



**TGC-1**  
**BRIEF DATA**  
**1 half 2008**



## SIGNIFICANT EVENTS

### January

In compliance with the major facilities repair schedule of Karelsky Branch's power plants the overhaul of Vygostrovsky HEPP hydro unit No.2 was accomplished.

TGC-1 started the organization on the Kola Peninsula the modern communication channels system which will consolidate the power plants of Kolsky Branch – 17 HEPPs as well as Apatitskaya CHPP and Murmanskaya CHPP.

### February

TGC-1 started construction of a new energy block of Yuzhnaya CHPP-22 in St. Petersburg.

Fortum, TGC-1 and ECF Project Ltd signed a largest ever agreement of CO2 emission reduction units in Russia according to which Fortum will purchase approximately 5 million tonnes of emission reduction units (ERU) from TGC-1. The ERUs will come from Joint Implementation projects conducted at TGC-1's production facilities during the Kyoto Period (2008-2012) of the European Emissions Trading Scheme. The projects TGC-1 will implement include reconstruction of hydro power plants in Leningrad Region, expansion and reconstruction of combined heat and power generation facilities as well as energy efficiency improvements with district heating network in St. Petersburg. Fortum can use the received ERUs to cover part of its own emissions once these projects are completed and their emission reduction has been verified.

According to the results of the IV annual competition of energy industry companies' annual reports and sites arranged by magazine "Energy market" the annual report of TGC-1 was announced the winner in "The best idea and design of annual report".

### March

The results of the open competitive tender for the opportunity to sign a contract of Petrozavodskaya CHPP expansion project development were summarized. The winner is JSC "Energoproekt" (Kyiv, Ukraine).

The Board of Directors approved the action plan for launching of the Depositary Receipts Program and the decision of additional issue, TGC-1's Annual General Shareholder Meeting was called on 29 April 2008.

### April

Annual stockholders meeting took place. TGC-1 shareholders approved the annual report, accounting report and upheld a number of board of directors proposals.

### May

TGC-1 shares were transferred to quotation list A2 of the MICEX stock exchange.

Federal Financial Markets Service authorized the flotation of TGC-1 ordinary shares outside of the Russian Federation.

The first meeting of the new Board of Directors took place on 29 April 2008.



### **June**

Thomson Reuters and Interfax Group published the results of the first survey of financial markets of Russia, Kazakhstan and Ukraine “Thomson Reuters Extel Survey – Focus CIS 2008” assessing the quality of Investor Relations of the companies from these countries. TGC-1 was awarded the first place in the electric utilities sector.



## TGC-1 IN FIGURES

### Operational Figures

➤ Installed capacity	6,278.4 MW
➤ Installed heat capacity	14,754 GCal/h
➤ Electricity generation	14,333.2 mln kWh
➤ Electricity useful output*	14,708.8 mln kWh
➤ Heat generation	14,909.0 thousand GCal
➤ Heat useful output*	14,231.7 thousand GCal
➤ Staff	8 958 people

\* Including purchased power energy

### Financial Figures (RAS)

➤ Sales	16,125.2 mln RUR
➤ Operating profit	816.0 mln RUR
➤ Pre-tax profit	456.2 mln RUR
➤ Net profit	136.3 mln RUR
➤ Total assets	72,180.9 mln RUR
➤ Shareholder's equity	62,593.2 mln RUR

*Note: Production figures include Murmanskaya CHP*



## PRODUCTION COMPLEX

	Electricity generation (thousand kWh)			Electricity useful output (thousand kWh), except purchased power energy			Electricity useful output (thousand kWh), including purchased power energy		
	I half 2007	I half 2008	Δ (%)	I half 2007	I half 2008	Δ (%)	I half 2007	I half 2008	Δ (%)
Nevsky branch	8,018,289.1	8,434,202.7	5.2	7,186,005.3	7,590,837.1	5.6	8,090,667.1	8,250,322.2	2.0
Karelsky branch	2,200,158.6	2,164,550.6	-1.6	2,094,671.1	2,056,149.2	-1.8	2,233,343.4	2,134,122.6	-4.4
Kolsky branch	3,640,425.0	3,712,431.8	2.0	3,523,979.2	3,600,223.5	2.2	4,421,030.5	4,312,688.7	-2.5
<b>TGC-1</b>	<b>13,858,872.7</b>	<b>14,311,185.1</b>	<b>3.3</b>	<b>12,804,655.6</b>	<b>13,247,209.8</b>	<b>3.5</b>	<b>14,745,041.0</b>	<b>14,697,133.5</b>	<b>-0.3</b>
Murmanskaya CHP	21,498.5	22,055.2	2.6	10,916.1	11,702.5	7.2	10,916.1	11,702.5	7.2
<b>TGC-1 and Murmanskaya CHP</b>	<b>13,880,371.2</b>	<b>14,333,240.3</b>	<b>3.3</b>	<b>12,815,571.7</b>	<b>13,258,912.3</b>	<b>3.5</b>	<b>14,755,957.1</b>	<b>14,708,836.0</b>	<b>-0.3</b>

	Heat generation (GCal)			Heat useful output (GCal) Including purchased power energy		
	I half 2007	I half 2008	Δ (%)	I half 2007	I half 2008	Δ (%)
Nevsky branch	12,571,147.0	11,809,207.0	-6.1	12,189,638.6	11,412,589.5	-6.4
Karelsky branch	948,254.1	934,830.0	-1.4	929,670.1	915,678.0	-1.5
Kolsky branch	773,788.2	727,745.5	-6.0	747,177.0	700,146.0	-6.3
<b>TGC-1</b>	<b>14,293,189.3</b>	<b>13,471,782.5</b>	<b>-5.7</b>	<b>13,866,485.7</b>	<b>13,028,413.5</b>	<b>-6.0</b>
Murmanskaya CHP	1,449,448.3	1,437,176.6	-0.8	1,326,315.4	1,203,308.2	-9.3
<b>TGC-1 and Murmanskaya CHP</b>	<b>15,742,637.7</b>	<b>14,908,959.1</b>	<b>-5.3</b>	<b>15,192,801.1</b>	<b>14,231,721.7</b>	<b>-6.3</b>





## UTILIZATION FACTOR OF MAXIMUM CAPACITY

	Utilization factor of maximum capacity I half 2008 (%)
Nevsky branch	75.4
Karelsky branch	60.2
Kolsky branch	67.9
<b>TGC-1 including:</b>	<b>70.9</b>
CHP	67.7
Hydro	74.7
Murmanskaya CHP	36.1
<b>TGC-1 and Murmanskaya CHP:</b>	<b>70.8</b>
CHP	67.6
Hydro	74.7

## FUEL MIX

	Fuel	I half 2008 (%)
Nevsky branch	Gas	99.67
	Coal	0.31
	Fuel oil	0.02
Karelsky branch	Gas	98.97
	Fuel oil	0.70
	Diesel	0.33
Kolsky branch	Coal	0.31
	Fuel oil	99.69
<b>TGC-1</b>	Gas	<b>95.36</b>
	Coal	<b>0.34</b>
	Fuel oil	<b>4.28</b>
	Diesel	<b>0.02</b>
Murmanskaya CHP	Fuel oil	100
<b>TGC-1 and Murmanskaya CHP</b>	Gas	<b>89.78</b>
	Coal	<b>6.17</b>
	Fuel oil	<b>4.03</b>
	Diesel	<b>0.02</b>



## TARIFFS

### Electricity

	Tariff from 01.01.2008, kop/kWh
Nevsky Branch	68.11
Karelsky Branch	43.27
Kolsky Branch	29.24
<b>TGC-1</b>	<b>54.37</b>
Murmanskaya CHPP	265.0

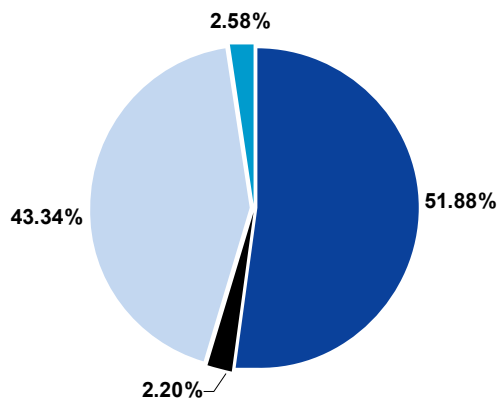
### Heat

	Tariff from 01.01.2008, RUR/GCal
Nevsky Branch	540.26
Saint-Petersburg	536.09
Leningrad Oblast	724.28
Karelsky Branch	401.97
Kolsky Branch	642.00
<b>TGC-1</b>	<b>536.24</b>
Murmanskaya CHPP	969.36



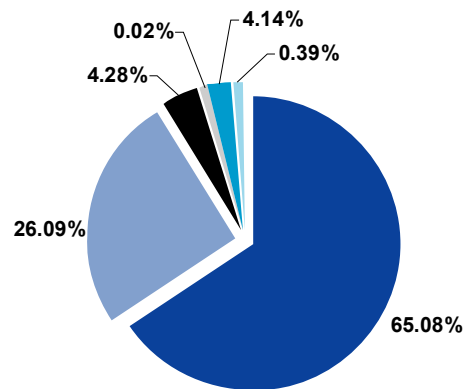
## ECONOMIC INDEXES

### SALES



- Electricity and capacity for domestic consumers
- Electricity and capacity exported
- Heat power
- Other goods, products, activities, services

### ELECTRICITY REVENUES

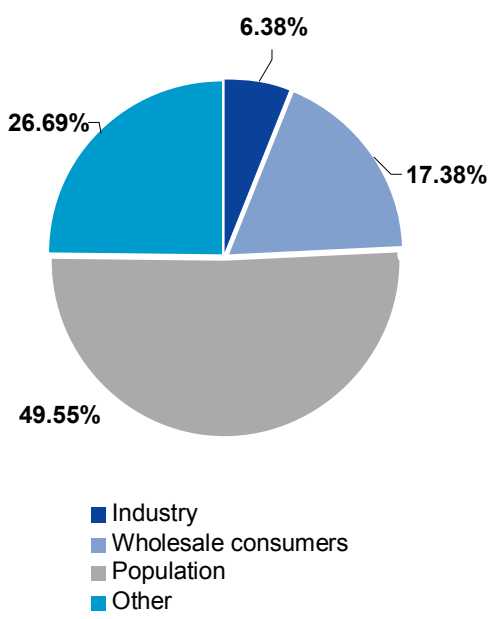


- Regulated sector of the wholesale market
- Day-ahead market
- Balancing market
- Capacity market
- Cross-border trade (Export)
- Retail market supplies



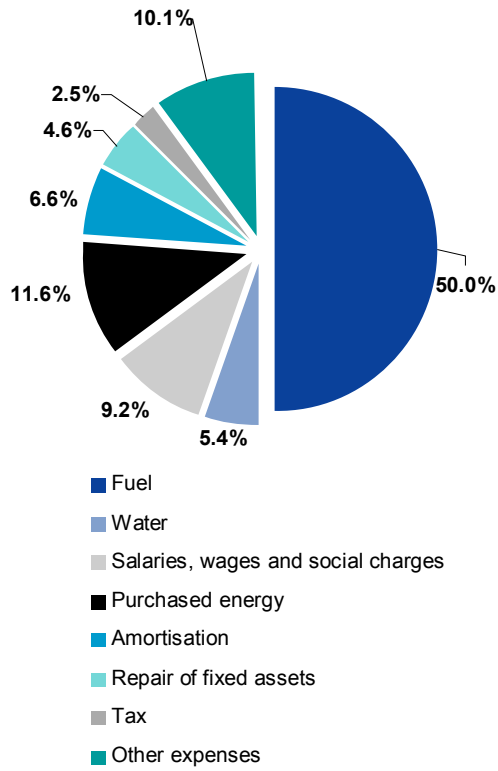


### HEAT REVENUES

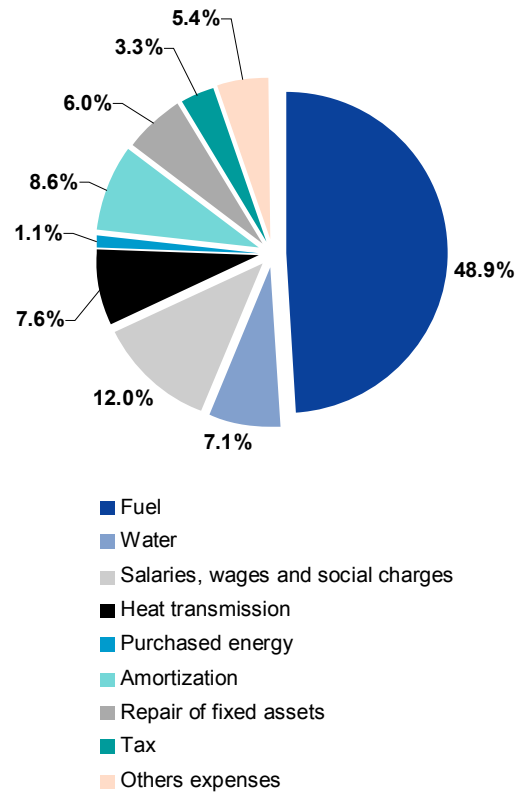




### ELECTRICITY OPERATING EXPENSES



### HEAT OPERATING EXPENSES

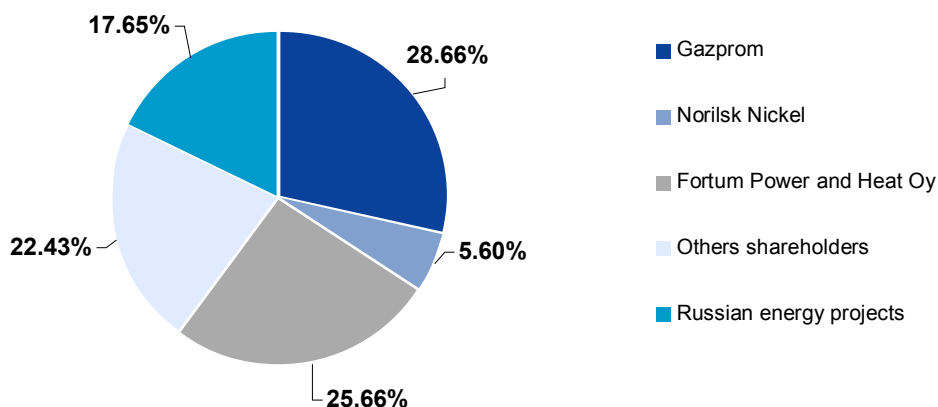




## SHARE CAPITAL STRUCTURE

As of 1 July 2008 TGC-1 share capital is RUR 38,543,414,165.71\* divided into 3,854,341,416,571 3/7\* common nominal shares with a par value of RUR 0.01. TGC-1 shares are traded on the MICEX stock exchange as “A2” listed securities and on the RTS stock exchange as “B” listed securities.

\* taking into account stocks allocated during the additional issue for JSC “TGC-1-Holding”, the Report on the results of the additional issue is registered by The Federal Financial Markets Service of the Russian Federation.





## Balance sheet (RAS)

RUR thousand

ASSETS	01.01.2007	30.06.2008
<b>I. NON-CURRENT ASSETS</b>		
Intangible assets	-	-
Fixed assets, including:	33 430 525	33 526 093
land	21 691	21 691
buildings, machinery and equipment, facilities	33 111 320	33 181 899
other types of fixed assets	297 514	322 503
construction in progress	5 228 720	7 727 054
Income yielding investments into tangible assets	194	172
Long-term financial investments, including:	1 710 061	2 315 076
subsidiaries	372 972	372 972
associated companies	20 000	20 000
other companies	269 026	269 026
long-term loans	845 273	1 450 273
other long-term financial investments	202 790	202 805
Other non-current assets	101 591	134 865
<b>TOTAL non-current assets</b>	<b>40 471 091</b>	<b>43 703 260</b>
<b>II. CURRENT ASSETS</b>		
Inventories	2 277 255	2 227 834
Value added tax on purchased tangibles	207 945	241 485
Accounts receivable, payments for which are expected in more than 12 months	1 456 712	1 200 840
Accounts receivable, payments for which are expected within 12 months, including:	11 118 211	18 729 339
buyers and customers	2 848 734	3 704 128
advances paid	6 841 980	13 892 442
other receivables	1 427 497	1 132 769
short-term financial investments	17 956 356	3 352 978
cash and cash equivalents	2 007 360	2 725 171
<b>TOTAL current assets</b>	<b>35 023 839</b>	<b>28 477 647</b>
<b>TOTAL ASSETS</b>	<b>75 494 930</b>	<b>72 180 907</b>
SHAREHOLDER'S EQUITY AND LIABILITIES	01.01.2007	30.06.2008
<b>III. SHAREHOLDER'S EQUITY</b>		
Authorized share capital:	38 509 598	38 509 598
in preferred shares	-	-
in ordinary shares	38 509 598	38 509 598
Paid up shares from shareholders	(20 558)	(20 558)
Capital surplus	39 795 293	39 775 643
Capital reserves	36 694	42 899
Retained profit of prior periods	807 783	821 226
Losses of prior periods	(16 671 906)	(16 671 906)
Retained profit of the reporting period	-	136 261
Losses of the reporting period	-	-
<b>TOTAL shareholder's equity</b>	<b>62 456 904</b>	<b>62 593 163</b>
<b>IV. LONG-TERM LIABILITIES</b>		
Loans and credits	5 192 349	2 290 481
Deferred tax liability	1 267 727	1 590 023
Other long-term liabilities	-	-
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>6 460 076</b>	<b>3 880 504</b>
<b>V. SHORT-TERM LIABILITIES</b>		
Loans and credits, including:	828 466	528 652
bank credits	742 663	503 403
loans	85 803	25 249
Accounts payable, including:	5 748 405	5 178 477
suppliers and contractors	3 888 246	2 981 216
notes payable	-	-
wages payable to staff	16 836	128 231
payables to state and off-budget funds	31 820	65 070
charges to budget	199 096	260 481
advances received	1 396 213	1 553 913
other payables	216 194	189 566
Payables to participants (founding parties)	903	-
Deferred income	176	111
<b>TOTAL short-term liabilities</b>	<b>6 5 77 950</b>	<b>5 707 240</b>
<b>TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES</b>	<b>75 494 930</b>	<b>72 180 907</b>



### Reference note on inventories reported in off-balance accounts

ASSETS	RUR thousand	
	01.01.2007	30.06.2008
Leased fixed assets, including:	15 485	29961
leasing	-	-
Inventory holdings accepted for safekeeping	452 183	499328
Materials accepted for processing	-	-
Goods accepted on commission	-	-
Equipment accepted for installation	-	-
Receivables from insolvent debtors, written-off to loss	144 351	145034
Security of liabilities and payments received	5 363 783	6413364
Security of liabilities and payments issued	283 554	-
Wear of fixed assets	746	746
Wear of improvements and other similar objects	-	-
Registered high-security forms	484	483
Leased out fixed assets	-	-
State-owned tangibles	-	-
Intangible assets received for usage	-	-

### Income statement (RAS)

Index	RUR thousand	
	1 half 2008	1 half 2007
<b>Profit and loss from ordinary activities</b>		
<b>Revenues</b>	<b>16 125 200</b>	<b>13 869 333</b>
Electricity and power for internal customers	8 365 460	6 943 727
Electricity and power (export)	355 017	72 647
Heat	6 988 586	6 547 443
Other products, works and services	416 137	305 516
<b>Cost of goods sold</b>	<b>(15 309 208)</b>	<b>(12 969 677)</b>
Electricity and power for internal customers	(7 857 494)	(6 469 128)
Electricity and power (export)	(34 093)	(30 427)
Heat	(7 297 292)	(6 388 698)
Other products, works and services	(120 329)	(81 424)
<b>Gross profit</b>	<b>815 992</b>	<b>899 656</b>
<b>Profit (loss) from sales</b>	<b>815 992</b>	<b>899 656</b>
<b>Other profit and expenses</b>		
Interest income	420 586	1 165
Interest expenses	(114 748)	(301 934)
Other organizations participation income	-	240
Other income	316 637	237 562
Other expenses	(982 292)	(428 595)
<b>Pre-tax profit</b>	<b>456 175</b>	<b>408 094</b>
Deferred tax assets	-	-
Deferred tax liability	(322 296)	(191 510)
Current profit tax	-	-
Other similar mandatory payments	2 382	(611)
Profit tax and other similar mandatory payments	(319 914)	(192 121)
<b>Profit after tax</b>	<b>136 261</b>	<b>215 973</b>
<b>Net profit</b>	<b>136 261</b>	<b>215 973</b>





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