



The Third Generation  
Company of the Wholesale  
Electricity Market

## FUTURE'S POWER

ANNUAL REPORT

# 2009



ANNUAL REPORT

09



The Third Generation  
Company of the Wholesale  
Electricity Market

ANNUAL REPORT

2009





## WGC-3. 2009 Annual Report

Disclaimer	3
Overview of WGC-3	4
Letter to Shareholders	6
<b>WGC-3 in 2009</b>	
Major Events	10
WGC-3 2009 Results	12
WGC-3 Position in the Energy Sector and Risk Factors	14
<b>Development Strategy</b>	
WGC-3 Strategy Projected to 2020	28
Growth Prospects	28
Coal Strategy	29
Priority Business Activities	29
Improving Performance	30
<b>Company's Activities</b>	
Power Generation	34
Sales	40
Investments	45
Technological Development	49
Asset Management	50
Human Resources	52
Social Policy and Charity	55
Environmental Protection	55
<b>Performance Review and Financial Indicators</b>	68
<b>Corporate Governance</b>	
Underlying Principles	82
Board of Directors and its Committees	84
Audit Commission	86
The Managing Board	87
Remuneration	88
Internal Audit	88
Subsidiaries & Affiliated Companies	90
Development of Corporate Governance	93
<b>Securities</b>	
Equity Market	96
Dividends	101
<b>IFRS Financial Statements</b>	103
<b>Corporate Report</b>	151
Compliance with the Corporate Governance Code	163
Information on Transactions	178
<b>Glossary</b>	226
<b>Contact and Reference Information</b>	228

## Disclaimer

The annual report of JSC WGC-3 (hereinafter 'Annual Report') has been prepared using information available to the Open Joint Stock Company 'The Third Generation Company of the Wholesale Electricity Market' (hereinafter 'WGC-3' or the 'Company') when the report was being written.

This Annual report may contain certain forward-looking statements regarding operations, economic performance and financial conditions, results of the Company's operations and business, and its plans and expectations, as well as trends in commodity prices, output and demand volume, expected costs, growth opportunities and the productive lives of assets, estimates of reserves and similar factors, economic outlook for the industry and markets, the start and completion of certain projects and production activities.

The words 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believes', 'expects', 'may', 'should', 'will', 'continue', or similar expressions usually identify such forward-looking statements. By their very nature, forward-looking statements involve inherent risk and uncertainties, both general and specific. There are risks that the predictions, forecasts, projections and other forward-looking statements will not be achieved. In light of these risks, uncertainties and assumptions, the Company warns that actual results may differ substantially from any future results expressed or implied by these forward-looking statements, which are

based on the information available at the time of writing of this Annual Report.

The Company does not make any guarantees or representations that the results anticipated by these forward-looking statements will be achieved. Such forward-looking statements represent, in each case, only one of many possible scenarios, and should not be viewed as the most likely.

In particular, other factors that may affect the actual production or production start-up dates, costs or production output and anticipated lives of assets may include the ability to conduct production profitability; the impact of currency exchange rates on the market prices of the commodities produced; the actions of the government authorities of the Russian Federation and other jurisdictions where the Company is exploring, developing or using assets, including changes in tax, environmental and other regulations, as well as changes in taxation, environment and other legislation and regulation. This list of important factors is not exhaustive. When relying on forward-looking statements, the aforementioned factors should be carefully considered, especially in light of the political, economic, social and legal environment in which the Company operates.

Except as required by applicable legislation, the Company does not undertake any obligations to publicly update or revise any forward-looking statements, whether as a result of new information, or of future events.

## Overview of WGC-3

Open joint stock company WGC-3 was founded during reforms of the energy sector in the Russian Federation. Key objectives of the reform were to increase the efficiency of the industry, to create conditions for the industry development through private investment, as well as to secure reliable and uninterrupted power supply to consumers.

The reform involved the following changes in the industry structure: the formerly joint power complex was divided according to performed activities, i.e.: the segment of natural monopoly (power transmission, operative and dispatcher control) and the market segment (power generation and sales, as well as repairs and maintenance). To replace former vertically integrated companies (AO-Energo) which carried out all of the mentioned functions, the reform created new specialised competitive structures.

The implementation of the reform involved a very important milestone, namely, the setting up of large horizontally integrated generating companies, which were founded to become major players on the wholesale electricity and capacity markets.

In the course of the reform, the generating assets were grouped into two types of interregional companies: wholesale generating companies (WGCs) and regional generating companies (RGC). WGCs included power stations specialising in generation of electricity mainly thorough condensation cycle. Six out of eight WGCs are founded on the basis of thermal power plants and one, namely, RusHydro is created on the basis of water-turbine generating assets.

JSC WGC-3 was founded on the 23rd of November, 2004. The company includes six federal power plants: Gusinozerskaya TPP, Kostromskaya TPP, Pechorskaya TPP, Kharanorskaya TPP, Cherepetskaya Zhimerina TPP, Yuzhnouralskaya TPP (Table 1).

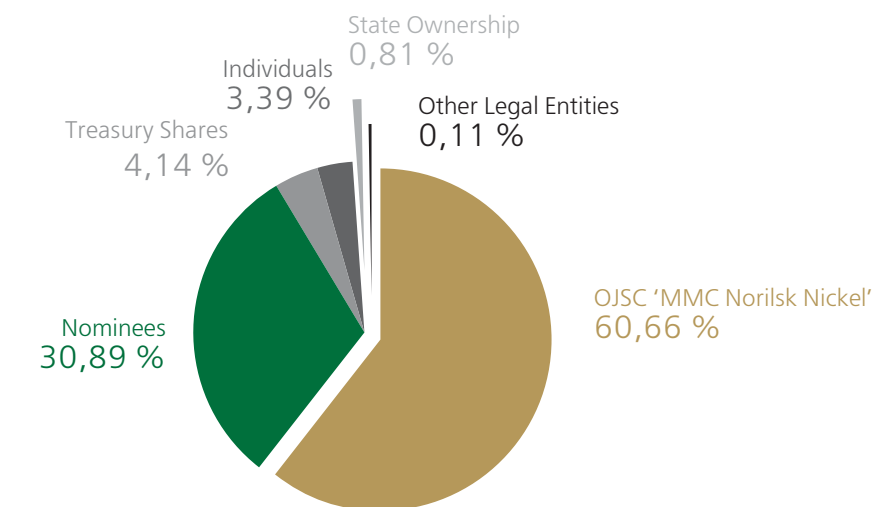
As a result of an additional issue of shares in March of 2007, JSC WGC-3 became the first private generating company in Russia. The funds acquired during the additional issue are allocated for the construction of the Company's new generating units.

Total capacity (TC) of all six thermal power plants owned by JSC WGC-3 is 8,357 MW.

Table 1. Fixed Assets of JSC WGC-3

Power plant	Prime Fuel	IC, MW	Heat IC, Gcal/h
Gusinozerskaya TPP	coal	1,100	221
Kostromskaya TPP	gas	3,600	450
Pechorskaya TPP	gas	1,060	327
Kharanorskaya TPP	coal	430	128
Cherepetskaya Zhimerin TPP	coal	1,285	94
Yuzhnouralskaya TPP	coal, gas	882	395
<b>TOTAL</b>		<b>8,357</b>	<b>1,615</b>

Fig. 1. WGC-3 Equity Structure as of December 31, 2009



The Company's capital stock is estimated at 47,487,999,252 roubles and is divided between 47,487,999,252 common shares with issue price of 1 rouble each.

The Company's equities are listed on MICEX and RTS stock exchanges. Equity capital structure is specified in Figure 1.

WGC-3 employs more than 5,300 people.

### Mission WGC-3:

To ensure reliable and efficient supply of electricity and capacity to consumers in the Russian Federation.

### Vision WGC-3:

A company which uses existing potential with maximum efficiency and strives to create new state-of-the-art power generating capacities in promising regions of Russia.

### WGC-3 management takes the responsibility for:

The shareholders – for consistent profits with minimal risks, added value increase and growth of the Company's capitalisation.

Players of the wholesale market – for uninterrupted supply of electricity and capacity, which ensures competitive strength of the Russian economy.

Employees – for ensuring competitive salaries and a social safety net, enhancing the standard of living, as well as guaranteed employment subject to professional compliance and the level of expertise. Suppliers and partners – for fulfilling commitments in good faith, as well as for focusing on mutually beneficial and long-term partnership.

Society – for ensuring power safety, facilitating sustainable development in the regions where the company is operating, strengthening regional social stability, bona fide fulfilling of commitments made to budgets of all levels, as well as maintaining environmental regulations and requirements.

### Objectives:

- To maintain efficient market sales of electricity and capacity
- To ensure the best corporate governance practice
- To reduce power generating costs
- To create high-performance and high-demand capacities
- To guarantee efficient business management
- To reduce pollution

**Letter from the Chairman  
of Board of Directors  
and the CEO of WGC-3**



**Dear Shareholders,**

Last year, 2009, was the time for a serious challenge for the Russian economy and the power industry. In the face of an ongoing economic decline in industrial output and power consumption all across the country, our company displayed positive financial and production results. Despite an insignificant decline in electricity output, the Company managed to cut down total operational costs by increasing its efficiency and reducing fuel expenditures. Furthermore, we managed to bring down repairs and maintenance costs by 20%.

WGC-3 is targeting to achieve 10,000 MW of total capacity by the year 2020, building new and renovating existing power generating units, constantly improving its environmental standards.

The Company is planning to reach its goals through the implementation of its investment programme. This programme is focused on the construction of new generating units with advanced technical and economic characteristics based on innovative technologies in the power industry.

By the end of this year, the Company is planning to complete primary operations at Kharanorskaya station. The Company is actively engaged in construction of new capacities at Cherepetskaya station. In May 2010 we placed a symbolic 'first stone' into the foundation of the new 'Olympic' power station (Dzhubginskaya station). JSC WGC-3 has an access to required financial resources to implement its Investment Programme.

We are confident that we would continuously build the shareholder's value through professional expertise and innovative management solutions. We would like to assure that the Board of Directors and the Management of JSC WGC-3 will strive to propel our Company to a leading position in the industry.

Chairman  
of the Board of Directors of JSC WGC-3

Oleg Pivovarchuk

Chairman of the Executive Board,  
CEO of JSC WGC-3

Vladimir Kolmogorov





## **WGC-3 in 2009**

**Major Events**

**WGC-3 2009 Results**

**WGC-3 Position in the Energy Sector  
and Risk Factors**

## WGC-3 in 2009

### Major Events

Date	Event
January 21	One of the leading providers of Internet monitoring, Webscan Technologies, announced that JSC WGC-3 made it to the Top 100 of the most quoted brands on the Russian Internet.
February 6	Special General Meeting of Shareholders of JSC WGC-3 The following internal documents were approved at the Shareholders' Meeting: - The Company's Charter; The Regulation on the Payment of Remuneration and Compensations to the Members of the Board of Directors of JSC 'The Third Generation Company of the Wholesale Electricity Market'. Furthermore, the new Board of Directors was elected at the Meeting. Following the vote, 11 out of the 22 suggested candidates were elected to the WGC-3 Board: S.L. Batekhin (CJSC 'The Holding Company INTERROS'), V.A. Davydov (CJSC 'The Holding Company INTERROS'), D.R. Kostoev (OJSC 'MMC Norilsk Nickel'), K.Y. Parinov (OOJSC 'MMC Norilsk Nickel'), O.M. Pivovarchuk (OJSC 'MMC Norilsk Nickel'), A.V. Orelkin (OJSC 'MMC Norilsk Nickel'), M.M. Sokov (CJSC 'RUSAL Global Management B.V.'), S.V. Emdin (EvrosibEnergo, LLC), V.A. Solovyev ('EN+ Management'), O.V. Surikov (OJSC 'MMC Norilsk Nickel'), A.V. Cherny (CJSC 'The Holding Company INTERROS').
February 6	On February 6, 2009, WGC-3 Board of Directors elected its Chairman. Kirill Parinov, Deputy CEO for Corporate Legal Issues, member of the Executive Board of JSC MMC Norilsk Nickel, was elected the new Chairman of the BoD.
February 6	At its first meeting, the BoD of WGC-3 elected Vladimir Kolmogorov.
March 20	WGC-3 started a project aimed at increasing efficiency at the Cherepetskaya Zhimerin TPP.
March 25	JSC WGC-3 announced the restart of the procedure for open one-stage tenders (without a prior selection for the right to sign an agreement), which had been cancelled on February 20, 2009. The tenders concerned 'Construction of the Power Complex at Yuzhnouralskaya TPP-2 under the EPC Model' and 'Technical Upgrade of 210 MW Power Unit No. 4 at the subsidiary of WGC-3, Gusinozerskaya TPP'.
April 14	JSC WGC-3 prepared 2009 RAS accounting reports.
April 23	JSC WGC-3 published the audited consolidated IFRS reports for the year which ended on December 31, 2008.
June 11	The General Director's Decree appointed Viktor Larioshkin the Director of a WGC-3 subsidiary, Kostromskaya TPP.
June 22	JSC WGC-3 held the Annual General Meeting of Shareholders; the Meeting approved the Company's 2009 Annual Report, as well as the Company's accounting statements detailing the results of the financial year. The Meeting approved new members of the BoD of JSC WGC-3.

Date	Event
September 29	According to the results of the rating Top-100 of Russian Managers, Vladimir Kolmogorov, the CEO of WGC-3 was selected among the most professional executives in the Power Industry category.
October 16	The Company signed an EPC construction agreement for the construction of the Power Complex at Yuzhnouralskaya TPP-2. The agreement was signed with CJSC Atomstroieksport. The electric capacity of steam-gas unit number 1 of SGT-4000 (Siemens) steam-gas plant will amount to 415 MW.
November 2	According to an Internet survey carried out by the 'EnergoRynok magazine', JSC WGC-3 won the 'Professional Recognition' award in the category 'The Leader of the Wholesale Electricity and Capacity Market among Power Generation Companies'. According to expert estimates, this award was given to JSC WGC-3 for its excellency in achieving key economic indicators which characterise an outstanding performance of the Company, as well as taking into account a dynamic implementation of the Company's investment programme.
November 19	Following the results of the XII Annual Federal Contest for Annual Reports and Web Sites of Issuers, the Annual Reports of WGC-3 was the best among annual reports published by the Russian generating companies.
November 20	The Company started the construction of two new power units at its subsidiary, Cherepetskaya Zhimerin TPP: the first cubic meter of soil was extracted from the excavation pit at the site where the Company will build the third stage of the power plant.
November 24	WGC-3 Board of Directors approved the Company's Development Strategy. The Development Strategy is aimed at reaching the maximum potential of the Company, as well as expanding its market share on electricity and capacity markets.
November 24	The Board of Directors approved the Company's Coal Strategy.
December 2	Standard&Poor's international rating agency included WGC-3 among one of the leaders in the Russian power industry for its informational transparency. According to S&P, WGC-3 won the seventh place in the industry for its transparency. The Company achieved such impressive results due to timely and accurate disclosure of information about the property structure, shareholder rights, financial and operating activities of the Company, as well as members and procedures of the Board of Directors and the Management.



## WGC-3 2009 Results

Table 2. 2009 Operating Results of JSC WGC-3

Indicator	Measurement	2009	2008	Deviation, %
Electricity Output	mn, kWh	29,525	33,911.6	-12.9%
Fuel Use for Energy Generation	goe/kWh	341.9	344.1	-0.6%
Fuel Use for Heat Generation	goe/Gcal	177.4	179.6	-1.2%

Table 3. 2009 Financial Results of JSC WGC-3

Key Indicators	Measurement	2009	2008	Deviation, %
Revenue	mn, roubles	39,397	38,424	3%
EBITDA	mn, roubles	4,147	3,981	4%
Net Profit	mn, roubles	4,296	6,721	-36%
Return of Average Capital Employed (ROACE)	%	2%	2.9%	-10%
EBITDA margin	%	11%	10%	2%
Quick Ratio	standard units	15	20	-24%





## WGC-3 Position in the Power Industry and Risk Factors

### Key Events in the Power Industry in 2009

Last year, 2009, was a difficult and mostly a critical time for the Russian power industry. Firstly, when the operations of JSC RAO UES of Russia were terminated in June 2008, power companies had to function practically without a joint industrial management and coordination centre. Secondly, the post-reform development of the Russian power industry took place during a slowdown of the economy which resulted in a substantial decrease in power consumption.

One of the key tasks that the Russian power industry faced in 2009, was the setting-up of management institutions and authorities that would be responsible for the supervision of the electricity and capacity markets, development of the power industry, as well as ensuring that owners of generating companies complied with investment programmes.

The key institution responsible for supervising the development of the Russian power industry is the Ministry of Energy of the Russian Federation. The Ministry is responsible for the development and implementation of the long-term public energy policy, as well as designing the Development Strategy for the unified energy system of Russia. For the first time in the last decade, in 2009 the Russian power industry functioned in the situation characterised by a downturn in energy consumption. According to 2009 results, a decrease in the consumption of electricity

amounted 4.7% over 2008. The highest deviation over 2008 (-8.9%) was registered in May. In several regions of Russia the trend for electricity consumption was varied due to a varied impact of the economic slowdown and the state of the regional economy. On the whole, in 2009, the drop in electricity consumption in many subjects of the Russian Federation amounted to 0.16%-16.42%, while the growth of consumption ranging between 0.3% to 6.3% was registered only in 11 regions.

The decrease in power consumption led to a decrease in power generation: the output in 2009 was down by 4.8% compared to 2008. Nonetheless, due to more favourable hydrologic conditions of such rivers as the Volga, Kama, Yenisei, Angara, Zeya and Bureya, electricity output of hydroelectric power stations went up by 5.6%, and heat output dropped by 8.6%, compared to 2008.

In August 2009 a serious accident happened at Sayano-Shushenskaya HES; the emergency response to the accident involved measures aimed at increasing the supply of coal to thermal power plants, as well as keeping generation and network companies on stand-by for repairs and reconstructions. These measures ensured no system failures in Siberia during the autumn-winter period of 2009 and 2010.

The problem of consumer defaults for electricity and heat became even more acute in 2009. The volume of payment defaults spiked from 48 bn roubles in the beginning of the year to 75 bn roubles by year end. The defaults spilled over from the retail to the wholesale market and then further to the network complex, threatening uninterrupted supply of electricity to end consumers. The highest volume of debts is registered in the Northern Caucasus regions.

The government Ordinance No.1715-r, dated November 13, 2009, approved the Energy Strategy for Russia up to 2030. The Strategy laid down goals, objectives, priorities and reference points for a long-term development of the Russian power sector for the upcoming period, as well as defining mechanisms which will allow to achieve the objectives of the public energy policy at various stages of its implementation.

The new mechanism to guarantee investments (MGI) was adopted in the middle of 2009. The implementation of MGI will ensure a more efficient funding of investment projects aimed at creating a technological reserve of power generating capacities, in order to increase safety of operations of the Unified Energy System and to prevent a shortage of electric capacity.

The rules and regulations regarding trading of electricity and capacity underwent major changes.

From July 1, 2009 Russia entered the next stage of wholesale electricity (capacity) market liberalisation. Starting from this day, the share of electricity sold on the wholesale market at unregulated prices reached 50%-55% of the total market volume. The increase of the liberalised share of the wholesale electricity market did not have a significant impact on electricity prices for end consumers.

From September 3, 2009 the System Operator started managing schedules of the UES of Russia, based on the Plans of the Balancing Market (PBM) which are created every 3 hours, 8 times a day. The transfer to a 3-hour interval between PBM settlements instead of the previously used 4-hour interval allows SO UES to register more precisely and promptly the actual state of the UES of Russia, while making operating schedules of power plants and calculating price indices of the Balancing Market. Therefore, the SO ensures a maxim level of correlation between price signals and the actual state of UES of Russia. Besides, market players got an opportunity for a real-time participation in creating optimal payloads for power plants.

In the beginning of December, 2009 the System Operator completed a competitive bid selection procedure for the sale of capacity (CSC) in 2010. The CSC involved 48 power generating companies. The CSC was held for 355 electric power plants registered and admitted for the selection procedure on the wholesale market of electricity and capacity.

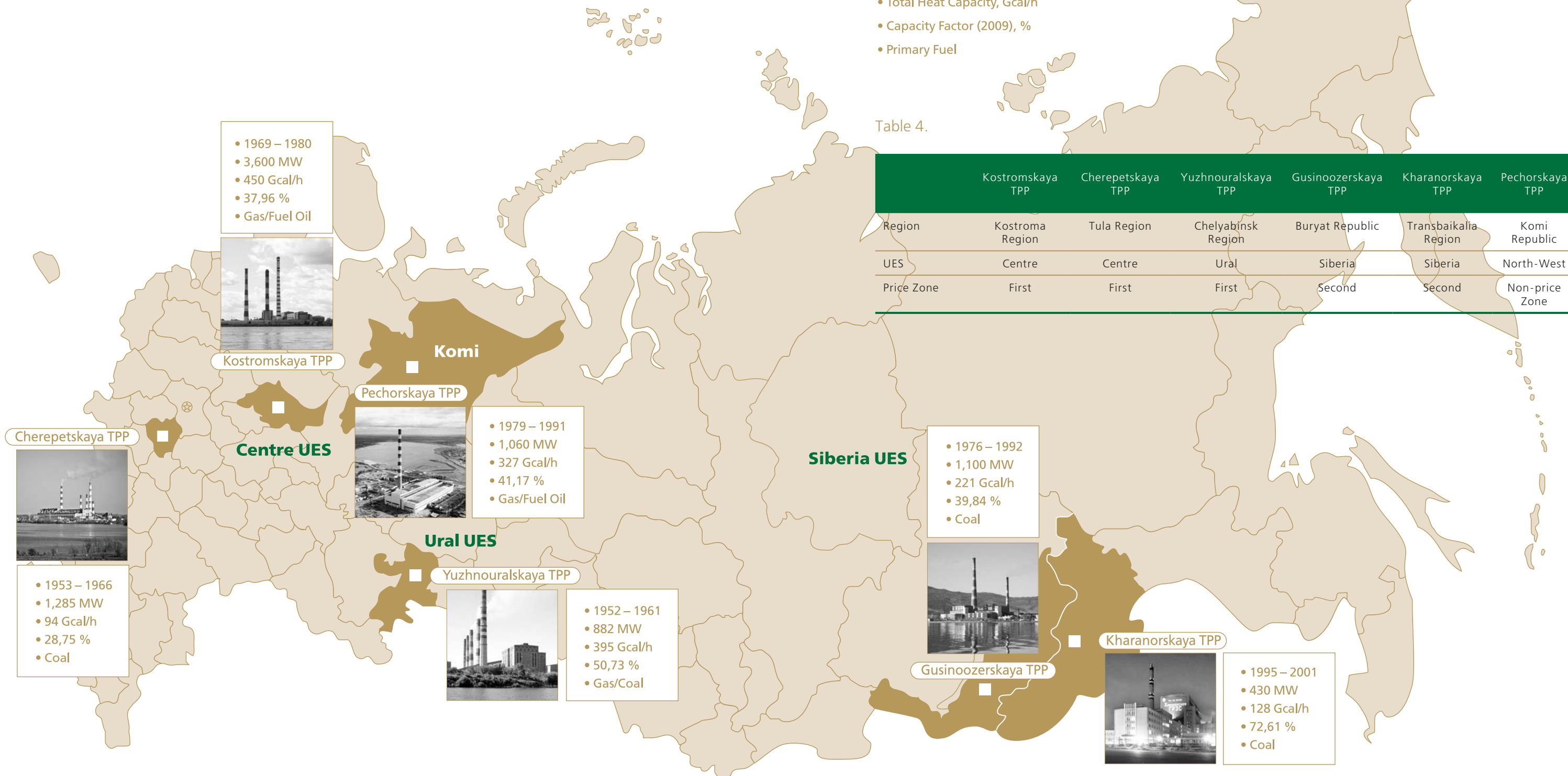
### Geographical Location of WGC-3 Assets

#### Legend:

- Year of Construction
- Total Capacity, MW
- Total Heat Capacity, Gcal/h
- Capacity Factor (2009), %
- Primary Fuel

Table 4.

	Kostromskaya TPP	Cherepetskaya TPP	Yuzhnouralskaya TPP	Gusinoozerskaya TPP	Kharanorskaya TPP	Pechorskaya TPP
Region	Kostroma Region	Tula Region	Chelyabinsk Region	Buryat Republic	Transbaikalia Region	Komi Republic
UES	Centre	Centre	Ural	Siberia	Siberia	North-West
Price Zone	First	First	First	Second	Second	Non-price Zone





### WGC-3 Position in the Power Industry

JSC WGC-3 unites six thermal electric stations (subsidiaries), which work primarily on condensation cycle. The major characteristics of WGC-3 power plants are outlined in Table 5. Total capacity of the Company's stations amounts to 8,357 mW, which comes to about

3.94% of the total capacity of UES of Russia (where the first price zone shows 3.71%, and the second price zone - 3.19%). The share of WGC-3 in Unified Energy Systems, by sector is given in Table 6.

Table 5. Major Industrial Indicators of the Company's Subsidiaries, 2009

	Kostromskaya TPP	Cherepetsk SDPP	Yuzhnouralsk SDPP	Gusinoozerskaya TPP	Kharanorskaya TPP	Pechorskaya TPP
Total Capacity, mW	3,600	1,285	882	1,100	430	1060
Type of primary fuel	Gas	Coal	Gas, Coal	Coal	Coal	Gas
Yield, mn kWh	11972.4	3235.9	3919.5	3839.1	2735.2	3822.8
Average Capacity Factor, %	37.96	28.75	50.73	39.84	72.61	41.17
Total Capacity, grams tc/kWh	306.2	409.8	386.2	368.8	350.6	325.3

Compared to all thermal electric stations of UES of Russia, the share of total capacity of the Company's stations amounts to 5.51%.

Total electricity output of WGC-3 subsidiaries in 2009 reached 29,525 mn kWh, with an average annual capacity factor of 40.33%. A decrease in

output over 2008 amounted to 12.9%, with the lowest indicators registered at less efficient power plants, namely, Gusinoozerskaya TPP (26.8%) and Yuzhnouralskaya TPP (26.0%); whereas an output increase of 4.2% was registered at one of the most up-to-date plants in Russia - Kharanorskaya TPP.

Table 6. The Share of WGC-3 in UES

UES	Share, %
Centre	10.0
North-West	5.05
Ural	2.04
Siberia	3.19





### The Position of WGC-3 on the Market for the Production and Sales of Heat

JSC WGC-3 is the only producer of heat in the regions where the Company's subsidiaries are located; as a point of fact, WGC-3 is also the only supplier of heat to end consumers through its 100%-owned subsidiaries. Despite the fact that heat sales accounted for 2.18% in the Company's total revenue for 2009, and that the share of profit from heat sales was estimated at 0.5% of the total profit, the problems of heat supply in the severe climatic conditions of Russia have not only economic, but also a social importance for the Company. Supply of quality and affordable heat to all consumers is the top priority of the Company's Energy Policy.

Currently, the Company's heat supply operations remain unprofitable due to:

- limitations set by the regulated heat tariffs which primarily take into account a low payment capacity of the main consumer - the population, and not renewability and improvement of quality of heat supply;

- depreciation of equipment used in generation and transportation of thermal power ranges from 60% to 80%. Inclusion of the depreciation factor into the tariff does not even cover investment costs for a simple renewal. Loss of thermal power and power transportation costs amount to 50% of the thermal power cost due to:

- absence of an integrated federal legislative act which determines principles, conditions and procedures for heating generation. This absence impedes the Company from clearly regulating civil and legal relations arising at various stages of production, distribution and consumption of thermal power, as well as hindering the relations associated with regulation of activities aimed at organising and ensuring heating operations, at all levels of the executive power.

In June 2009, JSC WGC-3 launched a project aimed at increasing heat business efficiency in order to improve profitability of heat sales, as well as ensuring safe and uninterrupted supply of heat to consumers.

### Risks and Competitive Advantages of WGC-3

Major competitive advantages of the Company are:

1. Geographical diversification - WGC-3 subsidiaries are located in four unified energy systems;
2. Diversified fuel balance: the Company's subsidiaries include both gas- and coal-based generating units;
3. Kostromskaya TPP is one of the highest-performing stations in UES Centre with regard to electricity generation;
4. Capacity prices at Kostromskaya TPP and Cherepetskaya TPP are the most competitive during the transfer model of the capacity market;
5. Kharanorskaya TPP is one of the most modern coal stations in the Russian Federation;
6. The Company's Investment Programme dedicated to the construction of new generating capacities is one the largest among all thermal power companies.

The main risks that the Company faces are:

1. Operational risks related to physical ageing of generating equipment;
2. Risks related to the lack of need to load some of the existing power-generating equipment due to its inability to compete with new units. However, the Company's power plants are located in the regions which will see the highest pace of growth in electricity consumption;
3. Risk of payment discipline violations on the wholesale electricity (capacity) market by buyers of electricity and capacity, especially those located in the Northern Caucasus region;
4. Risk of penalties laid on the Company for delays in launching new generating units which are subject to signed agreements concerning supply of capacity to the wholesale market;

5. Risk of the Company's bids regarding old generating capacities not being selected in a long-term competitive bid selection (if the risk is realised, it would lead to a decrease in profit from capacity sales).

6. Legal Risks.

#### Currency Exchange Regulations

In 2009 the Company faced certain risks following the amendments introduced in 2H08 to the Instruction No. 117-I of the Bank of Russia, dated June 15, 2004 - 'On the Procedure for Residents and Non-Residents Regulating the Disclosure of Information and Submitting of Documentation to the Authorised Banks in regard of Foreign Currency Operations, as well as the Accounting Treatment of Currency Operations and the Formalisation of Operation IDs by the Authorised Banks'. These risks included administrative responsibility (fines from 40 to 50 thousand roubles) in cases when the operation ID for export contracts was formalised after the signing of the acceptance certificate for the performed operations (rendered services). To mitigate this risk, the Company's executive bodies approved local acts regulating new staff guidelines for the formalisation of export contracts and operation IDs.

#### Tax Regulations

Federal Law No. 224-FZ, dated November 26, 2008, 'On Amendments to Part One and Two of the Tax Code of the Russian Federation and Several Legislative Acts of the Russian Federation' came into effect from January 1, 2009. This law introduced significant changes aimed at supporting Russian tax payers. The law changed the procedures for bringing into effect legislative acts on taxes and levies, which improve the taxpayers' position. It was established that such acts could come into effect from the date of their official publication, if expressly provided by such acts. The law adjusted the procedure for the suspension of operations on taxpayers' accounts in banks following a decision of the tax authority (the bank's termination of all expense operations on the taxpayer's account in order to ensure the execution of a decision made by the tax authority regarding the collection of taxes or levies and, currently, penalties and

finances). Thus, it was established that a decision to cancel the suspension of operations on accounts of an organisation shall be served to the bank's representative not later than the one day following after such a decision was made by the tax authority. The law introduced a regulation which stipulates that the tax authority shall be responsible for either violating the deadline set for the cancellation of the suspension of operations on accounts of tax-paying organisations, or the deadline for forwarding such a decision to a bank. It also clarified the procedure for tax inspections and the formalisation of tax inspection results. The law introduced a regulation on inadmissibility of illegally-obtained evidence. Due to the fact that these changes in the tax law were mostly favourable for the taxpayer, the Company had no additional tax liability risks in 2009.

#### Licensing Requirements

In 2009, no changes were introduced into the requirements set for the licensing of the Company's operations, which resulted in the absence of legal risks for the Company.

#### Judicial Risks

During the analysis of judicial opinions in 2009, no changes were introduced in the areas involving the Company's financial and business operations. Therefore, a possibility of legal risks related to the Company's business operations, as well as resulting from changes in judicial opinions, was estimated as marginal.

7. Issuer's Risks.

The Ordinance No. 744 of the Government of the RF, dated September 15, 2009, 'On Amendments to Acts of the Government of the RF regarding the Federal Antimonopoly Service' assigns the control over the operations of power industry players on the wholesale and retail markets of electricity and capacity to the Federal Antimonopoly Service. The Ordinance No. 929 of the Russian Government, dated November 14, 2009, 'On the Procedure for State Regulation of the Power Industry; On the Implementation Requirements and Termination of Public Regulations and On Introducing Changes to the Rules of the Wholesale Market of Electricity



(Capacity) of the Transitional Period' defines the procedure for public regulation of the power industry. This regulation can be introduced on several occasions envisaged in the Federal Law No. 35-FZ, 'On the Electrical Power Industry', dated March 26, 2003.

According to this federal law, public regulation of the power industry could also be exercised in the following cases (except for regulations of business activities of natural monopolies): when there is a temporary cumulative shortage of electricity in several price zones of the wholesale market or on the wholesale market as a whole; when there is constant competition due to technological reasons; in emergency situations.

It is established that the decision to implement and terminate public regulations shall be introduced in an act issued by the Government of the RF. This act should specify the duration of such public regulations. The public regulations shall be implemented through a two-stage process (the transition to the second stage is made when the rate of electricity price fluctuations exceeds certain levels). The Ordinance also determines requirements set for the Federal Tariff Service regarding the regulation of electricity tariffs (a fixed correlation of prices to the records of generating equipment in the projected balance for 2007). The 'Rules of the Wholesale Market of Electricity (Capacity) of the Transition Period', approved by the Ordinance No.643, dated October 24, 2003, include new sections which give detailed specifications on price regulations at the time when public regulation of the power industry is in effect.

New formulas for the indexation of regulated prices (tariffs) for electricity which are used in sales and purchase agreements, were approved in the Decree No. 268-e/1, issued by the FTS of Russia, dated October 30, 2009, 'On Approval of Formulas for the Indexation of Regulated Prices (Tariffs) for Electricity (Capacity), the Procedure for Application of Such Formulas, as well as the Procedure for Determining Target and Actual Values Used in the Specified Formulas'.

These formulas define the correlation between the price of one unit of electricity (capacity) and the forecast inflation for the corresponding year, fuel price fluctuations, technological specifics of electricity generation (the entities operating in the nuclear segment shall comply with dutifully approved programmes aimed at improving safety of atomic power stations at all stages of their operation and development), water tax rates (for hydroelectric power stations), and also changes of other taxes and levies paid by suppliers of electricity under the contracts regulating power industry operations and participation on the wholesale market of electricity (capacity), according to the legislation which regulates the power industry.

The accounting of costs incurred by suppliers of electricity and taken into account when calculating electricity and capacity tariffs was specified in the FTS Decree No. 269-e/2, dated October 30, 2009, 'On Changing Practical Policies for the Calculation of Electricity and Capacity Tariffs under Sales and Purchase Agreements, according to the Regulated Tariffs (prices) on the Wholesale Market, Approved by the FTS Decree No.199-e/6, Dated September 15, 2006'.

According to the amendments introduced to the 'Practical Policies for the Calculation of Electricity and Capacity Tariffs under Sales and Purchase Agreements, according to the Regulated Tariffs (prices) on the Wholesale Market, Approved by the FTS Decree No.199-e/6, Dated September 15, 2006', it was determined that the calculation of electricity (capacity) tariffs for the wholesale market suppliers (which are located in the areas included into wholesale market price zones) shall take into account capital expenditures (investment) on the extended reproduction. Such investments shall not be associated with an increase in the available output which could exceed a basic long-range capacity.

These changes affected the procedure set for organising the Company's operations, as well as the pricing procedure on the electricity and capacity market. However, the risk of losses which might result from the mentioned changes remained minimal in 2009.



## Review of the WMEC Model

At present, the Russian Federation has a two-level (wholesale and retail) market of electricity and capacity. The buyers and sellers on the wholesale market include generating companies, operators of import/export of electricity, sales organisations, network companies (buying electricity to cover transmission losses) and large consumers. The players of the wholesale market can act as both sellers and buyers of electricity and capacity. In order to obtain the status of a wholesale market participant, an organisation should satisfy the requirements listed in the Rules of the Wholesale Market of Electricity (Capacity) and the Agreement on Joining the Wholesale Market Trading System, which were approved by Ordinance No. 643 of the Russian Federation, dated October 24, 2003. The majority of the country's generating assets are distributed among 6 wholesale generating companies (WGC), the federal wholesale hydro-generating company (JSC RusHydro), 14 regional generating companies (RGC) and the state-owned holding, Rosenergoatom. Main high-voltage electricity lines are managed by the state-owned Federal Network Company (JSC FSK UES). Public stakes in inter-regional distribution network companies (MRSK) were transferred to JSC MRSK Holding. The dispatch control of the Unified Energy System of Russia is carried out by the System Operator (JSC SO UES). Other large companies include the state-controlled, vertically-integrated holding JSC RAO UES Vostok, which provides the generation, distribution and sales of power in the Far Eastern regions, and JSC Inter RAO UES, which is the operator for the export/import of electricity. This company also owns generating assets both in Russia and abroad.

The wholesale market of electricity and capacity operates in the regions grouped into price zones. The first price zone includes the European part of Russia and the Urals; the second price region includes Siberia. The sales of electricity and capacity in the non-price regions (Arkhangelsk and Kaliningrad districts, the Republic of Komi, regions in the Far East) is regulated by special rules due to the fact that technological conditions make it impossible to establish market relations.

## Underlying Principle of the WMEC

Two types of commodities are traded on the wholesale market: electricity and capacity. Capacity is a special type of commodity which gives a participant of the wholesale market a right to request that the seller of capacity should have the power-generating equipment on stand-by in order to generate electricity of the required quality and volume which would satisfy his demand for electricity.

The wholesale electricity market has been functioning, in its current state, from September 1, 2006 when the Ordinance of the Government of the RF introduced new rules defining the operation of the wholesale market of electricity (capacity).

The Ordinance determines that, starting from January 1, 2007, electricity sold at regulated prices (tariffs) on the wholesale market, should be supplied according to the following shares of the basic long-term volume of electricity:

- From January 1 to June 30, 2007 - 95%
- From July 1 to December 31, 2007 - 90%
- From January 1 to June 30, 2008 - 85%
- From July 1 to December 31, 2008 - 75%
- From January 1 to June 30, 2009 - 70%
- From July 1 to December 31, 2009 - 50%
- From January 1 to June 30, 2010 - 40%
- From July 1 to December 31, 2010 - 20%

From January 1, 2011 electricity and capacity will be sold on the wholesale market at free (unregulated) prices, except for sales to citizens and other similar categories of consumers.

The volume of electricity which is not covered by regulated contracts is sold at unregulated prices under free contracts of the next-day-market (NDM) and the balancing market (BM).

According to free contracts, market participants make independent decisions about business partners, prices and supply volumes. Another type of contracts circulating on the market apart from free contracts, is free purchase-and-sale contracts for electricity and capacity (FCEC) FCEC involve sale and purchase of a certain amount of electricity and a simultaneous payment for a certain volume

of capacity to the supplier. There are stock and over-the-counter (OTC) FCEC. Stock FCEC are standardised contracts specifying the volume of electricity and capacity, deadline and period for the supply, as well as supply schedule (days of the week, hours of the day), etc. Trading of stock FCEC is carried out on authorised stock exchanges (currently, JSC Arena Stock Exchange). OTC FCEC could be signed between business partners either under regulated contracts, or in relation to electricity and capacity produced on the generating equipment commissioned after 2007.

The next-day-market (NDM) is a competitive selection of price bids from sellers and buyers. The selection is carried out by a commercial operator (JSC ATS) one day before the actual supply of electricity. It defines prices and volumes of the supply for each hour of the day. The NDM uses marginal pricing, i.e. the price is determined through the balance of supply and demand; it is valid for all market players. The NDM price is set for each of approximately 8000 units of both price zones.

Price indices and trading volumes on the NDM are published daily in the JSC ATS web site.

The volume of electricity sold under bilateral and NDM contracts define the target consumption of electricity. However, the actual consumption is inevitably different from target values. The trading of deviations from target output / consumption is carried out on the balancing market in real time. Besides, three hours before each actual delivery, the System Operator (JSC SO UES) holds an additional competitive selection of suppliers' bids which take into account a long-range consumption

within the power system, economic efficiency of power plants and system safety requirements.

From June 1, 2008 the trading of capacity is carried out through a competitive selection of capacity (CSC) by the system operator. Wholesale market players who were selected through the CSC are entitled to submit a number of bids not exceeding the maximum available output, registered in the forecast balance for the corresponding regulated period by the FTS of Russia.

The bid price for the generating equipment which was not registered in the 2007 forecast balance shall not exceed the tariff set by the FTS of Russia. The bid price for the equipment commissioned after 2007 (i.e. new generation) should not exceed an economically feasible level calculated by the IP The Market Council according to the approved methodology. In compliance with the capacity market rules, all capacity selected through CSC should be paid for by consumers.

Liberalisation of the capacity market is rolled out together with the liberalisation of the electricity market.

Sales and purchase of capacity at regulated prices (tariffs) should be carried out under regulated contracts and in compliance with the established liberalisation pace. Atomic and hydroelectric power stations are regulated through a special mechanism: sales of capacity at regulated prices, namely, capacity sales contracts (CSC) designed by a commercial operator.

Competitive trading of capacity is done under free sales-and-purchase of contracts for electricity and capacity (FCEC), as well as under SPA contracts and on the commission basis.



## **Development Strategy**

**WGC-3 Strategy Projected to 2020**

**Growth Prospects**

**Coal Strategy**

**Priority Business Activities**

**Improving Performance**

## Development Strategy

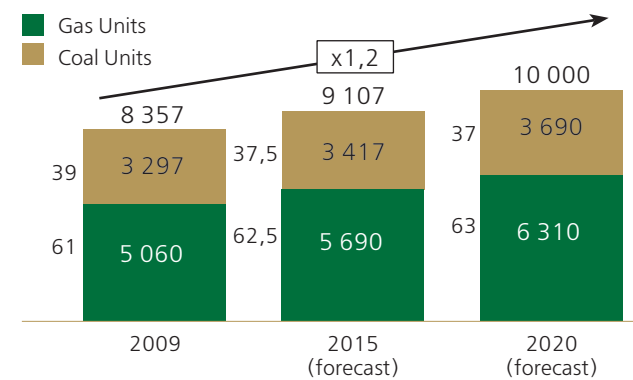
### WGC-3 Strategy up to 2010

The WGC-3 Development Strategy which was approved by the Board of Directors in November 2009 is a part of the Company's strategic management. The Strategy will involve all levels of governance and will include such elements as a system of balanced indicators, the budgeting system, the system of business planning and the forecasting system. This Strategy which was newly adopted by the Company's Board of Directors was developed taking into account the difficult economic situation in the country. On the one hand, this system takes into consideration remaining risks of output decline and on the other hand, it focuses on the recovery of growth of electricity consumption after the economic slump in 2008 and 2009. A correction of the underlying scenario of the Company's Development Strategy happened due to a change in the domestic macroeconomic situation and the environment on the liberalised electricity and capacity markets. These changes contributed to the shift of the primary focus and corporate development priorities of the Strategy. Following the analysis and the forecast of electricity consumption, the Company revised its plans to increase total capacity. At present, these plans are more realistic: in 2020 the Company's total capacity net of the disposed old equipment will amount to 10,000 MW. The Development Strategy focuses on the maximum use of the Company's existing potential, as well as expanding its share on electricity and capacity markets. On the back of the decreasing electricity consumption, the Company will primarily focus on efficient use and development of existing capacities, as well as searching for internal sources of growth and efficiency.

### Growth Prospects

Priority development objectives for WGC-3 are ensuring uninterrupted power supply to consumers, health and occupational safety, improving staff potential, enhancing staff qualifications, as well as keeping traditions and succession of generations in the power industry. The Company is planning to achieve these objectives through the implementation of its investment

Fig.2 Total Capacity by Type of Generation, MW



programme. This programme is focused on the construction of new generating units with outstanding technical and economic characteristics based on innovative technologies in the power industry. At present, the Company's investment programme stipulates the construction of new units with the total capacity exceeding 2,135 MW. These units will be located in the European part of Russia, the Urals, Siberia and in the Southern Federal District.

In order to increase efficiency, the Company is planning to implement projects aimed at optimising and automating its management and production business process, modernising repairs and maintenance, as well as going through with a large-scale programme focused on modernisation and improvement of safety of the existing equipment. When completed, these projects could achieve a total annual benefit of up to 1 bn roubles.

We would also like to mention projects focused on vertical integrations namely, setting up of the Company's internal fuel base. JSC WGC-3 is planning to increase its share of the electricity market by increasing the capacity factor of existing equipment. The Company will implement a large-scale use of new market tools for the sale of electricity and capacity on corresponding markets in order to maximise sales efficiency.

WGC-3 plans to abide by the strictest environmental requirements enforced by Russian and international laws and standards for generating capacities. The Company will implement an environmental management system to achieve these standards,

as well as carrying out operations to optimise water use, recycle ash and cinder waste and cut down greenhouse gas emissions. New units will be built using state-of-the-art technology and environmental solutions.

Priority development directions of WGC-3 will focus on providing reliable power supply to consumers, ensuring occupational health and safety, increasing staff potential, improving staff qualifications, as well as keeping traditions and succession of generations in the power industry.

### Coal Strategy

The Company's Coal Strategy was approved within the Development Strategy which had been approved earlier by the Board of Directors. The development and the following approval of the strategy were called for by a high share of coal in the WGC-3 fuel balance. The objective of the Coal Strategy is to determine the actions which will ensure uninterrupted and reliable supply of quality coal at a price which guarantees a high output efficiency of electricity generation.

Key priorities of the implementation of the WGC-3 Coal Strategy are as follows: transfer to long-term cooperation with suppliers, diversification of the supplier structure in order to minimise a possibility of price manipulation (by monopolist suppliers), as well as further development of the Company's own coal assets. Presently, the Company is implementing the Ostalnye Zapasy coal-mine license block development, located in the Okino-Klyuchevsky brown coal deposit area. The Company has started exploration of the plot.

### Priority Business Activities

The Company's strategy will be implemented along the following lines:

- In the area of utilisation of the existing equipment:
  - load optimisation of stations due to the transfer of load to more efficient equipment and an increase in competitiveness of electric power and capacity;

- reduction of maintenance time;
- cutting down tangible costs of repairs through the optimisation of the mix of used materials;
- providing guaranteed supplies of fuel for the needs of generating stations through signing of long-term contracts with suppliers, conducting negotiations, as well as developing in-house fuel assets;
- creation of a transparent procurement process.
- Business process administration:
- implementation of the system and standards for quality control;
- development of a motivation system for the management and employees.

- Sales:
  - using opportunities in competing sectors; sales of electric power, sales of capacity;
  - diversification of the client base through reaching end consumers of electric power and capacity;
  - immediate participation on retail markets of electric power;
  - ensuring active dialogue with public authorities and non-commercial partnerships on various issues pertaining to the development of electric power and capacity markets in the Russian Federation, in order to achieve maximum liberalisation, transparency and full competitiveness on these markets.

- Investment Activities:
  - high priority development of generation in the regions where a considerable growth of demand for electric power and capacity is registered or forecast;
  - implementation of streamlined investment policy aiming at strengthening competitive advantages of the Company and, therefore, ensuring economically sound return on investment;
  - implementation of innovations and investment activities according to the newest technologies and quality standards.

- Financial operations:
  - maintaining stable profits and money flow from operations;
  - maintaining optimal liquidity levels;
  - implementation of the trade-off working capital management model.

- Corporate governance:
  - maintaining maximum transparency and active cooperation with the investment community;
  - following the best international practice in corporate governance, transparency of financial reporting and corporate structure.
- Environmental protection and occupational safety:
  - transfer to ash slag removal;
  - reduction of specific atmospheric emissions through using modern high-performance and power efficient technologies in electric power generation;
  - zero tolerance policy to workplace accidents.

### Improving Performance

One of the key implementation stages of the Company's Development Strategy is improvement of efficiency, as well as cost reduction. In March 2009, the Company launched a pilot project focused on improving industrial efficiency and management at Cherepetskaya TPP. The first stage of the project involved the creation of work groups which also included the staff working on other power plants of WGC-3.

The examination of technical and economic indicator of the power plant, the observation of the actual output and equipment support process and the sales of electricity on the wholesale market exposed all types of losses and estimated their numerical value. The working group project at Cherepetskaya TPP resulted in a detailed project designed to improve efficiency. The benefit expected from the project could reach more than 300 mn roubles per annum. The Company collected and analysed more than 500 ideas on increasing the plants' efficiency; 40 ideas were selected to be implemented. The most beneficial activities concerned the improvement of the plant's fuel system: fuel atomisers and boiler combustion safety apparatus, as well as improving the performance factor of installations through eliminating boiler inflows and increasing vacuum in turbine condensers.

The experience gained at Cherepetskaya TPP enabled the Company to launch similar operations at three more subsidiaries: Yuzhnouralskaya TPP, Pechorskaya TPP and Gusinozerskaya TPP. The expected benefit of the efficiency-increasing activities at these power plants could exceed 300 mn roubles p.a. On the whole, the Company is planning to reduce costs by about 1 bn roubles per year due to these performance-improving activities.





## **Company's Activities**

**Power Generation**

**Sales**

**Investments**

**Technological Development**

**Asset Management**

**Human Resources**

**Social Policy and Charity**

**Environmental Protection**

## Company's Activities

### Power Generation

#### Primary equipment of subsidiaries

Table 7. Characteristics of the primary power equipment of the Company's power plants

subsidiary, total capacity, type of fuel	st. No., type of power unit, boiler (KA), turbine (TA)	type of boiler unit (KA)	fuel	type of turbine set (TA)	Capacity, mW	year of commissioning
Gusinoozerskaya TPP 1100 mW coal, fuel oil (starting fuel)	No. 1 mono*	BKZ-640	browncoal	K-210-130	170	1976
	No.2 mono	BKZ-640	brown coal	K-210-130	180	1977
	No. 3 mono	BKZ-640	brown coal	K-210-130	170	1978
	No. 4 mono	BKZ-640	brown coal	K-210-130	180	1979
	No. 5 mono	TPE-215	black coal	K-215-130	200	1988
	No.6 mono	TPE-215	black coal	K-215-130	200	1992
Kostromskaya TPP 3600 mW natural gas, fuel oil	No.1 double**	TGMP-114		K-300-240	300	1969
	No.2 double	TGMP-114		K-300-240	300	1969
	No.3 double	TGMP-114		K-300-240	300	1970
	No.4 double	TGMP-114		K-300-240	300	1970
	No. 5 mono	TGMP-314		K-300-240	300	1971
	No.6 mono	TGMP-314		K-300-240	300	1972
	No.7 mono	TGMP-314		K-300-240	300	1972
	No.8 mono	TGMP-314		K-300-240	300	1973
	No.9 mono	TGMP-1202		K-1200-240	1200	1980
Pechorskaya TPP 1060 mW natural gas, associated gas, fuel oil	No. 1 mono	TGME-206		K-210-130	210	1979
	No.2 mono	TGME-206		K-210-130	210	1980
	No. 3 mono	TGME-206		K-210-130	210	1984
	No. 4 mono	TGME-206		K-215-130	215	1987
	No. 5 mono	TGME-206		K-215-130	215	1991
Kharanorskaya TPP 430 mW coal, fuel oil (starting fuel)	No. 1 mono	TPE-216	brown coal	K-215-130	215	1995
	No.2 mono	TPE-216	brown coal	K-215-130	215	2001
Cherepetskaya TPP 1285 mW coal, fuel oil (starting fuel)	No.1 double	TP-240	black coal	K-140-160	140	1953
	No.2 double	TP-240	black coal	K-140-160	140	1954
	No.3 double	TP-240	black coal	K-140-160	140	1956
	No. 5 mono	TPP-110	black coal	K-300-240	300	1963
	No.6 mono	TPP-110	black coal	K-300-240	300	1964
	No.7 double	P-50	black coal	K-300-240	265	1966

subsidiary, total capacity, type of fuel	st. No., type of power unit, boiler (KA), turbine (TA)	type of boiler unit (KA)	fuel	type of turbine set (TA)	Capacity, mW	year of commissioning
Yuzhnouralskaya TPP 882 natural gas, coal, fuel oil (starting fuel)	KA No.1	PK-10Sh	brown coal			1952
	KA No.2	PK-10Sh	brown coal			1952
	KA No.3	PK-10Sh	brown coal			1952
	KA No.4	PK-10Sh	brown coal			1953
	KA No.5	PK-10Sh	brown coal			1953
	KA No.6	PK-10Sh	brown coal			1954
	KA No.7	PK-10Sh	brown coal			1954
	KA No.8	PK-10Sh	brown coal, gas			1954
	KA No.9	PK-10Sh	brown coal, gas			1954
	KA No.10	PK-10Sh	brown coal, gas			1955
	KA No.11	PK-14R	brown coal, gas			1956
	KA No.12	PK-14R	brown coal, gas			1956
	KA No.13	PK-14R	brown coal, gas			1957
	TA No.2			K-50-90	50	1952
	TA No.3			K-50-90	50	1952
	TA No.4			P-35/50-90	35	1953
	TA No.5			PT-83/100-90	83	1996
	TA No.6			K-100-90	100	1954
	TA No.7			T-82/100-90	82	1956
	TA No.8			T-82/100-90	82	1956
	power unit	PK-33	газ	K-200-130	200	1961
	No.9 mono	PK-33	gas	K-200-130	200	1961
	power unit No. 10 mono	PK-33	gas	K-200-130	200	1961

\* mono - a power unit with one boiler per one turbine generator

\*\* double - a power unit with two boilers per one turbine generator



## Electric Power Generation

Electric power generation rose by 12.94 % compared with 2007 results. A drop in the output volume was registered at all subsidiaries of WGC-3, except for Pechorskaya and Kharanorskaya TPP.

Table 8. Electricity Output, 2007-2009 (mn kWh)

Power plant	2007	2008	2009
Gusinozerskaya TPP	4,170	5,246	3,839
Kostromskaya TPP	13,357	13,595	11,972
Pechorskaya TPP	3,648	3,793	3,823
Kharanorskaya TPP	2,335	2,625	2,735
Cherepetskaya Zhimerin TPP	3,257	3,355	3,236
Yuzhnouralskaya TPP	5,344	5,298	3,920
<b>JSC 'WGC-3'</b>	<b>32,111</b>	<b>33,912</b>	<b>29,525</b>

## Electricity Output from Bus Lines

Electricity output from bus lines dropped by 12.96% compared to 2008.

Table 9. Electricity Output from Bus Lines, 2007-2009 (mn kWh)

Power plant	2007	2008	2009
Gusinozerskaya TPP	3,786	4,790	3,487
Kostromskaya TPP	12,964	13,199	11,616
Pechorskaya TPP	3,446	3,588	3,624
Kharanorskaya TPP	2,146	2,421	2,526
Cherepetskaya Zhimerin TPP	2,932	3,021	2,917
Yuzhnouralskaya TPP	4,974	4,930	3,637
<b>JSC 'WGC-3'</b>	<b>30,248</b>	<b>31,949</b>	<b>27,807</b>

## Total Capacity Utilisation Factor

Total capacity utilisation factor (TC) in 2009 (was estimated at 40.33 %, falling by 5.87 % over 2008. A drop of TC was registered at all subsidiaries of WGC-3, except for Pechorskaya and Kharanorskaya TPP.

Table 10. TC Performance in 2007-2009 (%)

Power plant	2007	2008	2009
Gusinozerskaya TPP	43	54	40
Kostromskaya TPP	42	43	38
Pechorskaya TPP	39	41	41
Kharanorskaya TPP	62	69	73
Cherepetskaya Zhimerin TPP	26	30	29
Yuzhnouralskaya TPP	69	68	51
<b>JSC 'WGC-3'</b>	<b>43</b>	<b>46</b>	<b>40</b>

## Heat Generation

Heat output from collectors went down by 2.3 % over 2008. A drop in heat output was registered at all subsidiaries of WGC-3, except for Kharanorskaya TPP. A change in heat output happened due to the approved temperature schedule of heat network operation.

Table 11. Heat Supply from Collectors in 2007-2009 (thous. Gcal)

Power plant	2007	2008	2009
Gusinozerskaya TPP	287	306	292
Kostromskaya TPP	219	213	209
Pechorskaya TPP	318	315	312
Kharanorskaya TPP	126	129	135
Cherepetskaya Zhimerin TPP	185	191	171
Yuzhnouralskaya TPP	407	416	414
<b>JSC 'WGC-3'</b>	<b>1,542</b>	<b>1,570</b>	<b>1,533</b>

### Specific Consumption of Standard Fuel for Supplied Electricity and Heat

On the whole, JSC WGC-3 saw a decrease in specific consumption of standard fuel for the supplied electricity in 2007-2009. Compared to 2008

results, the decrease amounted to 2.2 g/kWh, and compared to 2007 results - to 3.4 g/kWh. Specific consumption of standard fuel for the supplied heat went down by 2.2 kg/Gcal compared to 2008 and by 2.6 kg/Gcal compared to 2007.

Table 12. Fluctuations in the Specific Consumption of Standard Fuel for the Electricity Supplied in 2007-2009 (g/kWh)

Power plant	2007	2008	2009
Gusinozerskaya TPP	371.4	368.6	368.8
Kostromskaya TPP	308.2	306.3	306.2
Pechorskaya TPP	330.1	328.2	325.3
Kharanorskaya TPP	353.5	351.0	350.6
Cherepetskaya Zhimerin TPP	412.7	410.8	409.8
Yuzhnouralskaya TPP	389.1	388.6	386.2
<b>JSC 'WGC-3'</b>	<b>345.3</b>	<b>344.1</b>	<b>341.9</b>

Table 13. Fluctuations in Specific Consumption of Standard Fuel for the Heat Supplied in 2007-2009 (Gcal)

Power plant	2007	2008	2009
Gusinozerskaya TPP	185.3	184.8	182.3
Kostromskaya TPP	170.5	170.6	170.7
Pechorskaya TPP	167.8	167.0	163.6
Kharanorskaya TPP	185.8	185.7	185.7
Cherepetskaya Zhimerin TPP	201.1	200.8	198.2
Yuzhnouralskaya TPP	179.6	178.4	176.6
<b>JSC 'WGC-3'</b>	<b>180.0</b>	<b>179.6</b>	<b>177.4</b>

### Fuel Balance Structure

Fuel balance of the standard fuel used for specific consumption had the following structure in 2009: coal 37.9 %; fuel oil 1.5 %; gas 60.6 %;

Compared to 2008 results, the share of fuel oil consumption dropped by 0.2 %, and the share of coal consumption went down by 2.8 % in 2009. The share of gas consumption went up by 3.1 %.

Table 14. The Structure of the WGC-3 Fuel Balance (%)

	gas	fuel oil	coal
2009	60.6	1.5	37.9
2008	57.5	1.8	40.7
2007	60.2	1.9	37.9

Table 15. Change in Fuel Consumption (thous. tonnes)

Power plant	Gas			Fuel oil			Coal		
	2007	2008	2009	2007	2008	2009	2007	2008	2009
Gusinozerskaya TPP	-	-	-	3.6	6.8	5.3	1,456	1,816	1,334
Kostromskaya TPP	3,989	4,008	3,559	44.6	70.7	34.1	-	-	-
Pechorskaya TPP	1,184	1,217	1,224	7.5	13.4	6.5	-	-	-
Kharanorskaya TPP	-	-	-	1.6	2.2	1.5	780	872	909
Cherepetskaya Zhimerin TPP	-	-	-	150.6	102.6	94.6	1,096	1,177	1,135
Yuzhnouralskaya TPP	1,277	1,263	1,145	1.2	1.5	0.6	730	726	332
<b>JSC 'WGC-3'</b>	<b>6,450</b>	<b>6,488</b>	<b>5,928</b>	<b>209.1</b>	<b>197.2</b>	<b>142.6</b>	<b>4,062</b>	<b>4,591</b>	<b>3,710</b>

Table 16. Fuel Balance Structure (%)

Power plant	Gas			Fuel oil			Coal		
	2007	2008	2009	2007	2008	2009	2007	2008	2009
Gusinozerskaya TPP	-	-	-	0.2	0.4	0.4	99.8	99.6	99.6
Kostromskaya TPP	98.9	98.3	99.0	1.1	1.7	1.0	-	-	-
Pechorskaya TPP	99.4	98.9	99.5	0.6	1.1	0.5	-	-	-
Kharanorskaya TPP	-	-	-	0.2	0.2	0.2	99.8	99.8	99.8
Cherepetskaya Zhimerin TPP	-	-	-	12.1	8.0	7.7	87.9	92.0	92.3
Yuzhnouralskaya TPP	63.6	63.5	77.5	0.1	0.1	0.0	36.3	36.4	22.5
<b>JSC 'WGC-3'</b>	<b>60.2</b>	<b>57.5</b>	<b>60.6</b>	<b>1.9</b>	<b>1.8</b>	<b>1.5</b>	<b>37.9</b>	<b>40.7</b>	<b>37.9</b>



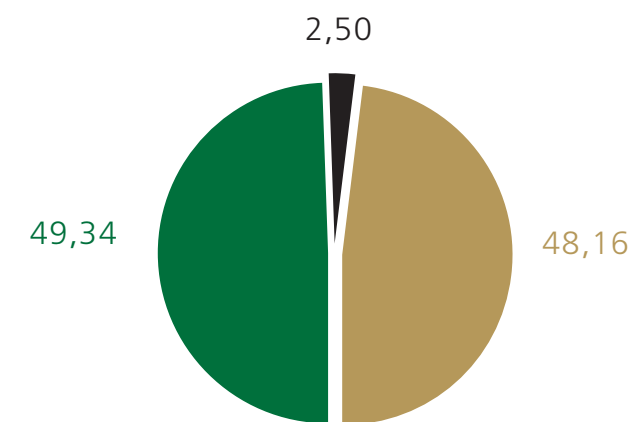
## Sales

The Company sells electricity and capacity, as well as heat, on the Russian wholesale market. Electricity sold in 2009 totalled 42,002 mn kWh, including purchased electricity.

Table 17. The actual structure of electricity sales realised by WGC-3 power plants on the wholesale market in 2009

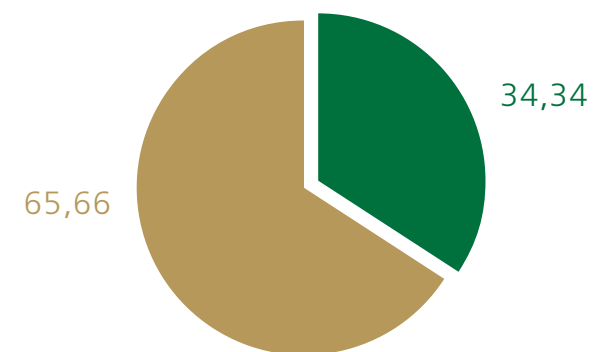
Power plant	Total sales of e/e (mn kW*h)	including:			
		produced e/e		acquired e/e	
		mn kW*h	% of overall sales volume	mn kW*h	% of overall sales volume
Gusinozerskaya TPP	4,263.47	3,460.82	81.17	802.66	18.83
Kostromskaya TPP	19,156.97	11,544.01	60.26	7,612.96	39.74
Pechorskaya TPP	3,627.29	3,598.65	99.21	28.65	0.79
Kharanorskaya TPP	2,897.55	2,511.60	86.68	385.95	13.32
Cherepetskaya Zhimerin TPP	5,243.58	2,879.76	54.92	2,363.82	45.08
Yuzhnouralskaya TPP	6,812.90	3,584.96	52.62	3,227.94	47.38
<b>Total for WGC-3</b>	<b>42,001.77</b>	<b>27,579.79</b>	<b>65.66</b>	<b>14,421.98</b>	<b>34.34</b>

Fig. 3. Electricity Sales Structure, %



■ One-day-Ahead Market  
■ Balanced Market  
■ Regulated Contracts

Fig. 4. Electricity Sales Structure, %



■ WGC-3 Electricity  
■ Acquired Electricity

Table 18. Sales Structure by Sector

Power Plant	Total sales of e/e, (mn kW*h)	including:		
		RC	NDM	BM
		mn kW*h	mn kW*h	mn kW*h
Gusinozerskaya TPP	4,263.47	2,056.77	1,950.35	256.35
Kostromskaya TPP	19,156.97	8,573.93	10,164.18	418.85
Pechorskaya TPP	3,627.29	3,324.31	289.18	13.80
Kharanorskaya TPP	2,897.55	1,306.08	1,514.18	77.29
Cherepetskaya Zhimerin TPP	5,243.58	2,062.14	2,993.30	188.14
Yuzhnouralskaya TPP	6,812.90	2,905.92	3,811.42	95.56
<b>Total for WGC-3</b>	<b>42,001.77</b>	<b>20,229.16</b>	<b>20,722.61</b>	<b>1,050.00</b>

Table 19. Actual Average Sale Prices by Wholesale Market Sectors, 2009

Power Plant	Actual average sale price of e/e including capacity, roubles/mW*h	Actual average sale price of e/e, roubles/mW*h	RC		NDM		BM	
			sale		sale, roubles/mWh	purchase, roubles/mWh	sale	purchase, roubles/mWh
			e/e, roubles/MW*h	capacity, roubles/mWh				
Gusinozerskaya TPP	964.71	514.99	530.54	123,207.85	484.77	458.59	506.11	601.02
Kostromskaya TPP	1,068.84	760.75	750.71	73,471.97	676.89	661.95	760.37	474.85
Pechorskaya TPP	960.91	672.65	667.71	82,904.94	667.61	-	680.57	678.73
Kharanorskaya TPP	858.40	392.74	386.75	231,893.73	381.61	350.29	404.70	305.42
Cherepetskaya Zhimerin TPP	1,398.27	956.48	1,080.19	76,222.70	700.32	711.57	692.85	872.23
Yuzhnouralskaya TPP	1,072.88	746.99	775.40	112,446.22	651.38	653.36	606.87	728.95

Fig. 5. The Volume of Electricity Sales on WMEC, by Sector

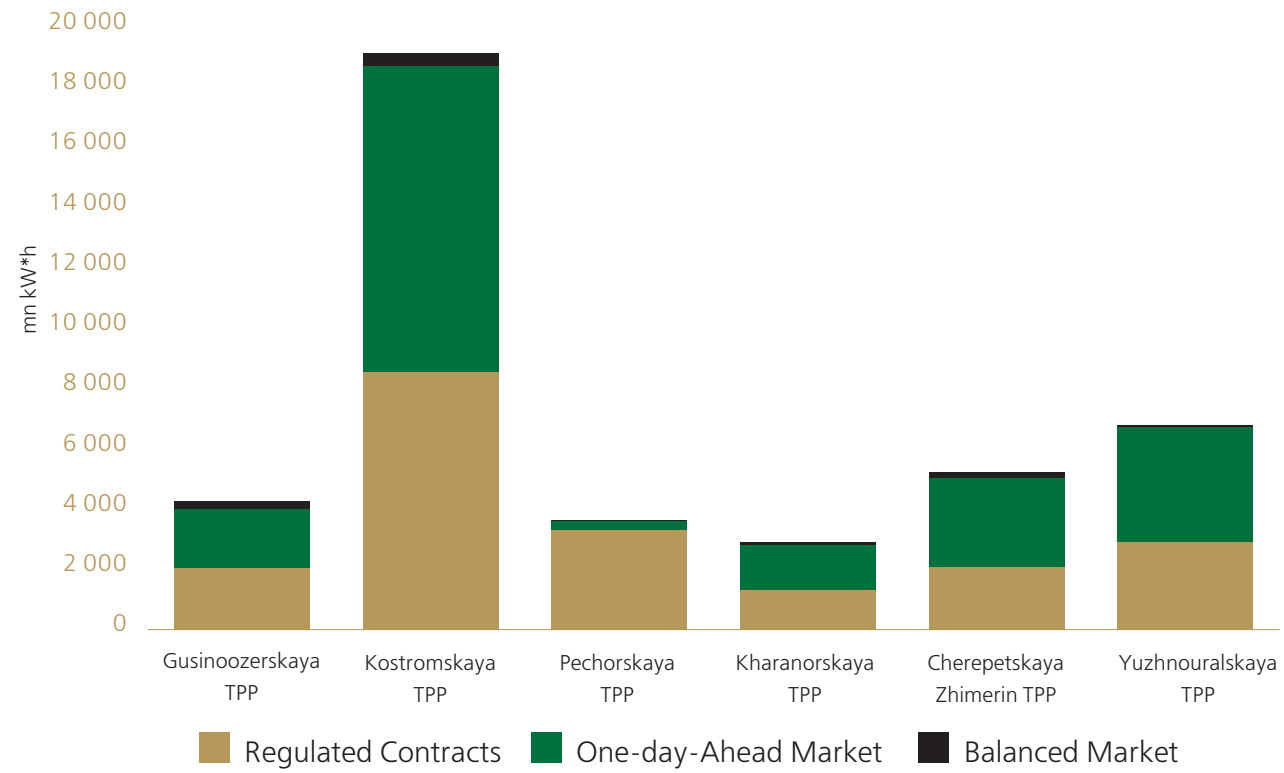


Рис. 6. Среднеотпускные цены на электроэнергию по секторам

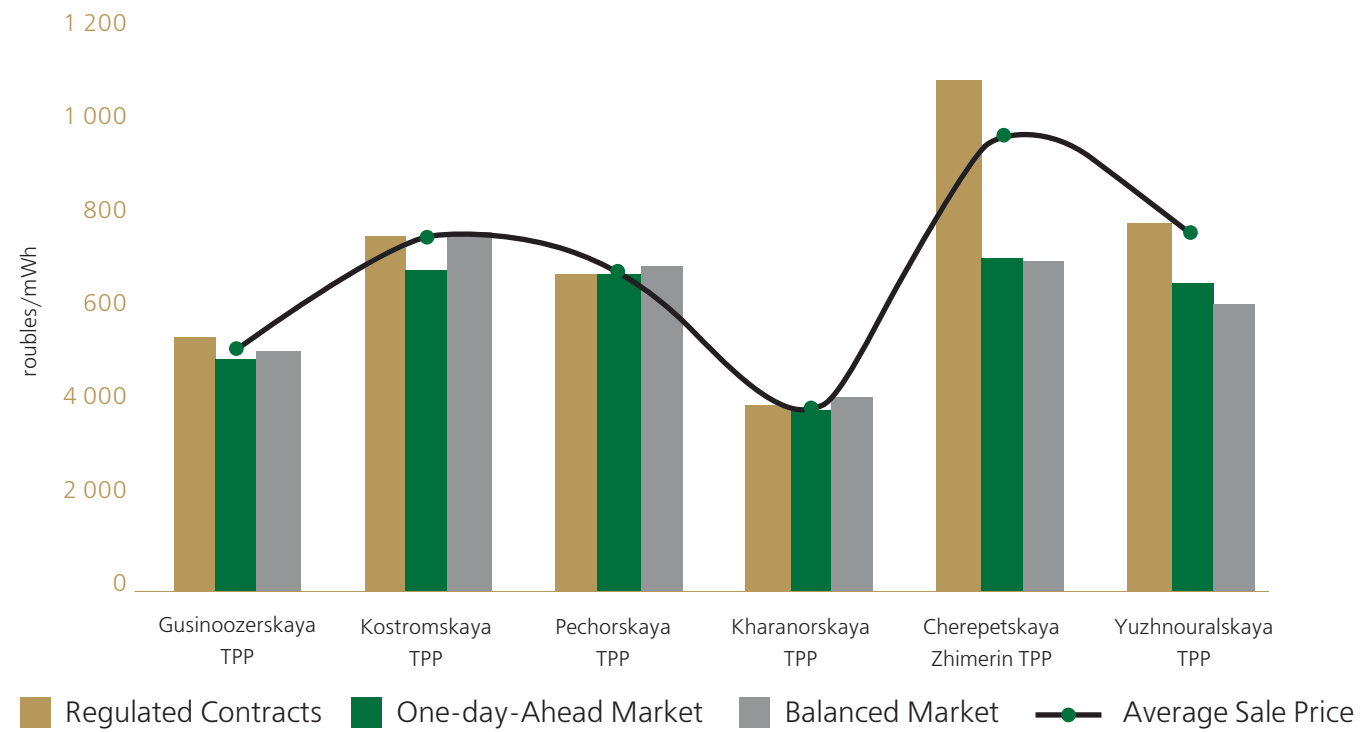


Table 20. Effective Output and the Structure of Heat Consumers, 2009

Power Plant	Output of electricity thous. Gcal/year	Share of industrial enterprises, %	Share of the population, %	Share of heat-generating organisations, %	Share of budget-funded organisations, %	Share of other consumers, %
Kostromskaya TPP	208.81	0.01		99.99		
Cherepetskaya Zhimerin TPP	166.11	3.71		96.29		
Yuzhnouralskaya TPP	402.37			100.00		
Pechorskaya TPP	261.63			100.00		
Gusinoozerskaya TPP	202.07	0.83	58.18		33.91	7.09
Kharanorskaya TPP	116.33			91.72		8.28
<b>Total for WGC-3</b>	<b>1,357.32</b>	<b>0.58</b>	<b>8.66</b>	<b>83.95</b>	<b>5.05</b>	<b>1.76</b>

Fig. 7. The Volume of Effective Heat Output of WGC-3 Subsidiaries, 2009, thous. Gcal

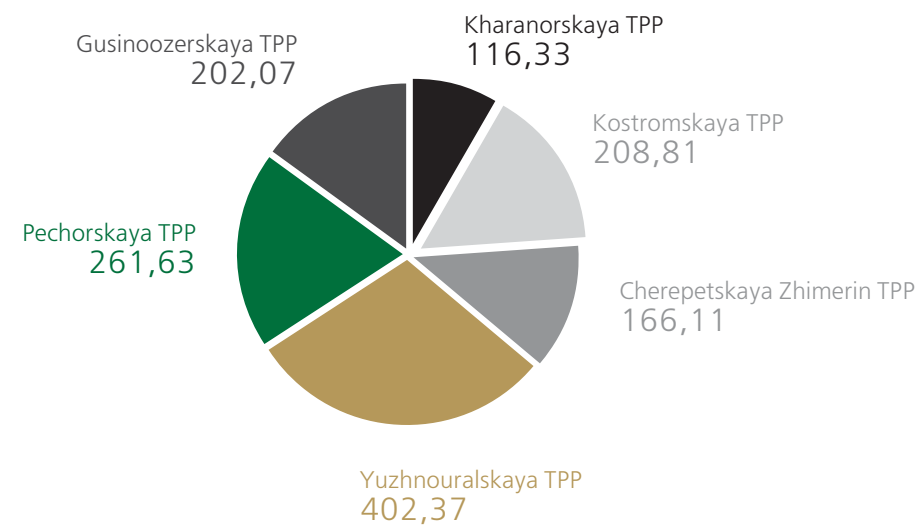
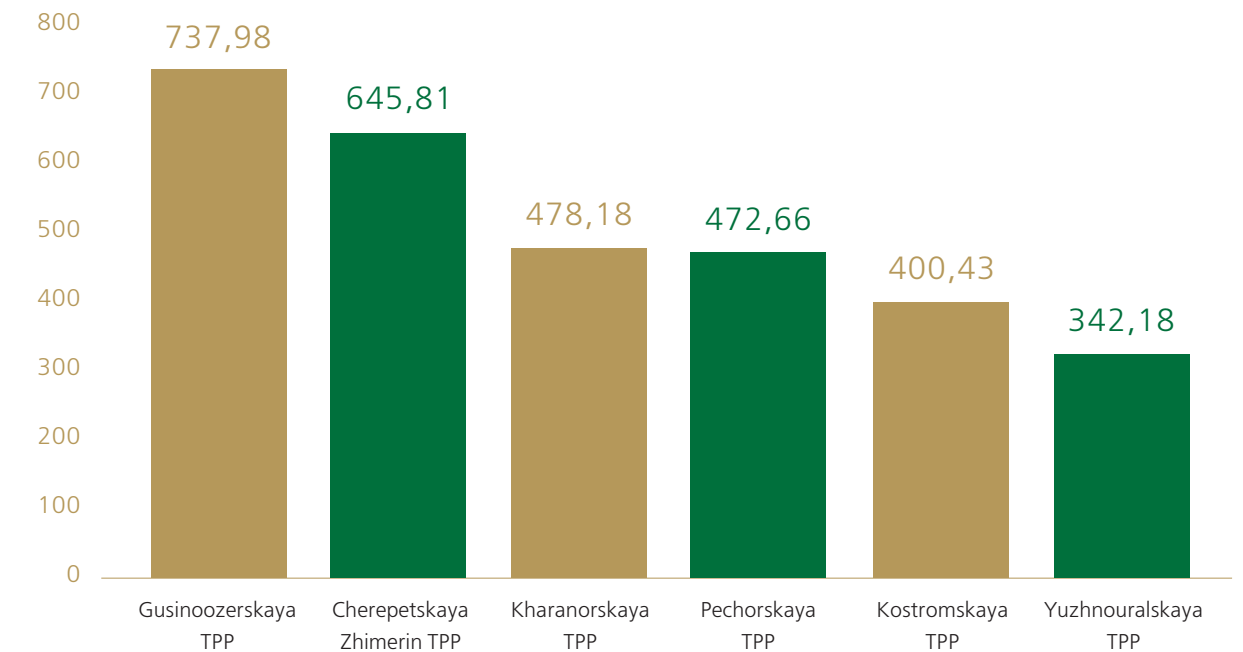


Fig. 8. Heat Tariffs of Subsidiaries (average per plant), roubles/Gcal



## Investments

As of the beginning of the reporting period, the Company had an active Investment Programme for the new constructions, approved by the BoD on August 28, 2008.

The decision of the BoD, dated June 22, 2009 (Minutes 24) approved an adjusted investment programme, which was previously approved with JSC SO UES (Minutes of the Joint Meeting between JSC SO UES and JSC WGC-3, dated June 11, 2009). This programme involves new construction and takes into account a total value of new capacities and the volume of investment. The following changes will be included in the existing investment programme:

- Under the 'Construction of Two 225 MW Power Units at Cherepetskaya TPP' project, the launch time of new power units was moved by one year, to 2012 and 2013, respectively;
- Under the 'Reconstruction and Expansion of Yuzhnouralsk TPP Using Combined Steam Gas Technology' project, the Company approved substituting two 225 MW coal-dust units (to be

launched in 2011-2012) at Yuzhnouralskaya TPP for the construction of 450 MW CCGT No.1 Unit at Yuzhnouralskaya TPP-2 (to be launched in 2012);

- Under the 'Construction of CCGT-800 MW at Kostromskaya TPP' or the alternative project taking into account proposals from JSC CDO UES, the Company approved the replacement of this project with the following measures:
  - the construction of Dzhubginskaya CTPP (180 MW capacity; to be launched in 2013);
  - the construction of Unit 2 of CCGT-450 at Yuzhnouralskaya TPP-2 (to be launched in 2017);
  - the construction of Unit 3 (170 MW) at Yuzhnouralskaya TPP-2 (to be launched in 2019).
- There were no changes under the projects 'Installation of Unit 3 (225 MW) at Kharanorskaya TPP' and 'Reconstruction and Recovery of Unit 4 at Gusinoozerskaya TPP'. These projects are scheduled to be launched in 2011.



Table 21. Investment Pipeline

No.	Project Name	Capacity, MW	Technology	Fuel	Date of Commissioning	Investment Volume, mn roubles including VAT
1	Installation of Unit No. 3 with the capacity of 225 mW at Kharanorskaya TPP (unit 3).	225	Steamer	coal	2011	10,557
2	Construction of two power units with the capacity of 225 mW at Cherepetskaya TPP (units 8, 9)	450	Steamer	coal	2012 2013	26,832
3	Construction of the Power Complex at Yuzhnouralskaya TPP-2 (Unit 1)	450	CCGT	gas	2012	17,617
4	Construction of the Power Complex at Yuzhnouralskaya TPP-2 (Unit 2)	450	CCGT	gas	2017	14,268
5	Construction of the Power Complex at Yuzhnouralskaya TPP-2 (Unit 3)	170	Steamer, CCGT	coal/gas	2019	7,016
6	Reconstruction and restoration of power unit No. 4 at Gusinoozerskaya TPP	210	Steamer	coal	2011	5,743
7	Construction of Tuapsinskaya (Dzhubginskaya) CTPP	180	CCGT	gas	2013	10,301
<b>TOTAL</b>		<b>2,135</b>				<b>92,334</b>

### Major events under the new construction investment programme, 2009

In 2009, the Company implemented the following activities under the project 'Installation of Unit 3 (225 MW) at Kharanorskaya TPP:

- The contractor (CJSC Energoproekt) completed the technical documentation, for the circulatory water pipelines, feeder deaerating plants, underground works of the turbine chamber, power boards, dust-gas-air boiler ducts, turbine set and feeder pumps foundations, oil pipelines of the main building etc.;
- The contractor supplied the following equipment to the site:
  - steam boiler TPE-216M (full set);
  - turbine generator TZFP-220-2UZ with a thyristor excitation system;
  - condenser, high and low-pressure turbine boosters (full set);
  - modular transformer TDC-250 MVA, auxiliary transformer 32 MVA, reserve auxiliary transformer 40 MVA and a reactor 100 MVA;
  - 1st and 2nd gear condenser pumps, circulation pumps;
  - fan mills - 4 sets;
  - electric precipitators;
  - combined raw coal feeders;
  - network booster (peak), fans, PRDS, cooling installations;
  - deaerating plant;
  - centrifugal blowers, input ventilation systems and other.
- The contractor finished installation of the bottom slab and columns of turbine set foundation;
- The contractor completed foundations of the boiler unit, electric precipitators, fans, three fan mills and feeder pumps;
- The contractor closed the coolant circuit of the Unit 3 bay in the main building and set up the required temperature conditions for working in winter.

In 2009, the following events took place within the implementation of the project 'Construction of Two 225 MW Power Units at Cherepetskaya TPP':

- The contractor (JSC VO Technopromexport) demolished the following buildings obstructing the construction site: wood warehouse of the electric plant; repair facility for rail motor cars and a warehouse for washing materials; a warehouse of electric equipment; staff canteen; scrap metal yard; guillotine and paint units of the JSC Tulenergoremont mechanical plant;
- The Contractor completed engineering, geodesic, geologic, hydro-meteorology and environmental surveys on the construction site, as well as inspecting two discharge facilities;
- The contractor designed and submitted for state review a part of documentation which requires approval (Project Documentation). The documentation was submitted to the Federal State Administration 'Glavgosexpertiza of Russia'. The contractor developed several sections of the working documentation;
- Preliminary construction works have started on the construction site.

In 2009, the following events took place within the implementation of the project 'Reconstruction and Recovery of Unit 4 at Gusinoozerskaya TPP':

- The contractor received a decision of the Ministry of Economic Development of the RF about the establishment of a fuel schedule for the 1st stage of Gusinoozerskaya TPP, taking into account the volume of fuel consumption of ungraded power unit No.4;
- On September 10, 2009 JSC WGC-3 and CJSC Energiya-Service signed an EPC contract for 'Technical Upgrade of 210 MW Power Unit Number 4 at Gusinoozerskaya TPP';
- The Company transferred the construction site to the contractor for preliminary operations and demolition of the boiler unit equipment and the turbine building of power unit number 4;
- The contractor signed a contract with JSC Sibenergomash for the delivery of boiler BKZ-640-140-PT1; the contractor also approved technical requirements for the delivery;
- The contractor signed contracts with CJSC Kuzbassenergoremont and CJSC PO Mezhtregionenergосervice for the dismantling of equipment and pipelines of the turbine building and the boiler unit;

In 2009, the following changes took place within the implementation of the project 'Construction of the Power Complex at Yuzhnouralskaya TPP-2':

- Land slots assigned for the construction were transferred from agricultural to industrial land; the Company signed lease agreements for these slots;
- Issues regarding the construction of the Power Complex at Yuzhnouralskaya TPP-2 were addressed during a public hearing in Kamenskiy village, Uvelskiy District;
- The Company signed a contract with JSC FSK UES for technological connection to electricity networks; we also signed an additional agreement No.1 regarding the cost of the connection;
- The Ministry of Economic Development of the RF signed a permit for gas use (establishment of the fuel schedule). The Ministry of Construction and Roads of Chelyabinsk Region issued a permit for the use of natural gas;
- On October 16, 2009, JSC WGC-3 and CJSC Atomstroyexport signed an EPC contract for the design, delivery and construction in regard of the project 'Construction of the Power Complex at Yuzhnouralskaya TPP-2';
- The Company submitted a request for technical requirements for the connection of a new gas pipeline to Gazprom transgas Ekaterinburg, ltd.

In the reporting period, the following changes took place within the implementation of the project 'Construction of Dzhubginskaya CTPP':

- The Company selected a preferable construction site of Dzhubginskaya CTPP, near the village of Defanovka;
- The Company signed a contract with Chernomor UBPR, ltd. and completed engineering surveys at possible construction sites for the 'Design' and 'Site Selection' project stages;
- The Company signed a contract with JSC South Power Industry Engineering Centre for the design of a capacity output schedule of Dzhubginskaya CTPP; the Company reviewed preliminary results of three possible solutions for a technological connection;
- GK Olympstroy sent to the Company a draft Construction Agreement for the construction of an Olympic facility. JSC WGC-3 developed and submitted proposals to amend the draft Agreement;
- The Company asked the following companies for quotes on a possible annual supply and transportation of 361.5 thousand tonnes natural gas: Mezhrefiongaz, ltd., Gazpromtransgaz-Kuban, ltd., Krasnodarregiongaz, ltd. The Company submitted required thermotechnical calculations, characteristics of the designed equipment and other regulatory documents;
- The Company's Technical Council adopted the thermal CDPP model based on two LMS 100 gas turbine plants made by GE Packaged Power Inc.

## Technological Development

The most important business activity of any power company is technical upgrade and reconstruction of its key assets. These activities are aimed at maintaining a high level of safety in electricity generation, increasing output and performance of power plants, implementing new (innovative) technologies, as well as carrying out promising investment projects for the future.

In order to achieve its objectives, the Company developed a policy for technical upgrade and reconstruction of the key assets. This policy enables the Company to improve financial efficiency and to direct the flow of funds to the most promising and important projects.

The key goal of the policy is to create a safe, economically feasible, fuel efficient and rational structure of the generating capacities while using the existing potential and established development priorities.

Basic guidelines of the technical policy:

- to improve safety and reliability of generating capacities through modernisation and technical upgrade of outdated equipment while using materials and equipment that complies with modern technical standards;
- to improve the efficiency of equipment monitoring and diagnostics;
- to minimise unit cost of fuel used in generation of electricity and heat through implementing modern and highly fuel-efficient equipment;
- to increase the level of industrial automation;
- to reduce environmental impact of power plants through optimisation of the output structure, technical upgrading and decommissioning of outdated equipment;
- to increase the number of environment-oriented activities at power plants.

The programme enforces an annual full-scale renovation of existing output assets and calls for capital expenditures equivalent to maintenance spending, exceeding 1 bn roubles per year. Upgrade and expansion of key output assets strengthens the Company's competitive advantages.

One of the priorities of the technical policy is

increasing efficiency of monitoring and diagnostics of the equipment. Therefore, the Company completed a modernisation of the system used for vibration control and diagnostics on turbine set 3 of Gusinoozarskaya TPP and on turbine sets and feeder pumps of power units 1 and 7 of Kostromskaya TPP, as well as installing systems to measure mechanical values on turbines 1 and 7 of Kostromskaya TPP.

The replacement of the equipment which has served its depreciable life or standard operation time does not only increase safety, but also enhances economic characteristics. Thus, replacing feed pumps at Kostromskaya TPP with feeder pumps manufactured by KSB, brought down in-house power consumption by 5.7% due to an increase in the pump performance factor.

In 2009, the Company continued to implement promising reconstruction programmes of equipment of outdoor switchgear (110 kW and 220 kW) at its subsidiaries. The Company replaced high-voltage switches at Cherepetskaya TPP, Kostromskaya TPP and Yuzhnouralskaya TPP, as well as replacing insulators at Pechorskaya TPP.

We continued reconstructions of gas equipment of power units, which involved installation of explosion prevention systems at Kostromskaya TPP, Pechorskaya TPP and power unit 10 boiler of Yuzhnouralskaya TPP.

The Company implemented reconstruction projects for water economisers of Gusinoozerskaya TPP and Yuzhnouralskaya TPP. We also installed an early fire detection and localisation system for fuel feeder No.1 of Yuzhnouralskaya TPP. These projects were aimed at increasing fuel efficiency. As a whole, the implementation of fuel-saving projects allowed the Company to save 12,818 tonnes of fuel in 2009.

In order to mitigate the impact of harmful industrial factors on the environment, the Company modernised fly-ash collectors installed at boiler No.7 of Yuzhnouralskaya TPP. As a result, performance factor of fly-ash collectors went up from 95.5% to 99.5%.

In 2009, the gross volume of emissions went down by 11.8 thousand tonnes (app. 7%) over 2008.



## Asset Management

### Ugolny Razrez, Ltd.

The Company's fuel policy is determined by the WGC-3 Coal Strategy, which targets unification of ranks of coal presently used at the Company's stations. This unification should be implemented through a preferential transfer to ranks B and D. At the same time, the Coal Strategy intends to substitute purchased coal by in-house coal through creating a coal base and buying coal assets in order to provide uninterrupted coal supply and achieve a synergistic effect from the merger of two principal stages of the electricity generation: fuel supply and power generation.

In particular, the Coal Strategy implementation programme concerning Gusinozersk SDPP implies substitution of purchased coal by local mark 3Br coal, mined from Okino-Klyuchevsk field, located in the Bichursk district of the Buryat Republic, 120 km from Gusinozersk SDPP.

JSC WGC-3 took part in a tender announced by the Department of Subsoil Use of the Buryat Republic for the use of subsoil in order to survey and mine brown coal on a plot of land ('Ostalnye Zapasy') located in the Okino-Klyuchevsky field. In June of 2008, the Company acquired a licence for the use of subsoil.

The reserves of this plot amount to 33.8 mn tonnes of mark 3B coal (average caloric content - 4000-4400 kcal/kg) of C1+C2 category.

Test combustion of the coal mined at Okino-Klyuchevsk field, conducted in 2007 and 2008, showed that first phase boilers at Gusinozerskaya TPP (both with dry-ash removal and with slag-tap removal) can take a full load range reaching nominal value when using coal mined at Okino-Klyuchevsk field as primary fuel.

In order to develop the field and to provide supply both to Gusinozerskaya TPP and to consumers of the Buryat Republic, JSC WGC-3 established a 100%-owned subsidiary 'Ugolny Razrez'. Ltd. in the Buryat Republic. The subsidiary is registered in the town of Gusinozersk, the home town of Gusinozerskaya TPP. The key objective of this subsidiary for 2009 was completing field exploration and designing a scheme for transporting coal to the station.

### JSC RUSIA Petroleum

In October 2008, JSC WGC-3 bought 25% - 1 share of JSC RUSIA Petroleum, a gas company established in 1992 for survey, exploration and production of gas from Kovytkinskoe and Khandinskoe gas-condensate fields in the Irkutsk region. The total reserves of C1 category gas in both fields total 1.4 trillion cubic metres, reserves of C2 category gas are 517 bn cubic metres. The total reserves of C1 category gas condensate in both fields total 90 mn tonnes, the reserves of C2 category condensate reach 16 mn tonnes. More than 90% of all reserves are located on Kovytkinskoe gas-condensate field.

At present, the field is ready for payable development. The Company has developed shift camps for employees of the drilling service, as well as for the operating and maintenance staff of the field. The all-year traffic way was provided from Magistralny village to the gas field. The Company is building intra-field roads. The Company performed a number of other activities, which resulted in creating the infrastructure for the year-round well-drilling required for further development of the project.

At present, the Company sells small volumes of commodities recovered during pilot production (gas condensate and LPG) to individual consumers

in the Irkutsk region, including the Zhigalovsk district of the Irkutsk region.

The strategic plans of JSC RUSIA Petroleum involve exploration of the field and a several-stage commercial production.

The first project development stage, starting from 2014, involves annual gas supply to consumers of the Irkutsk region at a volume of 2.5 bn cu m p.a., using a local gas transportation system. The volume of capital investment into the project is estimated at RUR 15 mn.

During the second project development stage, from 2017 to 2019, the Company plans to export natural gas to China at a volume exceeding 30 bn cubic m per annum. The requirement for the implementation of this stage is the creation of a trans border gas transportation infrastructure by JSC Gazprom and JSC Rostransgaz.

The Management expects a significant synergistic effect from the acquisition of the gas asset, which is linked to the Company's investment plans, i.e. the construction of new highly efficient gas-vapour units, which require an overview of the corresponding gas limits set by JSC Gazprom for JSC WGC-3. Presently, these limits do not allow the Company to realise its full potential.

The investment into JSC RUSIA Petroleum can be considered as an instrument for the implementation of the Company's policy aiming at minimising the risks of fuel supply to new generating units and achieving price benefits in supplying gas under long-term contracts.

JSC WGC-3 is considering a possible sale of its stake in JSC RUSIA Petroleum as part of the process to recover issuing funds which were temporarily redirected to purchase minor assets in 2008.

### Plug Power Inc.

In October 2008, JSC WGC-3 acquired 34.97% of shares in Plug Power Inc. The company was established in 1997 as a manufacturer of generating stations working on hydrogen fuel on proton-exchange membranes.

The pipeline of the company includes units for standby power supply (GenSys), uninterrupted power supply (GenCore), as well as power elements for different types of load-transfer devices (GenDrive).

Primary consumers of the company's products will be wholesale chains (Wal-Mart, Metro), which have been enjoying a growth of sales volumes due to the economic crisis and the shift of consumers to economy-class goods. Among potential consumers we can also include such companies as Sysco, Bridgestone and Defence Logistic Agency (The agency supplying US Forces), which have already tested the units and bought around 700 pieces of equipment. Sales targets include manufacturing and supply to customers of more than 100,000 pieces of GenDrive equipment from 2009 to 2011.

Growth prospects of Plug Power Inc. are also linked to the implementation of anti-crisis measures introduced by the new U.S. Administration. These measures involve state support and large-scale investment in alternative sources of energy, including hydrogen energy.

JSC WGC-3 is considering a possible sale of its stake in Plug Power Inc. (through an investment bank) as part of the process to recover issuing funds which were temporarily redirected to purchase minor assets in 2008.

## Human Resources

### Underlying Principles of the HR Policy

The HR Policy of WGC-3 is aimed at creating an optimal number of staff and ensuring optimal quality of staff training, as well as building up a strong team of professionals who can effectively achieve any of the Company's goals in any given situation.

Underlying Principles of WGC-3 HR Policy:

- adherence to the legislative requirements of the Russian Federation;
- compliance with the Company's strategic objectives
- harmonising the interests of the Company and its employees.

The key tools of the WGC-3 HR Policy implementation are:

- competitive selection of candidates and familiarisation of new employees;
- remuneration and staff motivation system: performance appraisal of selected employees, structural divisions and the Company using key performance indicators;
- a package of social benefits and guarantees: voluntary medical insurance for employees and their family members, occupational pension schemes, one-off payments on special occasions, childbirth payments and other assistance for retired employees, single mothers and large families, subsidies for utility and heat payments, vouchers for resorts and healthcare and recreational facilities;
- staff development programme: training, advanced training and retraining of staff, fast-track schemes for young specialists, building of staff reserves, staff rotation.

### Key Projects Implemented in 2009

- The Company adopted decisions to reorganise several subsidiaries and affiliated companies specialising in repairs and transportation. The reorganisation is implemented to minimise operational risks and reduce costs. The transfer of staff from SACs to the Company's subsidiaries was the main reason for an increase in headcount in 2009.
- The Company initiated the development of the Provisions to facilitate the improvement of staff living conditions, in order to attract

and secure qualified staff in the Company's subsidiaries. Under the project 'Installation of 225 MW power unit No.3 at Kharanorskaya TPP', the Company decided to build housing for the employees of the WGC-3 subsidiary, Kharanorskaya TPP (Olovyanninskiy district of the Transbaikalia region).

- The Company's employees and their families received 1,053 vouchers for the Zapolyarye Resort (Sochi, Krasnodar region) to facilitate their health and prevent industry-related illnesses. The vouchers were given for professional achievements.
- The Company initiated the project 'Increasing Industrial Efficiency and Management in WGC-3'. This project is focused on providing additional staff incentives to bring down costs and to facilitate efficient management of the Company's production assets.

### Changes in Headcount

The Company's headcount went down by 104 employees (-2.0%) in 2009, compared to 2008. This change resulted from completing the 2008 optimisation of the number of WGC-3 staff. As of December 31, 2009, the number of staff went up by 321 (+6.4%), compared to last year. The main reason for such a growth is the transfer of staff from the reorganised SACs to the Company's subsidiaries.

Table 22. Headcount (employees), persons

Indicator name	2008	2009	Increase (+), Decrease (-)
Headcount (employees), persons	5,146	5,042	- 2.0%

Table 23. Headcount

Indicator name	as of December 31, 2008	as of December 31, 2009	Increase (+), Decrease (-)
Headcount (employees), persons	5,026	5,347	6.4%

### Staff Breakdown by Age

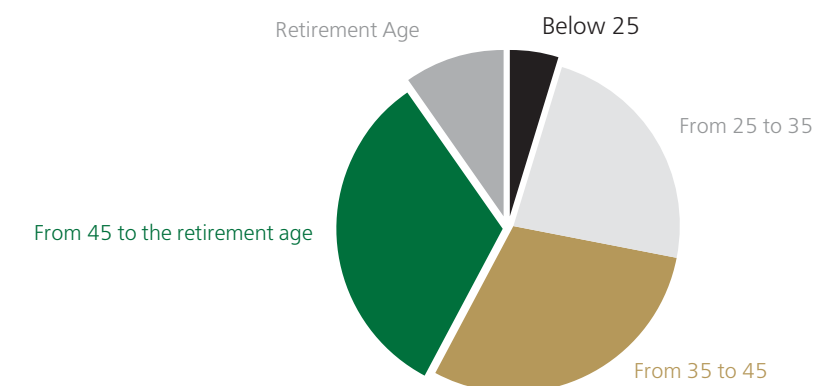
As of December 31, 2009, the major part of the Company's staff (72%) is in the 'over 35' group;

the median age of the WGC-3 employees is 41 years. The increase in headcount in older age group is due to the transfer of staff from SACs. Information on the Company's staff age structure:

Table 24. Staff Age Structure

Age groups	as of December 31, 2008		as of December 31, 2009		Increase (+), decrease (-)
	people	share in the total number of employees, %	people	share in the total number of employees, %	
less than 25 years	339	6.7%	254	4.8%	-25.1%
from 25 to 35	1,203	23.9%	1,250	23.4%	3.9%
from 35 to 45	1,526	30.3%	1,590	29.7%	4.2%
from 45 to the retirement age	1,555	30.1%	1,743	32.6%	12.1%
Employees of the retirement age	403	8%	510	9.5%	26.6%
<b>Total</b>	<b>5,026</b>	<b>100%</b>	<b>5,347</b>	<b>100%</b>	

Fig. 9. The Company's Staff by Age, 2009





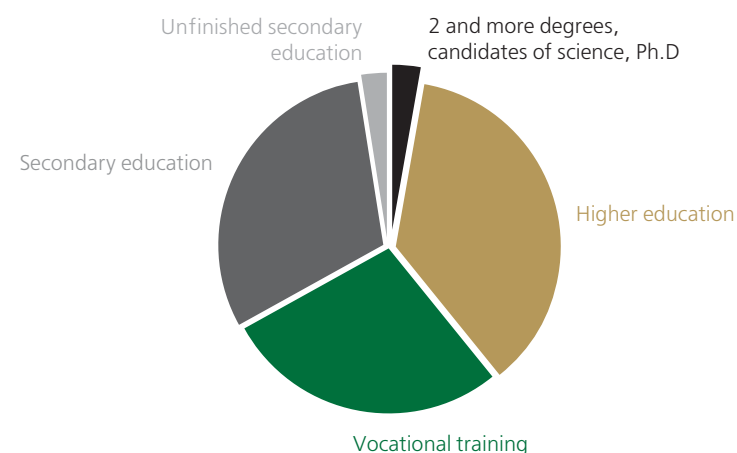
### Staff Education Level

Information on the Company's staff education level:

Table 25. Staff Education Level

Education Level	as of December 31, 2008		as of December 31, 2009		Increase (+), decrease (-)
	people	share in the total number of employees, %	people	share in the total number of employees, %	
2 or more degrees, science candidacy of Ph.D	126	2.5%	147	2.8%	16.7%
Higher education	1,846	36.7%	1,947	36.4%	5.5%
Vocational training	1,573	31.3%	1,489	27.8%	-5.3%
Secondary education	1,371	27.3%	1,643	30.7%	19.8%
Unfinished secondary education	110	2.2%	121	2.3%	10.0%
<b>Total</b>	<b>5,026</b>	<b>100%</b>	<b>5,347</b>	<b>100%</b>	

Fig. 10. Staff Education Level, 2009



### Social Policy and Charity

In 2009, following the decree of the General Director, the Company created a Charity Council, as well as developing and implementing the Provisions on the Charity and Sponsorship Council. The Council was organised in order to improve and increase efficiency of the existing charity and sponsorship policy.

The newly created Council developed charity programmes. These programmes include more than 60 initiatives to support different community, religious, educational and sport organisations in the Company's operating locations: the towns of Volgorechensk (Kostroma region), Gusinozersk (Republic of Buryatia), Pechora (Komi Republic), Suvorov (Tula region), Yuzhnouralsk (Chelyabinsk region) and Yasnogorsk (Transbaikalia region).

The Council's and the Company's key objective is to support and implement programmes for spiritual development, prevention of illnesses and facilitating health, as well as aiding social and economic development of the regions. Indeed, WGC-3 is a principal employer and mainstay of entire towns, which house the Company's power plants.

The Company has a true interest in the development of social environment, which is crucial for both the Company and its employees. Therefore, WGC-3 is facilitating social investments in pre-schools and educational establishments, orphanages,

healthcare facilities and medical programmes aimed at supporting motherhood.

We also focus on regional centres for the disabled, veteran councils, social welfare centres, Russian orthodox and Buddhist parishes. WGC-3 also helps publicly-funded organisations to solve their most pressing problems.

In 2009, the Company helped some organisations with capital repairs and finishing, funded the purchase of furniture, books, study materials, toys and computers and helped several organisations to organise Victory Day celebrations.

The Company also donated money for expensive surgeries required by its employees and their children.

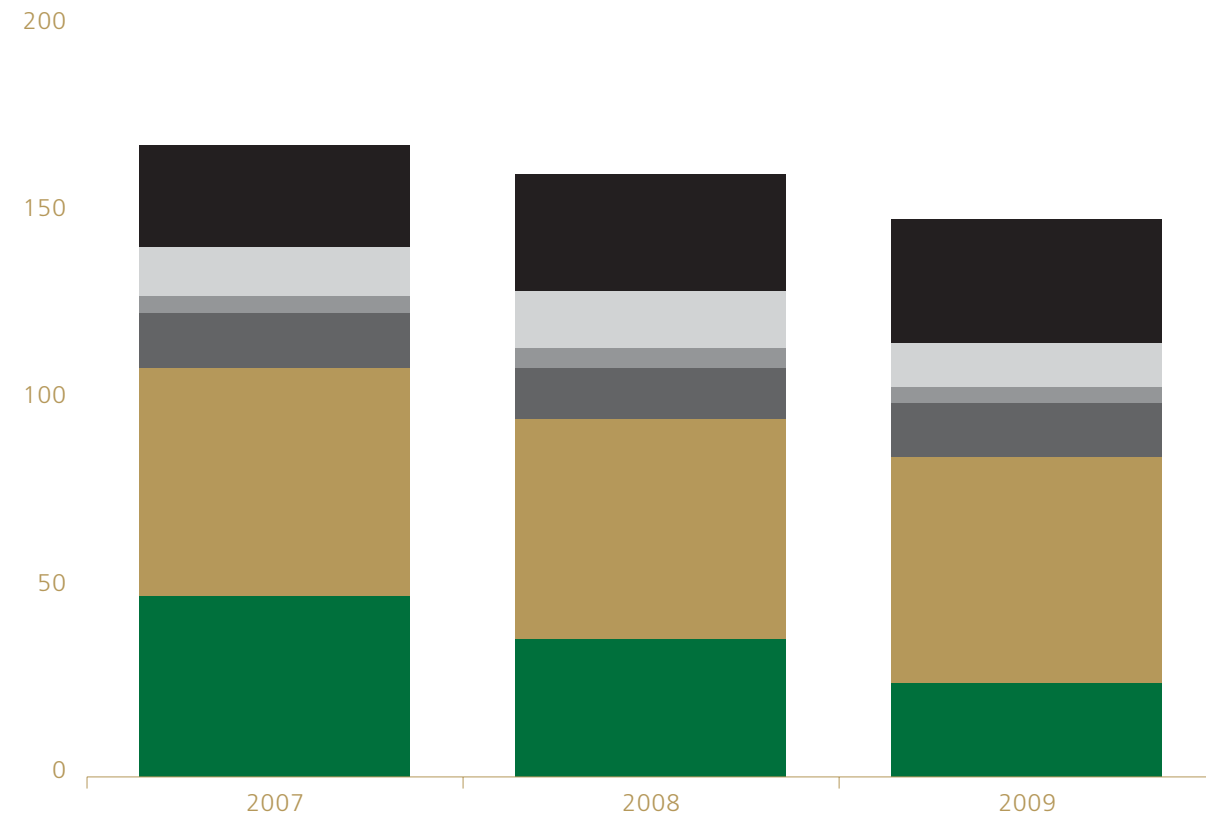
WGC-3 considers its charity and sponsorship work to be an integral part of a socially-conscious business. We will continue our charity work focusing on concrete results.

### Environmental Protection

In 2009, the Company maintained positive dynamics of key environmental indicators: emissions of pollutants, total water consumption and water removal, waste disposal volumes, amounts of fines for negative impact on the environment. It is primarily due to a substantial decrease in output. Several specific environmental indicators deteriorated due to using coals with less favourable environmental characteristics.

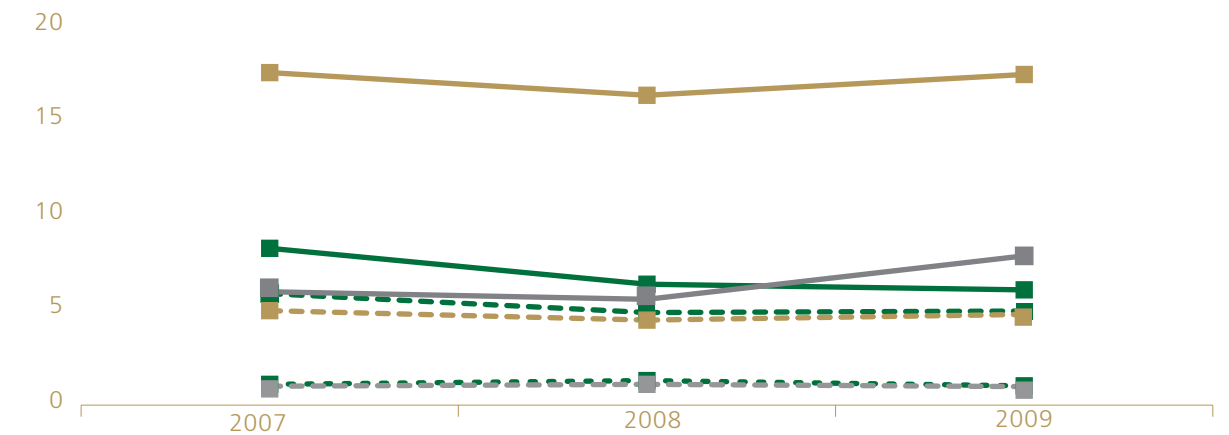
## Polluting Emissions

Fig. 11. Gross Atmospheric Emissions, tonnes/year



	2007	2008	2009
Yuzhnouralskaya TPP	48.3	36.9	25.3
Cherepetskaya Zhimerin TPP	61	58.7	60.1
Kharanorskaya TPP	14.5	13.6	14.4
Pechorskaya TPP	4.6	5.3	4.3
Kostromskaya TPP	13.1	15.2	11.9
Gusinoozerskaya TPP	27.1	31.1	32.9
<b>JSC 'WGC-3'</b>	<b>168.5</b>	<b>160.7</b>	<b>148.9</b>

Fig. 12. Total Emissions for Generated Power, kg/MWh



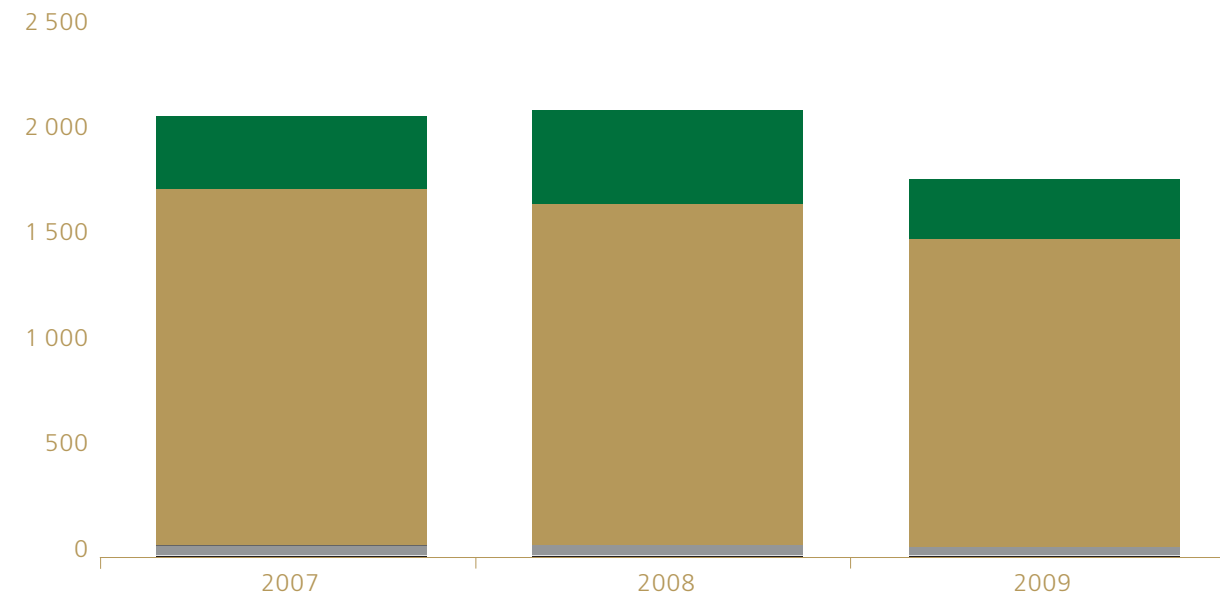
	2007	2008	2009
WGC-3	5.0	4.5	4.8
Gusinoozerskaya TPP	6.0	5.6	7.9
Kostromskaya TPP	1.0	1.1	0.98
Pechorskaya TPP	1.1	1.3	1.02
Kharanorskaya TPP	5.9	4.9	4.98
Cherepetskaya Zhimerin TPP	17.6	16.4	17.5
Yuzhnouralskaya TPP	8.3	6.4	6.1

In 2009, the gross volume of emissions went down by 11.8 thousand tonnes (app. 7%) over 2008. The reduction was possible due to a decrease in nitrogen dioxide emissions by 5.7 thousand tonnes, a decrease of coals ashes by 5.3 thousand tonnes and a 14% drop in output. The Company had no emissions exceeding the maximum permissible emission standards. Due to these reasons, specific emissions of pollutants for the Company as a whole went up from 4.5 kg/MWh in 2008 to 4.8 kg/MWh in 2009 (by 7%). The growth is attributed to emissions of ash and sulfur dioxide, which happened due to a deterioration of environmental

characteristics of coals burnt in 2009 (compared to 2008), including by the following subsidiaries: Gusinoozerskaya TPP, Kharanorskaya TPP and Cherepetskaya Zhimerin TPP. A substantial deterioration of environmental characteristics of coals also took place at Yuzhnouralskaya TPP. It happened due to an increase in burning of coal from Chelyabinsk however, it did not result in a rise of specific emissions thanks to the efficiency of sulphur and dust extraction equipment. The efficiency of the dust extraction equipment went up from 98% to 98.7% compared to 2008; the efficiency of sulphur extraction equipment increased from 9.8% to 12.1%.

## Water Consumption

Fig. 13. In-House Water Consumption from Natural Sources and from External Suppliers, mn cubic m/year



	2007	2008	2009
■ Yuzhnouralskaya TPP	4.3	3.9	3.8
■ Cherepetskaya Zhimerin TPP	3.1	5.3	4.7
■ Kharanorskaya TPP	45.0	46.8	36.2
■ Pechorskaya TPP	1.7	0.1	0.025
■ Kostromskaya TPP	1,694.6	1,624.1	1,466.1
■ Gusinoozerskaya TPP	347.6	442.8	289.5
<b>JSC 'WGC-3'</b>	<b>2,096.2</b>	<b>2,122.9</b>	<b>1,800.4</b>

The volume of water consumption from natural sources and third-party suppliers in 2009 went down by 15% compared to 2008, at the back of a 14% drop in output; total water consumption decreased by 1.7%.

A decrease in specific water consumption is attributed to an increase of share of recycled and recirculated water. In 2009 the share of circulating and chain water supply in the gross volume of water consumption was registered at 60% (59% - in 2008). The largest shares of circulating water consumption were registered in Pechorskaya TPP - 100%; Yuzhnouralskaya TPP - 99.5% and Cherepetskaya Zhimerin TPP - 99%. In 2009, the share of recirculated water at Gusinoozerskaya TPP went up from 29% to 36% due to the 2009 weather conditions. The volume of water used by the subsidiary was determined by a need to maintain a certain water temperature in the discharge canal; this temperature depends on the temperature of the water source (lake Gusinoe).

A reduction from 10% to 6.7% in the volume of recycled water at Kostromskaya TPP was also caused by weather conditions.

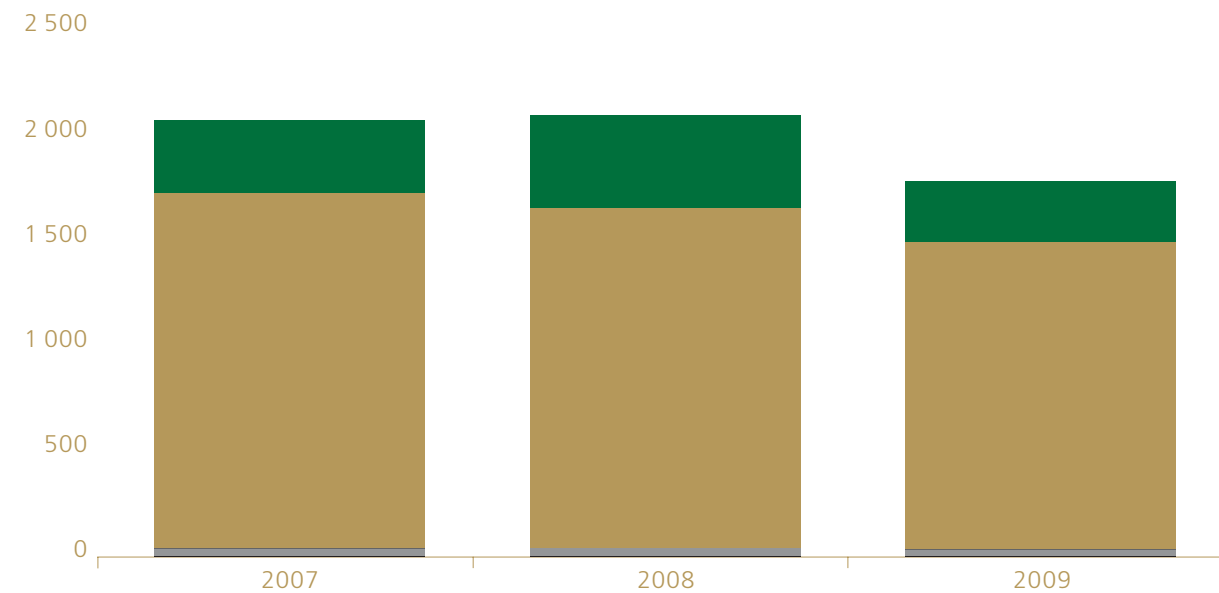
We registered a significant growth of recycled water usage at Kharanorskaya TPP (88% in 2008, 92% in 2009). It was caused by a decrease in the volume of water waste from the reservoir and the water and ash disposal system, as well as a more precise accounting for returned drainage water.

All subsidiaries extracted water from natural sources within the limits approved by local authorities of the Federal Agency of Water Resources, according to licensing conditions and/or water consumption agreements.



## Water Disposal

Fig. 14. Water Disposal into Natural Sources and to External Organisations, mn cubic m



	2007	2008	2009
Yuzhnouralskaya TPP	0.14	0.13	0.12
Cherepetskaya Zhimerin TPP	1.4	1.4	1.5
Kharanorskaya TPP	36	37	31
Pechorskaya TPP	1.9	1.8	1.7
Kostromskaya TPP	1,695	1,624	1,467
Gusinoozerskaya TPP	348	443	290
<b>JSC 'WGC-3'</b>	<b>2,082</b>	<b>2,108</b>	<b>1,791</b>

In 2009, the volume of water disposal dropped by 15% due to a decrease in production volumes. The share of pure and purified water in the total share of water waste came to around 99.8% (99.3% in 2008). For the most part, it is the water used for cooling of technological equipment in technical water supply systems.

The share of contaminated (the water, which does not comply with statutory norms) waste water in the overall volume of water disposal came to 0.2%. Contaminated waste water is drained by

Kharanorskaya TPP (ash dump drainage water), Kostromskaya TPP (rainfall discharge, waste water from the makeup demineraliser), Cherepetskaya Zhimerin TPP (water outlet of hydraulic ash handling and oily sewer systems), Gusinoozerskaya TPP (ash dump drainage water). The Company is performing design works on the reconstruction of water disposal systems of Kostromskaya TPP and Cherepetskaya Zhimerin TPP in order to reduce waste water volumes and to achieve statutory requirements for waste water quality.



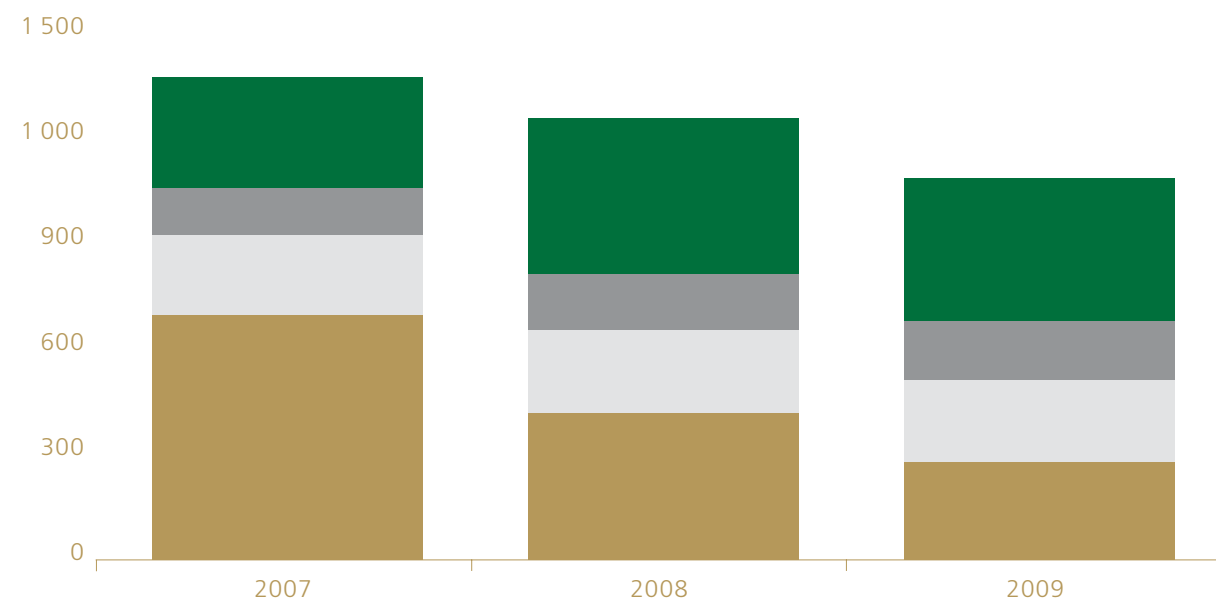


### Waste Treatment

In 2009, the Company's subsidiaries accumulated 1.093 mn tonnes of industrial and consumer waste. This figure includes 1.09 mn tonnes (99.7%), which are located on the Company's sites for permanent or temporary storage, 109 tonnes are detoxified or used in in-

house production, and 3.4 thousand tonnes are transferred to other organisation for recycling or disposal. Ash and slag waste makes up the largest share (99.6%) of waste volume. The 2009 disposal volume amounted to 2 tonnes. A reduction of ash and slag waste in the Company amounted to 14% due to a drop in output.

Fig. 15. Volumes of Ash and Slag at Ash Dumps, thous. Tonnes/year (for dry mass)



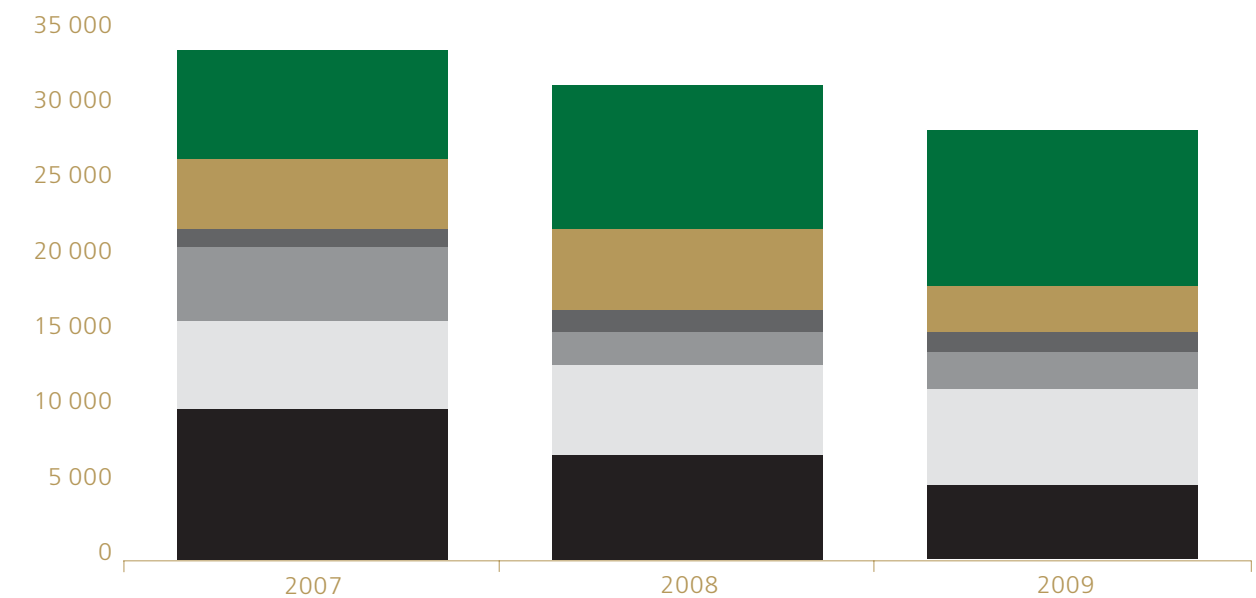
	2007	2008	2009
Yuzhnouralskaya TPP	697	418	278
Cherepetskaya Zhimerin TPP	230	237	236
Kharanorskaya TPP	134	161	167
Gusinoozerskaya TPP	315	445	408
<b>JSC 'WGC-3'</b>	<b>1,376</b>	<b>1,262</b>	<b>1,089</b>

### Pollution Penalties

The amount of accrued penalties for the negative impact on the environment went down by 9.5% over 2008: from 31.6 to 28.6 mn roubles, specific payments for a unit of generated energy

rose from 0.88 to 0.92 roubles per MWh. The increase of specific penalties was registered at Gusinoozerskaya TPP, Kharanorskaya TPP and Cherepetskaya Zhimerin TPP due to a deterioration of environmental characteristics of burnt coals.

Fig. 16. Penalties Accrued for Abuse of Environment, thous. Roubles/year



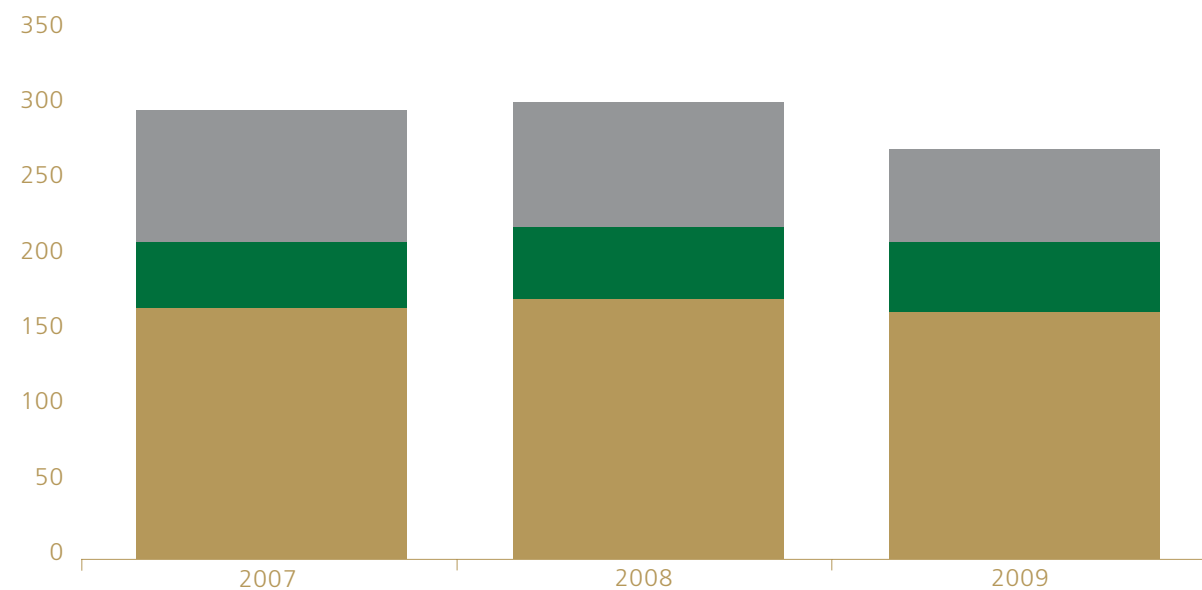
	2007	2008	2009
Yuzhnouralskaya TPP	9,994	6,961	4,916
Cherepetskaya Zhimerin TPP	5,873	5,945	6,435
Kharanorskaya TPP	4,902	2,241	2,459
Pechorskaya TPP	1,200	1,442	1,288
Kostromskaya TPP	4,715	5,408	3,090
Gusinoozerskaya TPP	7,210	9,594	10,398
<b>JSC 'WGC-3'</b>	<b>33,894</b>	<b>31,591</b>	<b>28,586</b>

Amount of penalties for the abuse of environment exceeding the limits came to 1.1 mn roubles (2.8 mn roubles in 2008), including by subsidiary: Kostromskaya TPP - RUR 577, 000, Kharanorskaya

TPP - RUR 263,000, Cherepetskaya Zhimering TPP - RUR 220,000 and Gusinoozerskaya TPP - RUR 34,000. These payments were primarily incurred due to a violation of quality standards for waste water.

## Environmental Activities

Fig. 17. Total Costs of Environmental Protection, mn roubles/year



	2007	2008	2009
Current Costs	167	173	164
Capital Repairs	44	48	47
Investment	88	83	62
<b>TOTAL</b>	<b>299</b>	<b>304</b>	<b>273</b>

The Company's current expenses involve technical maintenance costs and usage of environmental protection assets, including: costs of ongoing repairs of environmental assets, labour costs of environmental assets, costs of raw materials, fuel and electricity used during the operation of environmental assets. In 2009, the Company carried out the following environmental activities:

Yuzhnouralskaya TPP finished the reconstruction of gas-cleaning equipment of boilers at unit 7, which resulted in an increase of ash collection form 98.2% to 98.7%.

- The Company designed and installed fish protection screens at Yuzhnouralskaya TPP. We expect the project to be completed in 2010.

- The Company continued working on the design of the reconstruction of water disposal systems, sewage treatment facilities, drilling waste disposal sites at Kostromskaya TPP, as well as working on the water disposal system at Cherepetskaya Zhimerin TPP;

- The Company conducted design, construction and assembly of ash dumps at Gusinoozerskaya TPP and Yuzhnouralskaya TPP in order to increase their reliability and environmental safety.

- The Company performed repairs and adjustment of all dust-collecting equipment at all coal-burning subsidiaries in order to maintain efficiency.

- The Company constructed a dam at the Kharanorskaya TPP ash-disposal area for the protection from the Turga floods, as well as building the network of ash-disposal area of observation wells.

The Decree No.8, dated January 18, 2010 approved the Environmental Management Programme of WGC-3 for 2010. This Programme was developed according to the WGC-3 Environmental Policy, which had been ratified by a General Director's Decree No. 221, dated August 28, 2006 and the WGC-3 Provisions of Environmental Management, ratified by the General Director's Decree No. 634, dated November 19, 2009.

The Programmes' priorities include: a reduction of specific emissions of pollutants, an increase in disposal of ash and slag, liquidation of over-the-limit discharge in natural water sources.

The Company is planning to continue the modernisation of gas-cleaning units at Yuzhnouralskaya TPP in order to reduce specific pollution. It also involves installation of ring emulsifier on boilers at station 4 and 10, which would allow to increase efficiency of smoke fumes purification from ash and sulphur dioxide. This modernisation is within the scope of the Action Plan for reaching the maximum

permissible emission standards, approved by the Administration of the Chelyabinsk region. Furthermore, the Company is planning to check out the furnace equipment of the boiler at station No.5 of Pechorskaya TPP. As a result, emissions of nitrogen oxides should go down to 100-150 mg/nm<sup>3</sup>.

The Company is planning to implement the following measures aimed at water conservation: start working on the reconstruction of the water disposal system at Cherepetskaya TPP, finish the reconstruction of the flush water reservoir at Kostromskaya TPP, finish design of the reconstruction of the water-based ash disposal system at Cherepetskaya Zhimerin TPP and complete the reconstruction of sewage and industrial treatment plants at Kostromskaya TPP. The Company is planning restoration of pipelines for waste water from the makeup demineraliser to the sludge dump at Pechorskaya TPP, which would allow to eliminate the emissions of waste water No.2 to the Borovikha creek.

Furthermore, the Company is planning to implement several low-cost measures aimed at reducing the consumption of drinking water and the discharge of domestic sewage, which will result in a decrease of water consumption and disposal.

Planned activities are related to outsourcing waste disposal and servicing of waste storage facilities in order to comply to the waste handling requirements. Approximately 20% of the Programme's funding is related to construction and design operations on ash dumps of coal subsidiaries.

The Company is considering selling of ash and slag to external consumers as an alternative to the disposal of ash and slag waste at ash dumps. In 2010, the Company is planning to begin a construction of the facility for recovery and removal of dry ash from Kharanorskaya TPP. The potential output of the project could reach 200-250 thousand tonnes of dry ash.



# Performance Review and Financial Indicators

## Performance Review and Financial Indicators<sup>1</sup>

This section contains information about the analysis of performance and The Group's<sup>2</sup> financials for 2009.

In the table below you can find major financial indicators for 2009 and 2008:

Table 26. Major financial indicators of Company

	2009	2008	Change, %
Revenue (mn roubles)	39,397	38,424	3%
EBITDA (mn roubles)	4,147	3,981	4%
Net Profit (mn roubles)	4,296	6,721	-36%
ROACE	2%	3%	-10%
EBITDA Margin	11%	10%	2%
Fast Liquidity Factor (Short-term assets minus inventories/ short-term liabilities)	15	20	-24%

According to the 2009 results, the Company's<sup>3</sup> net profit in 2009 totalled 4,296 mn roubles compared to 6,721 mn roubles in 2008. The Group's earnings before interest, taxation, depreciation and amortisation showed a considerable growth of 4% and reached 4,147 mn roubles in 2009, compared with the 2008 results of 3,981 mn roubles.

Therefore, EBITDA margin grew from 10% in 2008 to 11% in 2009. The Company's EBITDA calculation was based on the Group's profit before tax, net of profits and expenses on interest, agio, amortisation and profit/loss from recognition/reversal of devaluation of the Group's fixed assets. EBITDA fluctuations in 2009:

As the graph shows, profit growth and reduction of fuel costs had a positive effect of 1,225 mn roubles on the Company's EBITDA. The analysis of fluctuations in profit and fuel costs is provided in sections 'Revenue' and 'Operational Costs'.

In 2009, the Group received profit from investment amounting to 1,337 mn roubles, compared to a loss of 800 mn roubles in 2008. This resulted in EBITDA growth (for this item) by 2,137 mn roubles. The main reasons for such a growth was a sale of shares in JSC MMC Norilsk Nickel, which was insignificantly discounted by devaluation of assets intended for sale.

The change in losses of affiliated companies amounting to 1,590 mn roubles resulted due to an equity merger of 2009 losses of JSC RUSIA Petroleum totalling 25%, along with 1H09 losses of Plug Power Inc. amounting to 35%. As of June 30, 2009, the investment in Plug Power Inc. was transferred to assets intended for sale, following the BoD's decision to sell the stake in Power Plug Inc., dated May 28, 2009. The Group is undertaking measures to sell this assets before June 30, 2010.

The drop in EBITDA was partially caused by expenses related to supporting important community institutions: educational, cultural, healthcare and sport establishments. These expenses were made according to the decision

of the General Annual Meeting of Shareholders, dated June 22, 2009. This resulted in a decrease of the indicator by 863 mn roubles.

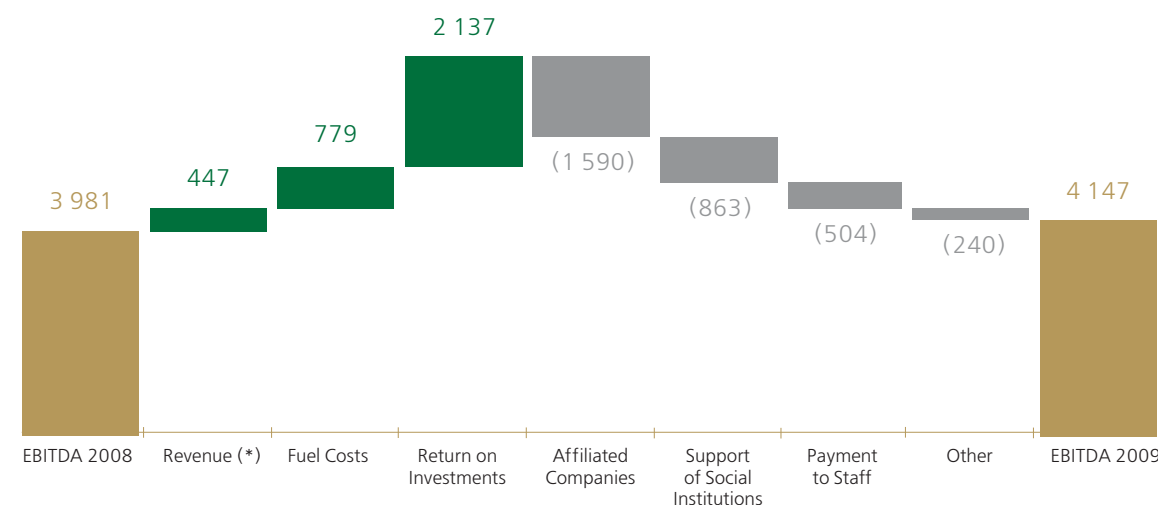
Apart from internal factors, the Company's activities are influenced by a number of external factors, including regulations of the electricity sector, cost of fuel, seasonal factors and macroeconomic development trends in Russia.

The state exercises control over the Group through tariffs and other factors. Regulated tariffs for electric energy are indexed primarily according to an average industry increase in spending on fuel, set by FTS/The Ministry of Economic Development, regardless of specific expenses of enterprises. Furthermore, these tariffs take into account only the expenses which are calculated based on the Russian Accounting Standards, without additional expenses incurred under IFRS. As a result, tariffs do not always allow the recovery the investment and do not provide the necessary funds for full recovery of fixed assets.

December of 2008 saw a launch of stock trading of free volumes of capacity limited by a corresponding degree of liberalisation.

All subsidiaries of WGC-3 can sell a certain quota of electric energy on the unregulated market, except for Pechorskaya TPP, which is located in the Komi Republic (non pricing zone of the wholesale electricity market).

Fig. 18. EBITDA fluctuations, mln RUR



<sup>1</sup> According to IFRS

<sup>2</sup> Hereunder the Group stands for JSC WGC-3 and all SACs consolidated in the IFRS financial reports.

<sup>3</sup> Herein - JSC WGC-3

\* scaled down with electricity costs

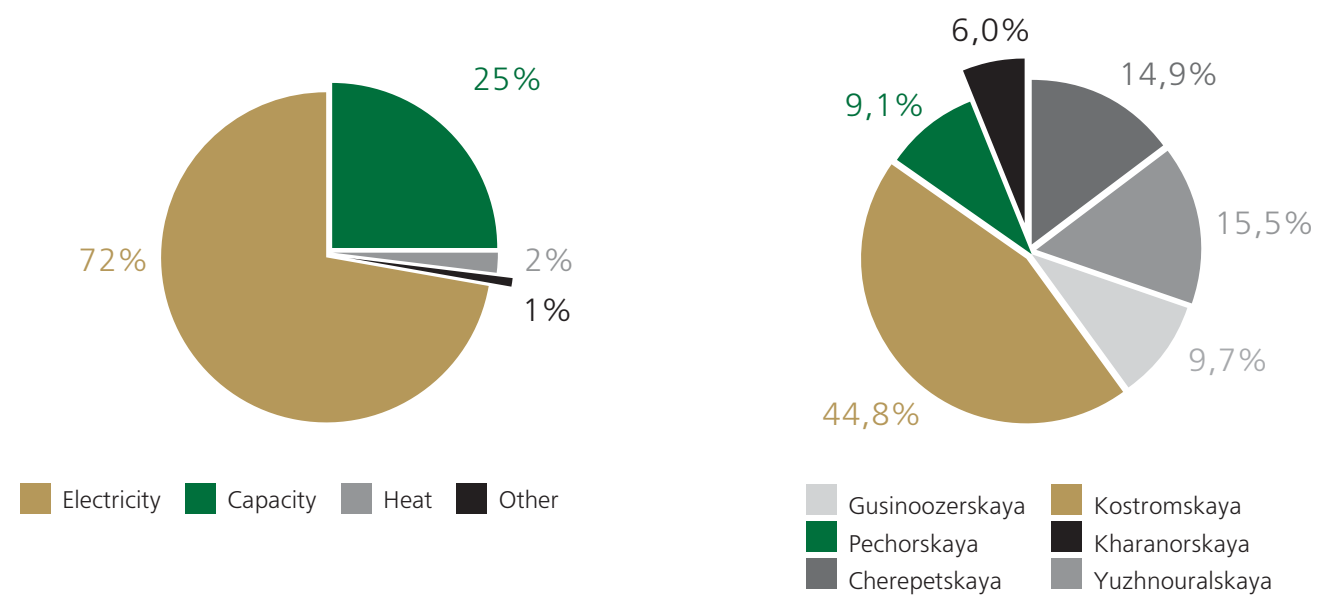


## Revenue

Gross revenue of the Group went up by 973 mn roubles or 3% in 2009. The Company earned 97.4% and 97.6% of the 2009 and 2008 gross

revenue due to sales of electricity and capacity (the graph below illustrates the 2009 revenue structure).

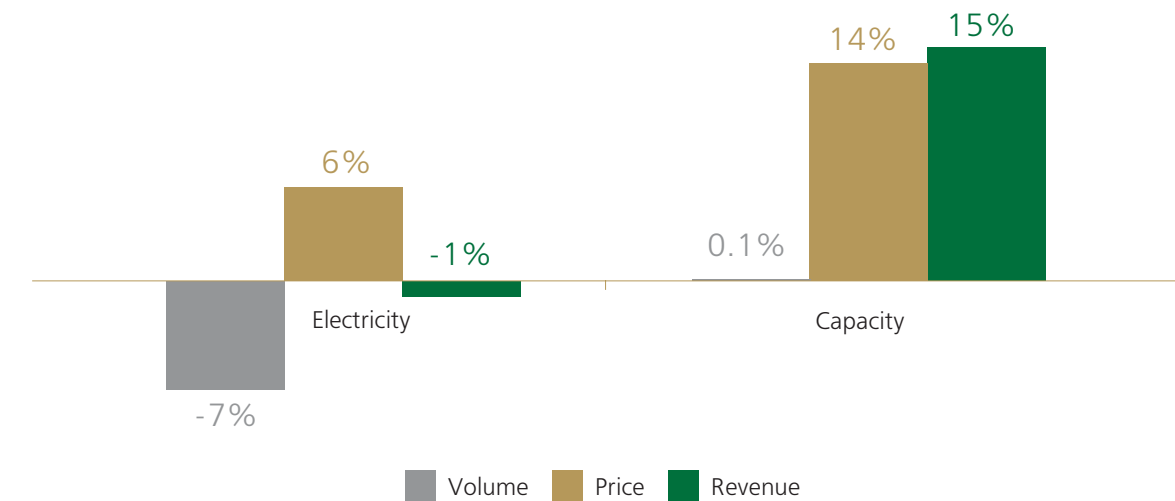
Fig. 19. Revenue Structure, 2009



A significant part of the revenue (up to 45%) is generated by Kostromskaya TPP. Revenue from sales of electricity and capacity increased by 876 mn roubles or 2.3%, from 37,496 mn roubles to 38,372 mn roubles. Revenue from sales of electricity in 2009 came to 28,604 mn roubles, which is by 1% lower than 2008 results; revenue from sales of capacity showed a 15% growth over 2008 and

reached 9,769 mn roubles. A drop in electricity sales volumes by 7% was levelled by a 6% increase of the weighted price. This allowed the Company to maintain its revenue indicators at the last year's level showing an insignificant decrease of 1%; the growth of profit from capacity sales resulted primarily from a 14% hike of the weighted price, which is detailed in the graph below:

Fig. 20. Revenue Growth Rates, 2008/2009



In 2009, electricity and capacity sales volumes came up to 42,002 mn kWh and 99,708 MW, respectively. Therefore, deviations in sales of electricity and capacity, compared to 2008,

amounted to -7% and 0.1%, respectively. The table reflects weighted tariffs for electricity, heat and capacity in 2009 and 2008:

Table 27. Tariffs, 2008/2009

	Electricity Tariff (RUR/MWh)		Capacity Tariff (RUR/MW per month)		Heat Tariff (RUR/Gcal)	
	2008	2009	2008	2009	2008	2009
Gusinoozerskaya TPP	459.17	530.54	112,991.22	123,207.85	368.99	449.74
Kostromskaya TPP	671.05	750.71	67,139.98	73,471.97	334.37	400.43
Pechorskaya TPP	526.30	667.61	75,883.94	82,904.94	376.1	472.66
Kharanorskaya TPP	342.40	386.75	213,479.07	231,893.73	429.37	478.95
Cherepetskaya Zhimerin TPP	927.14	1,080.19	63,519.70	76,222.70	583.81	645.81
Yuzhnouralskaya TPP	676.71	775.40	103,214.77	112,446.22	273.5	324.18

\* from collectors

## Operational Costs

The Group's operational costs showed a 5% growth in 2009 and amounted to 37,350 mn roubles, compared to 35,657 mn roubles in 2008. The

variable and constant component of the Group's 2009 operational costs reached 70% and 30%, respectively.

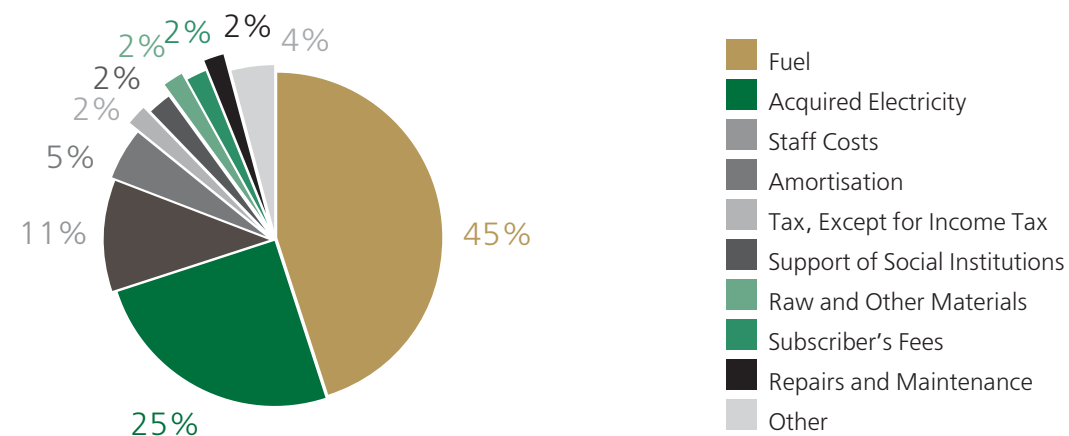
Table 28. Details of Operational Costs, mn roubles

	2009	2008	Change, mn roubles	Change, %
Fuel	17,006	17,786	(779)	-4%
Acquired Electricity	9,280	8,753	526	6%
<b>Variable Costs, Total</b>	<b>26,286</b>	<b>26,539</b>	<b>(253)</b>	<b>-1%</b>
Staff Costs	3,928	3,423	504	15%
Amortisation	1,687	1,283	405	32%
Support of Social Institutions	863	—	863	100%
Subscriber's Fees	699	576	123	21%
Other Fixed Costs	3,887	3,836	51	1%
<b>Fixed Costs, Total</b>	<b>11,064</b>	<b>9,118</b>	<b>1,946</b>	<b>21%</b>
<b>Operational Costs</b>	<b>37,350</b>	<b>35,657</b>	<b>1,693</b>	<b>5%</b>

On the whole, the growth of operational costs was caused by an increase of their constant value by RUR 1,946 mn or 21%. Major growth triggers were expenses related to the support of

important community institutions, labour costs, as well as increasing amortisation costs. Variable costs showed a downward trend (-1%).

Fig. 21. The Structure of the Group's Operational Costs in 2009

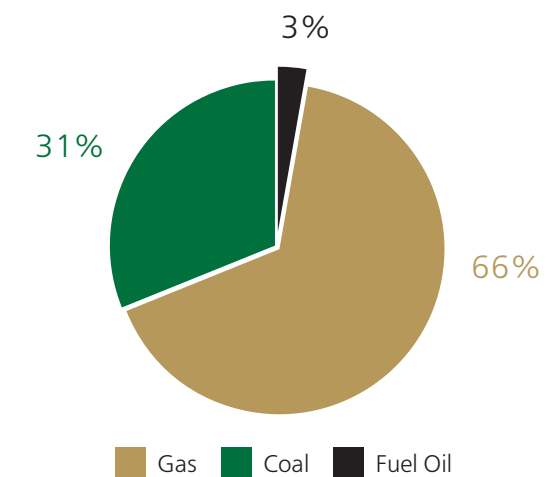


When analysing the structure of operational costs according to the IFRS standards, we have to understand that maintenance and service costs are calculated based on outsourcing costs, whereas in-house repairs are accumulated as amortisation, labour costs, cost of materials and other prime costs. Therefore, outsourcing costs came up to 30% of the Group's total repairs and maintenance costs in 2009.

The main component of the Company's operational costs was fuel cost, which amounted to 45% and 50% of the overall volume of operational costs in 2009 and 2008, respectively, including gas transportation costs.

Natural gas is the primary fuel for Kostroma SDPP and Pechora SDPP; Yuzhnouralsk SDPP uses both gas and coal and Cherepetsk SDPP, Gusinoozersk SDPP and Kharanorsk SDPP use coal as primary fuel.

Fig. 22. Fuel Cost Structure, 2009



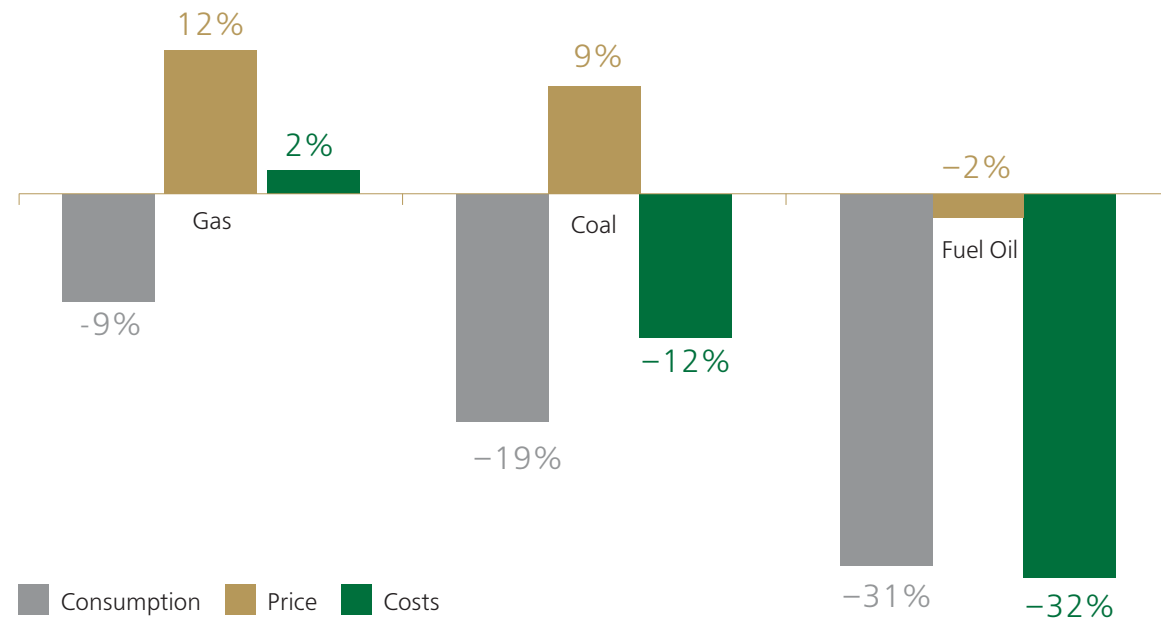
Therefore, the share of gas, coal and fuel oil in the Group's fuel cost in 2009 came to 66%, 31% and 3%, respectively. On the whole, fuel costs in 2009 went down by 779 mn roubles or 4% due to decrease in specific consumption of fuel and power generation volumes. In particular, gas costs went up

by 230 mn roubles or 2% on the back of an increase in average gas tariffs by 12%. Coal and fuel oil costs went down by 730 mn roubles and 278 mn roubles, respectively.

The correlation between fuel costs, consumption volumes and purchase prices is specified below:

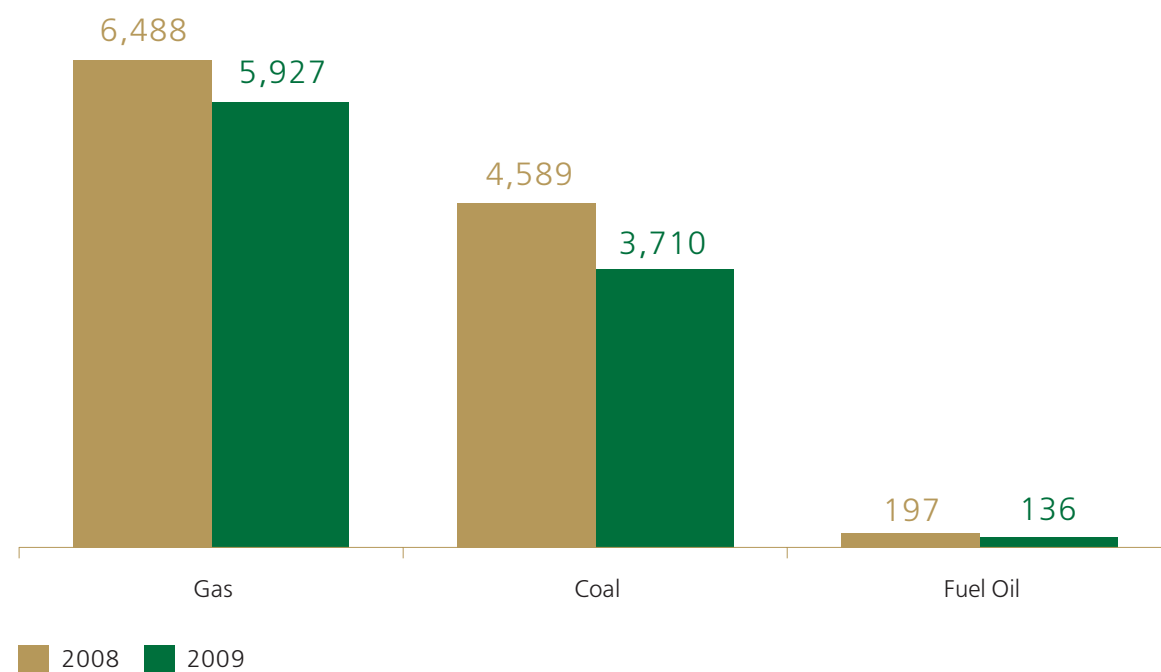


Fig. 23. Rate of Fuel Cost Change, 2009



Below you can find a graphic representation of changes in fuel consumption by type, in corresponding periods:

Fig. 24. Fuel Consumption (t standard fuel)



The Company purchases the major part of its natural gas from Gazprom and Novatek subsidiaries. The gas industry is firmly regulated by the Russian Government, which routinely increases prices for natural gas, supplied by JSC 'Gazprom'. In the reviewed periods,

the growth rate of gas and coal prices outpaced the growth of weighted prices for electricity, which had an overall effect of the Group's profitability. The table below specifies average weighted fuel prices:

Table 29. Average weighted price (roubles/t standard fuel)

	2008	2009	Change, %
gas	1,686	1,884	12%
coal	1,304	1,416	9%
fuel oil	4,377	4,297	-2%

It is currently assumed that as a result of the expected gas price growth linked to the planned liberalisation of the Russian gas sector,

generating capacities working on coal can become more competitive compared to gas-fuelled stations.

#### Seasonal Factor

Electricity sales in the Company are affected by seasons and the relative severity of climate. Demand for Electricity usually goes up in the cold winter months and plunges in summer as a result of temperature increase and the duration of day. The company usually cuts down industrial output

in summer as a response to the drop in demand and the drop in price; the Company uses this period to carry out the majority of maintenance services and repairs. In the third quarter of the year, the Company's fuel costs also go up in order to comply with the requirements for creating and sustaining a certain level of fuel reserves needed to ensure uninterrupted generation in the winter months.

### Balance, Liquidity, Working Capital

As of December 31, 2009, the Group's current assets exceeded its liabilities by RUR 54,893 mn.

Table 30. Liquidity and Working Capital

	December 31, 2009	December 31, 2008	Change, mn roubles	Change, %
Accounts Receivable and Advances Paid	3,510	3,253	257	8%
Inventories	1,888	2,856	(968)	-34%
Deposits	9	37,353	(37,344)	-100%
Financial Investments at Fair Cost through Profits and Losses	–	1,237	(1,237)	-100%
Deferred Interest	667	1,421	(754)	-53%
Cash and Equivalents	51,146	13,439	37,707	281%
Assets for Sale	958	–	958	100%
Other Short-Term Assets	471	34	437	1,284%
<b>Short-Term Assets, Total</b>	<b>58,649</b>	<b>59,593</b>	<b>(944)</b>	<b>-2%</b>
Accounts Payable	1,770	1,370	400	29%
Deferred Taxes	1,624	1,083	541	50%
Accrued Reserves	362	384	(22)	-6%
<b>Short-Term Liabilities, Total</b>	<b>3,756</b>	<b>2,837</b>	<b>919</b>	<b>32%</b>
<b>Net Working Capital</b>	<b>54,893</b>	<b>56,756</b>	<b>(1,863)</b>	<b>-3%</b>
Payables Turnover, days	41	36		
Inventories Turnover, days	49	51		

Deposits with a redemption period of up to three months (RUR 44,245 mn) were transferred to cash assets. Despite the economic slowdown, the

Group managed to maintain a high level of turnover for its accounts receivable, as well as somewhat improving the indicator for the turnover of assets.

The Group's balance structure is specified in the graph below:

Fig 25. Balance Structure as of December 31, 2008

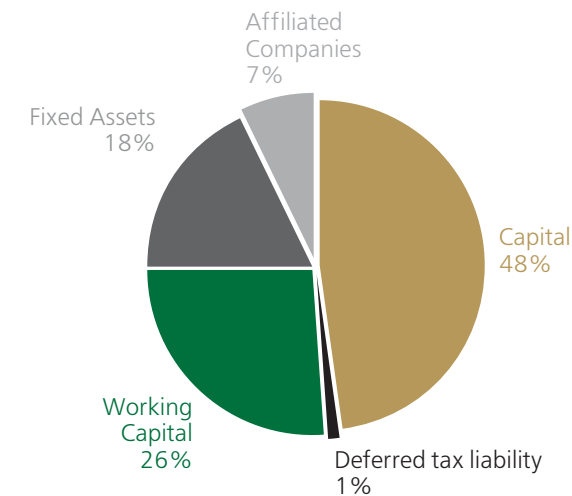
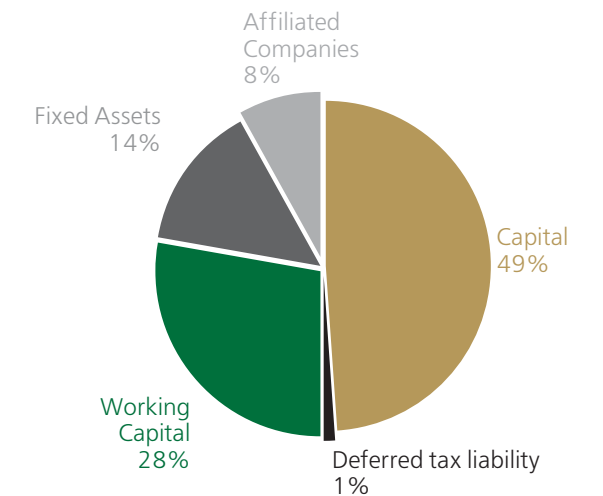


Fig 26. Balance Structure as of December 31, 2009



### Cash Flow

In the table below you can find the Company's cash flow data from core operations, investment and financial activities in the relevant periods.

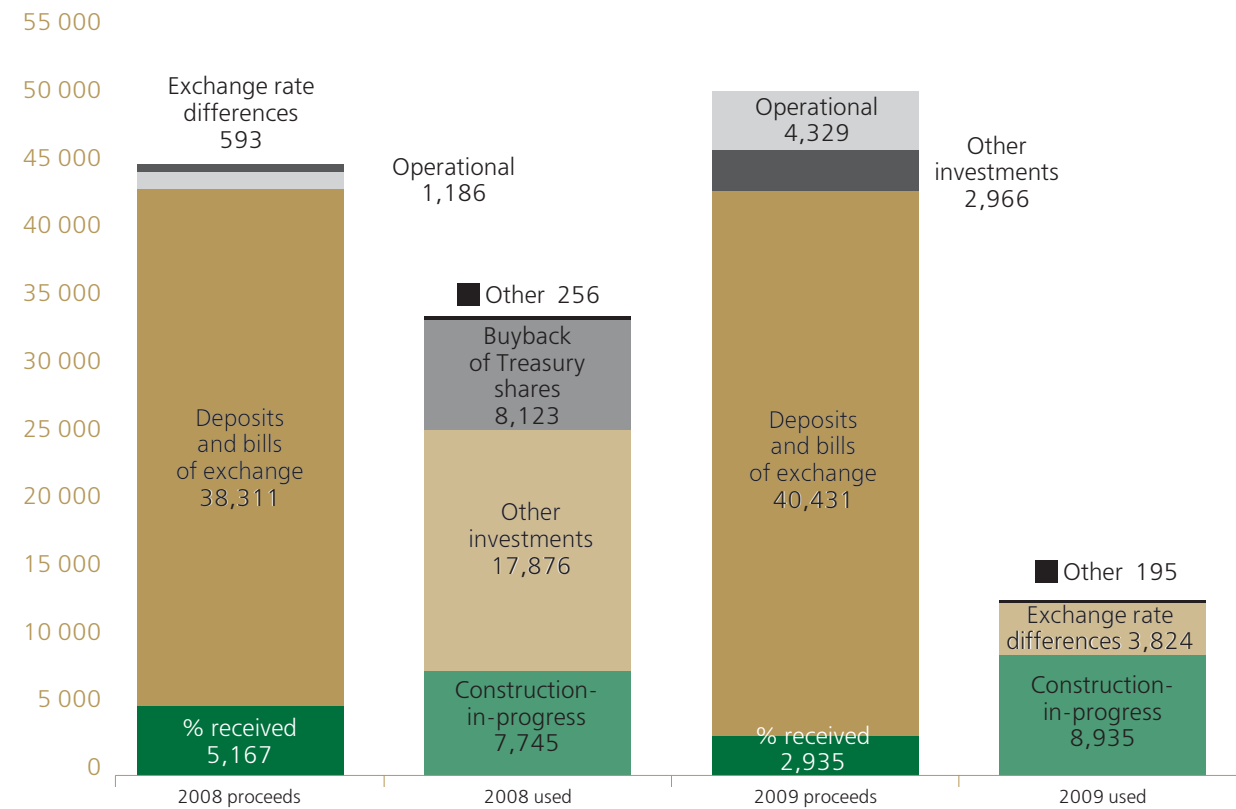
Table 31. Cash Flow, mn roubles

	2009	2008	Change
Cash from Operations	4,329	1,186	3,143
Cash from Investments	37,201	17,857	19,344
Cash from / (used in) Financial Activities	2	(8,379)	8,381
Exchange Rate Variations for Cash and Equivalents	(3,824)	593	(4,417)
<b>Net Cash</b>	<b>37,707</b>	<b>11,256</b>	<b>26,451</b>

The graph below represents main sources of the Company's cash flow and expenditure in the relevant periods:



Fig. 27. Proceeds and Application of Funds, mn roubles



### Net Cash from Operations

Cash from operations includes the revenue for the period, minus the Company's operational costs and it is adjusted according to the results of changes in working capital. Net increase in cash flow from these type of operations amounted to RUR 3,143 mn, which resulted from changes in the Group's working capital.

### Net Cash from Investment

In 2009, net flow of cash from investment amounted to 37,201 mn roubles. In the reporting period, the Group received RUR 40,431 mn as returns from deposits; RUR 2,935 mn as profit from interest; and RUR 2,966 mn from the sale of shares in JSC MMC Norilsk Nickel. The Group's investment activities involved a flow of a major part of funds to the construction of new generating capacities and the technical upgrade and reconstruction programme (RUR 8,935 mn).

In 2008, net flow of cash from investment amounted to 17,857 mn roubles. In 2008, interest profit from investment amounted to 5,167 mn roubles; returns from deposits totalled RUR 38,313 mn. Funds used in investment activities amounted to: RUR 15,949 mn - for acquisition of subsidiaries, RUR 7,745 mn - for purchase of fixed assets and construction-in-progress and RUR 1,929 mn - for purchase of securities through a trustee.

### Net Cash from (used in) Financial Activities

In 2009, net use of cash in financial operations amounted to RUR 2 mn, including RUR 5 mn for the payment of 2007 dividends to minority shareholders and RUR 7 mn was received from the sale of treasury stocks. In 2008, net use of cash in financial operations amounted to RUR 8,379 mn, primarily including RUR 8,123 mn for the buyback of the Company's shares and dividend payments totalling RUR 246 mn.



# **Corporate Governance**

**Underlying Principles**

**Board of Directors and  
its Committees**

**Audit Commission**

**The Managing Board**

**Remuneration**

**Internal Audit**

**Subsidiaries & Affiliated Companies**

**Development  
of Corporate Governance**

## Corporate Governance

### Underlying Principles

JSC WGC-3 corporate governance complies to RF legislation, follows the recommendations of the Federal Commission for the Securities Market Corporate Governance Code, requirements of Russian stock exchanges set for issuers, as well as uses best practice of Russian and international companies with high corporate governance standards.

The Company's corporate governance is based on the following principles:

1. Observance and protection of shareholders rights;
2. Equal treatment of shareholders;
3. Timely and precise disclosure of information;
4. Recognition of legal rights of interested parties;
5. Accountability of the Company's management to the Board of Directors (BoD) and the General Meeting of Shareholders.

Observance of the listed principles is supported by a number of factors, such as:

- relevant mechanisms in the Company's corporate governance structure, most of all, the Company's BoD committees (corporate governance, HR, remuneration, strategy and development, budget and audit) with independent directors;
- Internal regulations and statutory documents approved by the BoD, which include: the JSC WGC-3 Corporate Governance Code, Informational Policy Regulation, Insider Information Regulation, Regulations on Existing BoD committees, etc.

According to the Corporate Governance Code<sup>1</sup>, the Company assumes responsibility to disclose additional information in order to enhance and systematise corporate governance, ensure greater management transparency and confirm permanent willingness to follow appropriate corporate governance standards. In particular:

- the management of the Company should be carried out at an appropriate level of responsibility and accountability to maximise corporate value;
- BoD and executive bodies should work efficiently, acting in the interests of the Company and its shareholders (including minority shareholders)

- and create conditions for sustainable development and growth of corporate value;
- the Company should maintain appropriate disclosure of information, transparency and high performance of risk management and internal audit systems.

The Company confirms the intention to facilitate development and improve appropriate corporate governance practice through acceptance, intermittent enhancement and meticulous compliance to Code regulations, Company Charter and other internal documents.

Details of the Company's information disclosure principles are specified in the JSC WGC-3<sup>2</sup> Informational Policy Regulation; the new version of the Regulation was approved in 2006. This Regulation provides a detailed account of the procedure and terms of the Company's information disclosure, including mandatory and supplementary disclosure of information, according to the requirements of RF legislation.

The Company observes the following principles of corporate information disclosure to interested parties:

- ensuring fullness and integrity of the disclosed information;
- prompt disclosure of information about all important facts of the Company's activities;
- restricting disclosure of information on the Company's internal documentation and sensitive business information, in accordance with RF legislation;
- public and wide-open disclosure of information.

The Insider Information Regulation<sup>3</sup> is a document, which regulates issues of the use of information on the Issuer's activities, Company's securities and securities transactions, which is not public and the disclosure of which can have a significant impact on the market value of the Issuer's securities. This Regulation contains a clear distinction between insider and public information, it also defines divisions and officials controlling the use of insider information. The regulation establishes procedure and terms for the Company's insiders regarding disclosure of information about the Company's securities transactions and defines the responsibility for improper disclosure and/or use of insider information.

<sup>1</sup> JSC WGC-3 BoD decision dated October 13, 2006 (minutes No.42)

<sup>2</sup> JSC WGC-3 BoD decision dated October 13, 2006 (minutes No.42)

<sup>3</sup> JSC WGC-3 BoD decision dated October 12, 2006 (minutes No.16)



## Board of Directors and its Committees\*

The Board of Directors of JSC WGC-3 is the general supervisor of the Company's activities, with the exclusion of resolving issues related to the authorities of the General Meeting of Shareholders by the federal law 'On Joint Stock Companies' and the Company Charter. The Company's BoD has a wide range of authorities, including determining the Company's priorities; Calling

and setting the agenda for General Meetings of Shareholders; electing the Company's executive bodies; approving the Company's internal financial and economic documents; making decisions on the management of the Company's subsidiaries (SACs).

The members of Company's BoD were elected at the Annual General Meeting of Shareholders of JSC WGC-3, held on June 22, 2009 (Minutes No.11, dd. July 06, 2009). The Board of Directors has 11 members\*\*.

### Board of Directors

#### Chairman of the Board of Directors

Kirill Parinov	Deputy General Director, Head of the OJSC 'MMC Norilsk Nickel' Corporate, Proprietary and Legal Issues Department
----------------	---

#### Members of the Board of Directors

Alexander Orelkin	Chief Expert of the Property Management Department of OJSC 'MMC Norilsk Nickel'
Dmitry Kostoev	Deputy General Director for Finance and Economics, OJSC 'MMC Norilsk Nickel'
Nataliya Gololobova	Head of Budget Planning Division of Financial Department, CJSC 'The Holding Company INTERROS'
Yanis Zenka	Head of Accounting and Ownership Structure Management of the Administration of Corporate Projects of the Legal Department, CJSC 'The Holding Company INTERROS'
Sergey Emdin	General Director, JSC Irkutskenergo
Anton Cherny	Deputy CEO for Investments, CJSC 'The Holding Company INTERROS'
Oleg Surikov	Director of the Corporate Department, JSC 'MMC Norilsk Nickel'
Vladislav Solovyev	General Director of 'N+ Management', Ltd.
Maxim Sokov	Director of Investment Management into OJSC 'MMC Norilsk Nickel', CJSC 'RUSAL Global Management B.V.'
Oleg Pivovarchuk	First Deputy General Director OJSC 'MMC Norilsk Nickel', member of the Executive Board, MMC Norilsk Nickel

Members of the WGC-3 Board of Directors do not have an equity in the WGC-3 charter capital and do not own common shares of WGC-3. The WGC-3 Board of Directors elected the following members to its committees:

\* The information is provided in paragraph 6.2. of the Annual Report.

\*\* Starting from 22/03/2010, O.M. Pivovarchuk is the Chairman of the BoD.

### The Strategy and Development Committee

#### Chairman of the Committee

Oleg Pivovarchuk	First Deputy General Director OJSC 'MMC Norilsk Nickel', member of the Executive Board, MMC Norilsk Nickel
------------------	--

#### Members of the Committee

Oleg Surikov	Director of the Corporate Department, OJSC 'MMC Norilsk Nickel'
Vladislav Solovyev	General Director of 'N+ Management', Ltd.
Anton Cherny	Deputy CEO for Investments, CJSC 'The Holding Company INTERROS'

### Audit Committee

#### Chairman of the Committee

Dmitry Kostoev	Deputy General Director for Finance and Economics, OJSC 'MMC Norilsk Nickel'
----------------	--

#### Members of the Committee

Nataliya Gololobova	Head of Budget Planning Division of Financial Department, CJSC 'The Holding Company INTERROS'
Maxim Sokov	Director of Investment Management into OJSC 'MMC Norilsk Nickel', CJSC 'RUSAL Global Management B.V.'

### Corporate Management, HR and Remuneration Committee

#### Chairman of the Committee

Oleg Surikov	Director of the Corporate Department, OJSC 'MMC Norilsk Nickel'
--------------	---

#### Members of the Committee

Yanis Zenka	Head of Accounting and Ownership Structure Management of the Administration of Corporate Projects of the Legal Department, CJSC 'The Holding Company INTERROS'
Alexander Orelkin	Chief Expert of the Property Management Department of OJSC 'MMC Norilsk Nickel'
Maxim Sokov	Director of Investment Management into OJSC 'MMC Norilsk Nickel', CJSC 'RUSAL Global Management B.V.'

### Budget Committee

#### Chairman of the Committee

Vladislav Solovyev	General Director of 'N+ Management', Ltd.
--------------------	---

#### Members of the Committee

Dmitry Kostoev	Deputy General Director for Finance and Economics, OJSC 'MMC Norilsk Nickel'
Nataliya Gololobova	Head of Budget Planning Division of Financial Department, CJSC 'The Holding Company INTERROS'

## Audit Commission

In order to exercise control over the Company's financial and business activities, the General Meeting of Shareholders elected five members of the Audit Commission:

The Audit Commission's activities are regulated by the legislation of the Russian Federation, the Company Charter and the Regulations on the JSC WGC-3 Audit Commission approved by the Special General Meeting of Shareholders held on July 29, 2005 (Minutes No.200).

The Company Audit Commission meetings and the auditing of the Company's activities are conducted in compliance with the approved Audit Commission Work Plan.

The main tasks of the Audit Commission are:

- Control over the Company's financial and economic activities;
- Monitoring the compliance of the Company's financial and economic activities with the legislation of the Russian Federation and the Company Charter;
- Independent evaluation of the Company's financial status.

The Company's Audit Commission was elected at the annual General Meeting of Shareholders of JSC WGC-3, held on June 22, 2009 (Minutes No.11, dd. July 06, 2009).

### Audit Commission Members

#### Chairman of the Commission

**Tatiana Borisova** Deputy Chief Accountant of JSC MMC 'Norilsk Nickel'

#### Members of the Commission

**Natalia Volkovets** Head of the Administration of Consolidated Financial Statements in the JSC MMC 'Norilsk Nickel' Department of Accounting, Fiscal Accounting and Financial Reporting

**Fedor Vydrygan** Chief Specialist of the Department for Monitoring of Financial Reports, Head of the Audit Support Bureau of the Department for Accounting, Taxation and Financial Reporting, Senior Manager of the Division for Internal Audit of the Internal Control Department, JSC MMC 'Norilsk Nickel'

**Yuriy Shutov** Head of the Department for Internal Control and Audit, WGC-3

**Maxim Mikhalenko** Deputy Chief Accountant, Deputy Director of the Department of Accounting, Fiscal Accounting and Financial Reporting, JSC MMC 'Norilsk Nickel'

## The Managing Board

The Company Managing Board is a collegial executive body appointed by the Board of Directors and consisting of 5 persons.

The Managing Board's activities are regulated by the legislation of the Russian Federation, the Company Charter, the JSC WGC-3 Managing Board Regulations approved by the Special General Meeting of Shareholders held on June 26, 2008 (Minutes

No.9, dated July 02, 2008) and the Company's other internal regulatory documents.

The Managing Board Regulations stipulate that the Managing Board meetings shall be held in accordance with the Work Schedule and as often as necessary, but at least once per month. In fact, the Managing Board meetings during the last reporting year were generally held once in 7 days. Managing Board meetings may be held either by joint attendance or by absentee voting.

### Members of the Managing Board

		Election Date	BoD Minutes
<b>Chairman of the Managing Board</b>			
<b>Vladimir Kolmogorov</b>	CEO	February 09, 2009	No.7, dated February 09, 2009
<b>Deputy Chairman of the Managing Board</b>			
<b>Vladislav Nazin</b>	First Deputy CEO for Economy and Finance	April 23, 2009	No. 14, dated April 23, 2009
<b>Members of the Managing Board</b>			
<b>Alexandra Panina</b>	Deputy CEO for Energy Markets	July 22, 2008	No. 120, dated July 23, 2008
<b>Andrei Gainanov</b>	Financial Director	April 23, 2009	No. 14, dated April 27, 2009
<b>Alexei Khlebov</b>	Deputy CEO for Technical Policy	December 29, 2009	No. 54, dated December 29, 2009

### Key employees who significantly influence the Company's business and financial operations:

<b>Vladimir Kolmogorov</b>	CEO
<b>Vladislav Nazin</b>	First Deputy CEO for Economy and Finance
<b>Andrei Gainanov</b>	Financial Director
<b>Alexandra Panina</b>	Deputy CEO for Energy Markets
<b>Alexei Khlebov</b>	Deputy CEO for Technical Policy

Members of the WGC-3 Board of Directors (except for A.G. Panina - 306,539 shares) do not have equities in the WGC-3 charter capital and do not own common shares of WGC-3.

## Remuneration

The procedure for paying remuneration to the members of the Board of Directors for participating in BoD work was governed by the Regulations on Remuneration and Benefits Paid to the JSC WGC-3 BoD Members, approved at the Special Annual General Meeting of Shareholders, dated February 06, 2009 (Minutes No. 10, dated February 06, 2009).

The total amount of remuneration paid to members of the BoD in 2009 amounted to 105,111,352 roubles. Remuneration is paid to the Members of the Board of Directors for participation in meetings in praesentia /in absentia immediately after the votes from the meetings are totalled, depending on whether the annual net income standard was met and market capitalization increased. The annual remuneration is not paid if a BoD member did not participate in more than 50% of the meetings held (from the moment of his/her appointment until the termination of powers).

The conditions and procedure for the Managing Board Members to receive remuneration for their work are regulated by their Employment Contracts. In the 2009 financial year, payments to members of the Executive Board, including the Chairman of the WGC-3 Executive Board, amounted to RUR 87,713,632.

The conditions and procedure for the General Director to receive remuneration for his work are regulated by his Employment Contract and the Regulation on Financial Incentives of the Company's General Director, approved by JSC WGC-3 BoD (Minutes No. 101, dated February 19, 2008).

## Internal Audit

From 2008, the appraisal of internal control systems of WGC-3 is delegated to the Department of Internal Control and Audit.

The Department of Internal Control and Audit was created according to a decision of the BoD of WGC-3 (Minutes No. 138, dated October 31, 2008). Previously (from January 2006 to October 2008) these functions were performed by the Internal Control and Audit Department, directly accountable to the CEO of JSC WGC-3.

After the position of Director for Internal Control and Audit was introduced to the WGC-3 staff list (from January 01, 2009), the Department of Internal Control and Audit started reporting to the Director (Decree of the CEO No. 739, dated December 31, 2008).

The top priority of the Department for Internal Control and Audit is internal control and audit of financial and business operations and the appraisal of risk management performance of the Company and its subsidiaries and affiliated structures (hereinafter - subsidiaries). It provides:

- full and accurate financial and other statements;
- asset integrity and conservation of the Company's resources;
- effectiveness and efficiency of operations;
- timely reporting of exposed risks to the Companies management in order to introduce risk mitigation measures.

The Department of Internal Control and Audit appraises efficiency and reliability of the internal audit system regarding financial and management reporting, as well as supervising operating activities (flow of technological fuel, investment and maintenance, capital expenditures, asset integrity and other).

The Department of Internal Control and Audit operates according to work plans approved by the CEO of JSC WGC-3. Work plans of the Department of Internal Control and Audit are designed taking into account proposals from WGC-3 division managers. These plans include integrated and targeted (by type of operations) audit inspections. In 2009, the Department of Internal Control and Audit focused on performing inspections (audit) of various financial and business operations of WGC-3 divisions and subsidiaries, within the framework of further supervision.

The Department of Internal Control and Audit performed inspections of financial and business operations of three WGC-3 branches and 4 subsidiaries in 2009, as well as conducting two targeted inspections of procurement and contract operations of the executive authority of JSC WGC-3. Apart from scheduled inspections and audits carried out on the instructions of WGC-3 General



Director in 2009, the Department of Internal Control and Audit performed several activities related to the ongoing supervision of adherence to contractual commitments by EPC contractors (for the construction of new power units under the implementation of the Investment Programme). In particular, such activities regarding EPC contracts were carried out at Kharanorskaya TPP and Cherepetskaya Zhimerin TPP. Defects and violations exposed during audits and other ongoing inspections will be jointly addressed by the Department of Internal Control and Audit

and managers of operating units of JSC WGC-3: these authorities will develop recommendations on elimination of defects and violations, improvement of supervision environment and optimisation of current business processes. The results of internal audits (reports and summaries) will be submitted directly to the CEO of JSC WGC-3. The CEO will make required managerial decisions regarding the elimination of defects, charging responsible officials, as well as improving the current business process and the system of internal control and audit of JSC WGC-3.

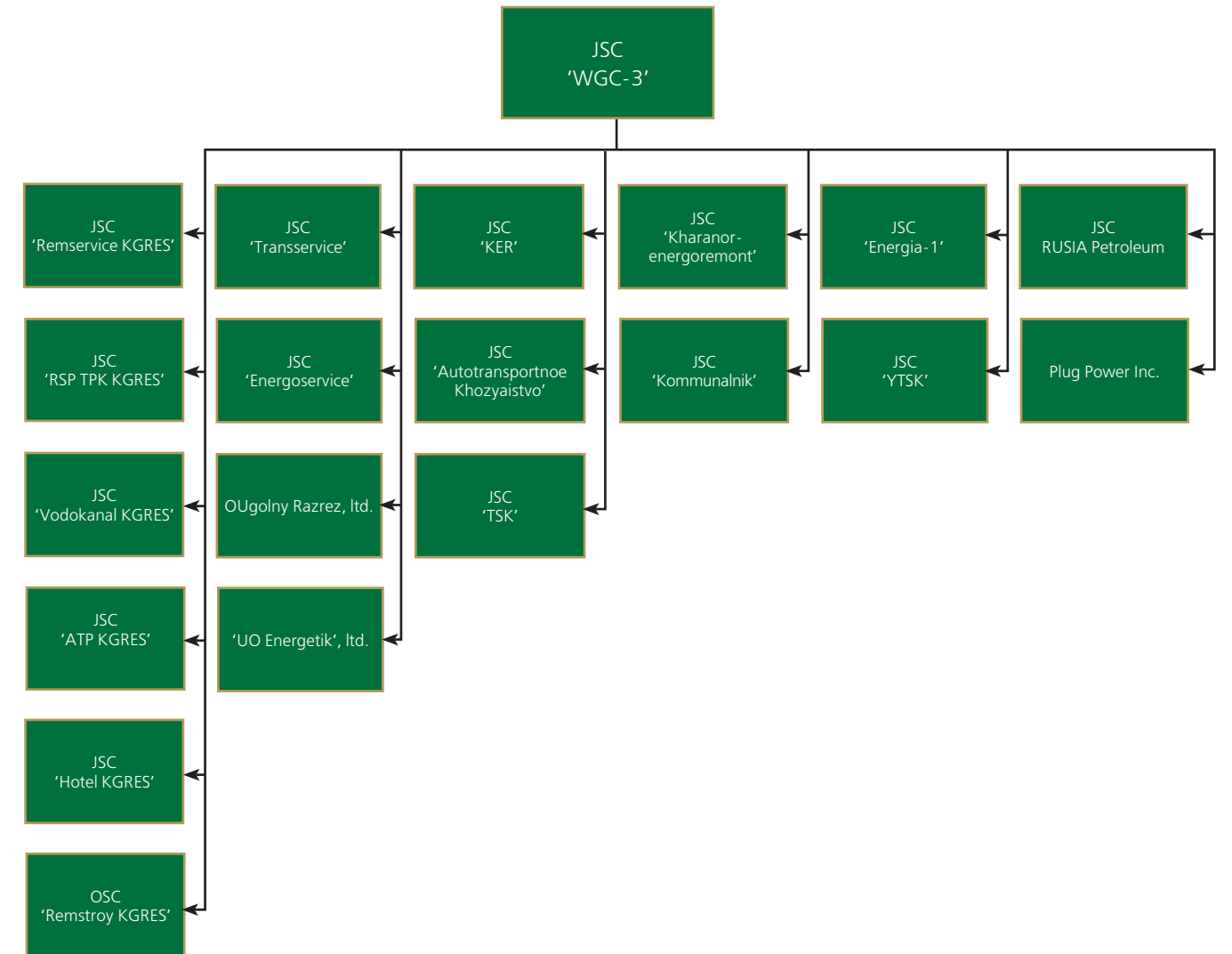
### Subsidiaries & Affiliated Companies

SACs of JSC WGC-3 were created as a result of the reform of the power industry: they were spun-off from power stations in order to eliminate the overlapping of minor operations. At the same time, one of the key priorities of this spin-off was effective development of minor businesses through placing them on the respective services markets. Due to the geographic nature of WGC-3 asset allocation, a large part of the assets is located in mono towns with a small populations and far away from cities and transport hubs. The Company has 19 subsidiaries and affiliated companies (SAC):

- 4 SACs deal with repairs and maintenance of technological equipment;
- 5 SACs operate in the heating business;
- 10 SACs operate in other business areas (transport, hotel services, etc.)

Data management of the Company follows relevant corporate procedures and supports high corporate governance standards. Members of the SAC's Boards of Directors are determined by the Company's BoD. JSC WGC-3 BoD, in accordance with the Company Charter, takes active part in SAC management through determining the position on key issues of financial and economic SAC activities.

Fig. 28. SACs of JSC WGC-3





## SAC Development Strategy

The 5-year SAC working experience showed that further operations of maintenance SACs located far away from the Central District of Russia are not feasible or sustainable. During this period, SACs created at Gusinozerskaya TPP, Kharanorskaya TPP and Pechorskaya TPP failed to, due to objective reasons, develop a profitable business and become competitive on the power equipment maintenance market in their respective locations. These reasons primarily include a significant distance from a potential sales market, i.e. industrial enterprises or other consumers of services (in the same or similar business) form major customers namely, subsidiaries of WGC-3. The closest potential sales markets for services are located 300 to 500 km away, therefore, the external maintenance business becomes uncompetitive and unprofitable taking into account overhead and transportation costs. Furthermore, during the period of SAC autonomous operations, the Company exposed several additional negative sides of the organisation and running of technical servicing of the Company's electrical supplies. The specifics of electricity generation dictate a practically endless need for technical maintenance aimed at keeping generating capacities in the working order and preventing emergency situations. The relocation of maintenance staff from the servicing divisions directly accountable to chief engineer services substantially deteriorated response time and quality of repairs aimed at presenting failures or fixing equipment malfunctions, as well as timely repairing of defects. During the operational period, maintenance SACs showed a tendency to lose qualified staff to higher-paid industries of the regions. There is virtually no activity aimed at improving professional skills and knowledge, which directly affects the quality of repairs. The primary objectives of the reform of power assets were not achieved, which creates a pressing need for the revision of management organisation and the design of further development strategy. It is quite clear that further avoidance of managerial decisions regarding the reform of maintenance operations in the Company will result not only in an increase of economic loss from SAC

operations due to the mentioned problems, but also to a real risk of failure to complete full-scale targeted and preventative repairs. Maintenance business should not be reviewed in isolation. All of Company's subsidiaries should share the same goals and objectives: generation of sales of electricity and heat. All of Company's operations should concentrate on achieving these goals, including repairs and technical maintenance carried out within approved deadlines and according to required quality standards, in order to minimise financial losses on the market. This requirement could only be observed through harmonious work of operating and maintenance divisions with strong cooperation of staff.

### Basis for the Reform:

- negative profitability and dynamics of SAC output and financial indicators during operations;
- low probability of the prospects for growth and development of existing maintenance SACs on the sales market for power equipment repairs;
- outflow of qualified personnel to other industries and dynamically developing regions of the RF.

### Reform Objective:

- to increase efficiency of power equipment repairs of the Company's subsidiaries.

### Current Tasks:

- product cost optimisation;
- optimisation of the number of staff employed in the Company and its SACs;
- improving control and efficiency of operational management of enterprises during repairs and maintenance;
- ensuring subsidiaries access to a full range of repairs and technical upgrade and reconstruction services, including current maintenance;
- retaining qualified staff working in repairs and maintenance;
- improving the quality of repairs.

Therefore, JSC WGC-3 is planning a stage-by-stage implementation of measures aimed at liquidating maintenance and transport SACs and transferring their functions to the newly created plants for centralised repairs and transport divisions.

## Development of Corporate Governance

After the Company acquired a status of a public company and to present, the Company's Management has been constantly improving corporate governance mechanisms and increasing the transparency.

Top priority task is to ensure the equality of all shareholders and to avoid impairment of rights and interests of minor shareholders. The Company's shareholders have an opportunity to supervise the Company's activities however, major shareholders should not interfere in the Company's operations. Safeguarding interests of the Company's shareholders is ensured through the competent recognition of rights to the Company's securities. The Company signed an agreement for the keeping a register of security holders with an independent registrar, CJSC 'The National Registration Company'. All important issues, which are beyond the scope of the day-to-day operations management are considered at Meetings of the Board of Directors or at Shareholders Meetings.

The Company endeavours to formalise the relations between the participants of corporate governance through adopting regulatory documents. Presently, the Company approved and implemented the Corporate Governance Code, the Regulation on the Procedure for Preparation and Holding of the General Meeting of Shareholders, the Regulation on the Assembly Procedure and Holding of Board of Directors Meetings, the Regulation on the Managing Board, the Regulation on the Audit Commission, the Regulation on Insider Information, the Regulation on Informational Policy, the Regulation on Dividend Policy.

In order to avoid conflicts of interest, the Company's BoD includes eleven independent directors. Members of the BoD, who have an interest in certain transactions, cannot take part in voting on such transactions.

Currently, the Company set up and ensured successful operation of BoD's committees, namely, the Audit Committee, the Corporate Governance, HR and Remuneration Committee, the Strategy and Development Committee and the Budget Committee.

Basic audit and financial reporting issues are resolved by a special BoD committee, not the management, which ensures clear delineation of 'the supervision and the supervised'.

The Company ensures informational transparency and publishes the maximum volume of information about its operations on the Company's website.



## Securities

Equity Market

Dividends

## Securities

### Equity Market

The Company's capital stock is estimated at 47,487,999,252 roubles and is divided between 47,487,999,252 common equities with the issue price of 1 rouble each.

As of December 31, 2009, the share of OJSC 'MMC

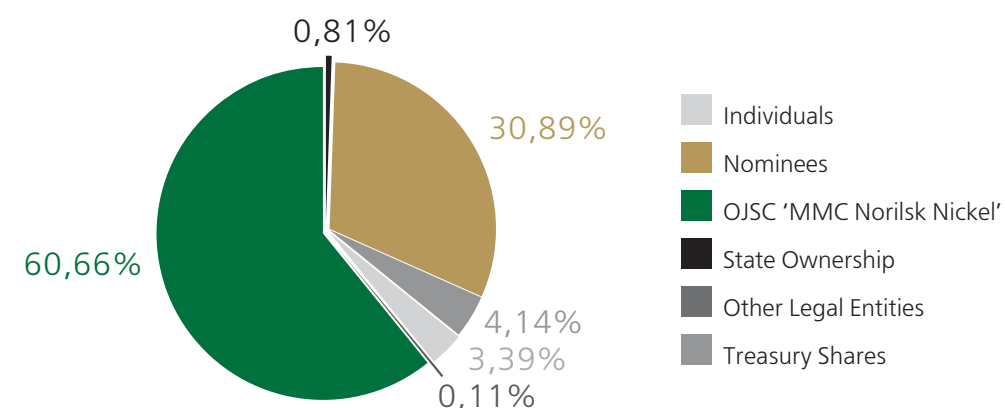
Norilsk Nickel' in the Company's charter stock amounted to 60.66%.

The Company's balance includes treasury shares, which amount to 4.14% of the capital stock. As of the end of the year, the total number of the Company's shareholders amounted to 294,902, including 33 nominal shareholders.

Table 32. Equity Capital Structure

Name of the Security Holder	Number of Equities and Share in Capital Stock as of:			
	January 01, 2009		January 01, 2010	
	Number	Share in Capital Stock, %	Number	Share in Capital Stock, %
Individuals	1,638,670,825	3.45	1,610,309,605	3.39
Legal entities	48,828,015	0.10	50,877,837	0.11
Nominees	14,616,066,794	30.78	14,666,973,887	30.89
OJSC 'MMC Norilsk Nickel'	28,807,260,805	60.66	28,807,260,805	60.66
Treasury shares	1,990,775,278	4.19	1,966,180,818	4.14
Trustees	1,276	0.00	41	0.00
State ownership	386,396,259	0.81	386,396,259	0.81
<b>Total:</b>	<b>47,487,999,252</b>	<b>100</b>	<b>47,487,999,252</b>	<b>100</b>

Fig. 29. WGC-3 Equity Capital Structure as of December 31, 2009



### Issue and Flotation of Equities

Equities floated by the Company have a state registration number: 1-01-50079-A, dated January 18, 2005.

Additional issue No.1-01-50079-A-009D, dated December 26, 2006 was joined with the principle issue No.1-01-50079-A, dated January 18, 2005, based on the Decree of the Federal Financial Markets Service No.07-1574/pz-i, dated July 17, 2007.

Starting from the beginning of February 2006, the Company's equities were introduced to stock exchanges, namely, RTS and MICEX, through

being put on the list of securities traded without preliminary listing.

Starting from June 15, 2006, the shares of WGC-3 were included in the RTS index based on 50 securities of the most capitalised Russian companies. In June and July of 2006, the Company's equities underwent the listing procedure and were included floatation lists 'B' of RTS (June 23, 2006) and MICEX (July 12, 2006) stock exchanges.

In April 2007, WGC-3 registered ordinary shares were included in the calculation of the MICEX index, which includes 30 most liquid equities of Russian issuers included in the MICEX listing

Table 33. Minimum and Maximum Quotes of the Company's Common Equities in 2009

Year	Stock Exchange	Max	Min	Price as of December 31, 2009	Trading Volume (number)	Trading Volume (roubles)	Total Number of Transactions, number
2009	MICEX	1.982 roubles	0.262 roubles	1.461 roubles	5,908,942,100	6,799,157,264	202,827
2009	RTS	2.16 roubles	0.24912 roubles	1.421 roubles	138,674,363	153,088,766	459

Table 34. Change in the Price of the Company's Common Stock in 2009 (source - MICEX)

Year	3 months	6 months	9 months	1 year
2009	24.4%	405%	267.3%	304.7%

Fig. 30. Comparative Dynamics of WGC-3 Common Shares and MICEX Power Index, MICEX Stock Exchange, 2009



Fig. 31. Comparative Dynamics of WGC-3 Common Shares and MICEX Composite Index, MICEX Stock Exchange, 2009



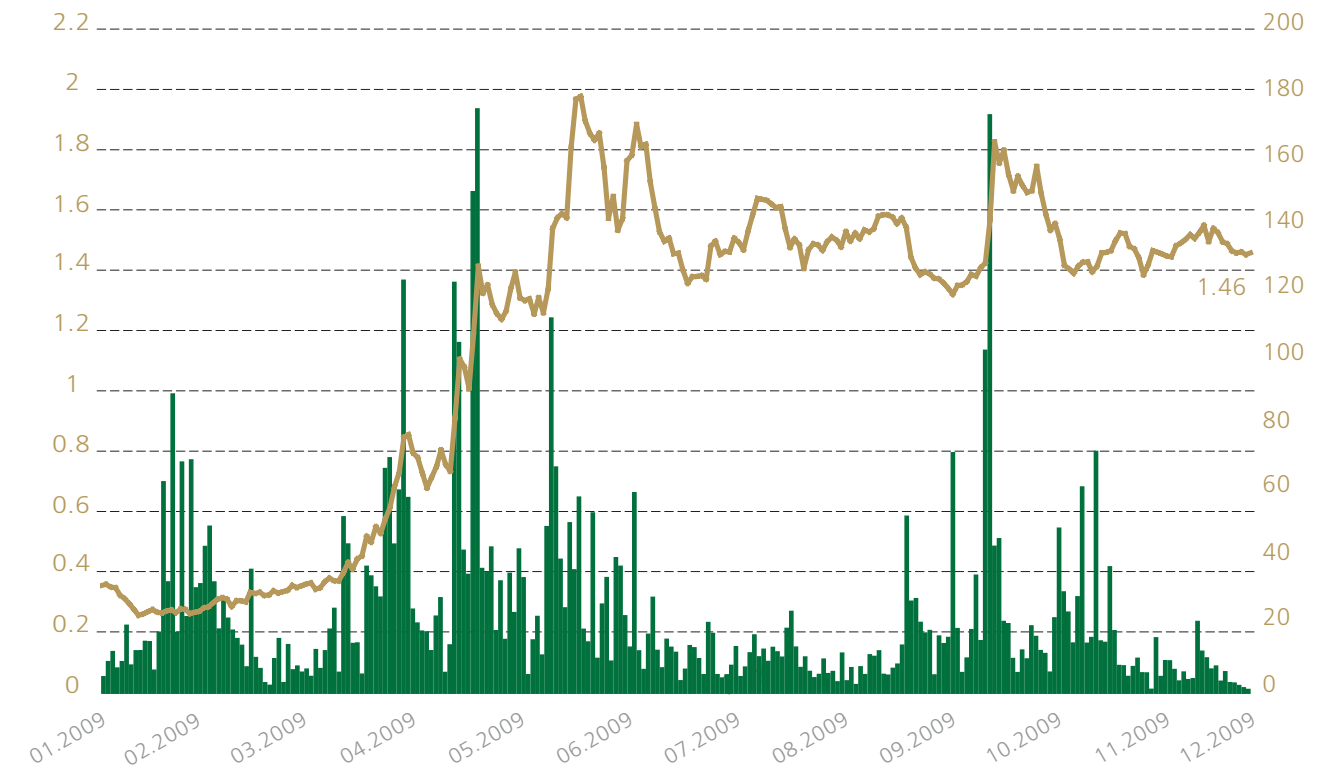
### Trading Summary for the Company's Equities

In the period from January to December 2009, the average monthly trading volume of the Company's equities at MICEX amounted to 566,596,439 roubles, and the total number of transactions reached 202,827. In the period from January to December 2009, the average monthly trading volume of the Company's

equities at RTS amounted to 12,757,397 roubles, and the total number of transactions reached 459.

*JSC WGC-3 market capitalisation value, calculated according to RTS data as of December 31, 2009, amounted to 69,379,966,907 roubles, 10 kopecks (sixty-nine billion, three hundred seventy-nine million, nine hundred sixty-six thousand, nine hundred seven roubles, 10 kopecks).*

Fig. 32. Dynamics of WGC-3 Shares, MICEX Stock Exchange, 2009



## ADR for the Company's Shares

In July 2008, JSC WGC-3 adopted a sponsored global depository receipts programme under Regulation S and Rule 144A of the US securities legislation. Depository - The Bank of New York Mellon. The circulation of GDR under Regulation S takes place on an OTC securities market outside the US. Global depository receipts under Rule 144A could only be bought by professional buyers in the USA (institutional investors).

Every GSR certifies a right to 50 common shares of JSC WGC-3. According to the FFMS decision, the number of shares of JSC WGC-3 that are circulation outside of the RF through a placement of foreign securities shall not exceed 9,501,491,247 (20% of the Company's charter stock). As of December 31, 2009, the number of issued GDR amounted to 0.2% of the charter stock of JSC WGC-3.

In 2006 the Merchant Bank 'Gazprombank' organised the Company's initial placement of bonds on MICEX.

Issue Number	Number of Bonds	Total Volume, roubles	Issue Registration and Issue Summary	Method and Period of Placement
1.	3,000,000 with a face value of 1000 roubles/bond	3,000,000,000	4-01-50079-A, dated November 23, 2006 (documented inconvertible interest-bearing BB bonds, series 01 with mandatory centralised custody) -the Federal Financial Markets Service of Russia. Issue summary report is registered on January 11, 2007.	Public offering placement Redemption date: on 1,820th (one thousand, eight hundred twentieth) day from the date of bond placement.

**December 15, 2006** The Company placed documented inconvertible interest-bearing BB bonds, series 01 with mandatory centralised custody, with the par value of 3,000,000,000 roubles.

**June 15, 2007** The Company paid coupon yield on documented inconvertible interest-bearing BB bonds, series 01 with mandatory centralised custody, which amounted to RUR 104,700,000. The rate of the first coupon was determined as 7% p.a.

**June 21, 2007** in order to fulfil the obligations under the offer, the Company bought back from the owners of bonds who called for the buyback, the Company's bonds for the amount of 1,250,000,000 roubles and paid coupon yield on the second coupon - 1,387,500 roubles for 5 working days of the second coupon period.

**December 14, 2007** The Company paid coupon yield on documented inconvertible interest-bearing BB bonds, series 01 with mandatory centralised custody, which amounted to 58,905,000. The rate of the second coupon was determined at 6.75% p.a.

**December 20, 2007** in order to fulfil the obligations under the offer, the Company bought back from the owners of bonds who called for the buyback, the Company's bonds for the amount of 1,750,000,000 roubles and paid coupon yield on the third coupon - 2,380,000 roubles for 5 working days of the third coupon period (the rate of the third coupon is 8.25% p.a.).

Coupon yield on the fourth coupon was not paid, as JSC WGC-3 bought back its bonds, following the obligations under the offer.

## Dividends

According to the JSC WGC-3 Charter, dividends are paid in cash. The decision on dividend payment is made at the General Meeting of Shareholders.

The deadline for dividend payments is determined at the Annual General Meeting of the Company's Shareholders but not later than 60 days after such decision is made.

Date of the General Meeting, No. of Minutes	Dividend period	Payment deadline	Amount of announced dividends per share (roubles)	Amount of announced dividends (roubles)	Total amount of dividends, paid on shares (roubles)	Reasons for failure to pay dividends or payment of dividends not in full
October 28, 2005 Minutes No.207*	9 months of 2005	February to March 2006	0.0132895	221,002,000	221,002,000	no
June 23, 2006 Minutes No.1**	2005	-	-	-	-	-
May 08, 2007 Minutes No.5	2006	July 2007	0.0237385	700,000,870.25	as of December 31, 2009: 697,089,444.05	invalid data in the questionnaires of interested parties
June 26, 2008 Minutes No.9	2007	August of 2008	0.00736402913	334,904,000	as of December 31, 2009: 243,184,084.65	invalid data in the questionnaires of interested parties
June 22, 2009 Minutes No.11***	2008	-	-	-	-	-

\* BoD of JSC RAO UES of Russia performed functions of the JSC WGC-3 Special General Meeting of Shareholders

\*\* The Annual General Meeting of Shareholders made a decision not to pay dividends after 2005 results.

\*\*\* The Annual General Meeting of Shareholders made a decision not to pay dividends after 2008 results.



## **IFRS Financial Statements**

## **Corporate Report**

Compliance with the Corporate Governance Code  
Information on Transactions

## **Glossary**

## **Contact and Reference Information**

WGC-3 GROUP  
CONSOLIDATED FINANCIAL STATEMENTS  
PREPARED IN ACCORDANCE WITH  
INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)  
FOR THE YEAR ENDED 31 DECEMBER 2009

**CONTENTS**

INDEPENDENT AUDITORS' REPORT

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Financial Position .....	108
Consolidated Statement of Comprehensive Income .....	109
Consolidated Statement of Cash Flows .....	110
Consolidated Statement of Changes in Equity .....	111

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. The Group and its operations .....	113
2. Basis of preparation .....	113
3. Summary of significant accounting policies .....	115
4. Related parties .....	123
5. Property, plant and equipment .....	124
6. Intangible assets .....	127
7. Investments in equity accounted investees .....	128
8. Other non-current assets .....	129
9. Inventories .....	129
10. Accounts receivable and prepayments .....	130
11. Deposits and other financial assets .....	130
12. Financial assets at fair value through profit or loss .....	131
13. Cash and cash equivalents .....	131
14. Assets held for sale .....	132
15. Equity .....	132
16. Income tax .....	132
17. Employee benefits .....	136
18. Accounts payable and accruals .....	138
19. Provisions .....	138
20. Taxes payable .....	138
21. Operating expenses .....	139
22. Other operating income .....	140
23. Income from investing activities .....	140
24. Loss on investing activities .....	141
25. Finance (costs) / income .....	141
26. Earnings per share .....	141
27. Commitments .....	142
28. Contingencies .....	142
29. Financial instruments and financial risks .....	143



**ZAO KPMG**

Naberezhnaya Tower Complex, Block C  
10 Presnenskaya Naberezhnaya  
Moscow 123317, Russia

Telephone +7 (495) 937 4477  
Fax +7 (495) 937 4400/99  
Internet www.kpmg.ru

**ZAO KPMG**

Naberezhnaya Tower Complex, Block C  
10 Presnenskaya Naberezhnaya  
Moscow 123317, Russia

Telephone +7 (495) 937 4477  
Fax +7 (495) 937 4400/99  
Internet www.kpmg.ru

## Independent Auditors' Report

To the Board of Directors of Open Joint Stock Company Third Generating Company of the Wholesale Electricity Market (OJSC WGC-3)

We have audited the accompanying consolidated financial statements of OJSC WGC-3 (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2009, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2009, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

### Other Matter

The consolidated financial statements of the Group as at and for the year ended 31 December 2008 were audited by other auditors whose report dated 17 April 2009 expressed an unmodified opinion on those statements.

ZAO KPMG  
16 April 2010



	Notes	31 December 2009	31 December 2008
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	38 160 994	29 287 313
Intangible assets	6	60 630	52 024
Investments in equity accounted investees	7	14 023 501	16 304 562
Other non-current assets	8	275 107	158 032
<b>Total non-current assets</b>		<b>52 520 232</b>	<b>45 801 931</b>
<b>Current assets</b>			
Inventories	9	1 887 763	2 855 914
Accounts receivable and prepayments	10	4 176 544	4 673 983
Deposits and other financial assets	11	8 893	37 352 940
Financial assets at fair value through profit or loss	12	-	1 237 095
Current income tax prepayments		471 730	34 088
Cash and cash equivalents	13	51 145 845	13 438 834
Assets held for sale	14	958 291	-
<b>Total current assets</b>		<b>58 649 066</b>	<b>59 592 854</b>
<b>TOTAL ASSETS</b>		<b>111 169 298</b>	<b>105 394 785</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	15	47 487 999	47 487 999
Share premium		63 136 744	63 228 766
Treasury shares	15	(7 947 303)	(8 046 714)
Other reserves		(8 238 245)	(8 355 872)
Retained earnings		10 394 863	6 098 800
<b>Total equity</b>		<b>104 834 058</b>	<b>100 412 979</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	16	2 306 969	1 920 885
Employee benefits	17	272 615	207 934
Other non-current liabilities		-	15 749
<b>Total non-current liabilities</b>		<b>2 579 584</b>	<b>2 144 568</b>
<b>Current liabilities</b>			
Accounts payable and accruals	18	2 017 411	1 605 952
Provisions	19	114 095	148 090
Taxes payable	20	1 624 150	1 083 196
<b>Total current liabilities</b>		<b>3 755 656</b>	<b>2 837 238</b>
<b>Total liabilities</b>		<b>6 335 240</b>	<b>4 981 806</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>111 169 298</b>	<b>105 394 785</b>

General Director

Chief Financial Officer



Vladimir Kolmogorov

Andrey Gainanov

16 April 2010

	Notes	For year ended 31 December 2009	For the year ended 31 December 2008
<b>Revenue</b>			
Electricity		38 372 274	37 496 029
Heat		766 078	669 655
Other		258 628	258 211
<b>Gross revenue</b>		<b>39 396 980</b>	<b>38 423 895</b>
Operating expenses	21	(37 349 838)	(35 656 717)
Impairment loss in respect of property, plant and equipment reversed/(recognized) during the year	5	1 950 373	(1 342 114)
Other operating income	22	329 372	356 769
<b>Results from operating activities</b>		<b>4 326 887</b>	<b>1 781 833</b>
Income from investing activities	23	3 095 801	5 907 662
Loss on investing activities	24	(186 891)	(980 932)
Finance (costs)/ income	25	(20 283)	4 590
Foreign exchange (loss)/gain		(710 355)	1 384 067
Share of (loss)/profit of equity accounted investees	7	(1 234 760)	355 446
<b>Profit before income tax</b>		<b>5 270 399</b>	<b>8 452 666</b>
Income tax expense	16	(974 336)	(1 731 861)
<b>Profit for the year</b>		<b>4 296 063</b>	<b>6 720 805</b>
<b>Other comprehensive income</b>			
Foreign currency translation differences for foreign operations	7	98 282	-
Net change in fair value of available-for-sale financial assets		48 752	(43 120)
Income tax on other comprehensive income	16	(29 407)	10 448
<b>Other comprehensive income for the year, net of income tax</b>		<b>117 627</b>	<b>(32 672)</b>
<b>Total comprehensive income for the year</b>		<b>4 413 690</b>	<b>6 688 133</b>
<b>Earnings per share, basic and diluted (in RR per share)</b>	26	<b>0.094</b>	<b>0.147</b>

	Notes	For year ended 31 December 2009	For year ended 31 December 2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
<b>Profit before income tax</b>		<b>5 270 399</b>	<b>8 452 666</b>
Adjustments for:			
Depreciation and amortization	21	1 687 248	1 282 642
Bad debt allowance and write-off of accounts receivable	10,21	183 932	132 245
Income from investing activities	23	(1 524 341)	(180 934)
Loss on investing activities	24	186 891	980 932
Finance costs/(income)	25	20 283	(4 590)
Interest income	23	(1 571 460)	(5 726 728)
Foreign exchange loss/(gain)		710 355	(1 384 067)
(Gain)/loss on disposal of property, plant and equipment		(39 424)	80 649
Impairment loss in respect of property, plant and equipment (reversed)/ recognized during the year	5	(1 950 373)	1 342 114
Share of losses/(earnings) of equity accounted investees		1 234 760	(355 446)
Other non-cash items		8 993	183 745
<b>Operating cash flows before working capital changes and income tax paid</b>		<b>4 217 263</b>	<b>4 803 228</b>
Working capital changes:			
Increase in accounts receivable and prepayments		(605 963)	(848 185)
Decrease/(increase) in inventories		998 891	(594 842)
Decrease in other assets		1 761	16 478
Increase/(decrease) in accounts payable and accruals		183 254	(388 676)
Increase in taxes payable, other than income tax		858 942	40 683
Increase in other non-current liabilities		47 820	46 997
Income tax paid, net of refund		(1 373 288)	(1 889 840)
<b>Net cash from operating activities</b>		<b>4 328 680</b>	<b>1 185 843</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment and other non-current assets		(8 935 066)	(7 713 878)
Purchase of intangible assets	6	(22 962)	(58 265)
Deposited to banks		40 430 865	19 310 993
Short-term investments held to maturity		-	19 000 000
Proceeds from sale of property, plant and equipment and other non-current assets		36 229	26 745
WGC-3 Holding affiliation		-	278
Purchases of investments		(209 941)	(18 752 228)
Proceeds from sale of investments		2 966 380	874 366
Loans and borrowings issued		-	1 660
Interest received		2 935 297	5 167 400
<b>Net cash from investing activities</b>		<b>37 200 802</b>	<b>17 857 071</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from borrowings		-	5 006 529
Repayment of debt		-	(5 006 529)
Interest paid		-	(10 216)
Sale/(purchase) of treasury shares		7 389	(8 122 944)
Dividends paid to the Company's shareholders		-	(228 180)
Dividend paid to minority interests		(5 418)	(17 867)
<b>Net cash generated from/(used in) financing activities</b>		<b>1 971</b>	<b>(8 379 207)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		<b>(3 824 442)</b>	<b>592 767</b>
<b>Net increase in cash and cash equivalents</b>		<b>37 707 011</b>	<b>11 256 474</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>13 438 834</b>	<b>2 182 360</b>
<b>Cash and cash equivalents at the end of the year</b>	13	<b>51 145 845</b>	<b>13 438 834</b>

	Attributable to equity holders of the Company					
	Share capital	Share Premium	Treasury shares	Other reserves	Retained earnings	Total equity
<b>Balance at 1 January 2009</b>	<b>47 487 999</b>	<b>63 228 766</b>	<b>(8 046 714)</b>	<b>(8 355 872)</b>	<b>6 098 800</b>	<b>100 412 979</b>
<b>Total comprehensive income for the year</b>						
Profit for the year	-	-	-	-	4 296 063	4 296 063
<b>Other comprehensive income</b>						
Net change in fair value of available-for-sale investments, net of tax	-	-	-	39 002	-	39 002
Foreign currency translation differences for foreign operations	-	-	-	78 625	-	78 625
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>117 627</b>	<b>-</b>	<b>117 627</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>117 627</b>	<b>4 296 063</b>	<b>4 413 690</b>
<b>Transactions with owners, recorded directly in equity</b>						
Sale of treasury shares (Note 15)	-	(92 022)	99 411	-	-	7 389
<b>Total transactions with owners</b>	<b>-</b>	<b>(92 022)</b>	<b>99 411</b>	<b>-</b>	<b>-</b>	<b>7 389</b>
<b>Balance at 31 December 2009</b>	<b>47 487 999</b>	<b>63 136 744</b>	<b>(7 947 303)</b>	<b>(8 238 245)</b>	<b>10 394 863</b>	<b>104 834 058</b>

	Attributable to equity holders of the Company					
	Share capital	Share Premium	Treasury shares	Other reserves	Retained earnings	Total equity
<b>Balance at 1 January 2008</b>	<b>47 487 999</b>	<b>63 228 766</b>	-	<b>(8 323 200)</b>	<b>(323 064)</b>	<b>102 070 501</b>
<b>Total comprehensive income for the year</b>						
Profit for the year	-	-	-	-	6 720 805	6 720 805
<b>Other comprehensive income</b>						
Net change in fair value of available-for-sale investments, net of tax	-	-	-	(32 672)	-	(32 672)
<b>Total other comprehensive income</b>	-	-	-	<b>(32 672)</b>	-	<b>(32 672)</b>
<b>Total comprehensive income for the year</b>	-	-	-	<b>(32 672)</b>	<b>6 720 805</b>	<b>6 688 133</b>
<b>Transactions with owners, recorded directly in equity</b>						
Purchase of treasury shares	-	-	(8 122 944)	-	-	(8 122 944)
Conversion of treasury shares			76 230		(76 230)	-
Merging with OJSC "WGC-3 Holding"	-	-	-	-	112 193	112 193
Dividends declared	-	-	-	-	(334 904)	(334 904)
<b>Total transactions with owners</b>	-	-	<b>(8 046 714)</b>	-	<b>(298 941)</b>	<b>(8 345 655)</b>
<b>Balance at 31 December 2008</b>	<b>47 487 999</b>	<b>63 228 766</b>	<b>(8 046 714)</b>	<b>(8 355 872)</b>	<b>6 098 800</b>	<b>100 412 979</b>

## 1. The Group and its operations

Open Joint Stock Company «Third Generation Company of the Wholesale Electricity Market» (JSC «WGC-3», or the «Company») was established on 23 November 2004 within the framework of the Russian electricity sector restructuring in accordance with Resolution No. 1254-r adopted by the Russian Federation Government on 1 September 2003.

**Branches.** The WGC-3 Group (the «Group») operates 6 state district power plants (SDPP) and its principal activity is electricity and heat generation. These SDPPs are incorporated as production branches. The Group's principal branches as at 31 December 2009 are Kostromskaya SDPP, Cherepetskaya SDPP, Pechorskaya SDPP, Kharanorskaya SDPP, Yuzhnouralskaya SDPP, and Gusinooserskaya SDPP.

**Subsidiaries.** The Company has 16 subsidiaries which are service and heating retail companies and operate in the regions where power plants are situated. All subsidiaries are 100% controlled and their income is mainly generated by intra-group operations.

**Principal shareholders.** As at 31 December 2009 the Company's ultimate controlling party is the Group "MMC "Norilsk Nickel" (60.66% of shares). The rest of the shares are held by individual and nominee holders (39.34%). The Company is registered by the District Inspectorate of the RF Ministry of Taxation of Republic of Buryatiya. The Company's office is located at bld. 25, Ermolaevsky lane, Moscow, 123001, Russia.

**Operating environment.** The Russian Federation has been experiencing political and economic change that has affected, and may continue to affect, the activities of enterprises operating in this environment. Consequently, operations in the Russian Federation involve risks that typically do not exist in other markets. In addition, the contraction in the capital and credit markets has further increased the level of economic uncertainty in the environment. The consolidated financial statements reflect management's assessment of the impact of the Russian business environment on the operations and the financial position of the Group. The future business environment may differ from management's assessment.

**Relations with the state and current regulation.** The Group's customer base includes a large number of entities controlled by or related to the state. Moreover, the state controls a number of the Group's fuel and other suppliers. The government of the Russian Federation directly affects the Group's operations through regulation by the Federal Service on Tariffs («FST»), with respect to its wholesale energy sales. Tariffs which the Group may charge for sales of electricity and heat are governed by regulations specific to the electricity and heat industry and by regulations applicable to natural monopolies. As described in Notes 2, 28 and 29, the government's economic, social and other policies could have material effects on the operations of the Group.

## 2. Basis of preparation

**Statement of compliance.** These consolidated financial statements («Financial Statements») have been prepared in accordance with International Financial Reporting Standards («IFRS»).

Each enterprise of the Group individually maintains its own books of accounts and prepares its statutory financial statements in accordance with the Regulations on Accounting and Reporting of the Russian Federation. The accompanying Financial Statements are based on the statutory records and adjusted and reclassified for the purpose of fair presentation in accordance with IFRS.

**Basis of measurement.** The consolidated financial statements are prepared on the historical cost basis except that derivative financial instruments, investments at fair value through profit or loss, financial investments classified as available-for-sale are stated at fair value.

**Functional and presentation currency.** The national currency of the Russian Federation is the Russian rouble («RR»), which is the functional currency of each of the Group's entities and the currency in which these financial statements are presented. All financial information presented in RR has been rounded to the nearest thousand.

**Changes in accounting policies and presentation.** Starting as at 1 January 2009, the Group has changed its accounting policies in the following areas:

- Determination and presentation of operating segments;
- Presentation of financial statements.

**Determination and presentation of operating segments.** Starting 1 January 2009 the Group determines and presents operating segments based on the information that is provided to the CEO, who is the Group's chief operating decision maker. This change in accounting policy is due to the adoption of IFRS 8 Operating Segments. Previously operating segments were determined and presented in accordance with IAS 14 Segment Reporting. The new accounting policy in respect of segment operating disclosures is presented in Note 3.

**Presentation of financial statements.** The Group applies revised IAS 1 Presentation of Financial Statements (2007), which became effective as at 1 January 2009. As a result, the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on earnings per share.

**New financial reporting standards and Interpretations not yet adopted.** The following new Standards, amendments to Standards and Interpretations are not yet effective as at 31 December 2009, and have not been applied in preparing these consolidated financial statements. Of these pronouncements, potentially the following will have an impact on the Group's operations. The Group plans to adopt these pronouncements when they become effective.

- Revised IAS 24 Related Party Disclosures (2009) introduces an exemption from the basic disclosure requirements in relation to related party disclosures and outstanding balances, including commitments, for government-related entities. Additionally, the standard has been revised to simplify some of the presentation guidance that was previously non-reciprocal. The revised standard is to be applied retrospectively for annual periods beginning on or after 1 January 2011. The Group has not yet determined the potential effect of the amendment.
- IFRS 9 Financial Instruments will be effective for annual periods beginning on or after 1 January 2013. The new standard is to be issued in several phases and is intended to replace International Financial Reporting Standard IAS 39 Financial Instruments: Recognition and Measurement once the project is completed by the end of 2010. The first phase of IFRS 9 was issued in November 2009 and relates to the recognition and measurement of financial assets. The Group recognizes that the new standard introduces many changes to the accounting for financial instruments and is likely to have an impact on Group's consolidated financial statements. The impact of these changes will be analyzed during the course of the project as further phases of the standard are issued.
- Various Improvements to IFRSs have been dealt with on a standard-by-standard basis. All amendments, which result in accounting changes for presentation, recognition or measurement purposes, will come into effect not earlier than 1 January 2010. The Group has not yet analyzed the likely impact of the improvements on its financial position or performance.

**Critical accounting estimates and assumptions.** The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgments, apart from those involving estimations, in the process of applying the accounting policies. Judgments that have the most significant effect on the amounts recognized in the financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

**Bad debt allowance and write-off of accounts receivable.** Bad debt allowance and write-off of accounts receivable is based on the Group's assessment of whether the collectability of specific customer accounts worsened compared to

prior estimates. If there is deterioration in a major customer's creditworthiness or actual defaults are higher than the estimates, the actual results could differ from these estimates.

**Impairment of tangible and intangible assets, excluding goodwill.** At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less cost to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, for which the estimates of the future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the consolidated statement of comprehensive income immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the original carrying amount that would have been determined had no impairment loss been recognized in prior periods. A reversal of an impairment loss is recognized in the consolidated statement of comprehensive income immediately.

Critical assumptions that were made for the purposes of impairment test of property, plant and equipment are described in Note 5.

Critical assumptions that were made for the Investment in associates are described in Note 7.

**Tax contingencies.** Russian tax legislation is subject to varying interpretations and changes, which can occur frequently. Where the Group management believes it is probable that their interpretation of the relevant legislation and the Group's tax positions cannot be sustained, an appropriate amount is accrued for in these consolidated financial statements.

### 3. Summary of significant accounting policies

**Principles of consolidation.** The consolidated financial statements comprise the financial statements of JSC WGC-3 and the financial statements of those entities whose operations are controlled by JSC WGC-3. Control is presumed to exist when JSC WGC-3 controls, directly or indirectly through subsidiaries, more than 50% of voting rights.

#### A) Subsidiaries

The consolidated financial statements incorporate financial statements of the Company and its subsidiaries, from the date that control effectively commenced until the date that control effectively ceased. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

All intra-group balances, transactions and any unrealized profits or losses arising from intra-group transactions are eliminated in full on consolidation.

#### B) Associates

An associate is an entity over which the Group exercises significant influence, but not control, through participation in financing and operating policy decisions, in which it normally owns between 20% and 50% of the voting equity. Associates are equity accounted for from the date significant influence commenced until the date that significant influence effectively ceased.

Investments in associates are carried at cost, including goodwill, as adjusted for the Group's the share of post-acquisition changes in associate's retained earnings and other movements in reserves. The carrying value of investments in associates is reviewed on a regular basis and if any impairment in value has occurred, it is written down in the period in which these circumstances are identified.



The results of associates are equity accounted for based on their most recent financial statements. Losses of associates are recorded in the consolidated interim financial statements until the investment in such associates is written down to nil value. Thereafter losses are only accounted for to the extent that the Group is committed to provide financial support to such associates. Profits and losses resulting from transactions with associates are eliminated to the extent of the Group's interest in the relevant associates.

**Assets held for sale.** Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when sale is highly probable within one year from the date of classification and the asset or disposal group is available for immediate sale in its present condition and management has committed to the sale. Non-current assets and disposal groups classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

## Foreign currency

**Foreign currency transactions.** Monetary assets and liabilities, which are held by the Group entities and denominated in foreign currencies at the balance sheet date, are translated into RR at the exchange rates prevailing at that date. Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income. As at 31 December 2009, the official rate of exchange, as determined by the Central Bank of the Russian Federation, between the RR and the US Dollar («USD») was RR 30.2442: USD 1.00 (31 December 2008: RR 29.3804: USD 1.00), between the RR and EURO RR 43.3883: EURO 1.00 (31 December 2008: RR 41.4411: EURO 1.00).

**Foreign operations.** The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to rouble at exchange rates at the reporting date. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to rouble at exchange rates at the dates of the transactions. Foreign currency differences are recognised in the foreign currency translation reserve (translation reserve, or FCTR). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to profit or loss as part of the profit or loss on disposal. When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the FCTR.

**Property, plant and equipment.** In 2004 property, plant and equipment were recognized at the carrying value determined in accordance with the IFRS at the date of their transfer to the Group by the Predecessor. Renewals and improvements are capitalized and the assets replaced are retired. The cost of repair and maintenance are expensed as incurred. Gains and losses arising from the retirement of property, plant and equipment are included in the statement of comprehensive income as incurred. Depreciation of property, plant and equipment is calculated on a straight-line basis over the estimated useful life of the asset when it is available for use. For the property, plant and equipment which were subject to an independent valuation as at 31 December 1997, the depreciation rate applied is based on the estimated remaining useful lives. The useful lives, in years, of assets by type of facility are as follows:

Type of facility	Acquired prior to 31 December 1997	Acquired subsequent to 31 December 1997
Electricity and heat generation	4-63	25 -50
Electricity distribution	7-30	30
Heating networks	4-22	25
Other	8	10

Social assets are not capitalized as they are not expected to result in future economic benefits to the Group. Costs associated with fulfilling the Group's social responsibilities are expensed as incurred.

**Inventories.** Inventories are valued at the lower of net realizable value and weighted average acquisition cost. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Provision is made for potential losses on obsolete or slow-moving inventories, taking into account their expected use and future realizable value.

**Financial assets.** The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and accounts receivable, held-to-maturity and available-for-sale. The classification depends on the purpose for which the financial assets are required. Management determines the classification of its financial assets at initial recognition.

**(a) Financial assets at fair value through profit or loss.** Financial assets are classified as at fair value through profit or loss where the financial asset is either held for trading or it is designated as at fair value through profit or loss. A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling or repurchasing in the near future; or
- it is a part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in the consolidated statement of comprehensive income. The net gain or loss recognised in the consolidated statement of comprehensive income incorporates any dividend or interest earned on the financial asset.

**(b) Loans and accounts receivable.** Loans and accounts receivable are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.

**(c) Held-to-maturity financial assets.** Held to maturity financial assets are financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intent and ability to hold to maturity other than loans and accounts receivable originated by the Group.

**(d) Available-for-sale financial assets.** Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Available-for-sale financial assets mainly include investments in listed and unlisted shares. Listed shares held by the Group that are traded in an active market are stated at their market value. Gains and losses arising from changes in fair value are recognized in the investments revaluation reserve with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets, which

are recognized directly in the consolidated statement of comprehensive income. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognized in the investment revaluation reserve is included in the consolidated statement of comprehensive income for the period. Dividends on available-for-sale equity instruments are recognized in the consolidated statement of comprehensive income when the Group's right to receive the dividends is established. Investments in unlisted shares that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recorded at management's estimate of fair value.

**Leases.** Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets subject to finance leases are capitalised as property, plant and equipment at the lower of fair value or present value of future minimum lease payments at the date of acquisition, with the related lease obligation recognised at the same value. Assets held under finance leases are depreciated over their estimated economic useful lives or over the term of the lease, if shorter. If there is reasonable certainty that the lessee will obtain ownership at the end of the lease term, the period of expected use is useful life of the asset.

Finance lease payments are allocated using the effective interest rate method, between the lease finance cost, which is included in finance costs, and the capital repayment, which reduces the related lease obligation to the lessor.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the consolidated statement of comprehensive income on a straight-line basis over the lease term.

#### Equity.

(a) **Ordinary shares.** Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(b) **Repurchase of share capital (treasury shares).** When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to / from share premium.

(c) **Dividends** are recognized as a liability and deducted from equity at the balance sheet date only if they are declared (approved by shareholders) before or on the balance sheet date. Dividends are disclosed when they are declared after the balance sheet date, but before the financial statements are authorized for issue.

**Intangible assets.** Intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives for the current and comparative periods are as follows:

Type of intangible assets	Useful lives (in years)
Computer software	1-5
Licenses	1-5

**Cash and cash equivalents.** Cash and cash equivalents comprise cash balances, cash deposits and highly liquid investments with maturities of three months or less, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

**Accounts receivable and prepayments.** Accounts receivable are recorded inclusive of value added taxes. Trade accounts receivable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method less provision for impairment. Such a bad debt allowance and write-off of accounts receivable is established if there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the accounts receivable. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, discounted at the market rate of interest for similar borrowers at the date of origination of the accounts receivable. The primary factors that the Group considers whether a receivable is impaired is its overdue status and reliability of related collateral, if any. The following other principal criteria are also used to determine whether there is objective evidence that an impairment loss has occurred:

- any portion of the receivable is overdue and the late payment cannot be attributed to a delay caused by the settlement systems;
- the counterparty experiences a significant financial difficulty as evidenced by its financial information that the Group obtains;
- the counterparty considers bankruptcy or a financial reorganisation;
- there is adverse change in the payment status of the counterparty as a result of changes in the national or local economic conditions that impact the counterparty.

**Value added tax on purchases and sales.** Output value added tax related to sales is payable to tax authorities on the earlier of (a) collection of the accounts receivable from customers or (b) delivery of the goods or services to customers. Input VAT is generally recoverable against output VAT upon receipt of the VAT invoice. The tax authorities permit the settlement of VAT on a net basis. VAT related to sales and purchases is recognized in the statement of financial position on a gross basis and disclosed separately as an asset and liability. Where provision has been made for impairment of accounts receivable, the impairment loss is recorded for the gross amount of the debtor, including VAT.

**Income tax.** The income tax expense represents the sum of the tax currently payable and deferred income tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

**Deferred income tax.** Deferred tax is provided using the balance sheet liability method for the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts as per the consolidated financial statements. In accordance with the initial recognition exemption, deferred taxes are not recorded for temporary differences on initial recognition of an asset or a liability in a transaction other than a business combination if the transaction, when initially recorded, affects neither accounting nor taxable profit or loss. Deferred tax balances are measured at tax rates enacted or substantively enacted at the balance sheet date which are expected to apply to the period when the temporary differences will reverse or the tax loss carry forwards will be utilized. Deferred tax assets for deductible temporary differences and tax loss carry forwards are recorded only to the extent that it is probable that future taxable profit will be available against which the deductions can be utilized.

Deferred tax movements are recorded in the statement of comprehensive income except when they are related to the items directly charged to the shareholders' equity. In this case deferred taxes are recorded as part of the shareholders' equity.

Deferred tax is not provided for the undistributed earnings of subsidiaries, as the Group requires profits to be reinvested, and only insignificant dividends are expected to be declared from future profits of the subsidiaries. Neither these future profits nor the related taxes are recognized in these financial statements.

**Accounts payable and accruals.** Accounts payable are stated inclusive of value added tax. Trade accounts payable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method. If accounts payable are restructured and the discounted present value of the cash flows under the



restructured terms discounted using the original effective interest rate differs by more than ten percent from the discounted present value of the remaining cash flows of the original financial liability, then the fair value of the restructured payable is measured as the discounted present value of the cash flows under the restructured terms. In this case the amount of the discount is credited to the statement of comprehensive income (finance costs) as a gain on restructuring, and the non-current portion of the discounted payable is reclassified to other non-current liabilities. The discount is amortized over the period of the restructuring as an interest expense.

#### **Impairment.**

**(a) Financial assets.** A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Group considers evidence of impairment for receivables and held-to-maturity investment securities at both a specific asset and collective level. All individually significant receivables and held-to-maturity investment securities are assessed for specific impairment. All individually significant receivables and held-to-maturity investment securities found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables and held-to-maturity investment securities that are not individually significant are collectively assessed for impairment by grouping together receivables and held-to-maturity investment securities with similar risk characteristics.

In assessing collective impairment the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Impairment losses on available-for-sale investment securities are recognised by transferring the cumulative loss that has been recognised in other comprehensive income, and presented in the fair value reserve in equity, to profit or loss. The cumulative loss that is removed from other comprehensive income and recognised in profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in profit or loss. Changes in impairment provisions attributable to time value are reflected as a component of interest income.

If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised in profit or loss, then the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

**(b) Non-financial assets.** The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**Debt.** Debt is recognized initially at its fair value. If it is significantly different from the transaction price, fair value is determined using the prevailing market interest rate for a similar instrument. In subsequent periods, debt is stated at amortized cost using the effective interest rate method; any difference between the fair value at initial recognition (net of transaction costs) and the redemption amount is recognized in the statement of comprehensive income as an interest expense over the period of the debt obligation.

**Employee benefits.** In the normal course of business the Group contributes to the Russian Federation defined contribution state pension scheme on behalf of its employees. Mandatory contributions to the governmental pension scheme are expensed when incurred.

The Group has also operated a combination of defined benefit and defined contribution plans until December 2007, in respect of which it had contracts with a non-governmental pension fund. The Board of Directors at their meeting of 28 December 2007 has taken the decision to curtail the defined benefit part of the plan which affected the liability recognized in the statement of financial position. The defined benefit pension plans are no longer included in calculation of the liability, but the Group offers various post-employment, long-term and jubilee benefits to its employees which are of a defined benefit nature. The defined benefit obligations and costs are assessed using the projected unit credit method. The present value of the obligations are determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits associated with the operations of the plan will be paid, and that have terms to maturity approximating the terms of the related liabilities.

Actuarial gains and losses arising from changes in actuarial estimations and exceeding 10% of the obligations are charged or credited to the statement of operations over the average remaining service lives of employees starting from the next reporting period.

**Provisions.** Provisions are recorded where there is a present obligation, the payment is probable and reliable estimates can be made.

**Environmental obligations.** Liabilities for environmental remediation are recorded where there is a present obligation, the payment is probable and reliable estimates can be made.

**Revenue recognition.** Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer of electricity and heat or non-utility goods and services. Revenue is measured at the fair value of the consideration received or receivable. When the fair value of consideration received cannot be measured reliably, the revenue is measured at the fair value of the goods or services sold/provided. Revenue is stated net of value added tax.



**Social expenditure.** To the extent that the Group's contributions to social programs benefit the community at large without creating constructive obligation to provide such benefits in the future and are not restricted to the Group's employees, they are recognized in the statement of comprehensive income as incurred.

**Interest.** Interest income and expense are recognized in the statement of comprehensive income for all debt instruments on an accrual basis using the effective rate of interest method. Interest income includes nominal interest and amortized discount and premium. When loans become doubtful of collection, they are written down to their recoverable amounts and interest income is thereafter recognized based on the rate of interest that was used to discount the future cash flows for the purpose of measuring the recoverable amount. In respect of borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after 1 January 2009, the Group capitalises borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset.

**Fair value measurement.** The fair value of accounts receivable for disclosure purposes is measured by discounting the value of expected cash flows at the market rate of interest for similar borrowers at the reporting date. The fair value of financial liabilities and other financial instruments (except if publicly quoted) for disclosure purposes is measured by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments. The fair value of publicly quoted financial instruments for disclosure purposes are measured based on current market value at the close of business on the reporting date.

**Earnings per share.** The earnings per share are determined by dividing the profit from continuing operations attributable to the shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period.

**Segment reporting.** The Group has a single reportable segment - the generation of electric power and heat in the Russian Federation as the management does not review profit measures for SDPPs or any other components in order to make a decision about allocation of resources. The generation of electricity and heat are related activities and are subject to similar risks and returns, therefore they are reported as one business segment. The Group generates its revenues from the generation of electricity and heat in the Russian Federation. The Group holds assets in the same geographical area – the Russian Federation. For the year ended 31 December 2009 the Group has revenues of RR 13,574,283 thousand from transactions with a single external customer.

**Seasonality.** Demand for electricity and heat is influenced by both the seasons of the year and the relative severity of the weather. Revenues from heating are concentrated within the months of October to March. A similar, although less intense, concentration of electricity sales occurs within the same period. The seasonality of electricity and heat production has a corresponding impact on the usage of fuel and the purchase of power. Furthermore, during the periods of lower production from April to September, there is an increase in the expenditures on repairs and maintenance. This seasonality does not impact the revenue or cost recognition policies of the Group.

#### 4. Related parties

The nature of the related party relationships for those related parties with whom the Group entered into significant transactions during the period ended 31 December 2009 and during the period ended 31 December 2008 or had significant balances outstanding at 31 December 2009 and at 31 December 2008 are detailed below.

##### Parent and parent's subsidiaries

The Group had the following significant transactions with the Group "MMC "Norilsk Nickel":

	For year ended 31 December 2009	For year ended 31 December 2008
Sale of "MMC "Norilsk Nickel" shares	2 966 380	-
Purchases	909 049	888 674
Loans and borrowings issued	-	1 500
Loans and borrowings repaid	-	(1 500)

The Group had no balances with the parent or its subsidiaries as at 31 December 2009 and 31 December 2008.

##### Rosbank

	31 December 2009	31 December 2008
Cash	-	11 681
Deposits	-	12 352 940

From February 2009 Rosbank is no longer a related party of the Group. The interests income on deposits and promissory notes for the years ended 31 December 2009 and 2008, amounted to RR 99 576 thousand and RR 2 075 161 thousand respectively.

##### Transactions with key management and close family members

Total remuneration in the form of salary and bonuses paid to the members of the Board of Directors and Management Board for the period ended 31 December 2009 was RR 197 935 thousand (for the period ended 31 December 2008 – RR 109 186 thousand).

During 2008 the Group gave an interest-bearing loan to the Chairman of the Management Board in the amount of RR 17 168 thousand which has a current value of RR 1 075 thousand at 31 December 2009. In the reporting period no loans were given by the Group to its key management and close family members.

## 5. Property, plant and equipment

Cost	Electricity and heat generation	Electricity transmission	Heating networks	Construction in progress	Other	Total
Opening balance as at 31 December 2008	<b>30 461 018</b>	<b>4 005 865</b>	<b>951 295</b>	<b>10 583 504</b>	<b>7 541 753</b>	<b>53 543 435</b>
Additions	48 005	-	6 484	8 582 298	4 783	8 641 570
Transfers	477 335	83 396	19 960	(1 054 150)	473 459	-
Disposals	(10 573)	(926)	-	(22 550)	(86 948)	(120 997)
Closing balance as at 31 December 2009	<b>30 975 785</b>	<b>4 088 335</b>	<b>977 739</b>	<b>18 089 102</b>	<b>7 933 047</b>	<b>62 064 008</b>
<b>Accumulated depreciation (including impairment)</b>						
Opening balance as at 31 December 2008	<b>(14 972 531)</b>	<b>(2 796 226)</b>	<b>(524 067)</b>	<b>(104 038)</b>	<b>(5 859 260)</b>	<b>(24 256 122)</b>
Charge for the year	(1 079 086)	(93 879)	(40 789)	-	(459 138)	(1 672 892)
Transfers	(4 448)	(439)	-	18 669	(13 782)	-
Disposals	5 209	839	-	124	69 455	75 627
Reversal of impairment	1 604 791	154 855	32 580	85 245	72 902	1 950 373
Closing balance as at 31 December 2009	<b>(14 446 065)</b>	<b>(2 734 850)</b>	<b>(532 276)</b>	<b>-</b>	<b>(6 189 823)</b>	<b>(23 903 014)</b>
Net book value as at 31 December 2009	<b>16 529 720</b>	<b>1 353 485</b>	<b>445 463</b>	<b>18 089 102</b>	<b>1 743 224</b>	<b>38 160 994</b>
Net book value as at 31 December 2008	<b>15 488 487</b>	<b>1 209 639</b>	<b>427 228</b>	<b>10 479 466</b>	<b>1 682 493</b>	<b>29 287 313</b>

Cost	Electricity and heat generation	Electricity transmission	Heating networks	Construction in progress	Other	Total
Opening balance as at 31 December 2007	<b>29 924 692</b>	<b>3 913 271</b>	<b>936 803</b>	<b>4 612 152</b>	<b>6 986 418</b>	<b>46 373 336</b>
Additions	46 349	163	-	7 199 007	141 166	7 386 685
Transfers	498 406	97 198	14 492	(1 057 928)	447 832	-
Disposals	(8 429)	(4 767)	-	(169 727)	(33 663)	(216 586)
Closing balance as at 31 December 2008	<b>30 461 018</b>	<b>4 005 865</b>	<b>951 295</b>	<b>10 583 504</b>	<b>7 541 753</b>	<b>53 543 435</b>
<b>Accumulated depreciation (including impairment)</b>						
Opening balance as at 31 December 2007	<b>(12 915 607)</b>	<b>(2 567 037)</b>	<b>(522 213)</b>	<b>(123 469)</b>	<b>(5 546 484)</b>	<b>(21 674 810)</b>
Charge for the year	(926 419)	(69 265)	(11 722)	-	(268 475)	(1 275 881)
Transfers	(8 010)	-	-	14 688	(6 678)	-
Disposals	3 042	4 024	-	4 743	24 874	36 683
Impairment charge	(1 699 046)	(163 948)	(35 974)	-	(62 497)	(1 961 465)
Reversal of impairment	573 509	-	45 842	-	-	619 351
Closing balance as at 31 December 2008	<b>(14 972 531)</b>	<b>(2 796 226)</b>	<b>(524 067)</b>	<b>(104 038)</b>	<b>(5 859 260)</b>	<b>(24 256 122)</b>
Net book value as at 31 December 2008	<b>15 488 487</b>	<b>1 209 639</b>	<b>427 228</b>	<b>10 479 466</b>	<b>1 682 493</b>	<b>29 287 313</b>
Net book value as at 31 December 2007	<b>17 009 085</b>	<b>1 346 234</b>	<b>414 590</b>	<b>4 488 683</b>	<b>1 439 934</b>	<b>24 698 526</b>

At 31 December 2009 construction in progress includes advance prepayments for property, plant and equipment of RR 12 300 111 thousand (31 December 2008: RR 6 735 659 thousand).

The assets transferred to the Group upon privatization did not include the land on which the Group's buildings and facilities are situated. The Group has the right to purchase this land (except for the land at Moscow) upon application to the state registration body or to formalize the right for rent after the right expiry date, which is 1 January 2012.

### Impairment

The impairment provision included in accumulated depreciation balance as at 31 December 2009, 31 December 2008 and 31 December 2007 is RR 1 13 895 thousand, RR 2 069 339 thousand and RR 849 806 thousand, accordingly. As a result of impairment test performed as at 31 December 2008, management recognized net impairment loss of RR 1 342 114 thousand including recognition of impairment loss at Gusinooserskaya SDPP in the amount

of RR 1 961 466 thousand, which was partially offset by reversal of previously recognized impairment loss at Pechorskaya SDPP in the amount of RR 619 351 thousand.

As at 31 December 2009 the Group performed impairment test in accordance with IAS 36 by comparing the recoverable amount of the each cash generating unit to its net book value. Management considered that power stations (SDPP), being the company's branches, represent cash generating units (CGU). The recoverable amount was determined based on value in use, calculated by discounting the estimated future cash flows using following assumptions:

- **Regulated electricity tariffs** annual increase was estimated by the management as set by Federal Tariff Service (FTS) and Regional Energy Committees (REC) for each power plant for 2010. Management assumed that the electricity tariffs will increase at the growth rate of fuel costs for the whole forecasted period;
- **The regulated capacity payments** set for 2010 were assumed to increase at the rate equal to the inflation level as measured by the consumer price index (CPI) for the whole forecasted period;
- **Unregulated Electricity Wholesale Price.** Management assumed that unregulated wholesale prices would increase in line with the growth in fuel costs for a marginal plant in the region;
- **Free-market capacity price** growth was assumed in line with general inflation as measured by CPI and the base price calculated in accordance with methodology developed by Market Administrator;
- **Gas, coal and fuel oil prices** assumed to grow in line with the rates by the "Agency of electricity balances forecasts";
- **Electricity volumes on unregulated market** changes were assumed based on electricity demand change in the particular region and forecast of capacity commissioning and decommissioning (committed and started as at the date of the impairment test);
- **Weighted average cost of capital** of 12.7% was applied for discounting future operating cash flows generated by the Group for all cash generating units;
- **The forecasted period** was set till the year 2020 and growth rate of 3.5% for terminal value calculation.

As a result of the analysis, management reversed previously recognized impairment loss in the total amount of RR 1 950 373 thousand related to Gusinozerskaya SDPP in the amount of RR 1 842 622 thousand and Pechorskaya SDPP in the amount of RR 107 751 thousand due to sustained improvement of the above key assumptions compared to prior year assessment.

Management estimated the sensitivity of CGUs recoverable amounts to the 1% change in the WACC as a key assumption on which management has based its determination of CGU value-in-use and summarized the results below:

CGU	WACC - 1 percent point	WACC +1 percent point
	Value in use deviation, %	
Gusinozerskaya SDPP	20%	-16%
Kostromskaya SDPP	15%	-12%
Pechorskaya SDPP	16%	-12%
Kharanorskaya SDPP	15%	-12%
Cherepetskaya SDPP	20%	-16%
Yuzhnouralskaya SDPP	24%	-19%

If WACC was 1 percent point higher or lower with all other variables held constant neither additional impairment reversal nor loss would have been recognized.

### Operating leases

The Group leases a number of land areas owned by local governments under operating lease. Land lease payments are determined by lease agreements.

Non-cancellable operating lease rentals are payable as follows:

	31 December 2009	31 December 2008
Not later than one year	23 382	34 609
Later than one year and not later than five years	83 328	37 065
Later than five years	760 458	132 369
<b>Total</b>	<b>867 168</b>	<b>204 043</b>

The land areas leased by the Group are the territories on which the Group's electric power stations, heating stations and other assets are located. Lease payments are reviewed regularly to reflect market rentals.

## 6. Intangible assets

Cost	Computer software	Licenses	Total
Balance at 1 January 2009	39 298	18 967	58 265
Additions	21 665	1 297	22 962
Balance at 31 December 2009	60 963	20 264	81 227
<b>Amortisation</b>			
Balance at 1 January 2009	(5 882)	(359)	(6 241)
Amortisation for the year	(13 292)	(1 064)	(14 356)
Balance at 31 December 2009	(19 174)	(1 423)	(20 597)
<b>Carrying amounts</b>			
At 1 January 2009	<b>33 416</b>	<b>18 608</b>	<b>52 024</b>
At 31 December 2009	<b>41 789</b>	<b>18 841</b>	<b>60 630</b>

## 7. Investments in equity accounted investees

Equity investments in associated company accounted for using the equity method are presented by investment in RUSIA Petroleum and Plug Power and are as follows:

	RUSIA Petroleum	Plug Power	Total
<b>Balance at 1 January 2009</b>	15 015 219	1 289 343	16 304 562
Share of post-acquisition losses	(991 718)	(243 042)	(1 234 760)
Foreign currency translation differences for foreign operations	-	98 282	98 282
Transferred to asset held for sale	-	(1 144 583)	(1 144 583)
<b>Balance at 31 December 2009</b>	<b>14 023 501</b>	<b>-</b>	<b>14 023 501</b>

The following is summarized financial information for equity accounted investees, not adjusted for percentage ownership held by the Group:

Name of associate	Market value	Carrying value of investment	Total assets	Total liabilities	Sales	Loss
<b>Year ended 31 December 2009</b>						
RUSIA Petroleum (i)	n/a	14 023 501	32 453 748	15 518 052	17 374	(1 301 642)
Plug Power (ii)	-	-	-	-	194 364	(703 471)

(i) **RUSIA Petroleum.** On 20 October 2008 the Group acquired 25% (minus one share) of OJSC RUSIA Petroleum Company (RUSIA Petroleum) from Jarford Enterprises Inc for RR 15 060 290 thousand paid in cash. The notional goodwill arising on acquisition of RUSIA Petroleum comprised RR 9 789 577 thousand and is attributable to expected business synergies and future benefits. RUSIA Petroleum holds license for Kovyktinskoe gas condensate field, one of the most strategically important fields in Russia.

Share of post-acquisition losses of RUSIA Petroleum is mainly attributable to a write-off of the licence on exploration of Khandinskoe field for search and valuation of oil and gas deposits expired in 2008.

(ii) **Plug Power.** On 20 December 2008 the Group acquired 34.97% of Plug Power, which is listed on NASDAQ, from Smart Hydrogen Inc for RR 888 826 thousand paid in cash. Plug Power is operating in the field of development, production and exploitation of energetic assembly on the basis of hydrogen fuel elements. On 30 June 2009 investment in Plug Power was classified as asset held for sale (see Note 14).

## 8. Other non-current assets

	31 December 2009	31 December 2008
Available-for-sale investments	142 221	93 448
Accounts receivable	123 977	60 211
Value added tax	7 515	1 218
Other non-current assets	1 394	3 155
<b>Total</b>	<b>275 107</b>	<b>158 032</b>

The carrying amount of Group's other non-current assets approximates their fair value.

The available-for-sale investments are non-derivatives that are either designated in this category or not classified in any of other categories of financial assets. The available-for-sale financial assets mainly comprise marketable and non-marketable securities.

Gain arising from changes in fair value of RR 48 752 thousand during the year ended 31 December 2009 was recognized in other comprehensive income.

## 9. Inventories

	31 December 2009	31 December 2008
Fuel supplies	1 336 940	2 196 938
Materials and supplies	257 274	258 134
Other inventories	293 549	400 842
<b>Total</b>	<b>1 887 763</b>	<b>2 855 914</b>

The above inventory balances are recorded net of an obsolescence provision of RR 130 718 thousand and RR 184 592 thousand as at 31 December 2009 and 31 December 2008 respectively.



## 10. Accounts receivable and prepayments

	31 December 2009	31 December 2008
Trade accounts receivable (net of impairment provision for accounts receivable of RR 609 453 thousand as at 31 December 2009 and RR 537 639 thousand as at 31 December 2008)	1 995 261	1 566 451
Advances to suppliers (net of impairment provision for advances to suppliers of RR 68 744 thousand as at 31 December 2009 and RR 66 111 thousand as at 31 December 2008)	1 022 983	824 327
Value added tax recoverable	769 340	260 900
Interest and other accounts receivable (net of impairment provision for other accounts receivable of RR 239 665 thousand as at 31 December 2009 and RR 365 102 thousand as at 31 December 2008)	388 960	2 022 305
<b>Total</b>	<b>4 176 544</b>	<b>4 673 983</b>

The foreign exchange gain from accounts receivable comprised RR 27 742 thousand during the year ended 31 December 2009 (during the year ended 31 December 2008: nil).

## 11. Deposits and other financial assets

Name of bank	Currency	Type	Interest rate, %	31 December 2009	31 December 2008 (foreign currency)	31 December 2008
VTB Bank	RR	Deposit	8.00-9.35	7 500	-	25 000 000
Rosbank	USD	Deposit	9.00-9.25	-	283 897	8 341 004
Rosbank	EUR	Deposit	9.25	-	60 614	2 511 936
Rosbank	RR	Deposit	8.50-10.50	-	-	1 500 000
Sberbank	RR	Promissory notes	8.50-8.60	1 393	-	-
<b>Total</b>				<b>8 893</b>		<b>37 352 940</b>

As at 31 December 2009 cash held in deposits amounted to RR 8 893 thousand. All deposits are nominated in Russian Rouble. According to OJSC "Sberbank" contracts the deposit repayment can be exercised at any time at three days notice. In accordance with the OJSC "VTB Bank" contract the Group is required not to demand a refund of all or part of deposits prior to maturity date. Deposit periods are from three to nine months and interest rates are fixed for a certain period.

For the year ended 31 December 2009 interest income on deposits and promissory notes amounted to RR 1 617 974 thousand (for the year ended 31 December 2008: RR 5 580 385 thousand).

The Group's deposits in banks and other financial assets are short-term and their carrying amount approximates fair value. The foreign exchange gain from deposits and other financial assets comprised RR 3 086 818 thousand for the year ended 31 December 2009 (for the year ended 31 December 2008: RR 913 933 thousand).

## 12. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise marketable securities held for trading that are a part of an identified portfolio of financial instruments that are under the trust management and has a recent actual pattern of short-term profit-taking.

As at 1 January 2009 financial assets at fair value through profit or loss comprised ordinary shares of OJSC "MMC "Norilsk Nickel" in the amount of RR 1 237 095 thousand. During 2009 under the Trust Asset Management agreement with CJSC "Troika Dialog" the Group purchased 160 000 shares of OJSC "MMC "Norilsk Nickel". Subsequently ordinary shares of OJSC "MMC "Norilsk Nickel" were sold to "MMC "Norilsk Nickel" group entities.

	Type of security	Amount	Carrying value
<b>At 1 January 2009</b>	Ordinary shares	628 302	1 237 095
Purchases	Ordinary shares	160 000	209 940
Sales	Ordinary shares	(788 302)	(1 447 035)
<b>At 31 December 2009</b>		-	-

The Group recognized gain on disposal of these shares in the amount of RR 1 519 344 thousand as income from investing activities (see Note 23).

## 13. Cash and cash equivalents

	31 December 2009		31 December 2008	
	RUR'000	Foreign currency'000	RUR'000	Foreign currency'000
Cash nominated in:				
RUR	6 346 506	-	2 764 189	-
USD	538 775	17 814	10 477	357
EUR	15 337	354	223	5
GBR	111	2	222	5
Term deposits with original maturity of less than three months:				
USD	24 069 582	795 841	10 654 723	362 147
EUR	20 175 534	464 999	-	-
RUR	-	-	9 000	-
<b>Total</b>	<b>51 145 845</b>		<b>13 438 834</b>	

For the year ended 31 December 2009 the foreign exchange loss from cash equivalents and transactions with cash comprised RR 3 824 442 thousand (for the year ended 31 December 2008: gain of RR 592 767 thousand).

Subsequently to 31 December 2009, Russian Rouble appreciated against Euro and US dollar. For sensitivity analysis please refer Note 29.

## 14. Assets held for sale

Investment in associated company Plug Power, Inc. is presented as held for sale (please refer to Note 7) following the decision of the Group's management, approved on 28 May 2009, to sell shares in Plug Power. Efforts to sell the Plug Power shares have commenced, and a sale is expected by 30 June 2010. Plug Power shares valued at lower of carrying amount (RR 1 144 583 thousand) and market price (RR 958 291 thousand). Impairment loss of RR 186 292 thousand was recognized during the year (Note 24).

## 15. Equity

Share capital (Number of shares unless otherwise stated)	Ordinary shares 31 December 2009	Ordinary shares 31 December 2008
Issued shares	47 487 999 252	47 487 999 252
Par value (in RR)	1.00	1.00

**Treasury shares.** On 20 February 2009 the Group sold 24 594 460 treasury ordinary shares out of 1 990 775 278 treasury ordinary shares for RR 7 389 thousand resulting in decrease in share premium of RR 92 022 thousand.

**Dividends.** In accordance with Russian legislation the Company's distributable reserves are limited to the balance of retained earnings as recorded in the Company's statutory financial statements prepared in accordance with Russian Accounting Principles.

On 26 June 2008 the Annual General Meeting approved the proposal to pay dividends in respect of the year ended 31 December 2007 in the amount of RR 0.007364 per ordinary share totalling RR 334 904 thousand. These dividends are deducted from equity at 31 December 2008. The unpaid amount of RR 95 329 thousand is recognized as a liability at 31 December 2009. The Company neither declared nor paid dividends for the year ended 31 December 2008.

## 16. Income tax

Income tax expense	For year ended 31 December 2009	For year ended 31 December 2008
<b>Current income tax expense</b>	<b>(617 659)</b>	<b>(2 585 056)</b>
<b>Deferred income tax (expense)/benefit</b>	<b>(356 677)</b>	<b>853 195</b>
Deferred income tax benefit before tax rate recalculation	-	469 118
Effect of tax recalculation due to the rate change to 20%	-	384 077
<b>Total income tax expense</b>	<b>(974 336)</b>	<b>(1 731 861)</b>

During the year ended 31 December 2009 the Group entities were subject to the 20% income tax rate on taxable profits (during the year ended 31 December 2008: 24%). With effect from 1 January 2009 the income tax rate for Russian companies has been reduced to 20%. This rate was used for the calculation of the deferred tax assets and liabilities for the year ended 31 December 2008.

Reconciliation between the expected and the actual taxation change is provided below:

	For year ended 31 December 2009	For year ended 31 December 2008
<b>Profit before tax</b>	5 270 399	8 452 666
Theoretical income tax	(1 054 080)	(2 028 640)
Unrecognised deferred tax asset on share in losses of associates	(198 343)	-
Effect of change in Russian statutory income tax rate to 20%	-	384 077
Tax effect of items which are not deductible or assessable for taxation purposes:		
Non-deductible sponsorship expenses	(172 599)	-
Taxes overprovided in prior years	615 203	-
Effect of changes in provisions	6 309	(1 894)
Effect of changes in pension liabilities	(12 936)	(13 881)
<b>Other non-deductible and non-taxable items, net</b>	<b>(157 890)</b>	<b>(71 523)</b>
<b>Total income tax expense</b>	<b>(974 336)</b>	<b>(1 731 861)</b>

**Deferred income tax.** Differences between IFRS and Russian statutory taxation regulations give rise to certain temporary differences between the carrying value of certain assets and liabilities for financial reporting purposes and their tax bases. At 31 December 2009 deferred tax assets and liabilities are measured at 20%, the rate applicable when the temporary differences will reverse.

## Deferred tax liabilities

	31 December 2008	Movement for the year recognized in profit or loss	Movement for the year recognized in the statement of comprehensive income	31 December 2009
Property, plant and equipment	(2 094 467)	(299 393)	-	(2 393 860)
Foreign currency translation differences	-	-	(19 657)	(19 657)
Investments in associates	(80 103)	80 103	-	-
Accounts payable	(1 205)	1 205	-	-
Other	(500)	500	-	-
<b>Total</b>	<b>(2 176 275)</b>	<b>(217 585)</b>	<b>(19 657)</b>	<b>(2 413 517)</b>

### Deferred tax assets

	31 December 2008	Movement for the year recognized in profit or loss	Movement for the year recognized in the statement of comprehensive income	31 December 2009
Accounts payable	46 666	17 849	-	64 515
Inventories	8 476	9 386	-	17 862
Accounts receivable including provision for impairment	5 729	6 617	-	12 346
Long-term available-for-sale investments	21 435	(5 624)	(9 750)	6 061
Assets held for sale	-	5 764	-	5 764
Financial assets at fair value through profit or loss	173 084	(173 084)	-	-
<b>Total</b>	<b>255 390</b>	<b>(139 092)</b>	<b>(9 750)</b>	<b>106 548</b>
<b>Net deferred tax liabilities</b>	<b>(1 920 885)</b>	<b>(356 677)</b>	<b>(29 407)</b>	<b>(2 306 969)</b>

Deferred tax assets have not been recognised in respect of share in losses of associates because it is not probable that future taxable profit will be available against which the Group can utilise the benefits there from.

### Deferred tax liabilities

	31 December 2007	Movement for the year recognized in profit or loss	Movement for the year recognized in the statement of comprehensive income	Effect of change in Russian statutory income tax rate to 20%	31 December 2008
Property, plant and equipment	(2 824 670)	311 310	-	418 893	(2 094 467)
Accounts payable	(254)	(1 192)	-	241	(1 205)
Investments in associates	-	(96 124)	-	16 021	(80 103)
Other	(10 948)	-	10 448	-	(500)
<b>Total</b>	<b>(2 835 872)</b>	<b>213 994</b>	<b>10 448</b>	<b>435 155</b>	<b>(2 176 275)</b>

### Deferred tax assets

	31 December 2007	Movement for the year recognized in profit or loss	Movement for the year recognized in the statement of comprehensive income	Effect of change in Russian statutory income tax rate to 20%	31 December 2008
Accounts receivable including provision for impairment	12 318	(5 443)	-	(1 146)	5 729
Accounts payable	21 602	34 397	-	(9 333)	46 666
Inventories	17 223	(7 052)	-	(1 695)	8 476
Financial assets at fair value through profit or loss	-	207 701	-	(34 617)	173 084
Long-term available-for- sale investments	-	25 722	-	(4 287)	21 435
Other	201	(201)	-	-	-
<b>Total</b>	<b>51 344</b>	<b>255 124</b>	<b>-</b>	<b>(51 078)</b>	<b>255 390</b>
<b>Net deferred tax liabilities</b>	<b>(2 784 528)</b>	<b>469 118</b>	<b>10 448</b>	<b>384 077</b>	<b>(1 920 885)</b>

## 17. Employee benefits

Until December 2007 the Group had a defined benefit pension plan, which was curtailed according to the decision taken at the Board of Directors meeting held on 28 December 2007 (see Note 3).

The Group also provides various long-term and post employment benefits including lump sum payments upon retirement and jubilee benefits to active employees and others. Additionally the Group provides quarterly financial support payments of a defined benefit nature to its former employees, who have reached the age of the state old age pension.

Amounts recognized in the consolidated statement of financial position:

	31 December 2009	31 December 2008
Defined benefit obligations	425 602	368 244
Funded status	425 602	368 244
Unrecognized net actuarial loss	(51 516)	(47 565)
Unrecognized past service cost	(101 470)	(112 745)
<b>Net liability in statement of financial position</b>	<b>272 615</b>	<b>207 934</b>

Amounts recognized in the consolidated statement of comprehensive income:

	For year ended 31 December 2009	For year ended 31 December 2008
Immediate recognition of vested prior service cost	(17 834)	42 176
Interest cost	33 684	18 871
Current service cost	29 823	18 483
Amortization of past service cost	11 275	5 256
Settlement gain	-	(3 763)
Recognized actuarial (gain)/loss	25 511	(7 280)
<b>Total</b>	<b>82 459</b>	<b>73 743</b>

Changes in the present value of the Group's defined benefit obligation are as follows:

	For year ended 31 December 2009	For year ended 31 December 2008
Defined benefit obligations at the beginning of the year	368 244	278 729
Past service (credit)/ cost	(17 834)	121 236
Interest cost	33 684	18 871
Current service cost	29 823	18 483
Actuarial loss/ (gain)	29 462	(46 502)
Benefits paid	(17 778)	(15 907)
Curtailement	-	(6 666)
<b>Defined benefit obligations at the end of the year</b>	<b>425 601</b>	<b>368 244</b>

Principal actuarial estimations are as follows:

	31 December 2009	31 December 2008
Discount rate	9.00	9.00
Salary increase	8.00	10.24
Financial support benefits increase	6.50	6.00
Inflation	6.50	5.00

Reconciliation of the statement of financial position:

	31 December 2009	31 December 2008
Net liability at the beginning of the year	207 934	150 098
Net expense recognised in the statement of comprehensive income	82 459	73 743
Benefits paid	(17 778)	(15 907)
<b>Net liability at the end of the year</b>	<b>272 615</b>	<b>207 934</b>

Experience adjustments:

	For year ended 31 December 2009	For year ended 31 December 2008
Present value of defined benefit obligations	425 602	368 244
Deficit in plan	425 602	368 244
Losses arising from experience adjustments on plan liabilities	(43 920)	(5 255)

Sensitivity of defined benefit obligation to changes in assumptions:

	Increase	Effect on DBO 2009
Discount	+1.00%	-8,30%
Salary growth	+1.00%	4,70%

## 18. Accounts payable and accruals

	31 December 2009	31 December 2008
Trade accounts payable	1 270 153	1 068 828
Accrued liabilities and other accounts payable	611 594	419 874
Dividends payable	95 329	100 885
Advances from customers	40 335	16 365
<b>Total</b>	<b>2 017 411</b>	<b>1 605 952</b>

The foreign exchange loss from accounts payable and accruals comprised RR 473 thousand during the year ended 31 December 2009 (during the year ended 31 December 2008: RR 122 633 thousand).

## 19. Provisions

Movements in provision for liability and charges are as follows:

	Note	Tax Risks	Legal claims	Total
<b>At 1 January 2009</b>		<b>40 043</b>	<b>108 047</b>	<b>148 090</b>
Additions charged to profit or loss	21	-	7 727	7 727
Provision usage		-	(2 470)	(2 470)
Reversal of provision	21	(1 375)	(37 877)	(39 252)
<b>At 31 December 2009</b>		<b>38 668</b>	<b>75 427</b>	<b>114 095</b>

All of the above provisions were classified as current liabilities because the Group does not have any rights to defer settlements beyond one year. Expected timing of the cash outflows is indicated below.

**Tax risks.** Management assessed, based on their interpretation of the relevant tax legislation that it is probable that certain tax positions taken by the Group would not be sustained, if challenged by the tax authorities. Accordingly, the Group created provisions for the associated unassessed taxes and the related penalties and interest.

**Legal claims.** Reversal of provision for legal claims relates to the redemption of claims brought against the Group referred to repayment of cash for joint liability with other counterparty for foregone expenses. The balance at 31 December 2009 is expected to be utilised within a year. In the management' opinion, after taking appropriate legal advice, the outcome of these legal claims will not give rise to any significant loss beyond the accrued amounts.

## 20. Taxes payable

	31 December 2009	31 December 2008
Value added tax	1 195 697	304 728
Income tax	163 191	481 179
Water usage tax	128 901	169 474
Property tax	70 615	71 305
Unified social tax	21 954	22 852
Land tax	18 994	8 268
Other taxes	24 798	25 390
<b>Total</b>	<b>1 624 150</b>	<b>1 083 196</b>

## 21. Operating expenses

	Notes	For year ended 31 December 2009	For year ended 31 December 2008
Fuel		(16 380 669)	(16 801 252)
Purchased electricity		(9 279 500)	(8 753 191)
Employee benefits		(3 927 744)	(3 423 459)
Depreciation and amortization	5, 6	(1 687 248)	(1 282 642)
Taxes other than income tax		(903 012)	(1 072 141)
Sponsorship expenses		(862 993)	-
Raw materials and supplies		(739 050)	(731 068)
Transmission fees		(699 223)	(575 794)
Transportation of gas		(625 663)	(984 323)
Repairs and maintenance		(582 255)	(657 285)
Security services		(184 925)	(171 567)
Change in impairment provision for accounts receivable		(183 932)	(132 245)
Non-recoverable VAT		(172 432)	(19 737)
Consulting, legal and audit services		(148 854)	(96 392)
Water usage expenses		(130 846)	(43 011)
Rent		(83 159)	(64 873)
Charity expenses		(60 464)	(20 672)
Insurance cost		(58 036)	(52 843)
Transportation services		(56 863)	(60 842)
Social overhead costs		(49 046)	(52 748)
Safety arrangement costs		(45 155)	(40 993)
Telecommunication services		(39 119)	(35 158)
Annual general shareholders meeting expense		(26 099)	(1 485)
Business trip expenses		(25 015)	(27 891)
Write-down of inventories		(23 134)	(67 104)
Loss on disposal of inventories		(16 511)	(39 778)
Bank services		(8 431)	(11 298)
Loss on disposal of property, plant and equipment		-	(80 649)
Change in provisions	19	31 525	(15 668)
Other expenses		(381 985)	(340 608)
<b>Total operating expenses</b>		<b>(37 349 838)</b>	<b>(35 656 717)</b>

Employee benefits expenses comprise the following:

	For year ended 31 December 2009	For year ended 31 December 2008
Salaries and wages, payroll taxes	(3 718 754)	(3 261 065)
Financial aid to employees and pensioners	(141 095)	(103 269)
Non-governmental pension fund and DB plan expenses	(67 895)	(59 125)
<b>Employee benefits</b>	<b>(3 927 744)</b>	<b>(3 423 459)</b>

## 22. Other operating income

	For year ended 31 December 2009	For year ended 31 December 2008
Reimbursement of losses on capacity supply agreement	107 359	47 031
Reversal of inventory impairment provision	53 874	-
Surplus of assets	46 673	-
Gain on disposal of property, plant and equipment	39 424	-
Fines, penalties and legal proceedings	33 200	18 590
VAT refund	31 100	246 680
Accounts payable write off	4 011	18 993
Other operating income	13 731	25 475
<b>Total</b>	<b>329 372</b>	<b>356 769</b>

## 23. Income from investing activities

	Notes	For year ended 31 December 2009	For year ended 31 December 2008
Interest income on bank deposits		1 525 961	3 962 411
Interest income on promissory notes		-	1 598 089
Gain on disposal of financial assets at fair value through profit or loss	12	1 519 344	178 213
Interest income on bank account contracts		45 414	165 613
Interest income on loans		85	615
Other		4 997	2 721
<b>Total</b>		<b>3 095 801</b>	<b>5 907 662</b>

## 24. Loss on investing activities

	Notes	For year ended 31 December 2009	For year ended 31 December 2008
Impairment of asset held for sale	14	(186 292)	-
Impairment of available-for-sale investments		(599)	(107 172)
Impairment of financial assets at fair value through profit or loss		-	(865 421)
Net loss from disposal of promissory notes		-	(8 339)
<b>Total</b>		<b>(186 891)</b>	<b>(980 932)</b>

## 25. Finance (costs) / income

	For year ended 31 December 2009	For year ended 31 December 2008
Discounting effect	(19 171)	19 190
Interest expense	(1 112)	(14 600)
<b>Total</b>	<b>(20 283)</b>	<b>4 590</b>

## 26. Earnings per share

	For year ended 31 December 2009	For year ended 31 December 2008
Profit attributable to the shareholders of JSC WGC-3 (thousands of RR)	4 296 063	6 720 805
Weighted average number of ordinary shares issued (thousands of shares)	45 518 388	45 734 880
<b>Earnings per share, basic and diluted (in RR per share)</b>	<b>0.094</b>	<b>0.147</b>



## 27. Commitments

**Fuel commitments.** The Group has a number of outstanding contracts to purchase natural gas and coal. The volume of gas supplied by Gazprom at regulated tariffs is subject to pre-agreed limits. Such limits are typically less than SDPPs require for their generating operations, and any gas required in excess of those limits may only be obtained at non-regulated prices, either from Gazprom or an independent producer. The gas industry is highly regulated by the Russian government, which regularly increases prices for natural gas supplied by Gazprom. In contrast to gas, coal prices are not regulated.

The following long-term contracts on delivery of gas for the needs of production were concluded by the Group:

- Kostromskaya SDPP – for delivery of gas within pre-agreed limits for the term of 5 years (2008-2012) with the regional gas company of OJSC “Gazprom” – LLC “Kostromaregiongas”; for delivery of over-limited gas for the term of 5 years (2007-2011) with OJSC “Novatek”
- Pechorskaya SDPP – for delivery of gas within pre-agreed limits for the term of 5 years (2008-2012) with the regional gas company of OJSC “Gazprom” – LLC “Komiregiongas”
- Yuzhnouralskaya SDPP – for delivery of gas within pre-agreed limits for the term of 5 years (2008-2012) with the regional gas company of OJSC “Gazprom” – LLC “Chelyabinskregiongas”; for delivery of over-limited gas for the term of 5 years (2007-2011) with OJSC “Novatek”.

**Capital commitments.** Future capital expenditure for which contracts have been signed amounted to RR 45 952 895 thousand at 31 December 2009 (at 31 December 2008: RR 6 849 582 thousand).

The Group is planning to fulfil its capital commitments in accordance with investment program.

## 28. Contingencies

**Political environment.** The operations and earnings of the Group entities continue, from time to time and in varying degrees, to be affected by political, legislative, fiscal and regulatory developments, including those related to environmental protection, in Russia.

**Insurance.** The Group holds limited insurance policies in relation to its assets, operations, public liability or other insurable risks. Accordingly, the Group is exposed to those risks for which it does not have insurance.

**Legal proceedings.** The Group entities are party to certain legal proceedings arising in the ordinary course of business. In the opinion of management, there are no current legal proceedings or other claims outstanding and not provided for which, upon final disposition, will have a material adverse effect on the financial position of the Group.

**Tax contingencies.** Russian tax, currency and customs legislation is subject to varying interpretation, and changes, which can occur frequently. Management’s interpretation of such legislation as applied to the transactions and activity of the Group may be challenged by the relevant regional and federal authorities, in particular the way of accounting for tax purposes of tariff imbalance, water tax, deductibility of certain expenses and property received in the course of reorganisation. Recent events within the Russian Federation suggest that the tax authorities may be taking a more assertive position in their interpretation of the legislation and assessments. As a result, significant additional taxes, penalties and interest may be assessed. Fiscal periods remain open to review by the authorities in respect of taxes for three calendar years proceeding the year of review. Under certain circumstances review may cover longer periods.

As at 31 December 2009 management believes that its interpretation of the relevant legislation is appropriate and the Group’s tax currency and customs positions will be sustained. Where management believes it is probable that a position cannot be sustained, an appropriate amount has been accrued for in these Financial Statements.

In addition, tax and other legislation do not address specifically all the aspects of the Group’s reorganisation related to reforming of the electric utilities industry. As such there may be tax and legal challenges to the various interpretations, transactions and resolutions that were a part of the reorganisation and reform process.

**Environmental matters.** Group entities and their predecessor entities have operated in the electric power industry in the Russian Federation for many years. The enforcement of environmental regulation in the Russian Federation is evolving and the enforcement posture of government authorities is continually being reconsidered. Group entities periodically evaluate their obligations under environmental regulations.

Potential liabilities might arise as a result of changes in legislation and regulation or civil litigation. The impact of these potential changes cannot be estimated, but could be material. In the current enforcement climate under existing legislation, management believes that there are no significant liabilities for environmental damage.

## 29. Financial instruments and financial risks

**Financial risk factors.** The Group’s activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates, changes in interest rates, and the collectability of accounts receivable. The Group does not have a risk policy to hedge its financial exposures.

**Credit risk.** Credit risk is the risk of financial loss for the Group in the case of non-fulfilment by the contractor the obligations on the financial instrument under the particular contract.

**Trade accounts receivable.** Financial assets, which potentially subject the Group to concentrations of credit risk, consist principally of trade accounts receivable. Although collection of accounts receivable could be influenced by economic factors, management believes that there is no significant risk of loss to the Group beyond the provision for impairment of accounts receivable already recorded.

Credit risk is managed on a Group basis. For wholesale customers there is no independent rating and therefore Group assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The bad debt allowance and write-off of accounts receivable are therefore calculated based on analysis of collectability.

**Investments.** The Group limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have a reliable credit rating. Management does not expect any counterparty to fail to meet its obligations. The cash has been deposited in the financial institutions with no more than minimal exposure to the default risk at the time of account opening.



### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Narrative	Rating	Rating agency	Currency	31 December 2009	31 December 2008
<b>Accounts receivable</b>					
CJSC Center of financial settlements	unrated	-	RUR	831 331	610 963
OJSC Komienenergo energy retail company	unrated	-	RUR	570 252	315 878
OJSC Energosbyt Rostovenergo energy retail company	unrated	-	RUR	120 975	-
OJSC Tyumenskaya energy retail company	unrated	-	RUR	32 605	-
OJSC Tverskaya energy retail company	unrated	-	RUR	23 520	-
OJSC Chelyabergosbyt energy retail company	unrated	-	RUR	22 098	48 567
LTD Rusenrgoesurs	unrated	-	RUR	14 199	278
OJSC Nignovatomergosbyt energy retail company	unrated	-	RUR	11 148	4 343
OJSC Sverdlovergosbyt energy retail company	unrated	-	RUR	8 743	-
OJSC Kirovergosbyt energy retail company	unrated	-	RUR	8 103	-
Other trade accounts receivable				352 287	586 422
Other accounts receivable				388 960	2 022 305
<b>Total accounts receivable</b>				<b>2 384 221</b>	<b>3 588 756</b>
<b>Deposits and other financial assets</b>					
VTB	BBB/negative/A-3	S&P	RUR	7 500	25 000 000
Rosbank	BB+/negative/B	S&P	USD		8 341 004
Rosbank	BB+/negative/B	S&P	EUR		2 511 936
Rosbank	BB+/negative/B	S&P	RUR		1 500 000
Alfabank	B+/stable/B	S&P	RUR		-
Gazprombank	BB/stable/B	S&P	RUR		-
Sberbank	BBB/stable	Fitch	RUR	1 393	-
<b>Total deposits and other financial assets</b>				<b>8 893</b>	<b>37 352 940</b>

Narrative	Rating	Rating agency	Currency	31 December 2009	31 December 2008
<b>Cash and cash equivalents</b>					
VTB	BBB/negative/A-3	S&P	RUR	3 102	-
VTB	BBB/negative/A-3	S&P	USD	22	10 654 723
VTB	BBB/negative/A-3	S&P	EUR	20 187 005	
Sberbank	BBB/stable	Fitch	RUR	6 222 845	673 539
Sberbank	BBB/stable	Fitch	USD	24 606 541	-
Sberbank	BBB/stable	Fitch	EUR	3 648	-
Rosbank	BB+/negative/B	S&P	RUR	13 222	11 681
Gazprombank	BB/stable/B	S&P	RUR	-	2 039 032
Gazprombank	BB/stable/B	S&P	USD	1 794	10 477
Gazprombank	BB/stable/B	S&P	EUR	218	223
Gazprombank	BB/stable/B	S&P	GBP	111	222
Transcreditbank	BB/stable/B	S&P	RUR	11 214	-
Eurofinance Mosnarbank	BBB/RW Positive	Fitch	RUR	6 451	-
Alfabank	B+/stable/B	S&P	RUR	80 896	-
Other	n/a	n/a	RUR	8 776	48 937
<b>Total cash and cash equivalents</b>				<b>51 145 845</b>	<b>13 438 834</b>

### Impairment losses

The aging of accounts receivable at the reporting date was:

	Gross 2009	Impairment 2009	Gross 2008	Impairment 2008
Not past due	3 405 442	-	4 523 866	-
Past due 0-180 days	610 282	(108 329)	158 990	(51 628)
Past due 181-365 days	304 106	(109 942)	80 556	(37 801)
Past due more than 365 days	774 576	(699 591)	879 423	(879 423)
<b>Total</b>	<b>5 094 406</b>	<b>(917 862)</b>	<b>5 642 835</b>	<b>(968 852)</b>

Movement of the impairment provision is shown in the table below:

	For year ended 31 December 2009	For year ended 31 December 2008
As at 1 January	968 852	848 116
Usage of provision	(234 921)	(11 509)
Reversal of provision	(281)	(42 688)
Accrued provision	184 212	174 933
<b>As at 31 December</b>	<b>917 862</b>	<b>968 852</b>

Management has determined the impairment provision and write-off of accounts receivable based on specific customer identification, customer payment trends, subsequent receipts and settlements and analyses of expected future cash flows.

The Group has the following overdue balances of accounts receivable which are not considered impaired as at 31 December 2009:

Overdue period	For year ended 31 December 2009	For year ended 31 December 2008
Less than 180 days	501 953	107 362
More than 180 days but less than 365 days	194 164	42 755
Over 365 days	74 985	-
<b>As at 31 December</b>	<b>771 102</b>	<b>150 117</b>

Management believes that Group entities will be able to realize the net receivable amount through direct collections and other non-cash settlements, and therefore the recorded value of accounts receivable approximates their fair value.

### Guarantees received

Guaranties received as at 31 December 2009 for projecting, supply and construction agreements relate to energy unit construction of 3 225 MW at Kharanorskaya SDPP and 2 225 MW at Chrepetskaya SDPP, construction of the Power complex Yugnouralskaya SDPP-2 and reconstruction and power unit restoration №4 at Gusinozerskaya SDPP:

Guarantor	Creditor	№/Date of credit contract	Maturity date	№/Date of guarantee contract	Amount	
					Currency EUR	Equivalent in RR
OJSC VTB	CJSC "Enegiya-servise"	01-ОРИИ-0884-09 от 10.09.09	14.02.12	14077/1 от 18.09.09	-	839 363
OJSC Rosbank	CJSC "Energoproject"- "Centerenergoproject"	01-НСХГРЭС-0360-08 от 31.03.08	01.05.11	БГ-544/08 от 07.05.08	-	1 143 540
OJSC Rosbank	CJSC "Energoproject"- "Centerenergoproject"	01-НСХГРЭС-0360-08 от 31.03.08	31.05.11	БГ-712/08 от 19.05.08	-	304 350
OJSC Alfabank	CJSC "Atomstroyexport"	01-НСЮГРЭС-1017-09 от 16.10.09	31.10.12	46345 от 06.11.09	-	102 070
OJSC Alfabank	CJSC "Atomstroyexport"	01-НСЮГРЭС-1017-09 от 16.10.09	31.10.12	46346 от 06.11.09	38 432 432	1 659 885
OJSC Alfabank	CJSC "Atomstroyexport"	01-НСЮГРЭС-1017-09 от 16.10.09	28.11.14	46352 от 09.11.09	-	1 183 275
OJSC Alfabank	CJSC "Atomstroyexport"	01-НСЮГРЭС-1017-09 от 16.10.09	28.11.14	46353 от 09.11.09	17 441 146	752 721
OJSC VTB	OJSC "Technopromexport"	5304782500/01-НСЧГРЭС-1141-08 от 14.11.08	03.08.13	IGR09/MSHD/5489 от 29.09.09	-	1 862 504
OJSC VTB	OJSC "Technopromexport"	5304782500/01-НСЧГРЭС-1141-08 от 14.11.08	03.05.13	IGR09/MSHD/5766 от 02.10.09	-	1 241 669
OJSC VTB	OJSC "Technopromexport"	5304782500/01-НСЧГРЭС-1141-08 от 14.11.08	03.11.13	IGR09/MSHD/5767 от 02.10.09	-	1 241 669
OJSC VTB	OJSC "Technopromexport"	5304782500/01-НСЧГРЭС-1141-08 от 14.11.08	03.08.13	IGR09/MSHD/5768 от 02.10.09	-	3 725 008
OJSC Gazprombank	OJSC "Technopromexport"	5304782500/01-НСЧГРЭС-1141-08 от 14.11.08	03.08.13	№ 099ГТ/09-Р от 29.10.09	-	1 552 087
<b>Total</b>					<b>55 873 578</b>	<b>15 608 142</b>

#### Collateral received

Collateral received as at 31 December 2009 for projecting, supply and construction agreements relate to energy unit construction № 3 225 MW at Kharanorskaya SDPP

Pledger	Pledgee	№/Date of credit contract	Maturity date	№/Date of pledge agreement	Currency	Amount
OJSC "Energoproject"	OJSC "WGC-3"	01-HCXГРЭС-0360-08 от 31.03.08	16.05.2011	01-HCXГРЭС-0511-08 от 23.05.08	RUR	538 395
OJSC "Energoproject"	OJSC "WGC-3"	01-HCXГРЭС-0360-08 от 31.03.08	16.05.2011	01-HCXГРЭС-0637-08 от 27.06.08	RUR	128 197
OJSC "Energoproject"	OJSC "WGC-3"	01-HCXГРЭС-0360-08 от 31.03.08	16.05.2011	01-HCXГРЭС-0559-08 от 07.06.08	RUR	93 559
<b>Total</b>						<b>760 151</b>

**Interest rate risk.** The Group's operating profits and cash flows from operating activities are largely not dependent on the changes in market interest rates. At 31 December 2009 the Group has significant short-term interest-bearing assets. The interest rates on these assets are fixed; these are disclosed in Note 11. They are not exposed to significant interest rate risk through market value fluctuations as the interest-bearing assets are short-term.

The Group has no interest-bearing short-term borrowings exposed to interest rate risk through market value fluctuations. Interest rate risk is monitored by the Board of Directors who approve the maximum acceptable level of weighted average borrowing cost for a certain period (usually a quarter).

**Currency risk.** Power and heat produced by the Group is sold on the internal market of Russian Federation with prices fixed in the currency of Russian Federation. Hence, the Group's net exposure to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of Group entities is kept at minimum level. The financial condition of the Group, its liquidity, financing sources and the results of activities do not considerably depend on currency rates as the Group activities are planned to be performed in such a way that its assets and liabilities be denominated in the national currency. Moreover, the Group does not plan to perform activities on the outer market. That is why the influence of foreign currency rates fluctuations on the financial position of the Group is estimated as insignificant.

However the Group is exposed to foreign exchange risk arising from deposit balances (see note 12) and liabilities denominated in US dollars and Euro. Foreign currency contracts are presented below:

Contractual foreign currency obligations	31 December 2009
EUR	136 285
USD	150

The following table presents sensitivities of profit and loss and equity to reasonably possible changes in exchange rates applied at the balance sheet date relative to the functional currency of the respective Group entities, with all other variables held constant:

In thousands of Russian Roubles	At 31 December 2009 Impact on profit or loss
US Dollar strengthening by 10%	2 406 958
US Dollar weakening by 10%	(2 406 958)
Euro strengthening by 10%	2 017 553
Euro weakening by 10%	(2 017 553)

The exposure was calculated only for cash equivalent balances denominated in currencies other than the functional currency of the respective entity of the Group.

**Other price risk.** The Group has limited exposure to equity price risk. Transactions in equity products are monitored and authorized by the Board of Directors.

**Liquidity risk.** Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding from an adequate amount of committed credit facilities.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the particular maturity date. The amounts disclosed in the table are the contractual and legal undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Narrative	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
<b>At 31 December 2009</b>				
Trade and other accounts payable	1 977 076	-	-	-
<b>At 31 December 2008</b>				
Trade and other accounts payable	1 589 587	-	-	-

**Capital risk management.** The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders and to maintain the optimal structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings shown in the consolidated statement of financial position less cash and cash equivalents. Total capital is calculated as equity, shown in the consolidated statement of financial position, plus net debt.

Taking into consideration the absence of borrowings as at 31 December 2009 and the significant amount of short-term bank deposits the Group is not exposed to the capital risk at 31 December 2009.

**Financial instruments by category.** For the purposes of measurement, IAS 39, Financial Instruments: Recognition and Measurement, classifies financial assets into the following categories: (a) loans and accounts receivable; (b) available-for-sale financial assets; (c) held-to-maturity financial assets; (d) financial assets at fair value through profit or loss ("FVTPL"). The following table provides a reconciliation of classes of financial assets with these measurement categories as at 31 December 2009 and 31 December 2008:

	Loans and accounts receivable	Held- to- maturity financial assets	Financial assets at fair value through profit or loss	Available-for- sale financial assets
<b>31 December 2009</b>				
<b>Assets as per statement of financial position</b>				
Deposits and other financial assets	8 893	-	-	-
Accounts receivable	2 384 221	-	-	-
Other non-current assets	123 977	-	-	142 221
<b>Total</b>	<b>2 517 091</b>	<b>-</b>	<b>-</b>	<b>142 221</b>

	Loans and accounts receivable	Held- to- maturity financial assets	Financial assets at fair value through profit or loss	Available-for- sale financial assets
<b>31 December 2008</b>				
<b>Assets as per statement of financial position</b>				
Deposits and other financial assets	37 352 940	-	-	-
Accounts receivable	3 588 756	-	-	-
Financial assets at fair value through profit or loss	-	-	1 237 095	-
Other non-current assets	60 211	-	-	93 448
<b>Total</b>	<b>41 001 907</b>	<b>-</b>	<b>1 237 095</b>	<b>93 448</b>

**Fair value of financial instruments.** Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by an active quoted market price.

The estimated fair values of financial instruments have been determined by the Group using available market information, where it exists, and appropriate valuation methodologies. However, judgement is necessarily required to interpret market data to determine the estimated fair value. The Russian Federation continues to display some characteristics of an emerging market and economic conditions continue to limit the volume of activity in the financial markets. Market quotations may be outdated or reflect distress sale transactions and therefore not represent fair values of financial instruments. Management has used all available market information in estimating the fair value of financial instruments.

Financial assets at fair value through profit or loss and available-for-sale investments are recognised in the statement of financial position at their fair value. Fair values were determined based on quoted market prices except for insignificant investment securities available-for-sale for which there were no available external independent market price quotations. The carrying value less impairment provision for trade receivables is assumed to approximate their fair values due to their short-term nature.

The Group's deposits in banks are short-term and their carrying amount approximates fair value.

The maximum exposure for each risk is limited to the fair value of each class of financial instrument.

## Corporate Report

### The Board of Directors elected at the Annual General Meeting of Shareholders on June 22, 2009, Minutes No.11 from July 06, 2009:

#### Chairman of the Board of Directors

##### Kirill PARINOV

Date of Birth: 1967  
Education: higher

##### Positions held in the last 5 years:

Period: from 2008 to 2010

Organisation: OJSC MMC Norilsk Nickel  
Position: Deputy General Director, Director of the Corporate, Proprietary and Legal Issues Department, Member of the Managing Board, OJSC MMC Norilsk Nickel.

Period: from 2002 to 2008

Organisation: CJSC INTERROS Holding Company  
Position: Deputy General Director. Director of the Legal Department, member of the Managing Board, Managing Director, member of the Board of Directors. No share in the Company's charter/common stock.

##### Dmitry KOSTOEV

Date of Birth: 1973  
Education: higher

##### Positions held in the last 5 years:

Period: from 2008 to date

Organisation: OJSC MMC Norilsk Nickel  
Position: Director of the Investment Policy Department, Deputy General Director for Finance and Economics, member of the Managing Board  
Period: from 2003 to 2008

Organisation: CJSC INTERROS Holding Company

Position: Head of the Department, Deputy Director of the Finance Department, Managing Director for Investments  
No share in the Company's charter/common stock.

##### Nataliya GOLOBOVA

Date of Birth: 1969  
Education: higher

##### Positions held in the last 5 years:

Period: from 2009 to date

Organisation: CJSC INTERROS Holding Company  
Position: Director of the Planning Division in the Finance Department  
Period: from 2007 to 2009

Organisation: CJSC Integrated Financial Systems  
Position: Deputy Financial Director

Period: from 2006 to 2007

Organisation: JSC Mostelecom  
Position: Director of the Finance Department  
Period: from 2003 to 2006

Organisation: Zapsibnefteprodukt, Ltd.

Position: Financial Director

No share in the Company's charter/common stock.

#### Members of the Board of Directors:

##### Alexander ORELKIN

Date of Birth: 1958  
Education: higher

##### Positions held in the last 5 years:

Period: from 2008 to date

Organisation: OJSC MMC Norilsk Nickel  
Position: Chief Specialist of the Property Department  
Period: from 2006 to 2008

Organisation: JSC RAO UES of Russia  
Position: Chief Expert of the Financial and Corporate Controlling Centre, JSC RAO UES of Russia  
Period: from 2002 to 2006

Organisation: JSC Lucoil

Position: Chief Auditor

No share in the Company's charter/common stock.

## Yanis ZENKA

Date of Birth: 1982  
Education: higher

### Positions held in the last 5 years:

Period: from 2007 to date  
Organisation: CJSC INTERROS Holding Company  
Position: Director of the Department for Accounting and Structural Property Management  
Period: from 2007 to 2007  
Organisation: JSC Polyus Zoloto  
Position: Director of the Department for Coordination of Operating Activities  
Period: from 2006 to 2007  
Organisation: JSC Power Machines  
Position: Deputy Director of the Department for Corporate Procedures  
Period: from 2006 to 2006  
Organisation: JSC BANK URALSIB  
Position: Chief Legal Consultant  
Period: from 2004 to 2006  
Organisation: Meridian, Ltd.  
Position: Director of the Legal Department  
No share in the Company's charter/common stock.

## Sergey EMDIN

Date of Birth: 1971  
Education: higher

### Positions held in the last 5 years:

Period: from 2009 to 2010  
Organisation: JSC Irkutskenergo  
Position: General Director, member of the Board of Directors, Chairman of the Managing Board  
Period: from 2005 to 2009  
Organisation: JSC Evrosibenergo  
Position: General Director  
Period: from 2002 to 2005  
Organisation: JSC Irkutskenergo  
Position: General Director  
No share in the Company's charter/common stock.

## Anton CHERNY

Date of Birth: 1972  
Education: higher

### Positions held in the last 5 years:

Period: from 2008 to date

Organisation: CJSC INTERROS Holding Company  
Position: Deputy General Director for Investments  
Period: from 2005 to 2008  
Organisation: Renaissance Capital  
Position: Member of the Executive Board  
Period: from 2000 to 2005  
Organisation: Merrill Lynch, UK  
Position: Vice-President  
No share in the Company's charter/common stock.

## Oleg SURIKOV

Date of Birth: 1970  
Education: higher  
Director of the Corporate Department,  
OJSC MMC Norilsk Nickel

### Positions held in the last 5 years:

Period: from 2008 to date  
Organisation: OJSC MMC Norilsk Nickel  
Position: Director of the Corporate Department, Secretary of the Company, member of the Managing Board  
Period: from 2005 to 2008  
Organisation: JSC RAO UES of Russia  
Position: Chief Expert, Deputy Director, Director of the Finance and Corporate Controlling Centre  
Period: from 2002 to 2005  
Organisation: JSC Mosenergo  
Position: Department Director, Deputy Manager, Deputy General Director for Legal Issues and Corporate Governance

## Vladislav SOLOVYEV

Date of Birth: 1973  
Education: higher

### Positions held in the last 5 years:

Period: from 2010 to date  
Organisation: A Subsidiary of CJSC RUSAL Global Management B. V.  
Position: First Deputy General Director  
Period: from 2007 to 2010  
Organisation: N+ Management, Ltd.  
Position: General Director  
Period: from 2007 to 2007  
Organisation: A Subsidiary of CJSC RUSAL Global Management B. V.  
Position: Financial Director

Period: from 2003 to 2007  
Organisation: Rusal-UK, Ltd.  
Position: Deputy General Director for Finance

## Maxim SOKOV

Date of Birth: 1979  
Education: higher

### Positions held in the last 5 years:

Period: from 2008 to date  
Organisation: CJSC RUSAL - Investment Management  
Position: General Director  
Period: from 2008 to date  
Organisation: CJSC RUSAL Global Management B. V.  
Position: Director of Management of the Investment into OJSC MMC Norilsk Nickel  
Period: from 2007 to 2008  
Organisation: CJSC RUSAL Global Management B. V.  
Position: Director of the Department for Strategic Projects  
Period: from 2004 to 2007  
Organisation: Rusal-UK, Ltd.  
Position: Director of the Department for Mergers and Acquisitions

## Oleg PIVOVARCHUK

Date of Birth: 1953  
Education: higher

### Positions held in the last 5 years:

Period: from 2008 to date  
Organisation: OJSC MMC Norilsk Nickel  
Position: Advisor to the General Director, First Deputy General Director, Member of the Managing Board  
Period: from 2007 to 2008  
Organisation: CJSC Dinamo-Telecom  
Position: Executive Director  
Period: from 2006 to 2006  
Organisation: JSC AutoVAZ  
Position: Deputy Director for Export Operations  
Period: from 2002 to 2006  
Organisation: CJSC The Managing Company Dinamo  
Position: Deputy General Director for Commercial Issues

According to the information available to WGC-3, members of the Company's BoD did not perform any equity transactions in 2009.

The Board of Directors elected at the Special Annual Meeting of Shareholders on February 6, 2009 (Minutes No. 10, dated February 16, 2009):

## Chairman of the Board of Directors

### Kirill PARINOV

Date of Birth: 1967  
Education: higher

### Positions held in the last 5 years:

Period: from 2008 to 2010  
Organisation: OJSC MMC Norilsk Nickel  
Position: Deputy General Director, Director of the Corporate, Proprietary and Legal Issues Department, Member of the Managing Board, OJSC MMC Norilsk Nickel.  
Period: from 2002 to 2008  
Organisation: CJSC INTERROS Holding Company  
Position: Deputy General Director. Director of the Legal Department, member of the Managing Board, Managing Director, member of the Board of Directors.

## Members of the Board of Directors:

### Maxim SOKOV

Date of Birth: 1979  
Education: higher

### Positions held in the last 5 years:

Period: from 2008 to date  
Organisation: CJSC RUSAL - Investment Management  
Position: General Director  
Period: from 2008 to date  
Organisation: CJSC RUSAL Global Management B. V.  
Position: Director of Management of the Investment into OJSC MMC Norilsk Nickel  
Period: from 2007 to 2008  
Organisation: CJSC RUSAL Global Management B. V.  
Position: Director of the Department for Strategic Projects  
Period: from 2004 to 2007  
Organisation: Rusal-UK, Ltd.  
Position: Director of the Department for Mergers and Acquisitions



### **Sergey BATEKHIN**

Date of Birth: 1965  
Education: higher  
Deputy General Director  
of CJSC INTERROS Holding Company

#### **Positions held in the last 5 years:**

Period: 2009 - to date Organisation:  
CJSC INTERROS Holding Company  
Position: Deputy General Director  
Period: from 2008 to 2008  
Organisation: OJSC MMC Norilsk Nickel  
Position: First Deputy General Director, Executive  
Director, Deputy Chairman of the Managing Board  
Period: from 2008 to 2008  
Organisation: OJSC MMC Norilsk Nickel  
Position: General Director, Chairman  
of the Managing Board  
Period: from 2005 to 2008  
Organisation: CJSC INTERROS Holding Company  
Position: Deputy General Director, member  
of the Board of Directors

### **Vladislav DAVYDOV**

Date of Birth: 1981  
Education: higher  
Deputy Director of the International Projects Division  
in the Legal Department, CJSC INTERROS  
Holding Company

#### **Positions held in the last 5 years:**

Period: 2004 - to date Organisation:  
CJSC INTERROS Holding Company  
Position: Deputy Director of the Division for  
International Projects in the Legal Department  
Period: from 2007 to 2007  
Organisation: The Representative Office of Clifford  
Chance CIS Limited Position: Lawyer  
Period: from 2004 to 2007  
Organisation: CJSC INTERROS Holding Company  
Position: Legal Consultant, Leading Legal Consultant,  
Chief Legal Officer

### **Dmitry KOSTOEV**

Date of Birth: 1973  
Education: higher

#### **Positions held in the last 5 years:**

Period: from 2008 to date  
Organisation: OJSC MMC Norilsk Nickel  
Position: Director of the Investment Policy  
Department, Deputy General Director for Finance  
and Economics, member of the Managing Board  
Period: from 2003 to 2008  
Organisation: CJSC INTERROS Holding Company  
Position: Head of the Department, Deputy Director of  
the Finance Department, Managing Director  
for Investments  
No share in the Company's charter/common stock.

### **Oleg PIVOVARCHUK**

Date of Birth: 1953  
Education: higher

#### **Positions held in the last 5 years:**

Period: from 2008 to date  
Organisation: OJSC MMC Norilsk Nickel  
Position: Advisor to the General Director, First Deputy  
General Director, Member of the Managing Board  
Period: from 2007 to 2008  
Organisation: CJSC Dinamo-Telecom  
Position: Executive Director  
Period: from 2006 to 2006  
Organisation: JSC AutoVAZ  
Position: Deputy Director for Export Operations  
Period: from 2002 to 2006  
Organisation: CJSC The Managing Company Dinamo  
Position: Deputy General Director for Commercial Issues

### **Sergey EMDIN**

Date of Birth: 1971  
Education: higher

#### **Positions held in the last 5 years:**

Period: from 2009 to 2010  
Organisation: JSC Irkutskenergo  
Position: General Director, member of the Board of  
Directors, Chairman of the Managing Board  
Period: from 2005 to 2009  
Organisation: JSC Evrosibenergo  
Position: General Director  
Period: from 2002 to 2005  
Organisation: JSC Irkutskenergo  
Position: General Director

### **Vladislav SOLOVYEV**

Date of Birth: 1973  
Education: higher

#### **Positions held in the last 5 years:**

Period: from 2010 to date  
Organisation: A Subsidiary of CJSC RUSAL Global  
Management B. V.  
Position: First Deputy General Director  
Period: from 2007 to 2010  
Organisation: N+ Management, Ltd.  
Position: General Director  
Period: from 2007 to 2007  
Organisation: A Subsidiary of CJSC RUSAL Global  
Management B. V.  
Position: Financial Director  
Period: from 2003 to 2007  
Organisation: Rusal-UK, Ltd.  
Position: Deputy General Director for Finance

### **Anton CHERNY**

Date of Birth: 1972  
Education: higher

#### **Positions held in the last 5 years:**

Period: from 2008 to date  
Organisation: CJSC INTERROS Holding Company  
Position: Deputy General Director for Investments  
Period: from 2005 to 2008  
Organisation: Renaissance Capital  
Position: Member of the Executive Board  
Period: from 2000 to 2005  
Organisation: Merrill Lynch, UK  
Position: Vice-President

### **Alexander ORELKIN**

Date of Birth: 1958  
Education: higher

#### **Positions held in the last 5 years:**

Period: from 2008 to date  
Organisation: OJSC MMC Norilsk Nickel  
Position: Chief Specialist of the Property Department  
Period: from 2006 to 2008  
Organisation: JSC RAO UES of Russia  
Position: Chief Expert of the Financial and Corporate

Controlling Centre, JSC RAO UES of Russia  
Period: from 2002 to 2006  
Organisation: JSC Lucoil  
Position: Chief Auditor  
No share in the Company's charter/common stock.

### **Oleg SURIKOV**

Date of Birth: 1970  
Education: higher  
Director of the Corporate Department,  
OJSC MMC Norilsk Nickel

#### **Positions held in the last 5 years:**

Period: from 2008 to date  
Organisation: OJSC MMC Norilsk Nickel  
Position: Director of the Corporate Department,  
Secretary of the Company, member of the Managing  
Board  
Period: from 2005 to 2008  
Organisation: JSC RAO UES of Russia  
Position: Chief Expert, Deputy Director, Director of the  
Finance and Corporate Controlling Centre  
Period: from 2002 to 2005  
Organisation: JSC Mosenergo  
Position: Department Director, Deputy Manager,  
Deputy General Director for Legal Issues and  
Corporate Governance

According to the information available to WGC-3,  
members of the Company's BoD did not perform  
any equity transactions in 2009.



Members of the Board of Directors were elected at the Annual General Meeting of Shareholders, held on June 26, 2008 (Minutes No.9 from July 02, 2008) (personal details of the BoD's Chairman and its members are given for the time when the membership was valid):

## Chairman of the Board of Directors

### Andrei BUGROV

Date of Birth: 1952  
Education: higher

#### Positions held in the last 5 years:

Period: 2004 - to date  
Organisation: CJSC INTERROS Holding Company  
Position: Managing Director, member of the BoD  
Period: from 2002 to 2004  
Organisation: CJSC INTERROS Holding Company  
Position: Deputy General Director, Director of the Investment Department, member of the Managing Board

## Members of the Board of Directors:

### Sergey ARININ

Date of Birth: 1980  
Education: higher

#### Positions held in the last 5 years:

Period: 2008 - to date  
Organisation: JP Morgan, Moscow  
Position: Vice-President, JP Morgan Analytical Department  
Period: from 2006 to 2008  
Organisation: JSC Aton Broker  
Position: Chief Analyst  
Period: from 2006 to 2006  
Organisation: Metallenergofinans, Ltd.  
Position: Deputy General Director  
Period: from 2004 to 2006  
Organisation: EvrazHolding, Ltd.  
Position: Chief Analyst of the Power Directorate

### Alexandra PANINA

Date of Birth: 1977  
Education: higher  
Director for Electricity and Sales on WMEC and Heat Sales of JSC WGC-3

#### Positions held in the last 5 years:

Period: 2008 - to date  
Organisation: JSC WGC-3  
Position: Director for Electricity and Sales on WMEC and Heat Sales of JSC WGC-3, member of the Managing Board  
Period: from 2007 to 2008  
Organisation: JSC RAO UES of Russia  
Position: Deputy Managing Director of Business Unit No. 1, JSC RAO UES of Russia  
Period: from 2005 to 2007  
Organisation: JSC RAO UES of Russia  
Position: Director of the Centre for the Organisation of Operations of Electricity Sector Players, Business Unit No. 1  
Period: from 2003 to 2005  
Organisation: JSC RAO UES of Russia  
Position: Head of the Analytical and Forecasting Unit in the Legal Department

### Lev KETKIN

Date of Birth: 1968  
Education: higher

#### Positions held in the last 5 years:

Period: 2004 - to date  
Organisation: OJSC System Operator of the UES  
Position: Deputy Executive Director, Deputy Property Management Director, Head of the Corporate Actions Department, Advisor to the Chairman of the Managing Board  
Period: from 1996 to 2004  
Organisation: Ural Legal Society, Ltd.  
Position: Director

### Viktor KATASONOV

Date of Birth: 1956  
Education: higher

#### Positions held in the last 5 years:

Period: from 2006 to 2009  
Organisation: JSC Norilsk and Taymyr Power Company  
Position: General Director  
Period: from 2006 to 2006  
Organisation: JSC Norilsk and Taymyr Power Company  
Position: First Deputy General Director  
Period: from 2005 to 2006  
Organisation: OJSC MMC Norilsk Nickel

Position: Director of the Norilskenergo Subsidiary  
Period: from 1999 to 2004  
Organisation: OJSC MMC Norilsk Nickel  
Position: Director of the Norilskenergo Subsidiary in the Transpolar Region

### Andrei ZOLOTAREV

Date of Birth: 1960  
Education: higher

#### Positions held in the last 5 years:

Period: from 2006 to 2008  
Organisation: OJSC MMC Norilsk Nickel  
Position: Director of the Corporate Department  
Period: from 2005 to 2006  
Organisation: Administration of the Perm Region  
Position: Advisor to the Governor  
Period: from 2004 to 2005  
Organisation: The Ministry of Natural Resources  
Position: Head of the Department for Economics and Finance  
Period: from 2003 to 2004  
Organisation: JSC Russian Aluminium  
Position: Head of the Department for Restructuring  
Period: from 2002 to 2003  
Organisation: OJSC Pervouralsk New Pipe Plant  
Position: Deputy Director for Economics and Finance

### Anton KLEKOVKIN

Date of Birth: 1973  
Education: higher

#### Positions held in the last 5 years:

Period: from 2002 to 2008  
Organisation: CJSC INTERROS Holding Company  
Position: Investment Director, INTERROS Holding Company  
Period: from 1999 to 2002  
Organisation: Renaissance Capital, Ltd., Financial Consultant  
Position: Deputy Director, Corporate Finance Management

### Igor KLOCHKO

Date of Birth: 1969  
Education: higher

#### Positions held in the last 5 years:

Period: from 2007 to 2008  
Organisation: OJSC MMC Norilsk Nickel  
Position: Deputy General Director  
Period: from 2007 to 2007  
Organisation: Kalev Ventures, Ltd.  
Position: Head of the Representative Office  
Period: from 2006 to 2006  
Organisation: CJSC INTERROS Holding Company  
Position: Member of the Executive Board  
Period: from 2005 to 2006  
Organisation: JSC Power Machines  
Position: General Director  
Period: from 2004 to 2005  
Organisation: CJSC Atomstroieksport  
Position: President  
Period: from 2001 to 2004  
Organisation: JSC Power Machines  
Position: Sales Director

### Viktor TIKHONOV

Date of Birth: 1965  
Education: higher

#### Positions held in the last 5 years:

Period: from 2002 to 2008  
Organisation: OJSC MMC Norilsk Nickel  
Position: Head of the Department for Subsidiaries and Affiliates in the Corporate Department  
Period: from 2001 to 2002  
Organisation: OJSC MMC Norilsk Nickel  
Position: Head of the Department of Russian Portfolio Investment Transactions in the Administration of Subsidiaries and Affiliated Companies

### Alexei MALOV

Date of Birth: 1973  
Education: higher  
Head of the Administration for Subsidiaries and Affiliated Companies in the Corporate Department of OJSC MMC Norilsk Nickel

#### Positions held in the last 5 years:

Period: from 2002 to date  
Organisation: OJSC MMC Norilsk Nickel  
Position: Chief Specialist of the Department for Subsidiaries and Affiliated Companies, Director of the



Division of Subsidiaries and Affiliated Companies in the Corporate Department  
Period: 2004 - to date  
Organisation: JSC Regional Generating Company-14  
Position: Member of the Board of Directors  
Period: 2008 - to date  
Organisation: JSC Krasnoyarsk River Harbour  
Position: Member of the Board of Directors  
Period: 2008 - to date  
Organisation: JSC Norilskgasprom  
Position: Member of the Board of Directors

### Anatoly TKATCH

Date of Birth: 1959  
Education: higher

Chief Manager of the Technical Expertise Department in the Directorate for Fuel and Energy Complex, OJSC MMC Norilsk Nickel

### Positions held in the last 5 years:

Period: 2008 to date  
Organisation: OJSC MMC Norilsk Nickel  
Position: Chief Manager of the Technical Expertise Department  
Period: from 2003 to 2008  
Organisation: OJSC MMC Norilsk Nickel  
Position: Chief Specialist of the Technical Department

According to the information available to WGC-3, members of the Company's BoD did not perform any equity transactions in 2009.

## The Managing Board

### Chairman of the Managing Board

#### Vladimir KOLMOGOROV

Date of Birth: 1953  
Education: higher

All positions held by this person in the Issuing Company and other organisations, as well as current positions in the last five years, including second employments.

Period from	to	Name of the Organisation	Position
2009	to date	JSC WGC-3	General Director, Chairman of the Managing Board
2009	to date	JSC RUSIA Petroleum	Member of the Board of Directors
2007	2009	CJSC Distributed Energy	General Director
2005	2006	EvrosibEnergo, Ltd.	General Director
2001	2005	JSC Irkutskenergo	General Director

### Deputy Chairman of the Managing Board

#### Vladislav NAZIN

Date of Birth: 1966  
Education: higher

All positions held by this person in the Issuing Company and other organisations, as well as current positions in the last five years, including second employments.

Period from	to	Name of the Organisation	Position
2009	to date	JSC WGC-3	First Deputy General Director for Economics and Finance
2009	to date	JSC RUSIA Petroleum	Member of the Board of Directors
2008	2009	JSC MRSK Centre	Member of the Executive Board
2007	2009	JSC MRSK Centre	Deputy General Director for Capital Construction
2006	2007	JSC MRSK Centre	Deputy General Director for Investment and Logistics, Director for Investment and Logistics
2005	2006	JSC RAO UES of Russia	Deputy Director of the Financial Consulting Project Group
2000	2005	JSC of Power and Electrification Mosenergo	Deputy General Director for Economics



## Member of the Managing Board:

### Alexandra PANINA

Date of Birth: 1977  
Education: higher

All positions held by this person in the Issuing Company and other organisations, as well as current positions in the last five years, including second employments.

Period from	to	Name of the Organisation	Position
2009	to date	JSC WGC-3	Deputy General Director for Energy Markets
2009	to date	JSC RSP TPK KGRES (The Overhaul and Repairs Plant for Heating and Underground Communication Lines of Kostromskaya TPP)	Chairman of the Board of Directors
2009	to date	JSC Vodokanal KGRES	Chairman of the Board of Directors
2009	to date	JSC TSK	Chairman of the Board of Directors
2009	to date	JSC Kommunalnik	Chairman of the Board of Directors
2009	to date	JSC Energia-1	Chairman of the Board of Directors
2009	to date	JSC YTSK	Chairman of the Board of Directors
2008	2008	JSC WGC-3	Director for Electricity and Heat Sales on WMEC
2007	2008	JSC RAO UES of Russia	Deputy Managing Director of Business Unit No. 1, JSC RAO UES of Russia
2005	2007	JSC RAO UES of Russia	Director of the Centre for the Organisation of Operations of Electricity Sector Players, Business Unit No.1
2003	2005	JSC RAO UES of Russia	Head of the Analytical and Forecasting Unit in the Legal Department

## Member of the Managing Board:

### Andrei GAINANOV

Date of Birth: 1975  
Education: higher

All positions held by this person in the Issuing Company and other organisations, as well as current positions in the last five years, including second employments.

Period from	to	Name of the Organisation	Position
2009	to date	JSC WGC-3	Financial Director
2007	2009	Moscow Branch of CJSC RUSAL Global Management B. V.	Director of the Department for Management Systems
2007	2007	Moscow Branch of CJSC RUSAL Global Management B. V.	Financial Director of the Plant Management, RUSAL Krasnoyarsk
2005	2007	JSC Krasnoyarsk Aluminium Plant	Financial Director
2004	2005	Rusal UK, Ltd.	Financial Director, Financial Department of the Aluminium Division

## Member of the Managing Board:

### Alexei KHLEBOV

Date of Birth: 1971  
Education: higher

All positions held by this person in the Issuing Company and other organisations, as well as current positions in the last five years, including second employments.

Period from	to	Name of the Organisation	Position
2009	to date	JSC WGC-3	Deputy General Director for Technical Policy
2009	to date	JSC Energoservice	Chairman of the Board of Directors
2009	to date	JSC KER	Chairman of the Board of Directors
2009	to date	JSC Kharanor- energoremont	Chairman of the Board of Directors
2009	to date	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	Chairman of the Board of Directors
2006	2009	JSC WGC-2	Deputy General Director of JSC Serovskaya TPP, Director of Serovskaya TPP
2005	2006	JSC Serovskaya TPP	Executive Director
1993	2005	JSC Krasnoyarskenergo	Director of the Mode and Dispatch Service

According to the information available to WGC-3, members of the Company's Executive Board did not perform any equity transactions in 2009.

## Description of Documents and the Company's Internal Audit Principles

Internal audit in JSC WGC-3 is aimed at securing reasonable guarantees of achieving JSC WGC-3 set targets through the most effective method.

Internal audit in JSC WGC-3 is performed by the Company's BoD, the BoD's Committees, Audit Commission, executive and supervising bodies, as well as corporate officials and other employees.

The basis of the JSC WGC-3 internal audit is a joint organisational and legal base of internal regulatory documents:

1. JSC WGC-3 Charter;
2. Regulation on the Procedure for Preparation and Holding of the General Meeting of Shareholders of JSC WGC-3;
3. Regulation on the JSC WGC-3 BoD Committees;
4. Regulation of the Managing Board of JSC WGC-3;
5. Regulation on the JSC WGC-3 Internal Audit System;
6. Regulation of the Audit Commission of JSC WGC-3;
7. Corporate Governance Code of JSC WGC-3;
8. Regulation of the Structural Divisions of JSC WGC-3;
9. Regulation of the Legal Policy of JSC WGC-3;
10. Regulation of the Credit Policy of JSC WGC-3;
11. Regulation of the Investment Activities of JSC WGC-3;
12. Regulation of the Insider Information of JSC WGC-3;

13. Contractual Regulation of JSC WGC-3;
14. Regulation of the Procedure of Regulated Procurement of Goods and Services for the needs of JSC WGC-3;
15. Other Regulations and Statutes approved and operating in the Company.

The Department of Internal Control and Audit (hereinafter - the Department) of JSC WGC-3 is one of the subjects of internal control. The Department reports to the Internal Control and Audit Directorate of JSC WGC-3. Key task of the Department is direct appraisal of conformity, sufficiency and efficiency of the internal audit system, as well as control over observance of principle and procedures of JSC WGC-3 internal audit.

### Events after the Reporting Date

#### Changes in the membership of the Board of Directors:

On March 22, 2010 the Meeting of the JSC WGC-3 Board of Directors terminated the authority of the Chairman of the BoD, Kirill Parinov. The authority was terminated due to a change of job. Oleg Pivovarchuk, the First Deputy General Director for Export Operations, member of the Managing Board of OJSC MMC Norilsk Nickel was elected as the new Chairman of the JSC WGC-3 Board of Directors.

## Compliance with the Corporate Governance Code of the FCFM

Nº	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
<b>General Meeting of Shareholders</b>			
1	Not less than a 30-day prior notice of a General Meeting shall be given to shareholders regardless of the issues on the agenda, unless legislation provides for a longer notice.	Complied	According to paragraph 2.3. of the Regulation on the General Meeting: 'Sole Executive Body of the Company Notifies the Shareholders about the Meeting according to the Procedure and Terms Set by the BoD's Decision and the Company's Charter'.
2	Access of the shareholders to the list of persons entitled to attend the General Meeting, starting from the date of announcement of the General Meeting until the closing of the General Meeting held in person, and in the case of a General Meeting held by correspondence – until the deadline for the collection of voting ballots.	Complied	According to paragraph 4. of Article 51 of the Federal Law "On Joint Stock Companies", the list of persons authorised to participate in the Meeting shall be made available by the Company at the request of persons included in such list and having at least 1% of the votes.
3	Access of the shareholders to information (materials) to be provided during the preparation for the General Meeting through electronic media, including the Internet.	Complied	According to paragraph 1, Clause 11.7. of the Charter: The information (materials) on the agenda discussed at the General Meeting of shareholders shall be made available to all persons who have a right to take part in the General Meeting of shareholders, 20 (twenty) days before the date of the General meeting, whose agenda contains issues about the reorganisation of the Company, and 30 (thirty) days before the date of the General meeting; such information shall be available to such persons at the premises of the Company's executive body and at other locations, whose addresses are specified in the notice on holding a General meeting of shareholders. Information (materials) about the agenda of the general Meeting of shareholders shall be made available on the Company's website not later than 10 (ten) days before the date of the General Meeting. This information (materials) should be available at the time of the General Meeting to persons taking part in the Company's General Meeting of Shareholders.



Nº	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
4	Possibility for a shareholder to put an issue on the agenda of the General Meeting or require a General Meeting to be called without presenting an extract from the shareholder register where title to shares is recorded in the shareholder register system, and by presenting only a statement from the deposit account where the title to shares is recorded in a deposit account.	Complied	When collecting proposals for the agenda of the General Meeting, including those regarding the candidates of the Board of Directors, the Company requests confirmation from the shareholder register on its own.
5	Presence in the Charter and internal documents of the Company of the requirement on mandatory presence of general director, members of the managing board, members of the BoD, members of the audit commission and the Company's auditor at the General Meeting of Shareholders.	Not Complied	The Company's Charter and internal documents have no provisions envisaging mandatory presence of such persons at General Meetings of Shareholders. However, they are effectively present at General Meeting of the Company's Shareholders.
6	Obligatory presence of the nominees for the positions of members of the Board of Directors, the General Director, members of the Management Board, members of the Audit Commission and external auditor during consideration by the General Meeting of their election and appointment.	Partially Complied	As a rule, only candidates to the Board are present at the time when the General Meeting of Shareholders considers their election to the Board.
7	The by-laws of the Company establish a registration procedure for the participants at the General Meeting.	Complied	According to Clause 3.1.1 of the Regulation on the Preparation and Holding Procedure of the General Meeting of Shareholders: 'The registration of persons who have a right to participate in the General Meeting of Shareholders is carried out by the Counting Commission or by other party performing the functions of the Counting Commission, at a location of the General Meeting of Shareholders specified in the notice of holding such a meeting. The registration of persons entitled to take part in the General Meeting of Shareholders starts in the time specified in the notice of holding such a meeting'.

Nº	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
<b>Board of Directors</b>			
8	The Company's Charter provides for the authority of the Board of Directors to approve annual financial statements and operating plans.	Complied	According to paragraph 15.1. of the Company's Charter, the authority of the BoD includes 'approval of an annual budget and the report on its execution. It is also responsible for the approval of key performance indicators (KPI) within the Company's annual budget.'
9	The company has a risk management procedure approved by the Board of Directors.	Not Complied	
10	The company's Charter provides for the right of the Board of Directors to make a decision on suspending the authorities of the General Director appointed by the General Meeting.	Not Applicable	According to paragraph 15.1. of the Company's Charter, the BoD (and not shareholders meetings) authority includes 'election of the Company's general Director and termination of his office, including making the decision on determination of the conditions of the General Director's Employment Contract.
11	The Charter of the company provides for the right of the Board of Directors to establish requirements for the qualifications and the level of compensation of the General Director, members of the Management Board, and managers of the key structural divisions of the company.	Complied partially	According to paragraph 15.1. of the Company's Charter, the authority of the BoD includes making decisions of the conditions of the contract with the CEO.
12	The company's Charter provides for the right of the Board of Directors to approve the terms of the contracts with the General Director and members of the Management Board.	Complied	According to Clause 15.1, paragraph 12 of the Company's Charter, the authorities of the BoD include the election of the Company's General Director and the termination of his office, as well as making the decision about the determination of the conditions of the General Director's Employment Contract. According to Clause 15.1, paragraph 13 of the Company's Charter, the authorities of the BoD include 'the determination of the number of the Managing Board's members, election of the Managing Board's members, setting their remuneration and bonuses and the termination of their responsibilities'.

№	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
13	The Charter and by-laws of the company contain a requirement that votes of the members of the Board of Directors who act as the General Director and members of the Management Board should not be taken into account when the terms of the contracts with the General Director (managing entity, manager) and members of the Management Board are approved.	Not Complied	This requirement is not fixed in internal documents. At present, members of the Managing Board and the General Director are not members of the BoD.
14	The Board of Directors includes at least 3 independent directors meeting the requirements of the Code of Corporate Conduct.	Complied	Members of the BoD include of 11 independent directors, satisfying the requirements of the Corporate Governance Code: O. M. Pivovarchuk O. V. Surikov N. V. Gololobova Y. Y. Zenka D. R. Kostoev A. V. Orelkin M. M. Sokov V. A. Solovyev A. V. Chyorny S. V. Emdin K. Y. Parinov
15	There are no persons on the Board of Directors convicted of committing offences in the sphere of economic activity; against the government, against interests of the federal, regional and local government service; or that have been subjected to administrative penalties for offences in the sphere of entrepreneurial activities or in the sphere of finance, taxes and levies and the securities market.	Complied	
16	There are no persons on the Board of Directors who serve as members, the General Director (manager), members of the management body or employees of any competitor of the company.	Complied	
17	The company's Charter contains a requirement that the Board of Directors be elected by cumulative vote.	Complied	According to paragraph 10.8. of the Charter, the voting at the General Meeting of Shareholders is carried out based on the principle of one voting share per vote except for the cumulative vote on the issue of electing members of the Company's BoD.
18	The by-laws of the company include the obligation of the members of the Board of Directors to refrain from any actions that will or may potentially lead to a conflict of interests with the company, and in the case of such conflict – their obligation to disclose information on such conflict to the Board of Directors.	Not Complied	This duty is not fixed in the internal documents.

№	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
19	The by-laws of the company contain a responsibility of members of the BoD to give a written notice to the BoD on their intention to make transactions with the Company's securities. These members are also members of the BoD or the Company's subsidiaries (affiliated companies) and their responsibilities also include disclosure of information on their transactions with such securities.	Complied complied	According to paragraph 4.2. of the Regulation on Insider Information: 'Not later than the third day of the months following the reporting month, the insiders shall submit to the Division responsible for the supervision of use of the insider information, a written declaration on the transactions made in the reporting month with the Company's or SAC's securities, following the form listed in Annex 1 to this Regulation'.
20	The by-laws of the company contain a requirement that a meeting of the Board of Directors should be held at least once in six weeks.	Complied	According to paragraph 5.1. of the Regulation on the Procedure for Preparation and Holding of Meetings of the BoD: 'Meetings of the BoD shall be held according to the approved BoD Work Schedule and as often as necessary (unscheduled meetings), but at least once every six weeks if not specified otherwise in the present Regulation'.
21	Holding of Meetings of the Company's BoD in the course of a year, in which the Company's annual report is prepared, but not later than once every six weeks.	Complied	
22	The by-laws of the company establish a procedure for conducting meetings of the Board of Directors.	Complied	Article 18 of the Company's Charter, the Regulation on the Assembly Procedure and Holding of Board of Directors Meetings.
23	The by-laws of the company include a provision on the need to have approval of the Board of Directors for the company's transactions amounting to 10% and more of the company's assets value, other than transactions performed in the ordinary course of business.	Not complied	According to subparagraph 28 of paragraph 15.1. of article 15 of the Company's Charter, the BoD is authorised to preliminary approval of transactions (including several related transactions), the size of which is determined by the absolute value and not by percentage of the Company's asset value.
24	The by-laws of the company provide for the right of the members of the Board of Directors to receive in-formation necessary for the performance of their functions from the executive bodies and managers of the key structural divisions, and liability of the latter for non-provision of such information.	Complied partially	According to 3.2. of the Regulation on the Assembly Procedure and Holding of Board of Directors Meetings, a member of the BoD can submit a written request for documents and information needed to make a decision on the BoD authorities, directly both from the Company's General Director (other person carrying out functions of the Company's sole executive body) and from the BoD Secretary'. According to Clause 3.3. of the Regulation, 'the Company's documents and information shall be made available to a member of the BoD not later than 2 (two) working days from the day of the receipt of the relevant request'.
25	There is a strategic planning committee of the Board of Directors or functions of such committee are assigned to some other committee (other than the Audit Committee or the Nomination and Compensation Committee).	Complied	The Company set up the Strategy and Development Committee.

Nº	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
26	There is a committee (Audit Committee) of the Board of Directors that recommends an external auditor to the Board of Directors and communicates with the external auditor and the internal Audit Commission of the company.	Complied	The Company set up the Audit Committee.
27	The Audit Committee includes only independent and non-executive directors.	Complied	
28	The Audit Committee is chaired by an independent director.	Complied	
29	The by-laws of the joint stock company provide for the access of all the members of the Audit Committee to any documents and information of the company subject to non-disclosure of confidential information.	Complied	According to Clause 4.1, paragraph 2 of the Regulation on the BoD Audit Committee 'request and receive the information and documents needed for the operations from the Company's General Director and officials, as well as request information from third party organisations through the BoD Chairman or the Company's General Director'.
30	There is a committee (Nomination and Compensation Committee) of the Board of Directors that is responsible for the determination of the criteria for the selection of candidates to the Board of Directors and development of the company's compensation policies.	Complied	The Company has set up the Corporate Management, HR and Remuneration Committee.
31	The Nomination and Compensation Committee is headed by an independent director.	Complied	
32	There are no executives of the company in the Nomination and Compensation Committee.	Complied	The Committee on Corporate Management, HR and Remuneration does not include Company's officials.



Nº	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
33	There is a risk committee of the Board of Directors or functions of such committee are assigned to some other committee (other than the Audit Committee or the Nomination and Compensation Committee).	Not Complied	At present, the Company has no Risk Committee in the BoD. The Company's Charter (paragraphs 19.1, 19.2, 19.3) of article 19 envisage a possibility for setting up such a committee.
34	There is a committee for the settlement of corporate conflicts of the Board of Directors or functions of such committee are assigned to some other committee (other than the Audit Committee or the Nomination and Compensation Committee).	Not Complied	At present, the Company has no Corporate Conflicts Settlement Committee in the BoD. The Company's Charter (paragraphs 19.1, 19.2, 19.3) of article 19 envisage a possibility for setting up such a committee.
35	There are no executives of the company in the committee for the settlement of corporate conflicts.	Not Applicable	At present, the Company has no Corporate Conflicts Settlement Committee in the BoD.
36	The committee for the settlement of corporate conflicts is headed by an independent director.	Not Applicable	At present, the Company has no Corporate Conflicts Settlement Committee in the BoD.
37	The company has internal by-laws approved by the Board of Directors providing for the procedure of formation and operation of the committees of the Board of Directors.	Complied	Regulation on Committees: - The Strategy and Development Committee; - Audit Committee; - Budget Committee; Corporate Management, HR and Remuneration Committee.
38	The company's Charter provides for a procedure to determine the quorum of the Board of Directors that would ensure obligatory participation of independent directors at the Board meetings.	Not Complied	



Nº	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
<b>Executive Bodies:</b>			
39	The company has a collective executive body (Management Board).	Complied	Company's Charter, Article 9. 'Management and Control Bodies of the Company', Article 20. 'The Company's Executive Bodies', Article 21. 'The Company's managing Board', the Regulation on the Managing Board approved at the General Meeting of BoD.
40	The Charter or by-laws of the company contain provisions on the need to have approval of the Management Board for real estate transactions and loans received by the company unless such transactions are major deals or are performed in the ordinary course of business.	Complied partially	According to sub paragraph 3 of paragraph 21.2 of article 21 of the Company's Charter, the Managing Board is authorised to 'preliminary approval of transactions (including several related transactions) dealing with the Company's acquisition or a possibility of a direct or indirect acquisition of property for the price exceeding 5 000 000 (five million) US dollars at the rate of the Central Bank of the Russian Federation set for the date when such transaction is approved. This provision excludes the following: - such transactions which, under Federal Law 'On Joint Stock Companies' or this Charter, shall be authorised by the Board of Directors or by the General Meeting of the Company's Shareholders; - transactions related to acquisition of electricity and capacity on the wholesale electricity market conducted to secure the Company's supply of electricity and capacity; - currency conversion transactions (acquisition of foreign currency); - transactions involving deposits; - transactions involving deposits of funds as permanent bank balance; - transactions involving acquisition of bonds and promissory notes.'
41	The by-laws of the company establish procedures for the approval of transactions which are outside the scope of the company's financial and operational plan.	Not Complied	



Nº	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
42	There are no persons in the executive bodies who serve as members, the General Director (manager), members of the management body or employees of any competitor of the company.	Complied	Besides, according to Article 20. 6. of the Charter, 'the coordination of positions of the General Director and members of the Managing Board in other organisation, as well as paid positions in other organisations can be can happen only after approval of the BoD'.
43	There are no persons in the management bodies convicted of committing offences in the sphere of economic activity; against the government, against interests of the federal, regional and local government service; or that have been subjected to administrative penalties for offences in the sphere of entrepreneurial activities or in the sphere of finance, taxes and levies and the securities market. If the functions of the sole executive body are performed by a managing entity or a manager – the General Director and members of the Management Board of the managing entity or manager meet the requirements established for the General Director and members of the Management Board of the company.	Complied	This recommendation is observed however, the Company's Charter and internal documents contain no regulations setting the restrictions listed in the recommendations for the persons in the Company's executive bodies.
44	The Charter or by-laws of the company contain a prohibition for the managing entity (manager) to perform similar functions for a competitor or have any other property relations with the company other than the provision of management services.	Not Complied	
45	The by-laws of the company include the obligation of the members of the executive bodies to refrain from any actions that will or may potentially lead to a conflict of interests with the company and in the case of such conflict – their obligation to inform the Board of Directors on such conflict.	Not Complied	The Company's internal documents contain no statements on such obligations.



№	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
46	The Charter or by-laws of the company contain criteria for the selection of the managing entity (manager).	Not Complied	
47	Executive bodies provide monthly reports on their activities to the Board of Directors.	Not Complied	The Company's reports are submitted to the BoD quarterly.
48	The contracts made by the company with the General Director (managing entity, manager) and members of the Management Board stipulate liability for violation of the provisions on the use of confidential and insider information.	Not Complied	Employment contracts contain a paragraph on 'employee rights on obligations', which impose an obligation on non-disclosure of confidential and business information. According to the Labour Code of the RF, the section on 'Responsibility' is not envisaged in employment contracts.
<b>Secretary of the Company</b>			
49	There is a special official in the company (company Secretary) whose function is to ensure that the company's bodies and officials comply with procedural requirements guaranteeing the exercise of the legal rights and interests of the company's shareholders.	Not Complied	
50	The Charter or by-laws of the company prescribe a procedure for the appointment (election) of the company Secretary and responsibilities of the company Secretary.	Not Complied	
51	The company's Charter contains requirements to the candidate for the position of the company Secretary.	Not Complied	These requirements are not defined by the Charter.



№	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
<b>Major Corporate Actions</b>			
52	The Charter or by-laws of the company contain a requirement on approval of any major deal before it is concluded.	Complied	According to requirement of Clause 10.2 (sub paragraphs 16 and 17) of article 10 of the Company's Charter, and paragraph 15.1 (sub paragraphs 23 and 24) of the Company's Charter.
53	Obligatory engagement of an independent appraiser to determine the market value of any property that is subject to major transactions.	Not Complied	
54	In the event of acquisition of any large stakes in the company (takeover), the Charter of the company prohibits taking any actions aimed at the protection of interests of the executive bodies (members of such bodies) and members of the Board of Directors, and also such actions that make the position of shareholders worse than their current position (in particular, prohibition of a decision by the Board of Directors to issue additional shares, securities convertible into shares or securities granting right to acquire shares in the company before the end of the expected time of the acquisition of shares, even if the right to take such decision is granted by the Charter).	Not Complied	These requirements are not defined by the Charter.
55	The company's Charter contains a requirement on obligatory engagement of an independent appraiser to determine the current market value of shares and potential changes in their market value as a result of takeover.	Not Complied	Starting from February 2006, Company's equities are traded on the leading Russian stock exchanges: RTS and MICEX, as well as global depository receipts on European third market and in PORTAL trading system (this system was created for qualified American institutional investors); the current market value of equities is determined by these exchanges.
56	The Charter of the company contains no exemption of the acquirer from the obligation to offer buyout of the company's ordinary shares (other securities convertible into ordinary shares) to the shareholders upon takeover.	Complied	
57	The Charter or by-laws of the company contain a requirement on obligatory engagement of an independent appraiser to determine the proportion for the conversion of shares on reorganisation.	Not Complied	This requirement is not set forth in the Company's Charter or internal documents. However, in actual practice, in order to define conversion indices of equities, the Company employed independent appraisers.



№	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
<b>Disclosure of Information</b>			
58	There is an internal document approved by the Board of Directors determining policies and procedures used by the company for the disclosure of information (Regulation on Information Policies).	Complied	In 2009, the Company was governed by the Regulation on Informational Police, approved by the BoD on October 13, 2006.
59	The by-laws of the company contain a requirement to disclose purposes of placement of shares, persons that intend to acquire shares placed, including large stakes, and participation of officials of the company in the acquisition of the shares placed.	Not Complied	This requirement is not defined in the Company's internal documents.
60	The by-laws of the company contain a list of information, documents and materials that should be provided to shareholders for the decision on the issues put for the consideration of the General Meeting.	Complied	Indent 3 of paragraph 11.7 of article 11 of the Company's Charter.
61	The company has a web site and regularly discloses information about the company on the web site.	Complied	According to paragraph 1, Clause 6.4. of the Regulation on the Informational Policy: 'The Company publishes press-releases, statements, articles, interviews, advertising materials and other information on the Company's official web site: www.ogk3.ru as often as such publication is necessary'.
62	The by-laws of the company contain a requirement to disclose information on the deals of the company with persons that are senior executives of the company in accordance with the Charter, and deals of the company with entities where senior executives of the company directly or indirectly hold 20 or more percent of the share capital or on which such persons may otherwise exercise significant influence.	Complied	This requirement is defined in the Regulation on the Company's Informational Policy. Besides, according to the requirements of the Regulation on the Disclosure of Information by issuers of securities, approved by the Decree No. of the Federal Financial Markets Service of the RF No.026-117/PZ-N from October 10, 2006. The Company discloses the information on a transaction of interest, if the price of such transaction amounts to 5% and more per cent of the Company's asset value, determined according to the accounting reports on the last reporting date before the approval of such a transaction by the Company's authorised body.

№	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
63	The by-laws of the company contain a requirement to disclose information on all transactions that may affect the market value of the company's shares.	Complied	This requirement is determined according to paragraph 5.2.9 of the Regulation on the Company's Information Policy. Furthermore, according to the Regulation on the Disclosure of Information by Issuers of Securities, approved by the Decree No. of the Federal Financial Markets Service of the RF No.06-117/PZ-N from October 10, 2006. The Company discloses the information which has an impact on the market value of the Company's securities and the information on important facts.
64	There is an internal document approved by the Board of Directors on the use of significant information on the activity, shares and other securities of the company and transactions with such shares and other securities, which is not publicly available and the disclosure of which may have material impact on the market value of shares and other securities of the company.	Complied	In 2009, the Company was governed by the Regulation on Insider Information, approved by the BoD on October 12, 2005.
<b>Control of Financial and Economic Operations.</b>			
65	There are internal control procedures over the financial and operational activities of the company approved by the Board of Directors.	Complied	Procedures of Internal Audit of Financial and Economic Activities of the Company are defined by the Regulation on the Internal Audit System, approved by the Company's BoD (Minutes No.70 from June 08, 2007).
66	There is a special division in the company ensuring compliance with the internal control procedures (internal control service).	Complied	On October 31, 2008, the Company set up the Department of Internal Control and Audit on the basis of the existing internal audit department. The decision to set up the department was made by the JSC WGC-3 BoD (minutes No.138). The number of members of the Department of Control and Internal Audit in 2009 was 7 (seven) people.
67	The by-laws of the company contain a requirement that the structure and members of the internal control service should be determined by the Board of Directors.	Partially Complied	The organisational structure of the executive administration of JSC WGC-3 is approved by the Board of Directors, according to sub paragraph 39 of paragraph 15.1 of the Company's Charter. Members of the Department of Internal Control and Audit responsible for control and audit functions were approved by a Decree No. of the CEO of JSC WGC-3.



№	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
68	There are no persons in the internal control service convicted of committing offences in the sphere of economic activity; against the government, against interests of the federal, regional and local government service; or that have been subjected to administrative penalties for offences in the sphere of entrepreneurial activities or in the sphere of finance, taxes and levies and the securities market.	Complied	
69	There are no persons in the internal control service who serve as members of the executive bodies of the company, as well as members, the General Director (manager), members of the management bodies or employees of any competitor of the company.	Complied	
70	The by-laws of the company establish dates for the submission of documents and materials to the internal control service for the assessment of financial and operational transactions performed, and liability of officials and employees of the company for failure to provide them in time.	Partially Complied	The deadlines for submitting materials and documents to the Department for Internal Control and Audit are determined by the organisational and administrative documents of JSC WGC-3, which are published before the appraisal of financial and business operations.
71	The by-laws of the company provide for the obligation of the internal control service to communicate any violations detected to the Audit Committee, and where there is no such committee to the Board of Directors.	Partially Complied	The Regulation on the Department of Internal Control and Audit defining this obligation, was approved by the CEO and Management of JSC WGC-3 and sent for ratification to the BoD.
72	The company's Charter contains a requirement on preliminary assessment of the practicality of transactions not envisaged in the company's financial and operational plan (unusual transactions) by the internal control service.	Not Complied	This requirement is not envisaged in the Company's Charter. Acting on a request of the CEO, the Department for Internal Control and Audit performs a preliminary inspection of the feasibility of operations not specified in the financial and business plan of JSC WGC-3.
73	The by-laws of the company establish a procedure for the agreement of any unusual transactions with the Board of Directors.	Partially Complied	Approval of non-routine operations listed in subclauses 7, 8, 9, 10, 11, 14, 15, 17, 21, 22, 23, 24, 25, 28 and several other subclauses of Article 15 of the Company's Charter is within the authority of the Company's BoD.

№	Provision of the Corporate Governance Code	Complied/ Not Complied	Notes
74	There is an internal document determining the procedure of audits of the financial and operating activities by the internal audit commission, approved by the Board of Directors.	Complied	The Regulation on the Audit Commission is approved by the BoD (minutes No.2 from 13/01/2005); Approved at the OJSC WGC-3 General Meeting of Shareholders (the BoD of OJSC RAO UES of Russia), Minutes No.200 from July 29, 2005.
75	The Audit Committee performs an assessment of the auditor's report before it is presented to the shareholders in the General Meeting.	Complied	In accordance with Clause 3.4. of the Regulation on the BoD Audit Committee: 'evaluation of the Company' reporting and conclusion of the Company's auditor, as well as the development of recommendations for the Company's BoD on improving the Company's reporting systems' is within the scope of authority of the Audit Committee.
<b>Dividends</b>			
76	There is an internal document approved by the Board of Directors used as guidance by the Board of Directors in developing recommendations on the size of dividends (Regulation on Dividend Policies).	Complied	The Regulation on the Dividend Policy approved by the JSC WGC-3 BoD (Minutes No.106 dated March 31, 2007)
77	The Regulation on Dividend Policies contains a procedure for the determination of the minimum share of the net profit of the company used for the payment of dividends, and conditions under which dividends are not paid or are not paid in full on preferred shares for which the size of dividends is determined in the company's Charter.	Not Applicable	The Company did not issue preferred shares.
78	Publication of information on dividend policies of the company and any amendments thereto in a periodical stipulated in the company's charter for publication of announcements on General Meetings, and on the web site of the company in the Internet.	Partially Complied	The Regulation of the Dividend Policy can be found on the following Internet site: <a href="http://www.ogk3.ru/ru-u_docs/">http://www.ogk3.ru/ru-u_docs/</a>



## Information on the transactions

### 1. The transactions carried out by the Company in the reporting year and acknowledged as large according to the Federal Law 'On Stock Companies'.

In 2009 the Company carried out no transactions acknowledged as large according to the Federal Law 'On Stock Companies'.

### 2. The transactions carried out by the Company in the reporting year and acknowledged as transactions of interest according to the Federal Law 'On Stock Companies'.

In 2009 the Company concluded 223 transactions which, according to the Federal Law 'On Stock Companies' are acknowledged as transactions of interest. According to the requirements of the RF legislation and the Company's Charter, these transactions were initially approved by the Company's BoD.

The total amount of transactions of interest approved by the BoD amounted to 5,882,789 thousand roubles.

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
1	Resort Zapolarye	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date February 03, 2009 Decree No. 5 from February 04, 2009</p> <p><b>Subject of Transaction:</b> The Contractor shall, upon receiving the Client's assignment, render sanatorium and resort-related services; and the Client shall accept and pay for these services. Arrival schedules, the number and cost of vouchers for resort and recreation facilities shall be approved by the parties in Annex 1 which is an integral part of the Contract.</p> <p><b>Transaction Price:</b> 43,243,200 (forty-three million two hundred forty-three thousand and two hundred) roubles, VAT exemption under the Tax Code of the RF (sub paragraph 18, paragraph 3, article 149).</p> <p><b>Contract Validity:</b> The Contract enters into force upon signature by the Parties and will be valid to the February 01, 2009; mutual payments will be in effect until full settlement.</p>
2	OJSC MMC Norilsk Nickel	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> February 03, 2009 Decree No. 5 from February 04, 2009</p> <p><b>Subject of Transaction:</b> The Principal shall receive and the Agent shall assume an obligation to render legal and other services related to the delivery of material and technical resources, including fuel, acting by the order, on behalf and at the expense of the Principle.</p> <p><b>Transaction Price:</b> the cost of legal and other services, related to the delivery of material and technical resources, including fuel, rendered under the Agent Contract between JSC WGC-3 (the Principal) and OJSC MMC Norilsk Nickel (the Agent), amounts to 0.1% (including VAT of 18%) of the cost of the product under the Agent's transactions (including VAT of 18%), in the reporting period.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
3	OJSC MMC Norilsk Nickel	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> February 03, 2009 Decree No. 5 from February 04, 2009</p> <p><b>Subject of Transaction:</b> The Sponsor's contribution to the Club's activities under the conditions of advertising the Sponsor. The Sponsor's contribution to the Club's activities is payment for the Sponsorship Kit, according to the Contract Provisions.</p> <p>The Club assumes the obligation to render services included in the Sponsorship Kit, namely: the services regarding the placement and dissemination of the Sponsor's advertising in the Season of 2008 - 2009.</p> <p><b>Transaction Price:</b> 46,728,000 (forty-six million, seven hundred and twenty-eight thousand) roubles, including VAT of 18% - 7,128,000 (seven million, one hundred and twenty-eight thousand) roubles.</p> <p><b>Contract Validity:</b> The Contract enters into effect upon signature by the Parties and will be valid until the full execution of all obligations thereunder. The parties consider the contract effective for the relations, which started from February 01, 2009.</p>
4	PHK CSKA, Ltd.	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> February 03, 2009 Decree No. 5 from February 04, 2009</p> <p><b>Subject of Transaction:</b> The Sponsor's contribution to the Club's activities in exchange for advertising. The Sponsor's contribution to the Club's activities is the payment for the Sponsorship Kit, according to the Contract Provisions. The Club assumes the obligation to render services included in the Sponsorship Kit, namely: the services regarding the placement and dissemination of the Sponsor's advertising in the Season of 2008 - 2009.</p> <p><b>Transaction Price:</b> 82,599,999 (eighty-two million five hundred ninety-nine thousand, nine hundred ninety-nine) roubles, 99 kopecks, including 18% VAT of 12,600,000 (twelve million six hundred thousand) roubles.</p> <p><b>Contract Validity:</b> The Contract enters into effect upon signature by the Parties and will be valid until the full execution of all obligations thereunder. The parties consider the contract effective for the relations, which started from February 01, 2009.</p>
5	Professional Basketball Club CSKA, Ltd.	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> February 03, 2009 Decree No. 5 from February 04, 2009</p> <p><b>Subject of Transaction:</b> The Sponsor make a contribution to the Club's activities in exchange for advertising. The Sponsor's contribution to the Club's activities is the payment for the Sponsorship Kit, according to the Contract Provisions. The Club assumes the obligation to render services included in the Sponsorship Kit, namely: the services regarding the placement and dissemination of the Sponsor's advertising in the Season of 2008 - 2009.</p> <p><b>Transaction Price:</b> 148,000,000 (one hundred forty-eight million) roubles, 00 kopecks, including 18% VAT of 22,576,271 (twenty-two million, five hundred seventy-six thousand two hundred seventy-one) roubles, 19 kopecks.</p> <p><b>Contract Validity:</b> The Contract enters into effect upon signature by the Parties and will be valid until the full execution of all obligations thereunder. The parties consider the contract effective for the relations, which started from February 01, 2009.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
6	FK Moskva, Ltd.	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> February 03, 2009 Decree No. 5 from February 04, 2009 <b>Subject of Transaction:</b> The Sponsor make a contribution to the Club's activities in exchange for advertising The Sponsor's contribution to the Club's activities is the payment for the Sponsorship Kit, according to the Contract Provisions. The Club assumes the obligation to render services included in the Sponsorship Kit, namely: the services regarding the placement and dissemination of the Sponsor's advertising in the Season of 2008 - 2009. <b>Transaction Price:</b> 116,250,000 (One hundred sixteen million two hundred thousand) roubles, 00 kopecks including 18% VAT of 17,733,050 (seventeen million seven hundred thirty-three thousand and fifty) roubles, 85 kopecks. <b>Contract Validity:</b> The Contract enters into effect upon signature by the Parties and will be valid until the full execution of all obligations thereunder. The parties consider the contract effective for the relations, which started from February 01, 2009.
7	JSC ROSNO	Members of the Board of Directors, Members of the Management Board	<b>Decision of the BoD of the Company:</b> February 05, 2009 Decree No. 6 from February 05, 2009 Liability insurance for directors, officials and the Company.
8	K. Y. Parinov	K. Y. Parinov	<b>Decision of the BoD of the Company:</b> February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, K. Y. Parinov, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
9	S. L. Batekhin	S. L. Batekhin	<b>Decision of the BoD of the Company:</b> February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, S. L. Batekhin, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
10	V. A. Davydov	V. A. Davydov	<b>Decision of the BoD of the Company:</b> February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, V. A. Davydov, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
11	D. R. Kostoev	D. R. Kostoev	<b>Decision of the BoD of the Company:</b> February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, D. R. Kostoev, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
12	O. M. Pivovarchuk	O. M. Pivovarchuk	<b>Decision of the BoD of the Company:</b> February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, O. M. Pivovarchuk, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
13	A. V. Cherny	A. V. Cherny	<b>Decision of the BoD of the Company:</b> February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, A. V. Cherny, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
14	V. A. Solovyev	V. A. Solovyev	<b>Decision of the BoD of the Company:</b> February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, V. A. Solovyev, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
15	M. M. Sokov	M. M. Sokov	<b>Decision of the BoD of the Company:</b> February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, M. M. Sokov, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
16	S. V. Emdin	S. V. Emdin	<b>Decision of the BoD of the Company:</b> February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, S. V. Emdin, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
17	A. V. Orelkin	A. V. Orelkin	<b>Decision of the BoD of the Company:</b> February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, A. V. Orelkin, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
18	O. V. Surikov	O. V. Surikov	<b>Decision of the BoD of the Company:</b> Date February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, O. V. Surikov, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
19	K. Y. Parinov	K. Y. Parinov	<b>Decision of the BoD of the Company:</b> Date February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, K. Y. Parinov, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.
20	S. L. Batekhin	S. L. Batekhin	<b>Decision of the BoD of the Company:</b> Date February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, S. L. Batekhin, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
21	V. A. Davydov	V. A. Davydov	<b>Decision of the BoD of the Company:</b> Date February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, V. A. Davydov, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.
22	D. R. Kostoev	D. R. Kostoev	<b>Decision of the BoD of the Company:</b> Date February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, D. R. Kostoev, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.
23	O. M. Pivovarchuk	O. M. Pivovarchuk	<b>Decision of the BoD of the Company:</b> Date February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, O. M. Pivovarchuk, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.
24	A. V. Cherny	A. V. Cherny	<b>Decision of the BoD of the Company:</b> Date February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, A. V. Cherny, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.
25	V. A. Solovyev	V. A. Solovyev	<b>Decision of the BoD of the Company:</b> Date February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, V. A. Solovyev, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.
26	S. V. Emdin	S. V. Emdin	<b>Decision of the BoD of the Company:</b> Date February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, S. V. Emdin, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.
27	A. V. Orelkin	A. V. Orelkin	<b>Decision of the BoD of the Company:</b> Date February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, A. V. Orelkin, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.
28	O. V. Surikov	O. V. Surikov	<b>Decision of the BoD of the Company:</b> Date February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, O. V. Surikov, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.
29	M. M. Sokov	M. M. Sokov	<b>Decision of the BoD of the Company:</b> Date February 06, 2009 Decree No. 7 from February 09, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, M. M. Sokov, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
30	JSC 'Energoservice'	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Capital and current repairs and maintenance of the equipment at coal-conveying department of the 1st and 2nd phase of JSC WGC-3 subsidiary, Gusinoozerskaya TPP, shall be done under the contract between JSC WGC-3 and JSC Energoservice. The contract price is 14,535,980 (fourteen million, five hundred and thirty-five thousand, nine hundred eighty) roubles, 54 kopecks, including 18% VAT of 2,217,352 (two million, two hundred seventeen thousand, three hundred and fifty-two) roubles, six kopecks.  The contract for capital and current repairs and maintenance at coal-conveying department of the 1st and 2nd phase of JSC WGC-3 subsidiary, Gusinoozerskaya TPP.
31	JSC 'Energoservice'	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 The Contractor shall perform for the Client full repairs and maintenance of power and hoisting equipment, restoration of spare parts and NSO, as well as providing hoisting equipment services to facilitate the operation of the JSC WGC-3 subsidiary, Gusinoozerskaya TPP under the contract between JSC WGC-3 and JSC Energoservice. The contracts price is 60,591,754 (sixty million, five hundred ninety-one thousand, seven hundred fifty-four) roubles, 04 kopecks, including 18% VAT of 9,242,809 (nine million, two hundred forty-two thousand, eight hundred and nine) roubles, 94 kopecks.  The contract for capital and current repairs and maintenance of power and hoisting equipment, restoration of spare parts and NSO, as well as providing hoisting equipment services to facilitate the operation of the JSC WGC-3 subsidiary, Gusinoozerskaya TPP.
32	JSC 'Energoservice'	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Capital and current repairs and maintenance of the pumping equipment of main building of I-II phase of JSC WGC-3 subsidiary, Gusinoozerskaya TPP, shall be done under the contract between JSC WGC-3 and JSC Energoservice. The contract price is 2,982,828 (two million, nine hundred and eighty-two thousand, eight hundred twenty-eight) roubles, 60 kopecks, including 18% VAT of 455,007 (four hundred fifty-five thousand and seven) roubles, 75 kopecks.  The contract for capital and current repairs and maintenance of the pumping equipment of main building of I-II phase of JSC WGC-3 subsidiary, Gusinoozerskaya TPP.
33	JSC 'Energoservice'	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Capital and current repairs and maintenance of fitting and high-pressure plumbing of power units No.1-6 of JSC WGC-3 subsidiary, Gusinoozerskaya TPP, shall be done under the contract between JSC WGC-3 and JSC Energoservice. The contract price is 3,319,395 (three million, three hundred nineteen thousand, three hundred ninety-five) roubles, 08 kopecks, including 18% VAT of 506,348 (five hundred and six thousand, three hundred forty-eight) roubles, 40 kopecks.  The contract for capital and current repairs and maintenance of fitting and high-pressure plumbing of power units No.1-6 of JSC WGC-3 subsidiary, Gusinoozerskaya TPP.



No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
34	JSC 'Energoservice'	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Capital and current repairs and maintenance of the turbine's auxiliary equipment (TAE) and common equipment of JSC WGC-3 subsidiary, Gusinoozerskaya TPP, shall be done under the contract between JSC WGC-3 and JSC Energoservice. The contract price is 2,140,774 (two million, one hundred and forty thousand, seven hundred seventy-four) roubles, 69 kopecks, including 18% VAT of 326,558 (three hundred twenty-six thousand, five hundred fifty-eight) roubles, 85 kopecks.</p> <p>The contract for capital and current repairs and maintenance of the turbine's auxiliary equipment (TAE) and common equipment of JSC WGC-3 subsidiary, Gusinoozerskaya TPP.</p>
35	JSC 'Energoservice'	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Capital and current repairs and maintenance for chemical protection of makeup demineraliser equipment and boiler and turbine equipment of JSC WGC-3 subsidiary, Gusinoozerskaya TPP, shall be done under the contract between JSC WGC-3 and JSC Energoservice. The contract price is 1,950,480 (one million, nine hundred fifty thousand, four hundred eighty) roubles, 20 kopecks, including 18% VAT of 297,530 (two hundred ninety-seven thousand, five hundred thirty) roubles, 87 kopecks.</p> <p>The contract for capital and current repairs and maintenance for chemical protection of makeup demineraliser equipment and boiler and turbine equipment of JSC WGC-3 subsidiary, Gusinoozerskaya TPP.</p>
36	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of boiler equipment of power units No. 1-9 at Kostromskaya TPP, shall be done under the contract between JSC WGC-3 and JSC Remservice KGRES. Contract price is 45,999,473 (forty-five million, nine hundred ninety-nine thousand, four hundred seventy-three) roubles, 90 kopecks, including 18% VAT of 7,016,868 (seven million, sixteen thousand, eight hundred sixty-eight) roubles, 90 kopecks.</p> <p>The contract for capital and current repairs and maintenance of boiler equipment of power units No. 1-9 at Kostromskaya TPP.</p>
37	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of turbine auxiliary equipment of power units No. 1-9 at Kostromskaya TPP, shall be done under the contract between JSC WGC-3 and JSC Remservice KGRES. Contract price is 30,786,153 (thirty million, seven hundred eighty-six thousand, one hundred fifty-three) roubles, 98 kopecks, including 18% VAT of 4,696,192 (four million, six hundred ninety-six thousand, one hundred ninety-two) roubles, 98 kopecks.</p> <p>The Contractor shall perform for the Client repairs and maintenance of turbine auxiliary equipment of power units No. 1-9 at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
38	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of electrical supplies at Kostromskaya TPP shall be done under the contract between JSC WGC-3 and JSC Remservice KGRES. Contract price is 37,968,802 (thirty-seven million, nine hundred sixty-eight thousand, eight hundred and two) roubles, 18 kopecks, including 18% VAT of 5,791,851 (five million, seven hundred ninety-one thousand, eight hundred fifty-one) roubles, 18 kopecks.</p> <p>The contract for repairs and maintenance of electrical supplies at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
39	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of the automated control system equipment at Kostromskaya TPP shall be done under the contract between JSC WGC-3 and JSC Remservice KGRES. Contract price is 46,176,649 (forty-six million, one hundred seventy-six thousand, six hundred forty-nine) roubles, 72 kopecks, including 18% VAT of 7,043,895 (seven million, forty-three thousand, eight hundred ninety-five) roubles, 72 kopecks.</p> <p>The contract for repairs and maintenance of the automated control system equipment at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
40	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of the heating insulation of the equipment and heating grids at Kostromskaya TPP shall be done under the contract between JSC WGC-3 and JSC Remservice KGRES. Contract price is 13,426,726 (thirteen million, four hundred twenty-six thousand, seven hundred twenty-six) roubles, 76 kopecks, including 18% VAT of 2,048,144 (two million, forty-eight thousand, one hundred forty-four) roubles, 76 kopecks.</p> <p>The contract for repairs and maintenance of the heating insulation of the equipment and heating grids at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
41	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of the equipment of fuel and transportation and chemical departments at Kostromskaya TPP shall be done under the contract between JSC WGC-3 and JSC Remservice KGRES. Contract price is 20,039,187 (twenty million, thirty-nine thousand, one hundred eighty-seven) roubles, 16 kopecks, including 18% VAT of 3,056,825 (three million, fifty-six thousand, eight hundred twenty-five) roubles, 16 kopecks.</p> <p>The contract for repairs and maintenance the equipment of fuel and transportation and chemical departments at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
42	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Technical support of repairs and maintenance of equipment at Kostromskaya TPP shall be done under the contract between JSC WGC-3 and JSC Remservice KGRES. Contract price is 56,030,393 (fifty-six million, thirty thousand, three hundred ninety-three) roubles, 12 kopecks, including 18% VAT of 8,547,009 (eight million, five hundred forty-seven thousand and nine) roubles, 12 kopecks.</p> <p>The contract for technical support of repairs and maintenance of equipment at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
43	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of anti corrosion protection of the mechanical equipment installed at Kostromskaya TPP, shall be done under the contract between JSC WGC-3 and JSC Remservice KGRES. Contract price is 11,343,218 (eleven million, three hundred forty-three thousand, two hundred eighteen) roubles, 46 kopecks, including 18% VAT of 1,730,321 (one million, seven hundred thirty thousand, three hundred twenty-one) roubles, 46 kopecks.</p> <p>The contract for repairs and maintenance of anti corrosion protection of the mechanical equipment installed at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
44	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Technical maintenance of buildings and facilities at Kostromskaya TPP shall be done under the contract between JSC WGC-3 and JSC Remservice KGRES. Contract price is 5,478,496 (five million, four hundred seventy-eight thousand, four hundred ninety-six) roubles, 92 kopecks, including 18% VAT of 835,702 (eight hundred thirty-five thousand, seven hundred and two) roubles, 92 kopecks.</p> <p>The contract for technical maintenance of buildings and facilities at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
45	JSC RSP TPK KGRES (Overhaul and Repairs Plant for Heating and Underground Communication Lines of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of coal-conveying equipment and ventilation systems at Kostromskaya TPP shall be done under the contract between JSC WGC-3 and JSC RSP TPK KGRES. Contract price is 24,610,834 (twenty-four million, six hundred ten thousand, eight hundred thirty-four) roubles, 02 kopecks, including 18% VAT of 3,754,195 (three million, seven hundred fifty-four thousand, one hundred ninety-five) roubles, 02 kopecks.</p> <p>The contract for repairs and maintenance of coal-conveying equipment and ventilation systems at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
46	JSC RSP TPK KGRES (Overhaul and Repairs Plant for Heating and Underground Communication Lines of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Changing of pipelines, thermal networks equipment and sewage equipment at Kostromskaya TPP shall be done under the contract between JSC WGC-3 and JSC RSP TPK KGRES. Contract price is 15,062,700 (Fifteen million, sixty-two thousand, seven hundred) roubles, including 18% VAT of 2,297,700 (two million, two hundred ninety-seven thousand, seven hundred) roubles.</p> <p>The contract for changing of pipelines, thermal networks equipment and sewage equipment at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
47	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of anti corrosion protection of electrical supplies installed at Kostromskaya TPP shall be done under the contract between JSC WGC-3 and JSC Remservice KGRES. Contract price is 1,005,224 (one million, five thousand, two hundred twenty-four) roubles, 30 kopecks, including 18% VAT of 153,339.30 (one hundred fifty-three thousand, three hundred thirty nine) roubles, 30 kopecks.</p> <p>The contract for repairs and maintenance of anti corrosion protection of electrical supplies installed at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
48	OAO «КЭР»	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Capital and current repairs and maintenance of FMS lines and machine-tool equipment at JSC WGC-3 subsidiary, Pechorskaya TPP, shall be done under the contract between JSC WGC-3 and JSC KER. Contract price is 1,934,232 (one million, nine hundred thirty-four thousand, two hundred thirty-two) roubles, 38 kopecks, including 18% VAT of 295,052 (two hundred ninety-five thousand, fifty-two) roubles, 40 kopecks.</p> <p>The contract for technical maintenance of of FMS lines and machine-tool equipment at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>
49	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Mechanical handling of the Customer's materials undertaken during repairs of equipment at JSC WGC-3 subsidiary, Pechorskaya TPP, shall be done under the contract between JSC WGC-3 and JSC KER. Contract price is 4,666,061 (four million, six hundred sixty-six thousand, sixty-one) roubles, 72 kopecks, including 18% VAT of 711,772 (seven hundred eleven thousand, seven hundred seventy-two) roubles, 13 kopecks.</p> <p>The contract for mechanical handling of the Customer's materials undertaken during repairs of equipment at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>
50	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of makeup demineraliser equipment (pumps, filters, ventilation, fittings, pipelines) at JSC WGC-3 subsidiary, Pechorskaya TPP, shall be done under the contract between JSC WGC-3 and JSC KER. Contract price is 6,793,080 (six million, seven hundred ninety-three thousand, eighty) roubles, 64 kopecks, including 18% VAT of 1,036,232 (one million, thirty-six thousand, two hundred thirty-two) roubles, 64 kopecks.</p> <p>The contract for repairs and maintenance of makeup demineraliser equipment (pumps, filters, ventilation, fittings, pipelines) at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>
51	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Maintenance of makeup demineraliser equipment (pumps, ventilation, fittings) at JSC WGC-3 subsidiary, Pechorskaya TPP, shall be done under the contract between JSC WGC-3 and JSC KER. Contract price is 2,250,868 (two million, two hundred fifty thousand, eight hundred sixty-eight) roubles, 88 kopecks, including 18% VAT of 343,352 (three hundred forty-three thousand, three hundred fifty-two) roubles, 88 kopecks.</p> <p>The contract for maintenance of makeup demineraliser equipment (pumps, ventilation, fittings) at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
52	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of common station, central pumping station and NPV equipment at Pechorskaya TPP, shall be done under the contract between JSC WGC-3 and JSC KER. The contract price is 6,623,515 (six million, six hundred twenty-three thousand, five hundred fifteen) roubles, 82 kopecks, including 18% VAT of 1,010,366 (one million, ten thousand, three hundred sixty-six) roubles, 82 kopecks.</p> <p>The contract for repairs and maintenance of common station, central pumping station and NPV equipment at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>
53	JSC KER	ОАО «ГМК «Норильский никель»	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Technical maintenance of power units No. 1-5 at JSC WGC-3 subsidiary, Pechorskaya TPP, shall be done under the contract between JSC WGC-3 and JSC KER. Contract price is 13,169,233 (thirteen million, one hundred sixty-nine thousand, two hundred thirty-three) roubles, 60 kopecks, including 18 % VAT of 2,008,866 (two million, eight thousand, eight hundred sixty-six) roubles, 14 kopecks.</p> <p>The contract for technical maintenance of power units No. 1-5 at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>
54	JSC KER	ОАО «ГМК «Норильский никель»	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Current maintenance of power units No. 1-5 at JSC WGC-3 subsidiary, Pechorskaya TPP, shall be done under the contract between JSC WGC-3 and JSC KER. Contract price is 34,377,551 (thirty-four million, three hundred seventy-seven thousand, five hundred fifty-one) roubles, 11 kopecks, including 18 % VAT of 5,244,033 (five million, two hundred forty-four thousand, thirty-three) roubles, 22 kopecks.</p> <p>The contract for maintenance of power units No. 1-5 at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>
55	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of the main building (inv.no 30) at JSC WGC-3 subsidiary, Pechorskaya TPP, shall be done under the contract between JSC WGC-3 and JSC KER. Contract price is 1,028,941 (one million, twenty-eight thousand, nine hundred forty-one) roubles, 18 kopecks, including 18% VAT of 156,957 (one hundred fifty-six thousand, nine hundred fifty-seven) roubles, 13 kopecks.</p> <p>The contract for repairs and maintenance of the main building at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>
56	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of OVK (inv.no 18) at JSC WGC-3 subsidiary, Pechorskaya TPP, shall be done under the contract between JSC WGC-3 and JSC KER. Contract price is 1,493,519 (one million, four hundred ninety-three thousand, five hundred nineteen) roubles, 32 kopecks, including 18% VAT of 227,824 (two hundred twenty-seven thousand, eight hundred twenty-four) roubles, 98 kopecks.</p> <p>The contract for repairs and maintenance of OVK (inv. no. 18) at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
57	JSC Kharanor-energoremont	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of pulverizing fans MV-3300 and equipment of coal-pulverization systems of power units No.1, 2 at JSC WGC-3 subsidiary, Kharanorskaya TPP, shall be done under the contract between JSC WGC-3 and JSC Kharanor-energoremont. The contract price is 13,916,729 (thirteen million, nine hundred sixteen thousand, seven hundred twenty-nine) roubles, 25 kopecks, including 18% VAT of 2,122,890 (two million, one hundred twenty-two thousand, eight hundred ninety) roubles, 90 kopecks.</p> <p>The contract for repairs and maintenance of pulverizing fans MV-3300 and equipment of coal-pulverization systems of power units No.1, 2 at Kharanorskaya TPP, a subsidiary of JSC WGC-3.</p>
58	JSC Kharanor-energoremont	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of boiler 1 and auxiliary equipment of workshops at JSC WGC-3 subsidiary, Kharanorskaya TPP, shall be done under the contract between JSC WGC-3 and JSC Kharanor-energoremont. The contract price is 10,910,222 (ten million, nine hundred ten thousand, two hundred twenty-two) roubles, 73 kopecks, including 18% VAT of 1,664,271 (one million, six hundred sixty-four thousand, two hundred seventy-one) roubles, 26 kopecks.</p> <p>The contract for repairs and maintenance of boiler 1 and auxiliary equipment of workshops at Kharanorskaya TPP, a subsidiary of JSC WGC-3.</p>
59	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Repairs and maintenance of the equipment of coal-conveying department, central heating department, administrative department, main heating department, electrostatic precipitators and supporting machinery, except for electrical control and instrumentation at Cherepetskaya Zhimerin TPP, shall be done under the contract between JSC WGC-3 and JSC Remservice KGRES. Contract price is 36,364,174 (thirty-six million, three hundred sixty-four thousand, one hundred seventy-four) roubles, 47 kopecks, including 18% VAT of 5,547,077 (five million, five hundred forty-seven thousand, seventy-seven) roubles, 46 kopecks.</p> <p>The contract for repairs and maintenance of the equipment of coal-conveying department, central heating department, administrative department, main heating department, electrostatic precipitators and supporting machinery, except for electrical control and instrumentation, at Cherepetskaya Zhimerin TPP, a subsidiary of JSC WGC-3.</p>
60	JSC Energia-1	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 The price of thermal power supplied by JSC WGC-3 under the contract between JSC WGC-3 and JSC Energiya-1 shall be determined according to the procedure, envisaged in the draft of the contract.</p> <p>The contract for supply and consumption of thermal power, signed by JSC WGC-3 and JSC Energiya-1 is an interested party transaction.</p>
61	National Innovation Company NEP	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Cost of JSC WGC-3 property (cash) which is provided by National Innovation Company NEP under the Contract for a loan with interest, amounts to 46,300,000 (forty-six million, three hundred thousand) roubles, including a 10% annual interest on the loan, according to the actual number of days in a year.</p> <p>Loan Contract between JSC WGC-3 and National Innovation Company NEP, is an interested party transaction.</p>



No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
62	Managing Company Sport Projects, Ltd.	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 23, 2009 Decree No. 11 from March 23, 2009 Agency agreement between JSC WGC-3 and the Managing Company Sport Projects, Ltd. is an interested party transaction financed through profits of the previous years under the following fundamental conditions: <b>Subject of the Agreement:</b> JSC WGC-3 (the Principal) assigns and Managing Company Sport Projects, Ltd. (the Agent) assumes the obligation to provide, acting on the assignment, on behalf of, and at the expense of the Principal, all necessary services related to the signing of and abiding to sponsorship contracts between the Principal and FK Moskva, Ltd., PHK CSKA, Ltd., MFC Norilsk Nickel, Ltd. and PBK CSKA, Ltd. (the Sponsored Clubs). These contracts bind the Principal to provide sponsorship support of the activities of Sponsored Clubs under the condition of placing and disseminating advertising information about the Principal, printing of the Principals symbols on training uniforms and in polygraphic production, publishing it on official web sites and the game field, as well as granting the right to use information about Sponsored Clubs to the Principal, to be used for the Principal's purposes. <b>Amount (Cost) of Transferred Assets:</b> USD \$20,000,000 (twenty million) the payment shall be done in roubles according to the rate of Central Bank of Russia as of the date of the payment. <b>Agent's Fee:</b> USD \$1,000 (one thousand) in roubles according to the rate of the Central Bank of Russia as of the payment date (including the amount of VAT defined in the existing legislation). <b>Contract Validity:</b> 1 (one) year from the date of the signing Other Contract Provisions: according to the draft Agency Agreement between JSC WGC-3 and the Managing Company Sport Projects, Ltd. 2. The amount of cash funds transferred under the Agency Agreement between JSC WGC-3 and the Managing Company Sport Projects, Ltd. is 20,000,000 (twenty million) US dollars in roubles at the exchange rate set by the Central Bank of Russia for the day of the payment. The Agent's Fee amounts to 1,000 (one thousand) US dollars in roubles at the exchange rate set by the Central Bank of Russia for the day of the payment (including the amount of VAT specified in the existing legislation).</p>
63	JSC TSK	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date March 27, 2009 Decree No. 12 from March 27, 2009 <b>The Decision:</b> 1. The price of thermal power supplied by JSC WGC-3 under the contract between JSC WGC-3 and JSC TSK shall be determined according to the procedure, envisaged in the draft of the contract (Annex 6 to the Minutes). 2. The contract for supply of thermal power, signed by JSC WGC-3 and JSC TSK, shall be approved as an interested party transaction.</p>
64	JSC Vodokanal KGRES	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of water disposal services determined under the contract between JSC WGC-3 (the Subscriber) and JSC Vodokanal KGRES (the Resource Supplier) amounts to 7,370,090 (seven million, three hundred seventy thousand and ninety) roubles, 63 kopecks, including 18% VAT of 1,124,251 (one million, one hundred twenty-four thousand, two hundred fifty-one) roubles, 11 kopecks.</p> <p>Water disposal contract between JSC WGC-3 (the Subscriber) and JSC Vodokanal KGRES (the Resource Supplier) is an interested party transaction.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
65	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of geodesic informational services rendered on the territory of Kostromskaya TPP, a subsidiary of JSC WGC-3, under the service contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Action Agent) amounts to 560,523 (five hundred sixty thousand, five hundred twenty-three) roubles, 60 kopecks, including 18% VAT of 85,503 (eighty-five thousand, five hundred and three) roubles, 60 kopecks.</p> <p>The contract for the rendering of geodesic services on the territory of Kostromskaya TPP, a subsidiary of JSC WGC-3, under the service contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Action Agent) is an interested party transaction.</p>
66	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of of assembly works for the modernisation of high pressure turbine boosters PV-1200-380-43 of power unit 43, station 5 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 2,995,344 (two million, nine hundred ninety-five thousand, three hundred forty-four) roubles, 47 kopecks, including 18% VAT of 456,916 (four hundred fifty-six thousand, nine hundred sixteen) roubles, 95 kopecks.</p> <p>The contract for the assembly works for the modernisation of high pressure turbine boosters PV-1200-380-43 of power unit 43, station 5 at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
67	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of of assembly works for the reconstruction of transformer TDC-400000/500 of power unit 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 13,333,490 (thirteen million, three hundred thirty-three thousand, four hundred ninety) roubles, 24 kopecks, including 18% VAT of 2,033,922 (two million, thirty-three thousand, nine hundred twenty-two) roubles, 24 kopecks.</p> <p>The contract for the assembly works for the reconstruction of transformer TDC-400000/500 of power unit 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
68	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of services rendered for the testing of protection kits for the need of Kostromskaya TPP, a subsidiary of JSC WGC-3, under the service contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Action Agent) amounts to 64,900 (sixty-four thousand, nine hundred) roubles, including 18% VAT of 9,900 (nine thousand, nine hundred) roubles.</p> <p>The contract for services rendered for the testing of protection kits for the need of Kostromskaya TPP, a subsidiary of JSC WGC-3</p>
69	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of assembly works modernisation of turbo feed pump of power unit 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 4,883,480 (four million, eight hundred eighty-three thousand, four hundred eighty) roubles, 15 kopecks, including 18% VAT of 744,937 (seven hundred forty-four thousand, nine hundred thirty-seven) roubles, 65 kopecks.</p> <p>The contract for assembly works modernisation of turbo feed pump of power unit 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
70	JSC ATP KGRES (A Transport Operating Company of The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of lease of transport vehicles with the crew under the contract between JSC WGC-3 (the Customer) and JSC ATP KGRES (the Action Agent) amounts to 14,048,153 (fourteen million, forty-eight thousand, one hundred fifty-three) roubles, 40 kopecks, including 18% VAT of 2,142,938 (two million, one hundred forty-two thousand, nine hundred thirty-eight) roubles, 65 kopecks.</p> <p>Lease contract for transport vehicles with the crew between JSC WGC-3 (the Customer) and JSC ATP KGRES (the Action Agent) is an interested party transaction.</p>
71	JSC ATP KGRES (A Transport Operating Company of The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of transportation of cargo and passengers carried out under the contract between JSC WGC-3 (the Customer) and JSC ATP KGRES (the Action Agent) amounts to 1,819,756 (one million, eight hundred nineteen thousand, seven hundred fifty-six) roubles, 67 kopecks, including 18% VAT of 277,590 (two hundred seventy-seven thousand, five hundred ninety) roubles.</p> <p>The contract for the transportation of cargo and passengers between JSC WGC-3 (the Customer) and JSC ATP KGRES (the Action Agent) is an interested party transaction.</p>
72	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of each consignment of spare parts supplied under the Supply Contract between JSC WGC-3 (the Buyer) and JSC Energoservice (the Supplier) shall not exceed 5,358,380 (five million, three hundred fifty-eight thousand, three hundred eighty) roubles, including 18% VAT of 817,380 (eight hundred seventeen thousand, three hundred eighty) roubles.</p> <p>The Supply Contract for the supply of power equipment spare parts and non-standard equipment for the need of Gusinoozerskaya TPP, a subsidiary of JSC WGC-3.</p>
73	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 Capital repairs of chemical protection of coal-pulverization systems of station 3 at JSC WGC-3 subsidiary, Gusinoozerskaya TPP, shall be done under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor). The contract price is 3,653,501 (three million, six hundred fifty-three thousand, five hundred and one) roubles, 42 kopecks, including 18% VAT of 557,313 (five hundred fifty-seven thousand, three hundred thirteen) roubles, 78 kopecks.</p> <p>The Contract for capital repairs of coal-pulverization systems of station 3 at JSC WGC-3 subsidiary, Gusinoozerskaya TPP.</p>
74	JSC Transservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of transportation services and mechanism services under the contract between JSC WGC-3 (the Customer) and JSC Transservice (the Action Agent) amounts to 27,767,091 (twenty-seven million, seven hundred sixty-seven thousand, ninety-one) roubles, 71 kopecks, including 18% VAT of 4,235,658 (four million, two hundred thirty-five thousand, six hundred fifty-eight) roubles, 06 kopecks.</p> <p>Lease contract for the transportation services and mechanism services between JSC WGC-3 (the Customer) and JSC Transservice (the Action Agent) is an interested party transaction.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
75	JSC Autotransportnoe Khozyaistvo	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of transportation services under the contract between JSC WGC-3 (the Customer) and JSC Autotransportnoe Khozyaistvo (the Action Agent) amounts to 17,285,000 (seventeen million, two hundred eighty-five thousand) roubles, including 18% VAT of 2,636,694 (two million, six hundred thirty-six thousand, six hundred ninety-four) roubles, 92 kopecks.</p> <p>The contract for the transportation services between JSC WGC-3 (the Customer) and JSC Autotransportnoe Khozyaistvo (the Action Agent) is an interested party transaction.</p>
76	JSC ATP KGRES (A Transport Operating Company of The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of maintaining of the domestic waste field of Kostromskaya TPP, a subsidiary of JSC WGC-3, between JSC WGC-3 (the Customer) and JSC ATP KGRES (the Action Agent) amounts to 266,635 (two hundred sixty-six thousand, six hundred thirty-five) roubles, 56 kopecks, including 18% VAT of 40,673 (forty thousand, six hundred seventy-three) roubles, 22 kopecks.</p> <p>The contract for maintenance of the domestic waste field of Kostromskaya TPP, a subsidiary of JSC WGC-3, between JSC WGC-3 (the Customer) and JSC ATP KGRES (the Action Agent) is an interested party transaction.</p>
77	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of repairs of the makeup demineraliser equipment (containers, brightening agents) at Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 6,870,490 (six million, eight hundred seventy thousand, four hundred ninety) roubles, 93 kopecks, including 18% VAT of 1,048,040 (one million, forty-eight thousand, forty) roubles, 99 kopecks.</p> <p>The contract for the repairs of the makeup demineraliser equipment (containers, brightening agents) at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>
78	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 Repairs of cam switch-gear of the high-pressure cylinder of turbine K-210-130 of station 3 at Pechorskaya TPP, a subsidiary of JSC WGC-3 shall be done under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor). Contract price is 345,899 (three hundred forty-five thousand, eight hundred ninety-nine) roubles, 18 kopecks, including 18% VAT of 52,764 (fifty-two thousand, seven hundred sixty-four) roubles, 28 kopecks.</p> <p>The contract for the repairs of cam switch-gear of the high-pressure cylinder of turbine K-210-130 of station 3 at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>
79	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of replacing pumps at Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 289,532 (two hundred eighty-nine thousand, five hundred thirty-two) roubles, 85 kopecks, including 18% VAT of 44,166 (forty-four thousand, one hundred sixty-six) roubles, 03 kopecks.</p> <p>The contract for replacing pumps at Pechorskaya TPP, a subsidiary of JSC WGC-3, between JSC WGC-3 (the Customer) and JSC KER (the Contractor).</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
80	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The cost of assembly works for the modernisation of high pressure turbine boosters PV-900-380-66 of power unit 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 2,883,272 (two million, eight hundred eighty-three thousand, two hundred seventy-two) roubles, 75 kopecks, including 18% VAT of 439,821 (four hundred thirty-nine thousand, eight hundred twenty-one) roubles, 27 kopecks.</p> <p>The contract for assembly works for the modernisation of high pressure turbine boosters PV-900-380-66 of power unit 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) is an interested party transaction.</p>
81	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 Assembly of safety valves on gas pipelines of boiler unit burners of station 3 at Pechorskaya TPP shall be done under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor). Contract price is 431,807 (four hundred thirty-one thousand, eight hundred seven) roubles, 39 kopecks, including 18% VAT of 65,868 (sixty-five thousand, eight hundred sixty-eight) roubles, 92 kopecks.</p> <p>The contract for assembly of safety valves on gas pipelines of boiler unit burners of station 3 at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>
82	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 Capital repairs of turbine auxiliary equipment of power units No. 1, 7 at Kostromskaya TPP, shall be done under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor). Contract price is 12,796,394 (twelve million, seven hundred ninety-six thousand, three hundred ninety-four) roubles, 36 kopecks, including 18% VAT of 1,951,992 (one million, nine hundred fifty-one thousand, nine hundred ninety-two) roubles, 36 kopecks.</p> <p>The contract for repairs of the automated control system equipment of power units 1, 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
83	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 Capital repairs of boiler equipment of power units No. 1, 7 at Kostromskaya TPP, shall be done under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor). Contract price is 23,566,436 (twenty-three million, five hundred sixty-six thousand, four hundred thirty-six) roubles, 08 kopecks, including 18% VAT of 3,594,880 (three million, five hundred ninety-four thousand, eight hundred eighty) roubles, 08 kopecks.</p> <p>The contract for capital repairs of boiler units of power units 1, 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
84	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 Capital repairs of thermal insulation of power units No. 1, 7 at Kostromskaya TPP, shall be done under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor). Contract price is 17,925,708 (seventeen million, nine hundred twenty-five thousand, seven hundred eight) roubles, 04 kopecks, including 18% VAT of 2,734,430 (two million, seven hundred thirty-four thousand, four hundred thirty) roubles, 04 kopecks.</p> <p>The contract for capital repairs of thermal insulation of power units No. 1, 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
85	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 Capital repairs of turbine auxiliary equipment of power units No. 1, 7 at Kostromskaya TPP, shall be done under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor). Contract price is 15,453,760 (fifteen million, four hundred fifty-three thousand, seven hundred sixty) roubles, 26 kopecks, including 18% VAT of 2,357,353 (two million, three hundred fifty-seven thousand, three hundred fifty-three) roubles, 26 kopecks.</p> <p>The contract for capital repairs of turbine auxiliary equipment of power units No. 1, 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
86	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 The reinforcement of constructions of buildings and facilities at Kostromskaya TPP shall be done under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor). Contract price is 554,609 (five hundred fifty-four thousand, six hundred and nine) roubles, 44 kopecks, including 18% VAT of 84,601 (eighty-four thousand, six hundred and one) roubles, 44 kopecks.</p> <p>The contract for reinforcement of constructions of buildings and facilities at Kostromskaya, a subsidiary of JSC WGC-3.</p>
87	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 23, 2009 Decree No. 14 from April 27, 2009 Capital repairs of electrical supplies of power units No.1, 7 at Kostromskaya TPP, shall be done under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor). Contract price is 3,046,080 (three million, forty-six thousand, eighty) roubles, 32 kopecks, including 18% VAT of 464,656 (four hundred sixty-four thousand, six hundred fifty-six) roubles, 32 kopecks.</p> <p>The contract for capital repairs of electrical supplies of power units 1, 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>



No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
88	Managing Company Sport Projects, Ltd.	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date April 30, 2009 Decree No. 16 from April 30, 2009 MFC Norilsk Nickel, Ltd. and PBK CSKA, Ltd. (the Sponsored Clubs). These contracts bind the Principal to provide sponsorship support of the activities of Sponsored Clubs under the condition of placing and disseminating advertising information about the Principal, printing of the Principals symbols on training uniforms and in polygraphic production, publishing it on official web sites and the game field, as well as granting the right to use information about Sponsored Clubs to the Principal, to be used for the Principal's purposes (the Sponsorship Kit). The subject of the assignment under the contract is the signing of sponsorship contracts by the Agent. These contracts will include the following significant conditions:</p> <p>1) Subject of the Contract: the Principal shall provide sponsorship support of the activities of Sponsored Clubs under the condition of placing and disseminating advertising information about the Principal, printing of the Principals symbols on training uniforms and in polygraphic production, publishing it on official web sites and the game field, as well as granting the right to use information about Sponsored Clubs to the Principal</p> <p>2) The price of each Sponsorship Contracts between JSC WGC-3 and Sponsored Clubs shall be determined taking into account the fact that the total amount of sponsorship support to all Sponsored Clubs should not exceed 20,000,000 (twenty million) US dollars, which the Principal shall transfer to the Agent in order to fulfil the assignment under the Agency Contract.</p> <p>3) The period for the rendering of services: - under the contract between JSC WGC-3 and PHK CSKA, Ltd. - from May 1, 2009 to December 31, 2009; - under the contract between JSC WGC-3 and PBK CSKA, Ltd. - from June 1, 2009 to December 31, 2009; - under the contract between JSC WGC-3 and MFK Norilsk Nickel, Ltd. - from June 6, 2009 to December 31, 2009;</p> <p>4) Sponsored Clubs shall, not later than ten days from the day of approval (approval or determination of the final formulation) of Russian championship game schedules, warm-up matches or other sporting events, submit this information to the Principal with a notarised signature of an authorised representative and the seal of the Sponsored Club.</p> <p>Agent's Fee: The Principal pays to the Agent the fee amounting and equivalent to USD \$1,000 (one thousand) in roubles according to the rate of the Central Bank of Russia as of the payment date (including the amount of VAT defined in the existing legislation).</p> <p><b>Cash Funds Required to Fulfil the Assignment:</b> In order to fulfil the assignment under the contract, the Principal assumes the obligations to transfer to the Agent, within the term of validity of the contract, cash funds amounting to 20,000,000 (twenty million) US dollars in roubles according to the rate of the Central Bank of Russia as of the payment date. These funds shall be paid out by the Agent to Sponsored Clubs under the requirements of the Sponsorship Contract.</p> <p><b>Contract Validity:</b> the contract is valid from the date of signing by the authorised representatives of the parties and during one year from the day of the signing.</p> <p>The amount of cash funds transferred under the Agency Agreement between JSC WGC-3 and the Managing Company Sport Projects, Ltd. is 20,000,000 (twenty million) US dollars in roubles at the exchange rate set by the Central Bank of Russia for the day of the payment. The Agent's Fee amounts to 1,000 (one thousand) US dollars in roubles at the exchange rate set by the Central Bank of Russia for the day of the payment (including the amount of VAT specified in the existing legislation).</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
89	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 1, 2009 Decree No. 22 from June 1, 2009 The cost of repairs of outdoor technological networks at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) amounts to 5,250,564 (five million, two hundred fifty thousand, five hundred sixty-four) roubles, 47 kopecks, including 18% VAT of 800,933 (eight hundred thousand, nine hundred thirty-three) roubles, 56 kopecks. 1. Contract for repairs of outdoor technological networks at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3, between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) shall be approved as a transaction of interest, based on significant and other conditions listed in Annex 1 to the Minutes.</p>
90	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 1, 2009 Decree No. 22 from June 1, 2009 The cost of repairs and finishing work (control board in the of makeup demineraliser building of 1 phase, night watch personell of the Production Facility of Thermal Automation and Measurement in the main building of 1 phase, axis 17 mark 9,60 of the meteorology laboratory of the Production Facility of Thermal Automation and Measurement in the IBK coal-conveying department of 2 phase) at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) amounts to 627,385 (six hundred twenty-seven thousand, three hundred eighty-five) roubles, 94 kopecks, including 18% VAT of 95,702 (ninety-five thousand, seven hundred and two )roubles, 94 kopecks.</p> <p>The contract for repairs and finishing work (control board in the of makeup demineraliser building of 1 phase, night watch personell of the Production Facility of Thermal Automation and Measurement in the main building of 1 phase, axis 17 mark 9,60 of the meteorology laboratory of the Production Facility of Thermal Automation and Measurement in the IBK coal-conveying department of 2 phase) at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3.</p>
91	JSC Transservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 1, 2009 Decree No. 22 from June 1, 2009 The cost of repairs of ash dump 1 and ash dump 2 at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Transservice (the Contractor) amounts to 1,140,729 (one million, one hundred forty thousand, seven hundred twenty-nine) roubles, 60 kopecks, including 18% VAT of 174,009 (one hundred seventy-four thousand, nine) roubles, 60 kopecks.</p> <p>The contract for repairs of ash dump 1 and ash dump 2 at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3.</p>



No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
92	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 1, 2009 Decree No. 22 from June 1, 2009 Monthly lease payment under the equipment lease agreement at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Lessor) and JSC Energoservice (the Lessee) amounts to 21,699 (twenty-one thousand, six hundred ninety-nine) roubles, 13 kopecks, including 18% VAT of 3,310 (three thousand, three hundred and ten) roubles, 04 kopecks. Lease payment during the validity period of the Contract amounts to 260,389 (two hundred sixty thousand, three hundred eighty-nine) roubles, 56 kopecks, including 18% VAT of 39,720 (thirty-nine thousand, seven hundred twenty) roubles, 44 kopecks.</p> <p>The contract for the lease of equipment for Gusinoozerskaya TPP, a subsidiary of JSC WGC-3 signed between JSC WGC-3 (the Lessor) and JSC Energoservice (the Lessee) is an interested party transaction.</p>
93	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 1, 2009 Decree No. 22 from June 1, 2009 The cost of medium repairs of electric precipitators of boiler 11 for the needs of Cherepetskaya Zhimerin TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 877,489 (eight hundred seventy-seven thousand, four hundred eighty-nine) roubles, 65 kopecks, including 18% VAT of 133,854 (one hundred thirty-three thousand, eight hundred fifty-four) roubles, 35 kopecks.</p> <p>The contract for medium repairs of electric precipitators of boiler 11 for the needs of Cherepetskaya Zhimerin TPP, a subsidiary of JSC WGC-3.</p>
94	JSC Kharanor-energoremont	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 1, 2009 Decree No. 22 from June 1, 2009 The cost of capital repairs of the boiler and auxiliary equipment of power unit 2 at Kharanorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Kharanor-energoremont (the Contractor) amounts to 9,999,127 (nine million, nine hundred ninety-nine thousand, one hundred twenty-seven) roubles, 57 kopecks, including 18% VAT of 1,525,290 (one million, five hundred twenty-five thousand, two hundred ninety) roubles, 65 kopecks.</p> <p>The contract for capital repairs of the boiler and auxiliary equipment of power unit 2 at Kharanorskaya TPP, a subsidiary of JSC WGC-3.</p>
95	JSC Kommunalnik	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 1, 2009 Decree No. 22 from June 1, 2009 The cost of repairs of heating grids involving replacement of insulation of conduits and restoration of heating insulation at Kharanorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Kommunalnik (the Contractor) amounts to 2,365,121 (two million, three hundred sixty-five thousand, one hundred twenty-one) roubles, 01 kopecks, including 18% VAT of 360,781 (three hundred sixty thousand, seven hundred eighty-one) roubles, 17 kopecks.</p> <p>The contract for repairs of heating grids involving replacement of insulation of conduits and restoration of heating insulation at Kharanorskaya TPP, a subsidiary of JSC WGC-3.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
96	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 1, 2009 Decree No. 22 from June 1, 2009 The cost of assembly works for the modernisation of the vibration diagnostics system of turbine sets at units 1 to 8 (power units 1, 7, turbo feed pump and electric feed pump of power unit 1) at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 1,309,781 (one million, three hundred nine thousand, seven hundred eighty-one) roubles, 78 kopecks, including 18% VAT of 7199,797 (one hundred ninety-nine thousand, seven hundred ninety-seven) roubles, 22 kopecks.</p> <p>The contract for assembly works for the modernisation of the vibration diagnostics system of turbine sets at units 1 to 8 (power units 1, 7, turbo feed pump and electric feed pump of power unit 1) at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
97	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 1, 2009 Decree No. 22 from June 1, 2009 The cost of assembly works regarding the implementation of the system for measuring mechanical values of the turbine of power units 1, 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 554,000 (five hundred fifty-four thousand) roubles, 10 kopecks, including 18% VAT of 84,508 (eighty-four thousand, five hundred and eight) roubles, 49 kopecks.</p> <p>The contract for the assembly works regarding the implementation of the system for measuring mechanical values of the turbine of power units 1, 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
98	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 1, 2009 Decree No. 22 from June 1, 2009 The cost of assembly works regarding the implementation of the system for controlling the flare of power units 1, 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 61,623 (sixty-one thousand, six hundred twenty-three) roubles, 10 kopecks, including 18% VAT of 9,400 (nine thousand, four hundred) roubles, 13 kopecks.</p> <p>The contract for assembly works regarding the implementation of the system for controlling the flare of power units 1, 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
99	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 1, 2009 Decree No. 22 from June 1, 2009 The cost of implementation of the flame failure alarm (the shared flare of the boiler of power units 1,7) at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 63,599 (sixty-three thousand, five hundred ninety-nine) roubles, 39 kopecks, including 18% VAT of 9,701 (nine thousand, seven hundred and one) roubles, 60 kopecks.</p> <p>The contract for implementation of the flame failure alarm (the shared flare of the boiler of power units 1,7) at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
100	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 1, 2009 Decree No. 22 from June 1, 2009 The cost of assembly works regarding the gas equipment reconstruction of the station 7 boiler unit at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 1,312,366 (one million, three hundred twelve thousand, three hundred sixty-six) roubles, 97 kopecks, including 18% VAT of 200,191 (two hundred thousand, one hundred ninety-one) roubles, 57 kopecks.</p> <p>The contract for assembly works regarding the gas equipment reconstruction of the station 7 boiler unit at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
101	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 10, 2009 Decree No. 23 from June 10, 2009 Repairs of the reinforced concrete supporting piers (31 piers) of lightning and the 0.4 kW overhead circuits along the highway at JSC WGC-3 subsidiary, Gusinoozerskaya TPP, shall be done under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor). The contract price is 99,030 (ninety-nine thousand and thirty) roubles, 32 kopecks, including 18% VAT of 15,106 (fifteen thousand, one hundred and six) roubles, 32 kopecks.</p> <p>The contract for repairs of the reinforced concrete supporting piers (31 piers) of lightning and the 0.4 kW overhead circuits along the highway at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3.</p>
102	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 10, 2009 Decree No. 23 from June 10, 2009 The cost of installing the waterproofing of cable channels: at the level of -3,00 in the main building of phase 1 (zone 41), at the level of 0,00 in the main building of phase 2 (zones 6 A,B) of Gusinoozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) amounts to 457,988 (four hundred fifty-seven thousand, nine hundred eighty-eight) roubles, 68 kopecks, including 18% VAT of 69,862 (sixty-nine thousand, eight hundred sixty-two) roubles, 68 kopecks.</p> <p>The contract for installing the waterproofing of cable channels: at the level of -3,00 in the main building of phase 1 (zone 41), at the level of 0,00 in the main building of phase 2 (zones 6 A,B) of Gusinoozerskaya TPP, a subsidiary of JSC WGC-3</p>
103	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 10, 2009 Decree No. 23 from June 10, 2009 Face-lift repairs of buildings and facilities at Kostromskaya TPP shall be done under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor). Contract price is 7,087,954 (seven million, eighty-seven thousand, nine hundred fifty-four) roubles, 38 kopecks, including 18% VAT of 1,081,213 (one million, eighty-one thousand, two hundred thirteen) roubles, 38 kopecks.</p> <p>The contract for face-lift repairs of buildings and facilities at Kostromskaya, a subsidiary of JSC WGC-3.</p>
104	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 10, 2009 Decree No. 23 from June 10, 2009 The cost of repairs of power unit 1 of gas fittings at Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 289,423 (two hundred eighty-nine thousand, four hundred twenty-three) roubles, 16 kopecks, including 18% VAT of 44,149 (fortyfour thousand, one hundred forty-nine) roubles, 30 kopecks.</p> <p>The contract for repairs of power unit 1 gas fittings at Pechorskaya TPP, a subsidiary of JSC WGC-3, a subsidiary of JSC WGC-3.</p>
105	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 10, 2009 Decree No. 23 from June 10, 2009 The cost of repairs of gas distribution equipment No.2 at Pechorskaya TPP, a subsidiary of JSC WGC-3 under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 132,794 (one hundred thirty-two thousand, seven hundred ninety-four) roubles, 60 kopecks, including 18% VAT of 20,256 (twenty thousand, two hundred fifty-six) roubles, 80 kopecks.</p> <p>The contract for repairs of gas distribution equipment No.2 at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
106	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 10, 2009 Decree No. 23 from June 10, 2009 The cost of repairs of the main building heat transit pipeline at Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 5,864,631 (five million, eight hundred sixty-four thousand, six hundred thirty-one) roubles, 34 kopecks, including 18% VAT of 894,604 (eight hundred ninety-four thousand, six hundred and four) roubles, 78 kopecks.</p> <p>The contract for repairs of the main building heat transit pipeline at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>
107	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date June 10, 2009 Decree No. 23 from June 10, 2009 The cost of replacing the pumps at JSC WGC-3 subsidiary, Pechorskaya TPP, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 289,532 (two hundred eighty-nine thousand, five hundred thirty-two) roubles, 85 kopecks, including 18% VAT of 44,166 (forty-four thousand, one hundred sixty-six) roubles, 03 kopecks.</p> <p>The contract for replacing the pumps at Pechorskaya TPP, a subsidiary of JSC WGC-3.</p>
108	OJSC MMC Norilsk Nickel	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date July 06, 2009 Decree No. 27 from July 06, 2009 The cost of services related to organising insurance of the Company's property interests, rendered under the contract between JSC WGC-3 (the Customer) and OJSC MMC Norilsk Nickel (the Action Agent) amounts to, for each insurance request, 0.5% (zero point five) of the premium amount, set in the tender proposal of the winning insurer, but not lower than 5,000 (five thousand) roubles. In case when the tender is pronounced aborted, the cost of services for each insurance request shall amount to 5,000 (five thousand) roubles. Remuneration includes VAT of the amount specified in the existing legislation of the Russian Federation.</p> <p>The contract for paid services related to organising insurance of the property interests of JSC WGC-3.</p>
109	JSC RSP TPK KGRES (The Overhaul and Repairs Plant for Heating and Underground Communication Lines of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date July 13, 2009 (in absentia) Decree No. 29 from July 13, 2009 The cost of testing of the power equipment and instruments of JSC RSP TPK KGRES, rendered by the Company under the contract between JSC WGC-3 and JSC RSP TPK KGRES, amounts to 20,862 (twenty thousand, eight hundred sixty-two) roubles, 40 kopecks, including 18% VAT of 3,182 (three thousand, one hundred eighty-two) roubles, 40 kopecks.</p> <p>The contract for testing of the power equipment and instruments of JSC RSP TPK KGRES, between JSC WGC-3 (the Action Agent) and JSC RSP TPK KGRES (the Customer) is an interested party transaction.</p>
110	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date July 13, 2009 (in absentia) Decree No. 29 from July 13, 2009 The assembly cost for the modernisation of measuring voltage transformers and current transformers of power units 1, 7 for the automated information and measuring system used in the revenue metering of electricity at Kostromskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 275,574 (two hundred seventy-five thousand, five hundred seventy-four) roubles, 84 kopecks, including 18% VAT of 42,036 (forty-two thousand, thirty-six) roubles, 84 kopecks.</p> <p>The contract for assembly required for the modernisation of measuring voltage transformers and current transformers of power units 1,7 for the automated information and measuring system used in the revenue metering of electricity at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>



No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
111	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date July 24, 2009 (in absentia) Decree No. 31 from July 24, 2009 The cost of the monitoring of foundation stiffness of power equipment support piers and the condition of grounds at the station connection point of Kostromskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Action Agent) amounts to 256,060 (two hundred fifty-six thousand, sixty) roubles, including 18% VAT of 39,060 (thirty-nine thousand, sixty) roubles.</p> <p>The contract for paid services for the monitoring of foundation stiffness of power equipment support piers and the condition of grounds at the station connection point of Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
112	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 7, 2009 (in absentia) Decree No. 33 from August 7, 2009 The cost of assembly works for the modernisation of condensate electric circuits of power unit 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 1,814,567 (one million, eight hundred fourteen thousand, five hundred sixty-seven) roubles, 36 kopecks, including 18% VAT of 276,798 (two hundred seventy-six thousand, seven hundred ninety-eight) roubles, 41 kopecks.</p> <p>The contract for assembly works for the modernisation of condensate electric circuits of power unit 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
113	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 7, 2009 (in absentia) Decree No. 33 from August 7, 2009 The cost of repairs of the district heating plant of phases 1 and 2 at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) amounts to 2,875,063 (two million, eight hundred seventy-five thousand, sixty-three) roubles, 39 kopecks, including 18% VAT of 438,568 (four hundred thirty-eight thousand, five hundred sixty-eight) roubles, 99 kopecks.</p> <p>The contract for repairs of the district heating plant of phases 1 and 2 at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3.</p>
114	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 7, 2009 (in absentia) Decree No. 33 from August 7, 2009 The cost of construction and assembly works for the reconstruction of 220 kW outdoor switch-gear and the replacement of high-voltage switches for the needs of Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 553,121 (five hundred fifty-three thousand, one hundred twenty-one) roubles, 46 kopecks, including 18% VAT of 84,374 (eighty-four thousand, three hundred seventy-four) roubles, 46 kopecks.</p> <p>The contract for construction and assembly works for the reconstruction of 220 kW outdoor switch-gear and the replacement of high-voltage switches for the needs of Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
115	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 7, 2009 (in absentia) Decree No. 33 from August 7, 2009 The cost of the reconstruction of the boiler unit gas equipment of power unit 1 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 2,266,993 (two million, two hundred sixty-six thousand, nine hundred ninety-three) roubles, 96 kopecks, including 18% VAT of 345,812 (three hundred forty-five thousand, eight hundred twelve) roubles, 64 kopecks.</p> <p>The contract for the reconstruction of the boiler unit gas equipment of power unit 1 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) is an interested party transaction.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
116	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 7, 2009 (in absentia) Decree No. 33 from August 7, 2009 The cost of repairs of the heating mains fittings at Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 648,543 (six hundred forty-eight thousand, five hundred forty-three) roubles, 65 kopecks, including 18% VAT of 98,930 (ninety-eight thousand, nine hundred thirty) roubles, 39 kopecks.</p> <p>The contract for repairs of the heating mains fittings at Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) is an interested party transaction.</p>
117	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 7, 2009 (in absentia) Decree No. 33 from August 7, 2009 The cost of assembly works for the implementation of accumulator batteries of the outdoor switch-gear at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 1,037,616 (one million, thirty-seven thousand, six hundred sixteen) roubles, 01 kopecks, including 18% VAT of 158,280 (one hundred fifty-eight thousand, two hundred eighty) roubles, 41 kopecks.</p> <p>The contract for assembly works for the implementation of accumulator batteries of the outdoor switch-gear at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) is an interested party transaction.</p>
118	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 7, 2009 (in absentia) Decree No. 33 from August 7, 2009 The cost of assembly works for the reconstruction of feed regulator of boiler 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 216,668 (two hundred sixteen thousand, six hundred sixty-eight) roubles, 04 kopecks, including 18% VAT of 33,051 (thirty-three thousand, fifty-one) roubles, 06 kopecks.</p> <p>The contract for assembly works for the reconstruction of feed regulator of boiler 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) is an interested party transaction.</p>
119	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 14, 2009 (in absentia) Decree No. 34 from August 14, 2009 The monthly lease payment under the equipment lease contract between OJSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) amounts to 7,029 (seven thousand, twenty-nine) roubles, including 18 % VAT of 1,072 (one thousand, seventy-two) roubles, 22 kopecks.</p> <p>The contract for the lease of equipment for Kostromskaya TPP, a subsidiary of JSC WGC-3 signed between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) is an interested party transaction.</p>
120	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 14, 2009 (in absentia) Decree No. 34 from August 14, 2009 The settlements under the contract for the acceptance of waste water between JSC WGC-3 (the Subscriber) and JSC Remservice KGRES (the Sub Subscriber) are carried out according to the tariff set by the Ordinance of the Head of Volgorechensk Municipality of the Kostroma Region. The total cost of the water accepted under the contract for the acceptance of waste water between JSC WGC-3 and JSC Remservice KGRES shall amount to less than 2% of the carrying amount of the assets of JSC WGC-3, according to the Company's accounting statements as of the last reporting date.</p> <p>The contract for the acceptance of waste water between JSC WGC-3 (the Subscriber) and JSC Remservice KGRES (the Sub Subscriber) is an interested party transaction.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
121	JSC ATP KGRES (A Transport Operating Company of The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 14, 2009 (in absentia) Decree No. 34 from August 14, 2009 The settlements under the contract for the acceptance of waste water between JSC WGC-3 (the Subscriber) and JSC ATP KGRES (the Sub Subscriber) are carried out according to the tariff set by the Ordinance of the Head of Volgorechensk Municipality of the Kostroma Region. The total cost of the water accepted under the contract for the acceptance of waste water between JSC WGC-3 and JSC ATP KGRES shall amount to less than 2% of the carrying amount of the assets of JSC WGC-3, according to the Company's accounting statements as of the last reporting date.</p> <p>The contract for the acceptance of waste water between JSC WGC-3 (the Subscriber) and JSC ATP KGRES (the Sub Subscriber) is an interested party transaction.</p>
122	JSC Vodokanal KGRES	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 14, 2009 (in absentia) Decree No. 34 from August 14, 2009 The cost of services of water disposal into the Volga rendered under the contract between JSC WGC-3 (the Action Agent) and JSC Vodokanal KGRES (the Customer) amounts to 8,333 (eight thousand, three hundred thirty-three) roubles, 33 kopecks per month, including 18% VAT of 1,271 (one thousand, two hundred seventy-one) roubles, 19 kopecks. Total cost for the term of contract validity shall amount to 99,999 (ninety-nine thousand, nine hundred ninety-nine) roubles, 96 kopecks, including 18% VAT of 15,254 (fifteen thousand, two hundred fifty-four) roubles, 23 kopecks.</p> <p>The contract for services of water disposal into the Volga between JSC WGC-3 (the Action Agent) and JSC Vodokanal KGRES (the Customer) is an interested party transaction.</p>
123	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 14, 2009 (in absentia) Decree No. 34 from August 14, 2009 Monthly payment under the agreement for the lease of movable property of Kostromskaya TPP, a subsidiary of JSC WGC-3, between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) amounts to 17,029 (seventeen thousand, twenty-nine) roubles, 84 kopecks, including 18% VAT of 2,597 (two thousand, five hundred ninety-seven) roubles, 77 kopecks. Lease payment for the total duration of the lease under the agreement amounts to 204,358 (two hundred four thousand, three hundred fifty-eight) roubles, 08 kopecks, including 18% VAT of 31,173 (thirty-one thousand, one hundred seventy-three) roubles, 27 kopecks.</p> <p>The agreement for the lease of movable property of Kostromskaya TPP, a subsidiary of JSC WGC-3, between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) is an interested party transaction.</p>
124	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 14, 2009 (in absentia) Decree No. 34 from August 14, 2009 The cost of technical maintenance of air conditioners under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Action Agent) amounts to 350,987 (three hundred fifty thousand, nine hundred eighty-seven) roubles, 94 kopecks, including 18% VAT of 53,540 (fifty-three thousand, five hundred forty) roubles, 54 kopecks.</p> <p>The contract for technical maintenance of air conditioners under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Action Agent) is an interested party transaction.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
125	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 14, 2009 (in absentia) Decree No. 34 from August 14, 2009 The cost measuring shifts and settling of foundations of the main equipment, buildings and facilities at Kostromskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Action Agent) amounts to 336,300 (three hundred thirty-six thousand, three hundred) roubles, including 18 % VAT of 51,300 (fifty-one thousand, three hundred) roubles.</p> <p>The contract for measuring shifts and settling of foundations of the main equipment, buildings and facilities at Kostromskaya TPP, a subsidiary of JSC WGC-3.</p>
126	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 14, 2009 (in absentia) Decree No. 34 from August 14, 2009 The cost of anti corrosion protection of gas waste of power unit 3 at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) amounts to 894,027 (eight hundred ninety-four thousand, twenty-seven) roubles, 00 kopecks, including 18% VAT of 136,377 (one hundred thirty-six thousand, three hundred seventy-seven) roubles, 00 kopecks.</p> <p>The contract for anti corrosion protection of gas waste of power unit 3 at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3.</p>
127	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 14, 2009 (in absentia) Decree No. 34 from August 14, 2009 The cost of assembly and installation of DS electric motor with an oil-pumping unit at power unit 3 at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) amounts to 102,430 (one hundred two thousand, four hundred thirty) roubles, 18 kopecks, including 18% VAT of 15,624 (fifteen thousand, six hundred twenty-four) roubles, 94 kopecks.</p> <p>The contract for assembly and installation of DS electric motor with an oil-pumping unit at power unit 3 at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3.</p>
128	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 14, 2009 (in absentia) Decree No. 34 from August 14, 2009 Monthly cost of services rendered under the conditions of additional agreement No.2 to the contract for providing local telephone communication services No. 05-DIT-0011-08 from February 13, 2008, between JSC WGC-3 and JSC KER amounts to 1,033 (one thousand, thirty-three) roubles, 88 kopecks, including 18% VAT of 157 (one hundred fifty-seven) roubles, 71 kopecks.</p> <p>The additional agreement No.2 to the contract for providing local telephone communication services No. 05-DIT-0011-08 from February 13, 2008, between JSC WGC-3 and JSC KER is an interested party transaction.</p>
129	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 19, 2009 (in absentia) Decree No. 35 from August 21, 2009 The cost of assembly works for the modernisation of turbo feed pump of power unit 1 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 5,089,598 (five million, eighty-nine thousand, five hundred ninety-eight) roubles, 23 kopecks, including 18% VAT of 776,379 (seven hundred, seventy-six thousand, three hundred seventy-nine) roubles, 39 kopecks.</p> <p>The contract for assembly works for the modernisation of turbo feed pump of power unit 1 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) is an interested party transaction.</p>



No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
130	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 19, 2009 (in absentia) Decree No. 35 from August 21, 2009 The monthly lease payment under the contract for lease of a land plot, between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) amounts to 45,861 (forty-five thousand, eight hundred sixty-one) roubles, 59 kopecks, including 18% VAT of 6,995 (six thousand, nine hundred ninety-five) roubles, 84 kopecks.</p> <p>The contract for lease of a land plot, between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) is an interested party transaction.</p>
131	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 19, 2009 (in absentia) Decree No. 35 from August 21, 2009 Monthly lease payment under the equipment lease agreement at Kostromskaya TPP, a subsidiary of JSC WGC-3, between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) amounts to 60,900 (sixty thousand, nine hundred) roubles, 00 kopecks, including 18% VAT of 9,289 (nine thousand, two hundred eighty-nine) roubles, 83 kopecks. Lease payment during the period of Contract validity amounts to 730,800 (seven hundred thirty thousand, eight hundred) roubles, including 18 % VAT of 111,477 (one hundred eleven thousand, four hundred seventy-seven) roubles, 97 kopecks.</p> <p>The contract for the lease of equipment for Kostromskaya TPP, a subsidiary of JSC WGC-3, signed between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) is an interested party transaction.</p>
132	JSC ATP KGRES (A Transport Operating Company of The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 19, 2009 (in absentia) Decree No. 35 from August 21, 2009 The quarterly lease payment under the contract between OJSC WGC-3 (the Lessor) and JSC ATP KGRES (the Lessee) amounts to 83,953 (eighty-three thousand, nine hundred fifty-three) roubles, 99 kopecks, including 18% VAT of 12,806 (twelve thousand, eight hundred and six) roubles, 54 kopecks.</p> <p>The contract for the lease of a land plot of Kostromskaya TPP, a subsidiary of JSC WGC-3, signed between JSC WGC-3 (the Lessor) and JSC ATP KGRES (the Lessee) is an interested party transaction</p>
133	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 19, 2009 (in absentia) Decree No. 35 from August 21, 2009 The cost of attestation of work places for hazardous working conditions rendered under the contract between JSC WGC-3 (the Action Agent) and JSC KER (the Customer) amounts to 36,514 (thirty-six thousand, five hundred fourteen) roubles, 38 kopecks, including 18% VAT of 5,569 (five thousand, five hundred sixty-nine) roubles, 99 kopecks.</p> <p>The contract for of attestation of work places for hazardous working conditions rendered under the contract between JSC WGC-3 (the Action Agent) and JSC KER (the Customer) is an interested party transaction.</p>
134	JSC Transservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date August 19, 2009 (in absentia) Decree No. 35 from August 21, 2009 In case when the use of a transport vehicle is impossible due to a technical failure, the Action Agent shall, acting with a permission of JSC WGC-3 (the Customer), carry out transportation services using vehicles that have satisfactory technical characteristics and at a cost of such provided vehicles, according to transportation services prices, which are an integral part of this additional agreement No.1 (Annex 1 to the additional agreement), until the cessation of repairs of such a transport vehicle.</p> <p>Additional agreement No.1 to the agreement for rendering transportation services and mechanism services No. 06-AD-1961-08 from April 24, 2009, between JSC WGC-3 (the Customer) and JSC Transservice (the Action Agent) is an interested party transaction.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
135	JSC ATP KGRES (A Transport Operating Company of The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 4, 2009 (in praesentia) Decree No. 37 from September 4, 2009 The cost of products acquired under the contract for supply of crushed stone with grade 20 to 40 for the needs of Kostromskaya TPP, a subsidiary of JSC WGC-3, between JSC WGC-3 (the Buyer) and JSC ATP KGRES (the Supplier) amounts to 934,998 (nine hundred thirty-four thousand, nine hundred ninety-eight) roubles, 96 kopecks, including 18% VAT of 142,626 (one hundred forty-two thousand, six hundred twenty-six) roubles, 96 kopecks. The cost of products includes the cost of delivery from the JSC WGC-3 warehouse.</p> <p>The contract for supply of crushed stone of the grade 20 to 40 for the needs of Kostromskaya TPP, a subsidiary of JSC WGC-3, between JSC WGC-3 (the Buyer) and JSC ATP KGRES (the Supplier) is an interested party transaction.</p>
136	JSC TSK	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 4, 2009 (in praesentia) Decree No. 37 from September 4, 2009 The price of thermal power supplied by JSC TSK under the contract between JSC WGC-3 (the Subscriber) and JSC TSK (the Power Supplying Organisation) shall be determined according to the procedure envisaged in the draft of the contract (Annex 2 to the Minutes).</p> <p>The contract for the supply of thermal power between JSC WGC-3 (the Subscriber) and JSC TSK (the Power Supplying Organisation) is an interested party transaction.</p>
137	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 4, 2009 (in praesentia) Decree No. 37 from September 4, 2009 The cost of processing cable ducts from the Main Building to the Primary Fuel Oil Facility with OGRAKS fire-proof compound and also anti corrosion processing at Pechorskaya TPP, a subsidiary of JSC WGC-3, rendered under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 3,484,740 (three million, four hundred eighty-four thousand, seven hundred forty) roubles, 01 kopecks, including 18% VAT of 531,570 (five hundred thirty-one thousand, five hundred seventy) roubles, 51 kopecks.</p> <p>The contract for processing cable ducts from the Main Building to the Primary Fuel Oil Facility with OGRAKS fire-proof compound and also anti corrosion processing at Pechorskaya TPP, a subsidiary of JSC WGC-3, rendered under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor), is an interested party transaction.</p>
138	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 4, 2009 (in praesentia) Decree No. 37 from September 4, 2009 The cost of sealing and glass fixing of main buildings of phases 1 and 2, buildings and facilities of the coal-conveying department of phases 1 and 2 at Gusinozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) amounts to 1,088,244 (one million, eighty-eight thousand, two hundred forty-four) roubles, 38 kopecks, including 18% VAT of 166,003 (one hundred sixty-six thousand, three) roubles, 38 kopecks.</p> <p>The contract for sealing and glass fixing of main buildings of phases 1 and 2, buildings and facilities of the coal-conveying department of phases 1 and 2 at Gusinozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) is an interested party transaction.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
139	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009</p> <p>The cost of repairs of anti corrosion coating of metalware at the boiler unit of the main building at Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 1,994,372 (one million, nine hundred ninety-four thousand, three hundred seventy-two) roubles, 14 kopecks, including 18% VAT of 304,226 (three hundred four thousand, two hundred twenty-six) roubles, 26 kopecks.</p> <p>The contract anti corrosion coating of metalware at the boiler unit of the main building at Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) is an interested party transaction.</p>
140	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009</p> <p>The cost of repairs of thermal insulation of main heating grids of the station TPP-town under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) amounts to 603,728 (six hundred two thousand, seven hundred twenty-eight) roubles, 92 kopecks, including 18% VAT of 92,094 (ninety-two thousand, ninety-four) roubles, 24 kopecks.</p> <p>The contract for repairs of thermal insulation of main heating grids of the station TPP-town under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) is an interested party transaction.</p>
141	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009</p> <p>The cost of repairs of thermal insulation of syphon well flaps performed under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) amounts to 190,001 (one hundred ninety thousand, one) roubles, 24 kopecks, including 18% VAT of 28,983 (twenty-eight thousand, nine hundred eighty-three) roubles, 24 kopecks.</p> <p>The contract for repairs of thermal insulation of syphon well flaps for Gusinoozerskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) is an interested party transaction.</p>
142	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009</p> <p>The cost of medium repairs of unit 1 at Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 22,975,145 (twenty-two million, nine hundred seventy-five thousand, one hundred forty-five) roubles, 13 kopecks, including 18 % VAT of 3,504,683 (three million, five hundred four thousand, six hundred eighty-three) roubles, 16 kopecks.</p> <p>The contract for medium repairs of unit 1 at Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) is an interested party transaction.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
143	JSC YTSK	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009</p> <p>Monthly lease payment under the equipment lease agreement of Yuzhnouralskaya TPP, a subsidiary of JSC WGC-3, amounts to 8,151 (eight thousand, one hundred fifty-one) roubles 35 kopecks, including 18% VAT of 1,243 (one thousand, two hundred forty-three) roubles, 43 kopecks. Total amount of the equipment lease agreement between JSC WGC-3 (the Lessor) and JSC YTSK (the Lessee) is 89,664 (eighty-nine thousand, six hundred sixty-four) roubles, 85 kopecks, including 18% VAT of 13,677 (thirteen thousand, six hundred seventy-seven) roubles, 69 kopecks.</p> <p>The contract for the lease of equipment for Yuzhnouralskaya TPP, a subsidiary of JSC WGC-3 signed between JSC WGC-3 (the Lessor) and JSC YTSK (the Lessee) is an interested party transaction.</p>
144	JSC YTSK	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009</p> <p>Monthly lease payment under the equipment lease agreement for real estate of Yuzhnouralskaya TPP, a subsidiary of JSC WGC-3, amounts to 39,928 (thirty-nine thousand, nine hundred twenty-eight) roubles 76 kopecks, including 18% VAT of 6,090 (six thousand, ninety) roubles, 83 kopecks. Total amount of the real estate lease agreement between JSC WGC-3 (the Lessor) and JSC YTSK (the Lessee) is 439,216 (four hundred thirty-nine thousand, two hundred sixteen) roubles, 36 kopecks, including 18% VAT of 66,999 (sixty-six thousand, nine hundred ninety-nine) roubles, 11 kopecks.</p> <p>The contract for the lease of real estate of Yuzhnouralskaya TPP, a subsidiary of JSC WGC-3 signed between JSC WGC-3 (the Lessor) and JSC YTSK (the Lessee) is an interested party transaction.</p>
145	JSC YTSK	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009</p> <p>Monthly lease payment under the lease agreement for real estate of Yuzhnouralskaya TPP, a subsidiary of JSC WGC-3, amounts to 882,773 (eight hundred eighty-two thousand, seven hundred seventy-three) roubles 28 kopecks, including 18% VAT of 134,660 (one hundred thirty-four thousand, six hundred sixty) roubles, 33 kopecks. Total amount of the real estate lease agreement between JSC WGC-3 (the Lessor) and JSC YTSK (the Lessee) is 9,710,506 (nine million, seven hundred ten thousand, five hundred six) roubles, 08 kopecks, including 18% VAT of 1,263 (one million, four hundred eighty-one thousand, two hundred sixty-three) roubles, 64 kopecks.</p> <p>The real estate lease agreement of Yuzhnouralskaya TPP, a subsidiary of JSC WGC-3, 'Production and Technological Complex for Transfer and Distribution of Heat of the Town of Yuzhnouralsk', between JSC WGC-3 (the Lessor) and JSC YTSK (the Lessee) is an interested party transaction.</p>
146			<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009</p>
147	JSC TSK	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009</p> <p>Monthly cost of services rendered under the conditions of additional agreement No.1 to the contract for providing local telephone communication services No. 05-DIT-0014-08 from February 13, 2008, between JSC WGC-3 (the Communication Operator) and JSC TSK (the Subscriber) amounts to 546 (five hundred forty-six) roubles, 34 kopecks, including 18% VAT of 83 (eighty-three) roubles, 34 kopecks.</p> <p>Additional agreement No.1 to the contract for providing local telephone communication services No. 05-DIT-0014-08 from February 13, 2008, between JSC WGC-3 (the Communication Operator) and JSC TSK (the Subscriber) is an interested party transaction.</p>



No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
148	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009 The cost of restoration of working blades of stages No. 34, 39 of power unit 7 turbine at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 450,223 (four hundred fifty thousand, two hundred thirty three) roubles, 10 kopecks, including 18% VAT of 68,678 (sixty-eight thousand, six hundred seventy-eight) roubles, 10 kopecks.</p> <p>The contract for restoration of working blades of stages No. 34, 39 of power unit 7 turbine at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) is an interested party transaction.</p>
149	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009 The cost of assembly works for replacing the SEU-20 electrolysis unit at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) amounts to 281,498 (two hundred eighty-one thousand, four hundred ninety-eight) roubles, 98 kopecks, including 18% VAT of 42,940 (forty-two thousand, nine hundred forty) roubles, 52 kopecks.</p> <p>The contract for assembly works for replacing the SEU-20 electrolysis unit at Gusinoozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Contractor) is an interested party transaction.</p>
150	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009 The cost of repairs of equipment of the joint fuel oil facility at Pechorskaya TPP, a subsidiary of JSC WGC-3, rendered under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 183,089 (one hundred eighty-three thousand, eighty-nine) roubles, 49 kopecks, including 18% VAT of 27,928 (twenty-seven thousand, nine hundred twenty-eight) roubles, 91 kopecks.</p> <p>The contract for repairs of equipment of the joint fuel oil facility at Pechorskaya TPP, a subsidiary of JSC WGC-3, rendered under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) is an interested party transaction.</p>
151	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009 The cost of repairs of thermal insulation of heating mains at Pechorskaya TPP, a subsidiary of JSC WGC-3, rendered under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 437,102 (four hundred thirty-seven thousand, one hundred and two) roubles, 48 kopecks, including 18% VAT of 66,676 (sixty-six thousand, six hundred seventy-six) roubles, 65 kopecks.</p> <p>The contract for repairs of thermal insulation of heating mains at Pechorskaya TPP, a subsidiary of JSC WGC-3, rendered under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) is an interested party transaction.</p>
152	JSC RSP TPK KGRES (The Overhaul and Repairs Plant for Heating and Underground Communication Lines of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009 Monthly lease payment under the contract between OJSC WGC-3 (the Lessor) and JSC RSP TPK KGRES (the Lessee) amounts to 450 (four hundred fifty) roubles, 00 kopecks, including 18% VAT of 68 (sixty eight) roubles, 65 kopecks. Lease payment during the period of Contract validity amounts to 4950 (four thousand, nine hundred fifty) roubles, 00 kopecks, including 18% VAT of 755 (seven hundred fifty-five) roubles, 08 kopecks.</p> <p>The contract for the lease of a land plot of Kostromskaya TPP, a subsidiary of JSC WGC-3, signed between JSC WGC-3 (the Lessor) and JSC RSP TPK KGRES (the Lessee) is an interested party transaction.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
153	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009 The cost of assembly works under additional agreement No.1 to the contract for assembly works for the reconstruction of TDC-400000/500 transformer of power unit 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 1,167,816 (one million, one hundred sixty-seven thousand, eight hundred sixteen) roubles, 50 kopecks, including 18 % VAT of 178,141 (one hundred seventy-eight thousand, one hundred forty-one) roubles, 50 kopecks.</p> <p>Additional agreement No.1 to the contract No. 02-DRiO-0063-09 from April 24, 2009, for assembly works for the reconstruction of TDC-400000/500 transformer of power unit 7 at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) is an interested party transaction.</p>
154	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009 The cost of repairs of heat mains with the replacement of pipeline conduits for the needs of Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 1,299,372 (one million, two hundred ninety-nine thousand, three hundred seventy-two) roubles, 20 kopecks, including 18 % VAT of 198,209 (one hundred ninety-eight thousand, two hundred and nine) roubles, 32 kopecks.</p> <p>The contract for repairs of heat mains with the replacement of pipeline conduits for the needs of Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) is an interested party transaction.</p>
155	N.V. Gololobova	N.V. Gololobova	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, N.V. Gololobova, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.</p>
156	N.V. Gololobova	N.V. Gololobova	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, N.V. Gololobova, regarding the reimbursement of possible expenses which might be incurred during service as a member of the WGC-3 BoD.</p>
157	Y.Y. Zenka	Y.Y. Zenka	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, Y.Y. Zenka, regarding the remuneration payment for serving on the Company's BoD and the reimbursement of expenses incurred during such service.</p>
158	Y.Y. Zenka	Y.Y. Zenka	<p><b>Decision of the BoD of the Company:</b> Date September 16, 2009 (in absentia) Decree No. 38 from September 16, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, Y.Y. Zenka, regarding the reimbursement of possible expenses which might be incurred during service as a member of the WGC-3 BoD.</p>



No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
159	S. V. Emdin	S. V. Emdin	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, S.V. Emdin, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
160	S. V. Emdin	S. V. Emdin	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, S.V. Emdin, regarding the reimbursement of possible expenses which might be incurred during service as a member of the WGC-3 BoD.
161	O. V. Surikov	O. V. Surikov	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, O.V. Surikov, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
162	O. V. Surikov	O. V. Surikov	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, Y.Y. Zenka, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.
163	A. V. Cherny	A. V. Cherny	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, A.V. Cherny, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
164	A. V. Cherny	A. V. Cherny	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, A.V. Cherny, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.
165	O. M. Pivovarchuk	O. M. Pivovarchuk	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, O.M. Pivovarchuk, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
166	O. M. Pivovarchuk	O. M. Pivovarchuk	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, O.M. Pivovarchuk, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.



No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
167	V. A. Solovyev	V. A. Solovyev	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, V.A. Solovyev, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
168	V. A. Solovyev	V. A. Solovyev	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, V.A. Solovyev, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
169	K. Y. Parinov	K. Y. Parinov	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, K. Y. Parinov, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
170	K. Y. Parinov	K. Y. Parinov	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, K. Y. Parinov, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.
171	M. M. Sokov	M. M. Sokov	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, M. M. Sokov, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
172	M. M. Sokov	M. M. Sokov	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, M. M. Sokov, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.
173	D. R. Kostoev	D. R. Kostoev	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, D. R. Kostoev, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
174	D. R. Kostoev	D. R. Kostoev	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, D. R. Kostoev, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.



No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
175	A. V. Orelkin	A. V. Orelkin	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, A. V. Orelkin, regarding the remuneration payment for serving on the Company's BoD and reimbursement of expenses incurred during service as a member of the BoD.
176	A. V. Orelkin	A. V. Orelkin	<b>Decision of the BoD of the Company:</b> Date September 21, 2009 (in absentia) Decree No. 39 from September 21, 2009 Transaction of interest between JSC WGC-3 and a member of the BoD, A. V. Orelkin, regarding the reimbursement of possible expenses which might be incurred during service as a member of the JSC WGC-3 BoD.
177	JSC YTSK	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date September 30, 2009 (in absentia) Decree No. 41 from September 30, 2009 The cost of a SPA contract for movable property between JSC WGC-3 (the Seller) and JSC YTSK (the Buyer) amounts to 237,307 (two hundred thirty-seven thousand, three hundred and seven) roubles, 20 kopecks, including 18% VAT of 36,199 (thirty-six thousand, one hundred ninety-nine) roubles, 40 kopecks.  The SPA contract for movable property between JSC WGC-3 (the Seller) and JSC YTSK (the Buyer) is an interested party transaction.
178	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date September 30, 2009 (in absentia) Decree No. 41 from September 30, 2009 Additional agreement No.1 to the equipment lease contract No. 03-DKF-0713-08, dated October 1, 2009, between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) is an interested party transaction.
179	JSC YTSK	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date September 30, 2009 (in absentia) Decree No. 41 from September 30, 2009 Monthly lease payment under the lease agreement for transport vehicles without crew for Yuzhnouralskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Lessor) and JSC YTSK (the Lessee) amounts to 9,196 (nine thousand, one hundred ninety-six) roubles, 20 kopecks, including 18% VAT of 1,402 (one thousand, four hundred and two) roubles, 81 kopecks. Total amount of the Agreement: 321,867 (three hundred twenty-one thousand, eight hundred sixty-seven) roubles, including 18% VAT of 49,098 (forty-nine thousand, ninety-eight) roubles, 35 kopecks.  The contract for the lease of transport vehicles without crew for Yuzhnouralskaya TPP, a subsidiary of JSC WGC-3 signed between JSC WGC-3 (the Lessor) and JSC YTSK (the Lessee) is an interested party transaction.
180	JSC Energoservice	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date September 30, 2009 (in absentia) Decree No. 41 from September 30, 2009 Monthly lease payment under the real estate lease agreement at Gusinozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Lessor) and JSC Energoservice (the Lessee) amounts to 140,536 (one hundred forty thousand, five hundred thirty-six) roubles, 21 kopecks, including 18% VAT of 21,437 (twenty-one thousand, four hundred thirty-seven) roubles, 72 kopecks. Lease payment during the validity period of the Contract amounts to 1,545,898 (one million, five hundred forty-five thousand, eight hundred ninety-eight) roubles, 31 kopecks, including 18% VAT of 235,814 (two hundred thirty-five thousand, eight hundred fourteen) roubles, 92 kopecks.  The contract for the lease of premises for Gusinozerskaya TPP, a subsidiary of JSC WGC-3 signed between JSC WGC-3 (the Lessor) and JSC Energoservice (the Lessee) is an interested party transaction.

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
181	JSC KER	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date September 30, 2009 (in absentia) Decree No. 41 from September 30, 2009 Additional agreement No.1 to the contract No. 5-DRiO-0204-09 from June 17, 2009, for repairs of the heating mains of the main building at Pechorskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) is an interested party transaction.
182	Ugolny Razrez, Ltd.	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date September 30, 2009 (in absentia) Decree No. 41 from September 30, 2009 An interested party transaction for making an additional contribution from JSC WGC-3 to the charter stock of Ugolny Razrez, Ltd. is carried out according to the following important conditions: the cost of the additional contribution of JSC WGC-3 to the charter stock of Ugolny Razrez, Ltd. amounts to 67,205,000 (sixty-seven million, two hundred and five thousand) roubles; the additional contribution of JSC WGC-3 to the charter stock of Ugolny Razrez, Ltd. is paid by cash funds; the additional contribution of JSC WGC-3 to the charter stock of Ugolny Razrez, Ltd. could be paid by the Company during two months after Ugolny Razrez, Ltd. approves the decision to increase the charter capital.
183	JSC Vodokanal KGRES	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date October 23, 2009 (in absentia) Decree No. 43 from October 23, 2009 The monthly lease payment under the water-supply networks lease contract between JSC WGC-3 (the Lessor) and JSC Vodokanal KGRES (the Lessee) amounts to 192,000 (one hundred ninety-two thousand) roubles, including 18% VAT of 29,288 (twenty-nine thousand, two hundred eighty-eight) roubles, 14 kopecks. Lease payment during the period of Contract validity amounts to 576,000 (five hundred seventy-six thousand) roubles, 00 kopecks, including 18% VAT of 87,864 (eighty-seven thousand, eight hundred sixty-four) roubles, 41 kopecks.  The contract for lease of the water-supply networks, between JSC WGC-3 (the Lessor) and JSC Vodokanal KGRES (the Lessee) is an interested party transaction.
184	JSC ATP KGRES (A Transport Operating Company of The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date October 23, 2009 (in absentia) Decree No. 43 from October 23, 2009 The monthly lease payment under the contract for lease of transport vehicles with crew, between JSC WGC-3 (the Lessor) and JSC ATP KGRES (the Lessee) amounts to 146,381 (one hundred forty-six thousand, three hundred eighty-one) roubles, 52 kopecks, including 18% VAT of 22,329 (twenty-two thousand, three hundred twenty-nine) roubles, 38 kopecks. Lease payment during the period of Contract validity amounts to 292,763 (two hundred ninety-two thousand, seven hundred sixty-three) roubles, 04 kopecks, including 18% VAT of 44,658 (forty-four thousand, six hundred fifty-six) roubles, 77 kopecks.  Lease contract for transport vehicles with crew between JSC WGC-3 (the Lessor) and JSC ATP KGRES (the Lessee) is an interested party transaction.
185	JSC RSP TPK KGRES (The Overhaul and Repairs Plant for Heating and Underground Communication Lines of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date October 23, 2009 (in absentia) Decree No. 43 from October 23, 2009 The cost of services rendered under additional agreement No.1 to contract No. 02-DRiO-0042 from February 2, 2009, between JSC WGC-3 (the Customer) and JSC RSP TPK KGRES (the Contractor) for repairs and maintenance of sewage pumping equipment No. 8 and 10 at Kostromskaya TPP, a subsidiary of JSC WGC-3, amounts to 83,964 (eighty-three thousand, nine hundred sixty-four) roubles, 08 kopecks, including 18% VAT of 12,808 (twelve thousand, eight hundred and eight) roubles, 08 kopecks.  Additional agreement No.1 to contract No. 02-DRiO-0042 from February 2, 2009, between JSC WGC-3 (the Customer) and JSC RSP TPK KGRES (the Contractor) is an interested party transaction.



No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
186	RALEIGH INVESTMENTS LTD (Saint Kitts and Nevis) CORBIERE HOLDINGS LTD (Saint Kitts and Nevis).	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date October 28, 2009 (in absentia) Decree No. 44 from October 28, 2009 SPA contract for 394,151 shares of OJSC MMC Norilsk Nickel is an interested party transaction carried out according to the following important conditions:</p> <p><b>Parties to the Contract:</b> The Seller: JSC WGC-3 The Buyer: RALEIGH INVESTMENTS LTD (Saint Kitts and Nevis)</p> <p><b>Characteristics of the shares sold:</b> common registered shares of OJSC MMC Norilsk Nickel amounting to 394,151 (three hundred ninety-four thousand, one hundred fifty-one) shares. The price of the SPA contract shall be determined as follows: shares of OJSC MMC Norilsk Nickel shall be sold at a market price effective as of the date of the transaction The price of the SPA contract for shares of OJSC MMC Norilsk Nickel between JSC WGC-3 and RALEIGH INVESTMENTS LTD: The shares of OJSC MMC Norilsk Nickel shall be sold at a market price effective as of the date of the transaction, but not lower than the highest price determined in paragraphs 1.1, 1.2. of this decision. SPA contract for 394,151 shares of OJSC MMC Norilsk Nickel is an interested party transaction carried out according to the following important conditions:</p> <p><b>Parties to the Contract:</b> The Seller: JSC WGC-3 The Buyer: CORBIERE HOLDINGS LTD (Saint Kitts and Nevis).</p> <p><b>Characteristics of the shares sold:</b> common registered shares of OJSC MMC Norilsk Nickel amounting to 394,151 (three hundred ninety-four thousand, one hundred fifty-one) shares. The price of the SPA contract shall be determined as follows: shares of OJSC MMC Norilsk Nickel shall be sold at a market price effective as of the date of the transaction The price of the SPA contract for shares of OJSC MMC Norilsk Nickel between JSC WGC-3 and CORBIERE HOLDINGS LTD: shares of OJSC MMC Norilsk Nickel shall be sold at a market price effective as of the date of the transaction</p>
187	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date November 6, 2009 (in absentia) Decree No. 46 from November 6, 2009 Additional agreement No.1 to the contract No.05-DKF-0476-08 from August 4, 2009, for safe custody of the equipment of Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 and JSC KER is an interested party transaction.</p>
188	JSC Energoservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date November 6, 2009 (in absentia) Decree No. 46 from November 6, 2009 The cost of services under the contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Action Agent) amounts to 2,385,960 (two million, three hundred eighty-five thousand, nine hundred sixty) roubles, 00 kopecks, including 18% VAT of 363,960 (three hundred sixty-three thousand, nine hundred sixty) roubles, 00 kopecks.</p> <p>The contract between JSC WGC-3 (the Customer) and JSC Energoservice (the Action Agent) is an interested party transaction.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
189	JSC Autotransportnoe Khozyaistvo	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date November 12, 2009 (in absentia) Decree No. 48 from November 12, 2009 The cost of the contract between JSC WGC-3 and JSC Autotransportnoe Khozyaistvo amounts to 9,683,788 (nine million, six hundred eighty-three thousand, seven hundred eighty-eight) roubles, including 18% VAT of 1,477,188 (one million, four hundred seventy-seven thousand, one hundred eighty-eight) roubles. SPA contract for real estate between JSC WGC-3 and JSC Autotransportnoe Khozyaistvo is an interested party transaction which shall be carried out according to the following important conditions:</p> <p><b>Parties to the Contract:</b> The Seller: JSC 'Autotransportnoe Khozyaistvo' The Buyer: JSC WGC-3</p> <p><b>Subject of the Agreement:</b> sale and purchase of real estate, listed in Annex 6 to the Minutes. <b>Contract price:</b> 9,683,788 (nine million, six hundred eighty-three thousand, seven hundred eighty-eight) roubles, including 18% VAT of 1,477,188 (one million, four hundred seventy-seven thousand, one hundred eighty-eight) roubles.</p>
190	JSC Autotransportnoe Khozyaistvo	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date November 12, 2009 (in absentia) Decree No. 48 from November 12, 2009 The cost of the contract between JSC WGC-3 and JSC Autotransportnoe Khozyaistvo amounts to 12,038,242 (twelve million, thirty-eight thousand, two hundred forty-two) roubles, including 18% VAT of 1,836,342 (one million, eight hundred thirty-six thousand, two hundred forty-two) roubles. SPA contract for movable property between JSC WGC-3 and JSC Autotransportnoe Khozyaistvo is an interested party transaction which shall be carried out according to the following important conditions:</p> <p><b>Parties to the Contract:</b> The Seller: JSC 'Autotransportnoe Khozyaistvo' The Buyer: JSC WGC-3</p> <p><b>Subject of the Agreement:</b> sale and purchase of movable property, listed in Annex 8 to the Minutes. <b>Contract price:</b> 12,038,242 (twelve million, thirty-eight thousand, two hundred forty-two) roubles, including 18% VAT of 1,836,342 (one million, eight hundred thirty-six thousand, two hundred forty-two) roubles.</p>
191	JSC Autotransportnoe Khozyaistvo	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date November 12, 2009 (in absentia) Decree No. 48 from November 12, 2009 The cost of the contract between JSC WGC-3 and JSC Autotransportnoe Khozyaistvo amounts to 581,150 (five hundred eighty-one thousand, one hundred fifty) roubles, including 18% VAT of 88,650 (eighty-eight thousand, six hundred fifty) roubles. SPA contract for other movable property between JSC WGC-3 and JSC Autotransportnoe Khozyaistvo is an interested party transaction which shall be carried out according to the following important conditions:</p> <p><b>Parties to the Contract:</b> The Seller: JSC 'Autotransportnoe Khozyaistvo' The Buyer: JSC WGC-3</p> <p><b>Subject of the Agreement:</b> sale and purchase of other movable property, listed in Annex 9 and 10 to the Minutes. <b>Contract price:</b> 581,150 (five hundred eighty-one thousand, one hundred fifty) roubles, including 18% VAT of 88,650 (eighty-eight thousand, six hundred fifty) roubles.</p>



No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
192	PHK CSKA, ltd.	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date November 12, 2009 (in absentia) Decree No. 48 from November 12, 2009 The cost of services acquired under the contract amounts to 196,286,160 (one hundred ninety-six million, two hundred eighty-six thousand, one hundred sixty) roubles, including VAT. Sponsorship Contract between JSC WGC-3 and PHK CSKA is an interested party transaction.
192	OJSC MMC Norilsk Nickel	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date November 24, 2009 (in absentia) Decree No. 50 from November 24, 2009 The cost of services rendered under each request for the service agreement regarding insurance protection of the Company's property interests, between JSC WGC-3 (the Customer) and OJSC MMC Norilsk Nickel (the Action Agent) amounts to 0.5 (zero point five) per cent of the premium amount, set in the tender proposal of the winning insurer, but not less than 5,000 (five thousand) roubles. In case when the tender is pronounced aborted, the cost of services for each insurance request shall amount to 5,000 (five thousand) roubles. Remuneration includes VAT of the amount specified in the existing legislation of the Russian Federation. Furthermore, the Customer reimburses the Agent's expenses related to the appraisal of the market value of the Customer's property in the amount not exceeding 2,206,600 (two million, two hundred six thousand, six hundred) roubles, and risk evaluation services of the Customer in the amount not exceeding 129,800 (one hundred twenty-nine thousand, eight hundred) US dollars.
193	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date December 1, 2009 (in absentia) Decree No. 51 from December 1, 2009 The agreement to terminate lease contract No.18483/ORTiPD/06 from March 13, 2006 between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) is an interested party transaction.
195	JSC Energoservice	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date December 16, 2009 Decree No. 52 from December 16, 2009 Monthly lease payment under the lease agreement for production, office and general premises of Gusinoozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Lessor) and JSC Energoservice (the Lessee) amounts to 13,178 (thirteen thousand, one hundred seventy-eight) roubles, 43 kopecks, including 18% VAT of 2,010 (two thousand ten) roubles, 27 kopecks. Lease payment during the period of Contract validity amounts to 39,535 (thirty-nine thousand, five hundred thirty-five) roubles, 29 kopecks, including 18% VAT of 6,030 (six thousand, thirty) roubles, 81 kopecks.  The contract for the lease of production, office and general premises of Gusinoozerskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Lessor) and JSC Energoservice (the Lessee) is an interested party transaction.
196	JSC KER	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date December 16, 2009 Decree No. 52 from December 16, 2009 Monthly lease payment under the equipment lease agreement at Pechorskaya TPP, a subsidiary of JSC WGC-3, between JSC WGC-3 (the Lessor) and JSC KER (the Lessee) amounts to 60,052 (sixty thousand, fifty-two) roubles, 29 kopecks, including 18% VAT of 9,160 (nine thousand, one hundred sixty) roubles, 52 kopecks.  The contract for the lease of equipment at Pechorskaya TPP, a subsidiary of JSC WGC-3 signed between JSC WGC-3 (the Lessor) and JSC KER (the Lessee) is an interested party transaction.

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
197	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date December 16, 2009 Decree No. 52 from December 16, 2009 The cost of restoration of working blades of stage No.39 of power unit 1 by the electro spark alloy addition method for Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 229,880 (two hundred twenty-nine thousand, eight hundred eighty) roubles, 52 kopecks, including 18% VAT of 35,066 (thirty-five thousand, sixty-six) roubles, 52 kopecks.  The contract for restoration of working blades of stage No.39 of power unit 1 by the electro spark alloy addition method for Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) is an interested party transaction.
198	JSC KER	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date December 16, 2009 Decree No. 52 from December 16, 2009 The cost of replacing pumps under additional agreement No. 1 to contract No. 05-DRiO-0174-09 from May 4, 2009, between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 54,484 (fifty-four thousand, four hundred eighty-four) roubles, 38 kopecks, including 18% VAT of 8,311 (eight thousand, three hundred eleven) roubles, 18 kopecks. Total cost under contract No. 05-DRiO-0174-09 from May 4, 2009, between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 344,017 (three hundred forty-four thousand, seventeen) roubles, 23 kopecks, including 18% VAT of 52,477 (fifty-two thousand, four hundred seventy-seven) roubles, 21 kopecks.  Additional agreement No. 1 to contract No. 05-DRiO-0174-09 from May 4, 2009, between JSC WGC-3 (the Customer) and JSC KER (the Contractor) is an interested party transaction.
199	JSC ATP KGRES (A Transport Operating Company of The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date December 16, 2009 Decree No. 52 from December 16, 2009 Quarterly lease payment under the contract for a land plot lease between JSC WGC-3 (the Lessor) and JSC ATP KGRES (the Lessee) amounts to 83,953 (eighty-three thousand, nine hundred fifty-three) roubles, 99 kopecks, including 18 % VAT of 12,806 (twelve thousand, eight hundred and six) roubles, 54 kopecks.  The contract for lease of a land plot, between JSC WGC-3 (the Lessor) and JSC ATP KGRES (the Lessee) is an interested party transaction.
200	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<b>Decision of the BoD of the Company:</b> Date December 16, 2009 Decree No. 52 from December 16, 2009 Quarterly lease payment under the contract for lease of a land plot, between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) amounts to 45,861 (forty-five thousand, eight hundred sixty-one) roubles, 59 kopecks, including 18% VAT of 6,995 (six thousand, nine hundred ninety-five) roubles, 84 kopecks.  The contract for lease of a land plot, between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) is an interested party transaction.

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
201	JSC Vodokanal KGRES	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 16, 2009 Decree No. 52 from December 16, 2009 The monthly lease payment under the water-supply networks lease contract between JSC WGC-3 (the Lessor) and JSC Vodokanal KGRES (the Lessee) amounts to 192,000 (one hundred ninety-two thousand) roubles, including 18% VAT of 29,288 (twenty-nine thousand, two hundred eighty-eight) roubles, 14 kopecks.</p> <p>The contract for lease of the water-supply networks, between JSC WGC-3 (the Lessor) and JSC Vodokanal KGRES (the Lessee) is an interested party transaction.</p>
202	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 16, 2009 Decree No. 52 from December 16, 2009 Monthly lease payment under a real estate lease contract between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) amounts to 27,000 (twenty-seven thousand) roubles, 00 kopecks, including 18% VAT of 4,118 (four thousand, one hundred eighteen) roubles, 64 kopecks.</p> <p>The contract for lease of real estate, between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) is an interested party transaction.</p>
203	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 16, 2009 Decree No. 52 from December 16, 2009 Monthly lease payment under a real estate lease contract between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) amounts to 218,375 (two hundred eighteen thousand, three hundred seventy-five) roubles, 00 kopecks, including 18% VAT of 33,311 (thirty-three thousand, three hundred eleven) roubles, 44 kopecks.</p> <p>The contract for lease of real estate, between JSC WGC-3 (the Lessor) and JSC Remservice KGRES (the Lessee) is an interested party transaction.</p>
204	JSC ATP KGRES (A Transport Operating Company of The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 21, 2009 (in absentia) Decree No. 53 from December 21, 2009 The cost of a SPA contract for real estate between JSC WGC-3 and JSC ATP KGRES amounts to 9,435,727 (nine million, four hundred thirty-five thousand, seven hundred twenty-seven) roubles, 00 kopecks, including 18% VAT of 1,439,348 (one million, four hundred thirty-nine thousand, three hundred forty-eight) roubles, 19 kopecks. SPA contract for real estate between JSC WGC-3 and JSC ATP KGRES is an interested party transaction which shall be carried out according to the following important conditions: <b>Parties to the Contract:</b> The Seller: JSC ATP KGRES (A Transport Operating Company of The Overhaul and Repairs Plant of Kostromskaya TPP) The Buyer: JSC WGC-3 <b>Subject of the Agreement:</b> sale and purchase of real estate, listed in Annex 1 to the Minutes. <b>Contract price:</b> 9,435,727 (nine million, four hundred thirty-five thousand, seven hundred twenty-seven) roubles, 00 kopecks, including 18% VAT of 1,439,348 (one million, four hundred thirty-nine thousand, three hundred forty-eight) roubles, 19 kopecks.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
205	JSC ATP KGRES (A Transport Operating Company of The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 21, 2009 (in absentia) Decree No. 53 from December 21, 2009 The cost of a SPA contract for movable property (transport vehicles and equipment) between JSC WGC-3 and JSC ATP KGRES amounts to 9,435,727 (nine million, four hundred thirty-five thousand, seven hundred twenty-seven) roubles, 00 kopecks, including 18% VAT of 1,439,348 (one million, four hundred thirty-nine thousand, three hundred forty-eight) roubles, 31 kopecks.</p> <p>SPA contract for movable property (transport vehicles and equipment) between JSC WGC-3 and JSC ATP KGRES is an interested party transaction which shall be carried out according to the following important conditions: <b>Parties to the Contract:</b> The Seller: JSC ATP KGRES (A Transport Operating Company of The Overhaul and Repairs Plant of Kostromskaya TPP) The Buyer: JSC WGC-3 <b>Subject of the Agreement:</b> sale and purchase of movable property (transport vehicles and equipment), listed in Annex 2 to the Minutes. <b>Contract price:</b> 9,369,261 (nine million, three hundred sixty-nine thousand, two hundred sixty-one) roubles, 00 kopecks, including 18% VAT of 1,429,209 (one million, four hundred twenty-nine thousand, two hundred nine) roubles, 31 kopecks.</p>
206	JSC ATP KGRES (A Transport Operating Company of The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 21, 2009 (in absentia) Decree No. 53 from December 21, 2009 The cost of a SPA contract for movable property (materials) between JSC WGC-3 and JSC ATP KGRES amounts to 2,498,649 (two million, four hundred ninety-eight thousand, six hundred forty-nine) roubles, 08 kopecks, including 18% VAT of 381,149 (three hundred eighty-one thousand, one hundred forty-nine) roubles, 86 kopecks.</p> <p>SPA contract for movable property (materials) between JSC WGC-3 and JSC ATP KGRES is an interested party transaction which shall be carried out according to the following important conditions: <b>Parties to the Contract:</b> The Seller: JSC ATP KGRES (A Transport Operating Company of The Overhaul and Repairs Plant of Kostromskaya TPP) The Buyer: JSC WGC-3 <b>Subject of the Agreement:</b> sale and purchase of movable property (materials), listed in Annex 3 and 4 to the Minutes. <b>Contract price:</b> 2,498,649 (two million, four hundred ninety-eight thousand, six hundred forty-nine) roubles, 08 kopecks, including 18% VAT of 381,149 (three hundred eighty-one thousand, one hundred forty-nine) roubles, 86 kopecks.</p>



No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
207	JSC Transservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 21, 2009 (in absentia) Decree No. 53 from December 21, 2009 The cost of a SPA contract for real estate between JSC WGC-3 and JSC Transservice amounts to 6,999,972 (six million, nine hundred ninety-nine thousand, nine hundred seventy-two) roubles, 40 kopecks, including 18% VAT of 1,067,792 (one million, sixty-seven thousand, seven hundred ninety-two) roubles, 40 kopecks.</p> <p>SPA contract for real estate between JSC WGC-3 and JSC Transservice is an interested party transaction which shall be carried out according to the following important conditions: <b>Parties to the Contract:</b> The Seller: JSC Transservice The Buyer: JSC WGC-3 <b>Subject of the Agreement:</b> sale and purchase of real estate, listed in Annex 5 to the Minutes. <b>Contract price:</b> 6,999,972 (six million, nine hundred ninety-nine thousand, nine hundred seventy-two) roubles, 40 kopecks, including 18% VAT of 1,067,792 (one million, sixty-seven thousand, seven hundred ninety-two) roubles, 40 kopecks.</p>
208	JSC Transservice	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 21, 2009 (in absentia) Decree No. 53 from December 21, 2009 The cost of a SPA contract for movable property between JSC WGC-3 and JSC Transservice amounts to 4,905,047 (four million, nine hundred and five thousand, forty-seven) roubles, 60 kopecks, including 18% VAT of 748,227 (seven hundred forty-eight thousand, two hundred twenty-seven) roubles, 60 kopecks.</p> <p>SPA contract for movable property between JSC WGC-3 and JSC Transservice is an interested party transaction which shall be carried out according to the following important conditions: <b>Parties to the Contract:</b> The Seller: JSC 'Transservice' The Buyer: JSC WGC-3 <b>Subject of the Agreement:</b> sale and purchase of movable property, listed in Annex 6, 7 and 8 to the Minutes. <b>Contract price:</b> 4,905,047 (four million, nine hundred and five thousand, forty-seven) roubles, 60 kopecks, including 18% VAT of 748,227 (seven hundred forty-eight thousand, two hundred twenty-seven) roubles, 60 kopecks.</p>
209	Professional Basketball Club CSKA, Ltd.	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 21, 2009 (in absentia) Decree No. 53 from December 21, 2009 The cost of services acquired under the Sponsorship Contract between JSC WGC-3 and the Professional Basketball Club CSKA, Ltd. amounts to 413,426,488 (four hundred thirteen million, four hundred twenty-six thousand, four hundred eighty-eight) roubles, including VAT. Sponsorship Contract between JSC WGC-3 and PHK CSKA is an interested party transaction.</p>
210	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 29, 2009 Decree No. 54 from December 29, 2009 The cost of tests of protection kits performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Action Agent) amounts to 130,615 (one hundred thirty thousand, six hundred fifteen) roubles, 38 kopecks, including 18% VAT of 19,924 (nineteen thousand, nine hundred twenty-four) roubles, 38 kopecks.</p> <p>The contract for tests of protection kits performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Action Agent) is an interested party transaction.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
211	JSC Vodokanal	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 29, 2009 Decree No. 54 from December 29, 2009 Monthly lease payment under the property lease contract (sewage facilities equipment), between JSC WGC-3 (the Lessor) and JSC Vodokanal KGRES (the Lessee) amounts to 272,335 (two hundred seventy-two thousand, three hundred thirty-five) roubles, 34 kopecks, including 18% VAT of 41,542 (forty-one thousand, five hundred forty-two) roubles, 68 kopecks.</p> <p>The contract for lease of sewage facilities equipment, between JSC WGC-3 (the Lessor) and JSC Vodokanal KGRES (the Lessee) is an interested party transaction.</p>
212	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 29, 2009 Decree No. 54 from December 29, 2009 According to additional agreement No.1 to the contract No. 05-DTRiR-0619-08 from January 12, 2009, between JSC WGC-3 (the Customer) and JSC KER (the Contractor), the cost of services remains the same and amounts to 24,804,135 (twenty-four million, eight hundred four thousand, one hundred thirty-five) roubles, 06 kopecks, including 18% VAT of 3,783,681 (three million, seven hundred eighty-three thousand, six hundred eighty-one) roubles, 62 kopecks.</p>
213	JSC RSP TPK KGRES (The Overhaul and Repairs Plant for Heating and Underground Communication Lines of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 29, 2009 Decree No. 54 from December 29, 2009 Monthly lease payment under the heating grids lease contract between JSC WGC-3 (the Lessor) and JSC RSP TPK KGRES (the Lessee) amounts to 670,000 (six hundred thousand) roubles, 00 kopecks, including 18% VAT of 102,203 (one hundred two thousand, two hundred and three) roubles, 39 kopecks.</p> <p>The contract for lease of heating grids, between JSC WGC-3 (the Lessor) and JSC RSP TPK KGRES (the Lessee) is an interested party transaction.</p>
214	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 29, 2009 Decree No. 54 from December 29, 2009 The cost of services acquired under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 13,451,972 (thirteen million, four hundred fifty-one thousand, nine hundred seventy-two) roubles, 91 kopecks, including 18% VAT of 2,051,995 (two million, fifty-one thousand, nine hundred ninety-five) roubles, 87 kopecks.</p> <p>The contract for assembly and installation related to the turn-key implementation of the 'System of Technological Pipelines of Froth Fire Extinguishers at the Fuel Oil Facility' (during the reconstruction of forth fire extinguishing and fire-fighting at the fuel oil facility) for the needs of Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) is an interested party transaction.</p>
215	JSC Vodokanal KGRES	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 29, 2009 Decree No. 54 from December 29, 2009 The cost of services of water disposal into the Volga rendered under the contract between JSC WGC-3 (the Action Agent) and JSC Vodokanal KGRES (the Customer) amounts to 8,333 (eight thousand, three hundred thirty-three) roubles, 33 kopecks per month, including 18% VAT of 1,271 (one thousand, two hundred seventy-one) roubles, 19 kopecks.</p> <p>The contract between JSC WGC-3 (the Customer) and JSC Vodokanal KGRES (the Action Agent) is an interested party transaction.</p>



No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
216	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 29, 2009 Decree No. 54 from December 29, 2009 The cost of mechanical finishing of materials during repairs of power plant equipment, as well as making of spare parts (equipment units) according to the contract between JSC WGC-3 (the Customer) and JSC KER (the Action Agent) amounts to 5,627,229 (five million, six hundred twenty-seven thousand, two hundred twenty-nine) roubles, 79 kopecks, including 18% VAT of 858,390 (eight hundred fifty-eight thousand, three hundred ninety) roubles, 98 kopecks.</p> <p>The contract for mechanical finishing of materials during repairs of power plant equipment, as well as making of spare parts (equipment units) according to the contract between JSC WGC-3 (the Customer) and JSC KER (the Action Agent) is an interested party transaction.</p>
217	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 29, 2009 Decree No. 54 from December 29, 2009 The cost of repairs of mosaic floor in the main building of boiler and turbine facility-1 at Kostromskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 291,436 (two hundred ninety-one thousand, four hundred thirty-six) roubles, 40 kopecks, including 18% VAT of 44,456 (forty-four thousand, four hundred fifty-six) roubles, 40 kopecks.</p> <p>The contract for repairs of mosaic floor in the main building of boiler and turbine facility-1 at Kostromskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) is an interested party transaction.</p>
218	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 29, 2009 Decree No. 54 from December 29, 2009 The cost of repairs and maintenance of auxiliary equipment at Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 18,908,947 (eighteen million, nine hundred eight thousand, nine hundred forty-seven) roubles, 06 kopecks, including 18% VAT of 2,884,415 (two million, eight hundred eighty-four thousand, four hundred fifteen) roubles, 65 kopecks.</p> <p>The contract for repairs and maintenance of auxiliary equipment at Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) is an interested party transaction.</p>
219	JSC Vodokanal KGRES	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 29, 2009 Decree No. 54 from December 29, 2009 Monthly lease payment under the property lease contract (canalisation and sewage grids, units of canalisation treatment facilities), between JSC WGC-3 (the Lessor) and JSC Vodokanal KGRES (the Lessee) amounts to 198,647 (one hundred ninety-eight thousand, six hundred forty-seven) roubles, 73 kopecks, including 18% VAT of 30,302 (thirty thousand, three hundred and two) roubles, 20 kopecks.</p> <p>Contract for property lease (canalisation and sewage grids, units of canalisation treatment facilities), between JSC WGC-3 (the Lessor) and JSC Vodokanal KGRES (the Lessee) is a transaction of interest, based on significant and other conditions listed in Annex 12 to the Minutes.</p>

No.	Business Partner	Entity (Entities) Interested in the transaction	Essential Conditions of the Transaction
220	JSC KER	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 29, 2009 Decree No. 54 from December 29, 2009 The cost of repairs and maintenance of auxiliary equipment at Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) amounts to 59,350,376 (fifty-nine million, three hundred fifty thousand, three hundred seventy-six) roubles, 44 kopecks, including 18 % VAT of 9,053,447 (nine million, fifty-three thousand, four hundred forty-seven) roubles, 25 kopecks.</p> <p>The contract for repairs and maintenance of power units 1-5 at Pechorskaya TPP, a subsidiary of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC KER (the Contractor) is an interested party transaction.</p>
221	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 29, 2009 Decree No. 54 from December 29, 2009 The cost of assembly works for the installation of an overhead travelling crane on the construction site at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 412,425 (four hundred twelve thousand, four hundred twenty-five) roubles, 34 kopecks, including 18% VAT of 62,912 (sixty-two thousand, nine hundred twelve) roubles, 34 kopecks.</p> <p>The contract for assembly works for the installation of an overhead travelling crane on the construction site at Kostromskaya TPP, a subsidiary of JSC WGC-3, performed under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) is an interested party transaction.</p>
222	JSC Remservice KGRES (The Overhaul and Repairs Plant of Kostromskaya TPP)	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 29, 2009 Decree No. 54 from December 29, 2009 The cost of repairs and maintenance of boiler equipment at Pechorskaya TPP and Kostromskaya TPP, subsidiaries of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) amounts to 69,811,207 (sixty-nine million, eight hundred eleven thousand, two hundred seven) roubles, 20 kopecks, including 18% VAT of 10,649,167 (ten million, six hundred forty-nine thousand, one hundred sixty-seven) roubles, 20 kopecks.</p> <p>The contract for repairs and maintenance of boiler equipment at Pechorskaya TPP and Kostromskaya TPP, subsidiaries of JSC WGC-3, under the contract between JSC WGC-3 (the Customer) and JSC Remservice KGRES (the Contractor) is an interested party transaction.</p>
223	OJSC MMC Norilsk Nickel	OJSC MMC Norilsk Nickel	<p><b>Decision of the BoD of the Company:</b> Date December 29, 2009 Decree No. 54 from December 29, 2009 The cost of services acquired under the Sponsorship Contract between JSC WGC-3 (the Sponsor) and MFK Norilsk Nickel, Ltd. (the Club) amounts to 14,796,224 (fourteen million, seven hundred ninety-six thousand, two hundred twenty-four) roubles, 56 kopecks, including VAT.</p> <p>Sponsorship Contract between JSC WGC-3 (the Sponsor) and MFK Norilsk Nickel, Ltd. (the Club) is an interested party transaction.</p>



## Glossary

ABBREVIATIONS	
cs	Common shares
JSC-energo	Open Joint Stock Company of power industry and electrification
ATS	Trading System Administrator of the Wholesale Electricity Market
ASR	Automatic System of Regulation
APS	Atomic Power Station
BM	Balancing Market
AGMS	Annual General Meeting of Shareholders
TPP	State District Power Plant (in Russia - heating power plants)
GTR (GTPP)	Gas Turbine Plant (gas turbine power plant)
HPS	Hydraulic power station
SAC	Subsidiaries and affiliated companies of JSC WGC-3
UES of Russia	Unified Energy System of Russia
Capacity Factor	Total capacity utilisation factor
KPI	Key performance indicators
NP	Non-profit partnership
R&D Centre	Research and development centre
WGC	Generating companies of the wholesale market
UDO	Unified dispatch offices
AWP	Autumn and winter period
UES	Unified energy system
WMEC	Wholesale market of electricity (capacity)
UES	Unified energy systems
CCGT	Combined Cycle Gas Turbine
RC	Regulated contracts
LDO	Local dispatch offices
RS	Regulated sector
RS WMEC	Regulated sector of the wholesale electricity (capacity) market
NDM	Next day market
LEC	Local energy commissions
SAR	The system of Automatic Regulation
JSC 'SO UES'	System Operator of the Unified Energy System
FTS WMEC	Free trade sector of the wholesale electricity (capacity) market
t/s	Turbine set
RGC	Regional generating companies
TPS	Thermal power station
FTS	Federal Tariff Service

UNITS	
Gcal/hour Gigacalorie	Thermal energy unit
Gcal/hour Gigacalorie	Thermal power unit
gsf	grams of standard fuel
kWh (kilowatt hour)	Generated electrical energy unit
kWh (kilowatt)	Electrical power unit
mW (megawatt)	Electrical power unit
t/h (tonnes per hour)	Steam generating capacity
tsf	tonnes of standard fuel
TERMS	
Wholesale Generating Companies (WGCs)	Generating companies created on the basis of power plants in accordance with the Main Course of the Re-organisation of Electrical Energy Industry of the Russian Federation approved by Decree of the Russian Federation Government No.526 dated July 11, 2001, and Decree of the Russian Federation Government No.1254-r dated September 1, 2003 (as amended by Decree of Russian Federation Government No.367-r dated October 25, 2004).
United Energy System of Russia (UES of Russia)	Total power-generating and other facilities linked to a united system for generation (including combined heat and power generation) and transmission of electricity under centralised operating dispatch management of the electricity industry.
Completion of reorganisation	A company is considered reorganized (except for affiliation) upon state registration of the newly created legal entities. When a separate company is affiliated, the first company is considered reorganized upon record in the Unified State Register of Legal Entities of the termination of the affiliated company.
Wholesale market of electricity (capacity)	The distribution of a particular product – electricity (capacity) – within the scope of the United Energy System of Russia and within the single economic area of the Russian Federation, with participation by the major generation companies and bulk consumers of electricity which have acquired wholesale market member status and follow the rules and regulations of the wholesale market approved by the Government of the Russian Federation in accordance with the federal law "On the Electricity Industry". The categories of major generating company/ bulk consumer are assigned by the Government of the Russian Federation.
Regulated sector of the wholesale electricity (capacity) market/RS	A wholesale market segment in which wholesale trade of a certain part of the electricity and capacity generated takes place according to the tariffs approved by the federal executive natural monopoly regulatory authority in accordance with the federal law "On State Regulation of Electricity and Heat Tariffs in the Russian Federation".
A repair and maintenance company in the electricity segment	A company whose core business is design, development and support and/or repair and maintenance of equipment, buildings and facilities for the generation, transmission, distribution and sale of electricity and heat, and operations and dispatch management.
Free Trade Sector/FTS	A segment in which wholesale trade of electricity takes place in the form of conclusion and execution of bilateral sales contracts and selection of competitive offers of consumers/sellers at free (non-regulated) prices.
Divergences Sector/BM	A system of interactions between wholesale market members connected with transactions of electricity in the amount of the margin between the actual generation (consumption) and the planned generation (consumption) of electricity per hour.
Supergrid	A high capacity superconducting electricity network which ensures the stable and efficient operation of the system as a whole.
Regional generating companies (RGC)	Open joint stock companies created during the interregional integration of generating assets of AO-energo (district generating companies), with the exception of the generating assets to be included in WGC.



---

## Contact and Reference Information

### Annual Meeting

The General Annual Meeting of JSC WGC-3 Shareholders will take place on June 24, 2010

Contacts:

#### Ivan SMIRNOV

Head of the Department for the Development and Management of WGC-3

Phone: + 7 (495) 231 43 44 (ext. 594); Fax: + 7 (495) 231 43 45

e-mail: SmirnovIA@ogk3.ru

Web Address [www.ogk3.ru](http://www.ogk3.ru)

Registrar Details:

Closed Joint Stock Company 'National Registration Company' (CJSC NRC)

Location: 121357 Moscow Veresaeva St., 6

Telephone/Fax: (495) 440-6324/25/45 / (495) 440-6355

Internet Address: [www.nrreg.ru](http://www.nrreg.ru)

E-mail: [info@nrreg.ru](mailto:info@nrreg.ru)

