

FEDERAL GRID COMPANY OF UNIFIED ENERGY SYSTEM



FGC Administers the Following Assets:

Arkhangelsk Transmission Grid Company
 Astrakhan Transmission Grids
 Belgorod Transmission Grid Company
 Bryansk Transmission Grid Company
 Chelyabinsk Electricity Transmission Grids
 Chuvash Transmission Grids
 Dagestan Transmission Grids
 Ivanovo Transmission Grids
 Kaluga Transmission Grid Company
 Karelia Transmission Grids
 Khakassia Transmission Company
 Kirov Electricity Transmission Grid
 Kolskie Transmission Grids
 Kostroma Transmission Grids
 Krasnoyarsk Transmission Grids
 Kursk Transmission Grids
 Lipetsk Transmission Grids
 Mari Transmission Grids
 Mordovia Transmission Grid Company
 Nizhny Novgorod Transmission Grid Company
 Omsk Transmission Grid Company
 Orenburg Transmission Grids
 Oryol Transmission Grid Company
 Penza Transmission Grid Company
 Perm Transmission Grid Company
 Petersburg Transmission Grids
 Rostovenergo Transmission Grid Company
 Ryazan Transmission Grids
 Smolensk Transmission Electricity Grids
 Sverdlovsk Transmission Grids
 Tambov Transmission Grid Company
 Tomsk Transmission Grids
 Transmission Grid Company
 Tula Transmission Grid Company
 Tver Transmission Grids
 Tyumen Regional Generation Company
 Udmurt Transmission Grids
 Vladimir Transmission Grids
 Volgograd Transmission Grids
 Vologda Transmission Grids
 Voronezh Transmission Grid Company
 Yaroslavl Transmission Grids
 Nurenergo
 Moscow Communications Centre of Energy Sector
 Centre for Certification of Electronic Digital Signatures in the Electricity Industry
 Sangtuda HPP-1

Registered Address/Actual Address

117630, Russia, Moscow,

ul. Akademika Chelomeya, 5A

Phone/Fax

+7-495-7109000, +7-495-7109503 / +7-495-7109655

Web-site/ E-mail

www.fsk-ees.ru / info@fsk-ees.ru

State Registration Date

25 June 2002

Federal Grid Company of the Unified Energy System administers the Unified National Energy Grid (UNEG) for the purpose of its maintenance and development, provides electricity transmission and technical connection services for subjects of the wholesale electricity market, conducts investment activities related to development of UNEG and technical supervision over grids facilities of Unified Energy System of Russia. Federal Grid Company operates 110-1150 kV transmission lines with total length of 120 Thousand kilometers and about 800 substations with total transformer capacity of more than 300 Thousand MVA. Federal Grid Company owns more than 46 Thousand kilometers of power lines, 140 substations, and 17 separate outdoor switchgears and units with total installed transformer capacity of more than 140 Thousand MVA.

The other assets are leased from transmission grid companies spun off from regional AO-energos as the result of electric power sector reform. Federal Grid Company exercises strategic control over the distribution complex. Under a fiduciary management agreement with RAO UES of Russia, Federal Grid Company manages Centre and North Caucasus IDC, North-West IDC, Urals and Volga IDC, and Siberia IDC.

MANAGEMENT

Chairman of the Management Board	Rappoport Andrey Natanovich	+7-495-7109002
General Director of		
Centre Transmission Grids	Misrihkanov Misrihkan Shapievich	+7-495-9628750
East Transmission Grids	Smirnov Sergey Georgievich	+7-4212-394520
North-West Transmission Grids	Ageev Valery Valentinovich	+7-812-5958339
Siberia Transmission Grids	Zilberman Samuil Moiseevich	+7-3912-659500
South Transmission Grids	Dyakov Fedor Alexandrovich	+7-8793-343611
Urals Transmission Grids	Lazovsky Pavel Sergeevich	+7-343-3729309
Volga Transmission Grids	Streltsov Sergey Viktorovich	+7-846-3396359
Western Siberia Transmission Grids	Solodyankin Alexander Sergeevich	+7-3462-779512
Investor Relations	Perelygin Andrey Vitalievich	+7-495-7109202
Public Relations	Kindyashova Olga Sergeevna	+7-495-7109663
Procurement	Zimonas Roman Stasovich	+7-495-7109477

Number of employees as of 31 December 2006

19,949 persons

including industrial production staff

19,750 persons

SHARE CAPITAL AMOUNT AND STRUCTURE

Authorized capital of Federal Grid Company as of 1 April 2007 180,691,103,960 rubles

Shareholders	Total Shares*	
	Pcs	%
RAO UES of Russia	316,422,207,920	87.56
Russian Federation	44,960,000,000	12.44

* ordinary shares

Registrar: OAO Moscow Central Depository
Auditor: ZAO PricewaterhouseCoopers Audit

DIVIDENDS, Thousand Rubles

2005	367,293
2006	587,848*

* planned

FINANCIAL RESULTS FOR 2006 (UNDER RAS), Thousand Rubles

Proceeds	53,599,546
Profit on Sales	8,355,649
Net Profit	1,833,484

EQUITY ISSUES (as of 31 December 2006)

Issue, Registration Date	Amount, Thousand Rubles	Number of Ordinary Shares, Pcs	Par Value, Rubles
1-01-65018-D 10 September 2002	121,607,242	243,214,483,559	0.5
1-01-65018-D-001D 21 March 2006	80,000,000	160,000,000,000	0.5

BOND OFFERING

Issue	Registration Date	Total Amount, Thousand Rubles	Number of Bonds, Pcs	Par Value, Rubles	Maturity Date
Series 01	2 December 2004	5,000,000	5,000,000	1,000	18 December 2007
Series 02	11 May 2005	7,000,000	7,000,000	1,000	22 June 2010
Series 03	24 November 2005	7,000,000	7,000,000	1,000	12 December 2008
Series 04	7 September 2006	6,000,000	6,000,000	1,000	6 October 2011
Series 05	7 September 2006	5,000,000	5,000,000	1,000	1 December 2009

PERFORMANCE IN 2006

Voltage Rating, kV	Length of Power Lines, km		Transformer Capacity, MVA	
	Federal Grid Company	Transmission Grid Companies	Federal Grid Company	Transmission Grid Companies
1,150	820	—	—	—
800	402	—	—	—
750	2,973	—	16,089	—
500	32,578	1,652	90,775	9,439
400	126	—	2,788	—
330	7,967	2,543	17,125	10,282
220	2,017	69,704	9,345	108,075
110	63	986	1,109	10,556
35	12	57	—	9,863
10	64	149	—	11,109
6	35	8	—	—
0.4	3	—	—	—
Total	47,060	75,099	137,231	159,324

INVESTMENT PROGRAM FOR FEDERAL GRID COMPANY 2006-2010

Approved by the Management Board of RAO UES of Russia January 29, 2007

The total amount of the FGC investment program is 584,976 million rubles*

FINANCING SOURCES FOR FEDERAL GRID COMPANY INVESTMENT PROGRAM

Financing Sources	Investment Plan, rubles in millions, in current prices				
	2006	2007	2008	2009	2010
Total	36,044.3	98,575.0	172,469.0	150,202.0	127,686.0
Including:					
FGC funds	36,044.3	34,655.0	27,384.0	37,967.0	44,195.0
Federal budget funds		22,480.0	40,000.0	50,000.0	47,520.0
Revenue from sale of RAO UES of Russia assets		36,800.0	92,385.0	53,875.0	32,970.4
Connection charges		4,640.0	12,700.0	8,360.0	3,000.0

* equipment configuration may vary subject to the stage of developing design and estimate documentation

Investment Program of Federal Grid Company for 2006-2010*

	Investment Areas	Investment Plan, rubles in millions, in current prices				
		2006	2007	2008	2009	2010
I	Power lines and substation	22,701.3	69,681.0	76,169.0	72,340.0	60,835.0
	Including:					
	Power supply reliability improvement facilities in Moscow, St. Petersburg and Tyumen:	9,701.7	57,516.0	55,699.0	40,555.0	9,545.0
	- Moscow Program	7,520.2	33,575.0	10,975.0	1,750.0	0.0
	- St. Petersburg Program	2,167.6	16,796.0	25,724.0	21,175.0	6,450.0
	- Western Siberia Region Program	13.9	7,145.0	19,000.0	17,630.0	3,095.0
	Power generation by NPP, HPP, TPP	1,836.9	2,805.0	5,870.0	9,145.0	14,040.0
	Removal of transmission constraints and improvement of consumer supply reliability	11,162.7	8,860.0	9,400.0	16,840.0	31,250.0
II	Construction of UNEG facilities		500.0	5,200.0	5,800.0	6,000.0
III	Other facilities of the electric grid complex including those for generating power to UNEG from new OGK/TGK power units		7,000.0	50,000.0	37,000.0	18,000.0
IV	Renovation of fixed assets of Transmission Company (TC) and Federal Grid Company (FGC)	6,397.3	11,174.0	42,400.0	36,462.0	40,000.0
	Including:					
	Renovation of FGC fixed assets		8,000.0	8,100.0	8,600.0	
	Renovation of TC fixed assets		3,174.0	34,300.0	27,862.0	
V	Process control development and informatization of TC and FGC	3,103.7	5,000.0	2,200.0	2,400.0	6,851.0
VI	Research and development	550.0	600.0	600.0	600.0	600.0
VII	Other Investment Programs for UNEG development	3,292.0	5,120.0	1,100.0	1,400.0	1,400.0
Total		36,044.3	98,575.0	172,469.0	150,202.0	127,686.0

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