



OGK-2 Group

2015FY IFRS Results

March 9, 2016

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Operational Highlights¹

	12M 2014	12M 2015	Change
Electricity Output, mn kWh	68,693	64,363	-6.3%
Effective Electricity Output Without Regard to Financial Operations, mn kWh	64,259	60,240	-6.3%
Useful Heat Output, thousand Gcal	6,767	6,188	-8.6%
Fuel Rate on Electricity, g/kWh	344.6	342.7	-0.6%
Fuel Rate on Heat, kg/Gcal	152.1	151.5	-0.4%
Installed Capacity Load Factor, %	43.5	40.8	-2.7 p.p.

Financial Highlights², mn RUR

	12M 2014	12M 2015	Change
Revenue	115,935	112,233	-3.2%
Operating Expenses, incl.	(116,783)	(108,533)	-7.1%
Variable Costs ³	(77,056)	(74,005)	-4.0%
Fixed Costs ³	(34,518)	(28,335)	-17.9%
Depreciation and Amortization	(5,209)	(6,193)	+18.9%
Other Operating Income (Expense)	126	218	+73.0%
Operating Profit (Loss)	(722)	3,918	-
EBITDA ⁴	4,487	10,111	X2.3
Profit (Loss) for the Year	(1,569)	2,597	-
Total comprehensive Income (Expense) for the Year	(1,068)	2,300	-

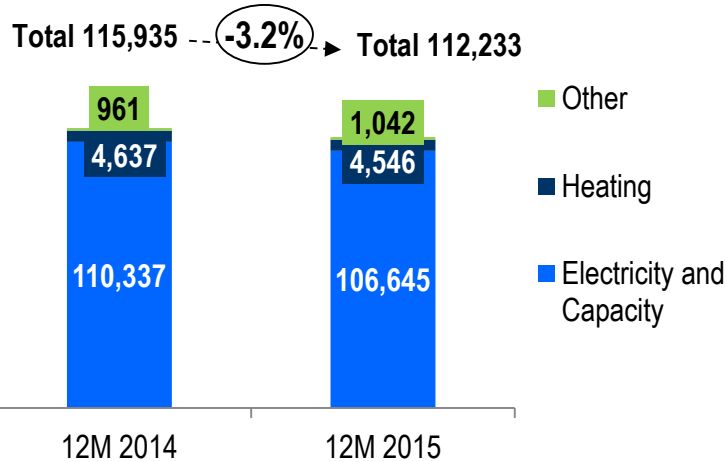
1. Management report data

2. Data for 12M 2014 was restated with consideration of acquisition of a company under common control

3. Variable and fixed costs classification is based upon management report methodology

4. EBITDA = Operating profit + Depreciation and Amortization

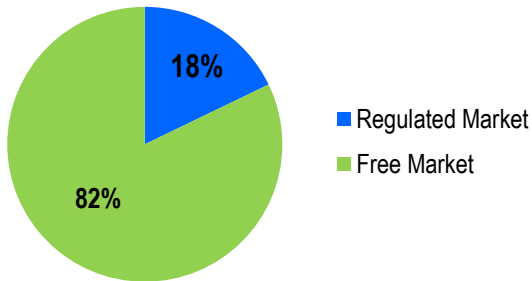
Revenue Structure, mn RUR



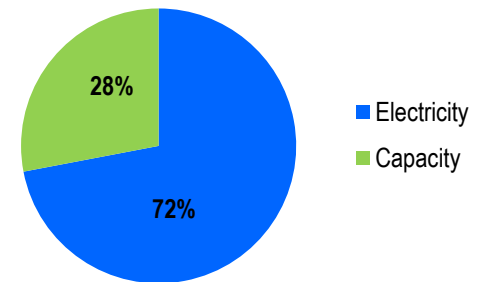
Prices and Tariffs¹

	12M 2015
Average electricity price at the free market, RUR/MWh	1,106.55
Average heat tariff, RUR/Gcal	736.81
Average price for new capacity, RUR/MW per month	453,298.37
Average price for old capacity, RUR/MW per month	122,741.87

Structure of Electricity Sales Volume at the Wholesale Market for 12M 2015¹



Electricity and Capacity Wholesale Market Revenue Structure for 12M 2015¹

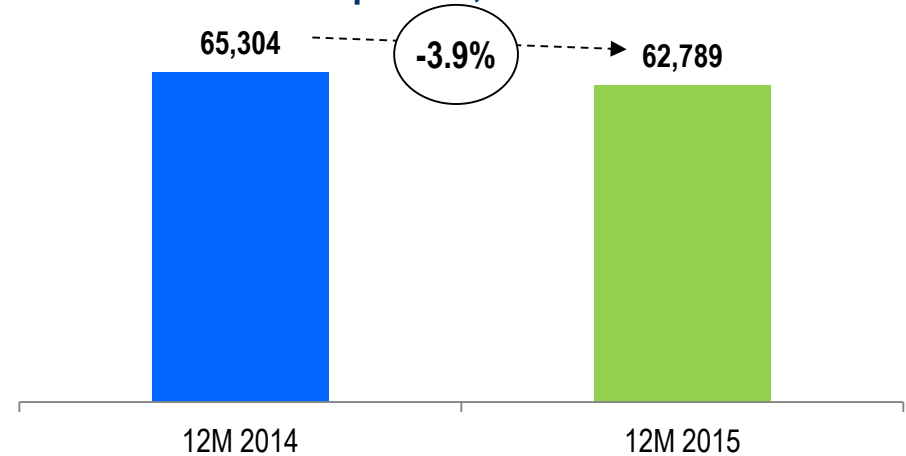


1. Management report data

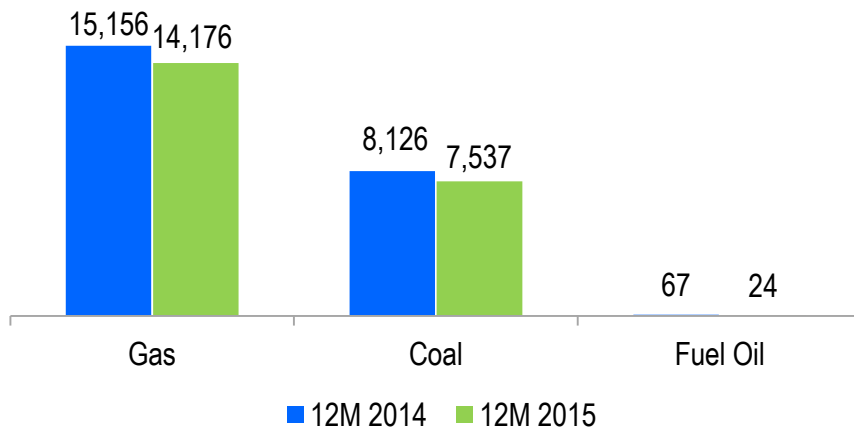
Variable Costs Structure, mn RUR

	12M 2014	12M 2015	Change
Fuel Expenses	65,304	62,789	-3.9%
Purchased Heat and Electricity	11,291	10,733	-4.9%
Other Variable Costs	461	483	+4.8%
Total Variable Costs	77,056	74,005	-4.0%

Fuel Expenses, mn RUR



Fuel Consumption, thous. t



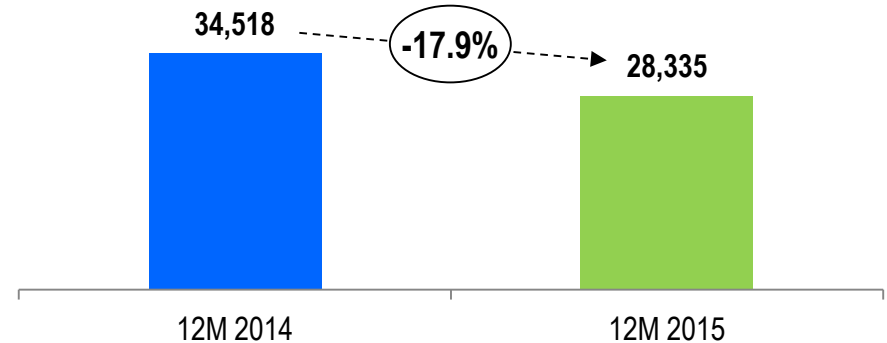
Variable Costs Change Factors

- Decrease of fuel expenses was due to lower electricity production at unprofitable equipment
- Decrease of purchased heat and electricity was caused by lower volumes of electricity purchases at “the day-ahead market” and the balancing market: at “the day-ahead market” - on the account of lower electricity consumption for in-house needs on the back of decreased production; at the balancing market - on the account of less emergency shut-downs

Fixed Costs Structure, mn RUR

	12M 2014	12M 2015	Change
Employee Benefit	7,574	7,967	+5.2%
Maintenance and Repair Expenses	3,088	3,378	+9.4%
Fee of the System Operator	1,952	2,024	+3.7%
Taxes Other than Income Tax	2,295	2,552	+11.2%
Rent	2,705	2,525	-6.7%
Other Fixed Costs	16,904	9,889	-41.5%
Total Fixed Costs	34,518	28,335	-17.9%

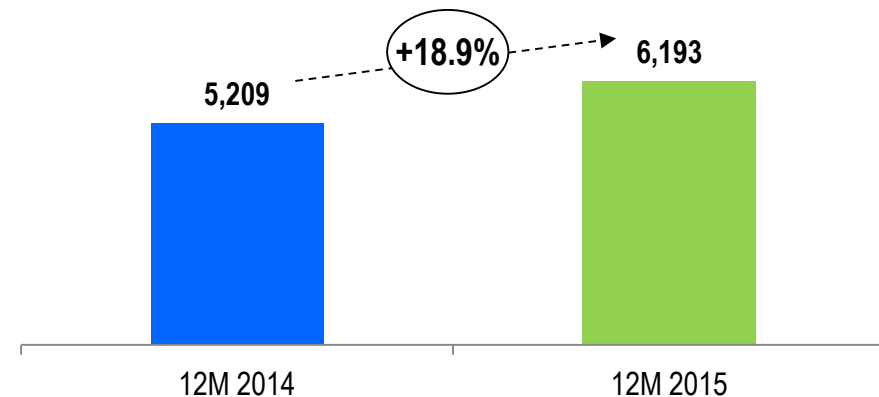
Total Fixed Costs, mn RUR



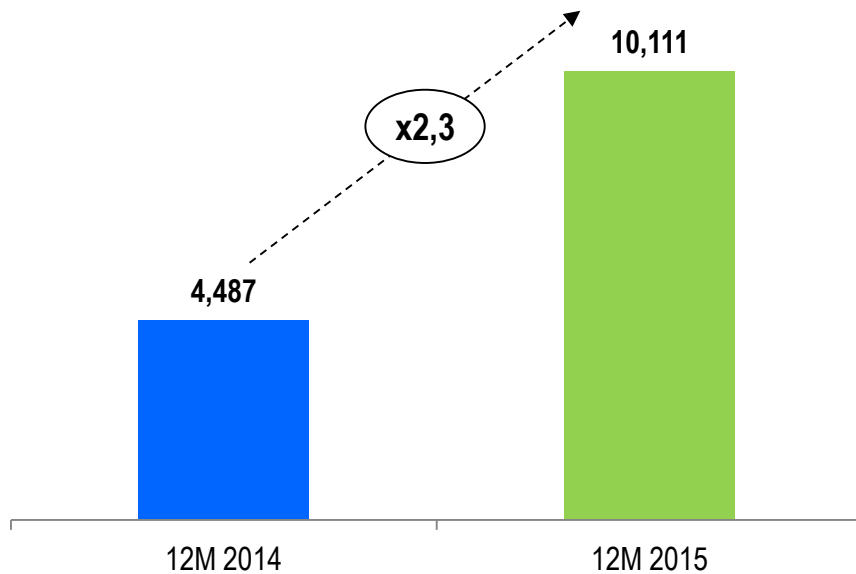
Fixed Costs and Depreciation Change Factors

- Higher Employee Benefit is due mainly to salary indexation at the Company branches and corresponding higher contributions to social funds
- Taxes Other than Income Tax grew mainly on the account of increased water tax and property tax
- The decrease of Rent is due mainly to lower rental payments for Adlerskaya TPS
- Lower Other Fixed Costs on the back of assets impairment in 2014
- Depreciation and Amortization growth was caused by commissioning of CCGT-420 at Cherepovetskaya GRES at the end of 2014

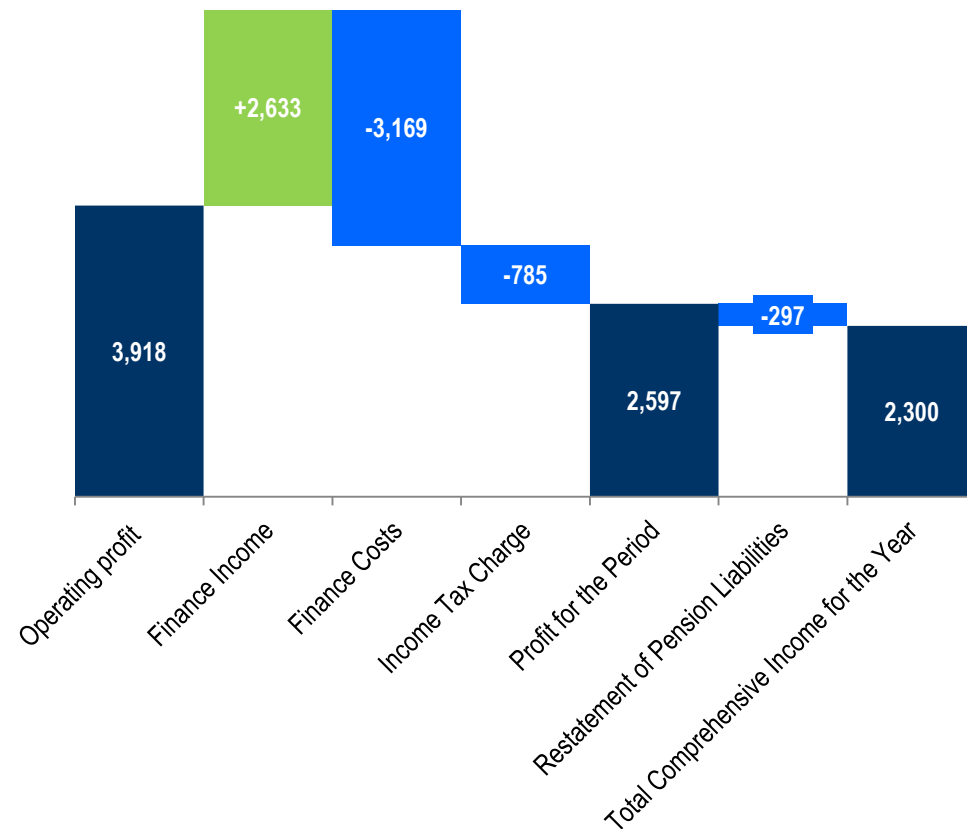
Depreciation and Amortization, mn RUR



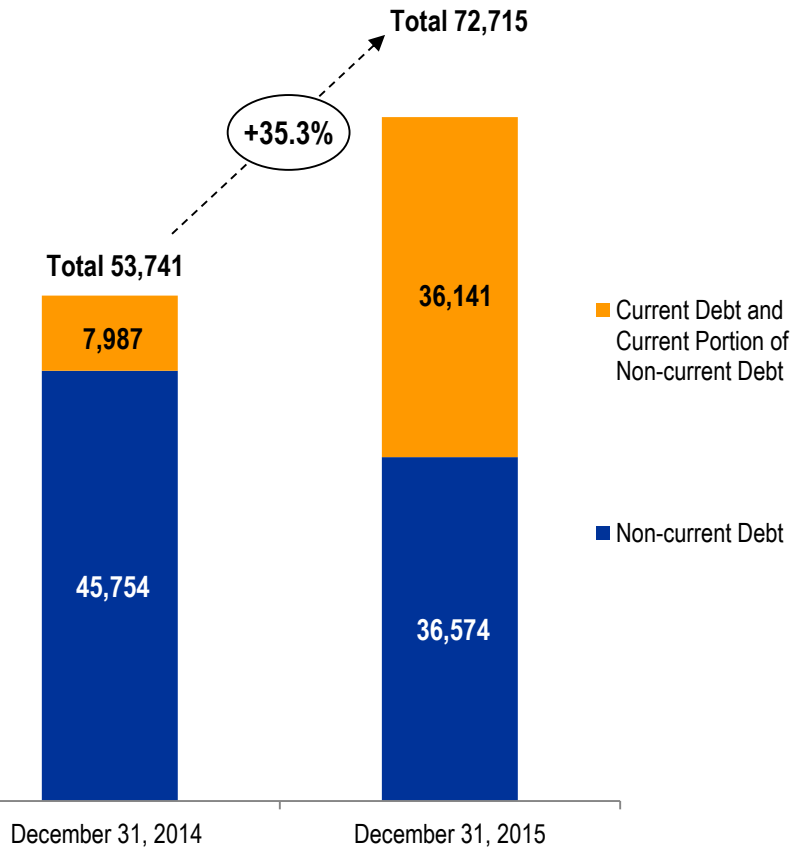
EBITDA, mn RUR



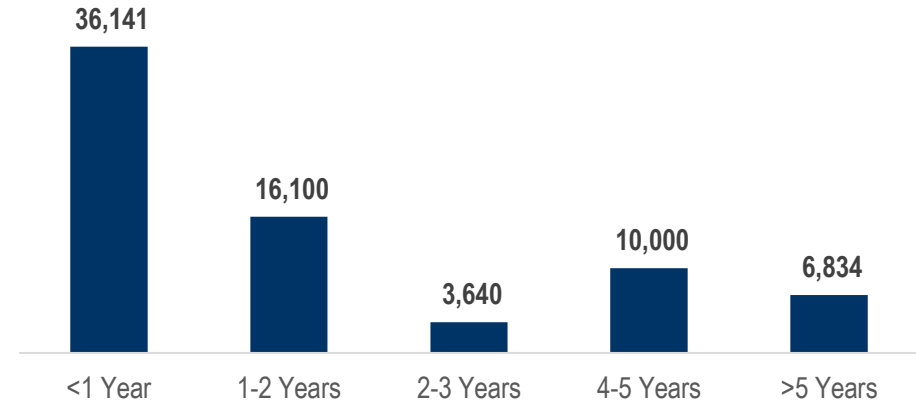
Profit Bridge for 12M 2015, mn RUR



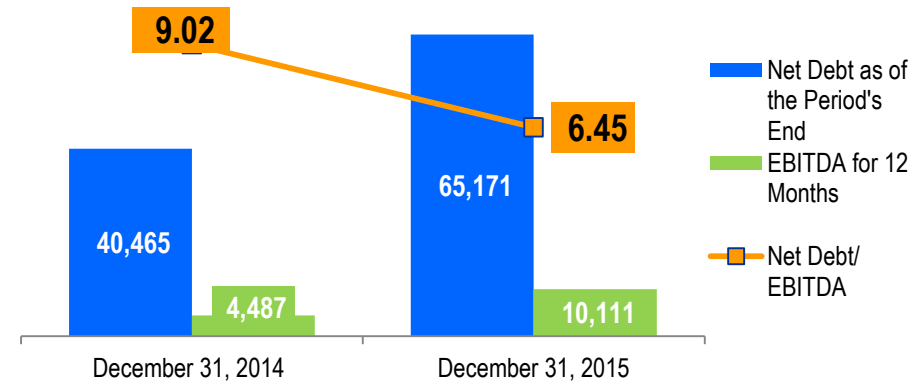
Debt Structure, mn RUR



Maturity Profile, as of December 31, 2015, mn RUR

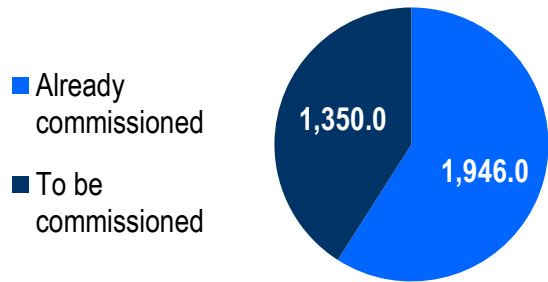


Net Debt, mn RUR¹

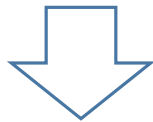


1. Net debt = Total amount of borrowings less cash and cash equivalents

CSA Program, MW



- - already commissioned
- - high level of completion (to be commissioned in 2016)
- - project development (to be commissioned in 2018)



In the 12 months of 2015 22.30 bn RUR (VAT included) financed under CSA programm²

CSA Objects

Station	CSA Units Capacity Increase	CSA Units Installed Capacity
SDPP-24	110	420
Kirishskaya SDPP	540	800
Adlerskaya TPS	360	360
Novocherkasskaya SDPP	36	300
Cherepovetskaya SDPP	420	420
Ryazanskaya SDPP	60	330
Serovskaya SDPP	420	420
Troitskaya SDPP	660	660
Novocherkasskaya SDPP	330	330
Groznenskaya TPS	360	360
Total	3,296 MW	4,400 MW

1. Considering fact of commissioning and CSA notices

2. Net of capitalized interest



Thank You For Your Attention!

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