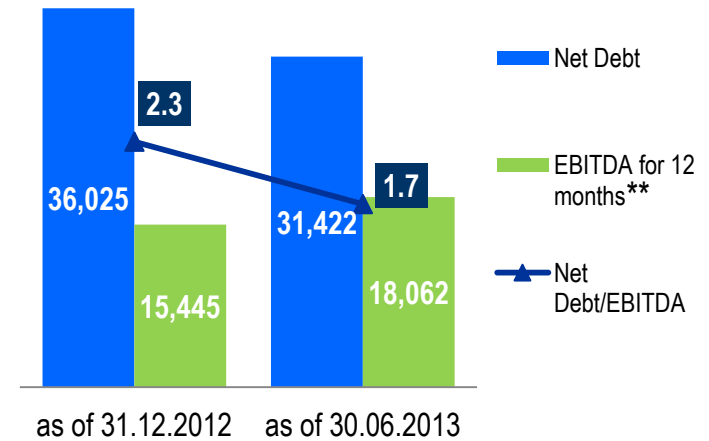
Profit Bridge for 6M 2013, mn RUR



Debt Structure, mn RUR



Net Debt*/ EBITDA



* Net debt = Total amount of borrowings less Cash and cash equivalents.

** EBITDA for 12 months, ended June 30, 2013 = EBITDA for 2012 + EBITDA for 6 months of 2013 – EBITDA for 6 months of 2012

Debt Portfolio Management

- The weighted average effective interest rate for the debt portfolio for the 6 months of 2013 amounted (cumulatively, year to date) to 8.68%.
- Four bond issues series 01-04 of TGC-1 are traded on MICEX-RTS.

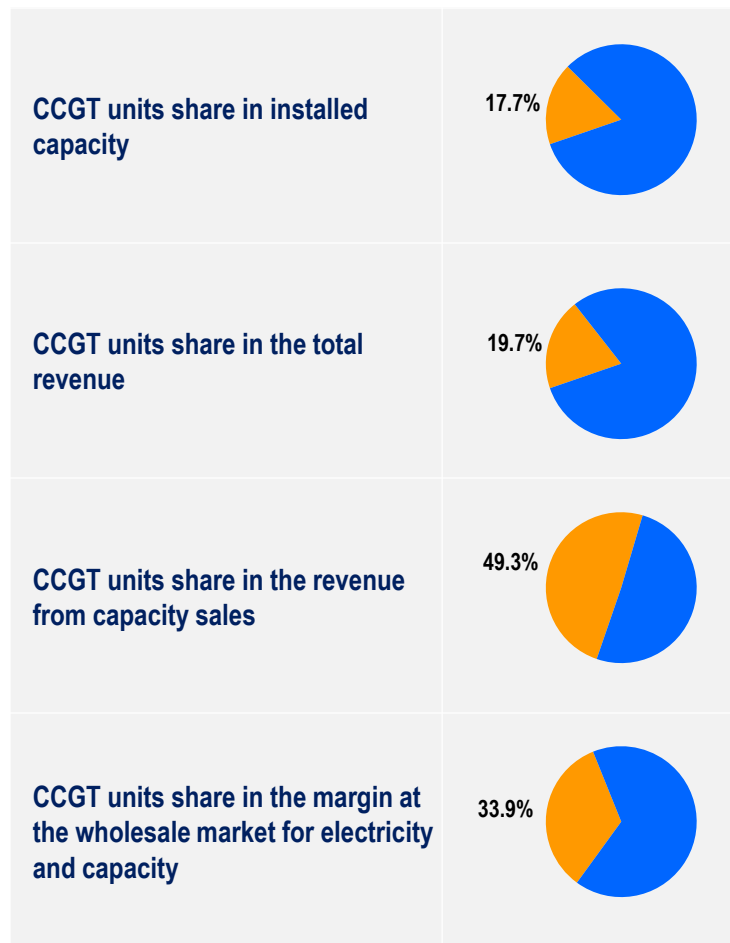
Operational Performance for 6M 2013

	Uzhnaya CHP (CCGT 450)	Pervomayskaya CHP (CCGT 180 #1)	Pervomayskaya CHP (CCGT 180 #2)	Pravoberezhnaya CHP (CCGT 450)	CCGT Total
Electricity Production, mn kWh	1,451.6	487.1	642.9	407.3	2,989.0
Heat Output, thous Gcal	472.1	228.7	226.4	78.4	1,005.5
Fuel Rate on Electricity, g/kWh	242.6	232.2	242.4	244.9	241.2
Fuel Rate on Heat, kg/Gcal	125.0	125.0	125.0	125.0	125.0

Financial Performance* for 6M 2013

mn RUR	Uzhnaya CHP (CCGT 450)	Pervomayskaya CHP (CCGT 180 #1)	Pervomayskaya CHP (CCGT 180 #2)	Pravoberezhnaya CHP (CCGT 450)	CCGT Total
Revenue, including	3,007.6	1,222.6	1,377.2	1,517.1	7,124.5
Electricity	1,479.9	486.3	637.9	420.4	3,024.5
Capacity	1,231.3	592.8	597.1	1,047.5	3,468.8
Heat	296.4	143.6	142.1	49.2	631.2
Purchased Energy	146.8	40.3	27.6	47.7	262.5
Fuel	1,337.6	450.0	578.5	350.3	2,716.4
Margin	1,523.2	732.3	771.1	1,119.1	4,145.7

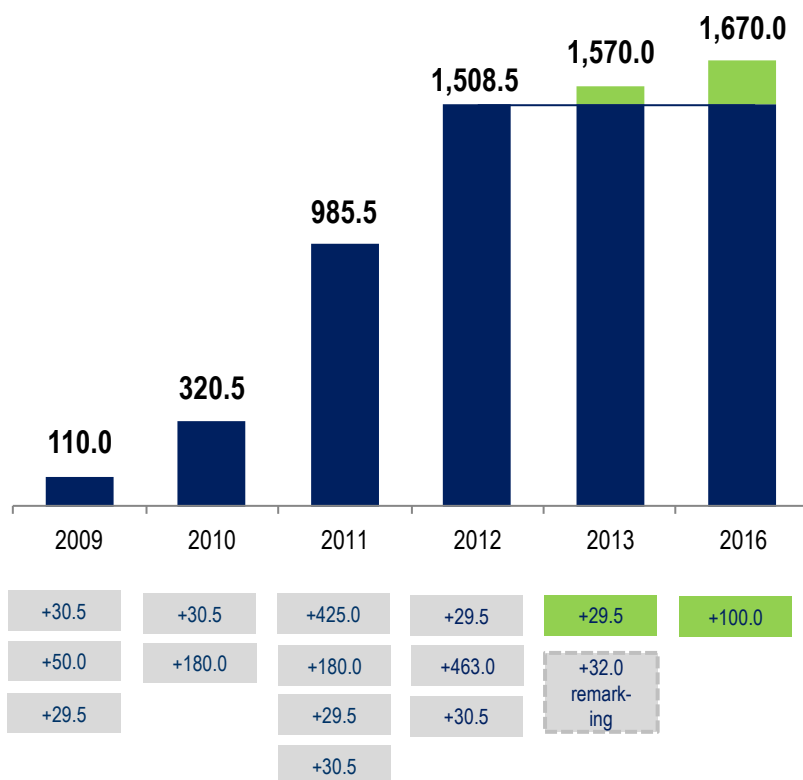
Comparative Performance* for 6M 2013



* Management report data.

Appendix

New Capacity Commissioning under CSA, MW (Cumulatively)



Commissioned Capacity (as of 01.07.2013)

Station	Year of Commissioning	Electric Power, MW	Supply of capacity to the wholesale market
Svetogorskaya HPP (Hydraulic Unit 3)	2009	30.5	01.01.2011*
Vasileostrovskaya CHP	2009	50.0	01.01.2011
Lesogorskaya HPP (Hydraulic Unit 1)	2009	29.5	01.01.2011*
Svetogorskaya HPP (Hydraulic Unit 1)	2010	30.5	01.01.2011*
Pervomayskaya CHP	2010	180.0	01.03.2011
Uzhnaya CHP	2011	457.0**	01.04.2011
Pervomayskaya CHP	2011	180.0	01.01.2012
Lesogorskaya HPP (Hydraulic Unit 2)	2011	29.5	01.07.2011***
Svetogorskaya HPP (Hydraulic Unit 4)	2011	30.5	01.01.2012***
Lesogorskaya HPP (Hydraulic Unit 3)	2012	29.5	01.01.2013****
Pravoberezhnaya CHP	2012	463.5	01.01.2013
Svetogorskaya HPP (Hydraulic Unit 2)	2012	30.5	01.04.2013
Total		1,540.5	

* Competitive power takeoff since 2012 ** Remarking +32 MW Since 2013

*** Competitive power takeoff since 2013 **** Competitive power takeoff since 2014

Plan of Commissioning 2013-2016

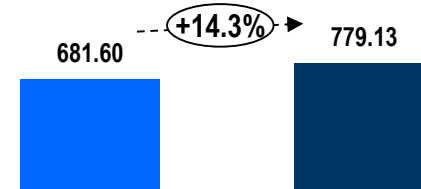
Station	Year of Commissioning	Electric Power, MW	Supply of capacity to the wholesale market
Lesogorskaya HPP (Hydraulic Unit 4)	2013	29.5	01.01.2014
Tsentralnaya CHP	2016	50.0	01.01.2017
		50.0	
Total		129.5	

Dynamics of Sale Prices for Electricity at the Day-ahead Market

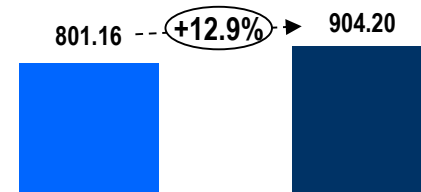
TGC-1's Regional Sale Prices for Electricity at the Day-ahead Market for 6 months, RUR/ MWh



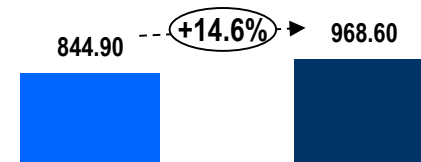
Kolsky Branch



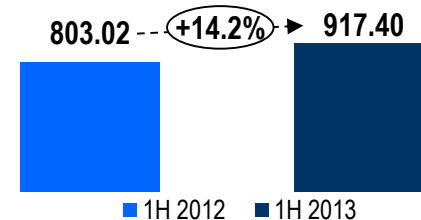
Karelsky Branch



Nevsky Branch

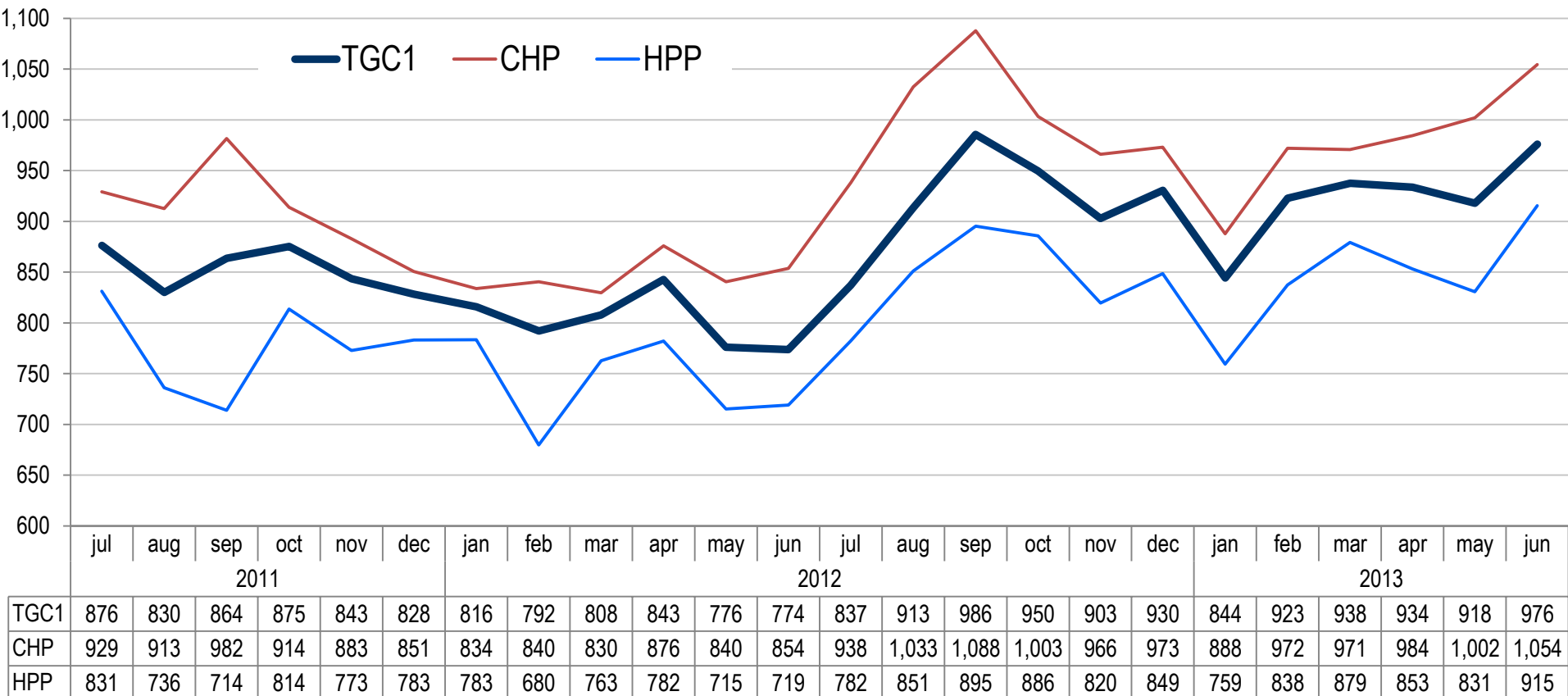


TGC-1



■ 1H 2012 ■ 1H 2013

TGC-1's Sale Price for Electricity at the Day-ahead Market, RUR/MWh



Thank you for Your Attention!

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