

2010

# Annual report

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**IRKUTSKENERGO**



2010

# Annual report

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**IRKUTSKENERGO**

# Abbreviations

BM	Balancing market	WEM	Wholesale energy market
BoHPP	Boguchanskaya HPP	IESbK	Limited liability company Irkutskaya Energosbytovaya Kompaniya
MPP	Mineral processing plant	IESK	Limited liability company Irkutskaya Elektrosetevaya Kompaniya
F&L	Fuel and lubricants	UDCC Siberia	United dispatch control center of Siberian energy systems
HPP	Hydroelectric power plant	WMEC	Wholesale market of energy and capacity
BCC	Bilateral capacity contract	UES Siberia	Unified Energy System of Siberia
AR	Accounts receivable	PEIP	Production efficiency improvement program
S&A	Subsidiaries and affiliates	PRDS	Pressure reducing and desuperheating stations
VHI	Voluntary health insurance	REPC	Regulated energy purchase contracts
ERU	Emission reduction unit	DAM	Day-ahead market
EBWD	Eniseisk basin water directorate	NRBC	Non-regulated bilateral contract
HUC	Housing and utility companies	NRECC	Non-regulated electric power and capacity contract
RCC Factory	Reinforced concrete structures factory	SO UES	System operator of Unified Energy System
EB	Executive Board	TS	Tariff service
CCN	Corporate computer network	FEC	Fuel & energy complex
CRC	Corporate research center	MRO	Maintenance repairs and operations
CPS	Competitive power supply	TPOP	Total production optimization program
KPI	Key performance indicators	CHPP	Combined heat and power plant
LS	Logistic support	UI CHPP	Ust-Ilimskaya CHPP
IFRS	International financial reporting standards	UI HPP	Ust-Ilimskaya HPP
M&E	Materials and equipment	PEI	Private educational institution
MUE	Municipal unitary enterprise	SF	Salary fund
NZ CHPP	Novo-Ziminskaya CHPP	MICEX	Moscow Interbank Currency Exchange
NI CHPP	Novo-Irkutskaya CHPP	FCSM	Federal committee for securities market
GPB	OAo Gazprombank	FTS	Federal tariff service
ATB	OAo Aziatsko-Tikhoookansky Bank	FEC	Financial estimation center

# Contents

Address to shareholders by the Chairman of the Board of Directors, OAo Irkutskenergo .....	4
Address to shareholders by the CEO of OAo Irkutskenergo .....	6
General profile of OAo Irkutskenergo.....	9
General information .....	10
Key operations of the Company .....	11
Results and expectations of Company development by business priorities .....	13
Aims and objectives — 2010 .....	14
Main decisions of the Board of Directors and General Meeting of Shareholders .....	18
Performance .....	22
Company Management .....	25
Corporate Management .....	26
Shareholders' equity and securities .....	33
Information on securities issued by the Company .....	34
Structure of shareholders' equity .....	36
Stock market and dividends .....	38
Markets and sales organization .....	41
Structure of main product sales .....	42
Heat energy sales .....	44
Energy sales at wholesale energy market (WEM) .....	48
Tariff policy .....	50
Production .....	55
Information on production capacity .....	56
Energy production .....	58
Production efficiency improvement program .....	62
Volume of each type of energy resources used by the Company in the fiscal year .....	63
Procurement .....	65
Materials and spare parts .....	66
Fuel .....	68
Services .....	72
Investment activity .....	75
Capital investment development by sectors .....	76
Implementation of investment plan by sectors .....	78
Investment program implementation by sectors .....	80
Human resources and social policy .....	83
HR management .....	84
Investing in HR .....	86
Social policy .....	88
Subsidiaries and affiliates .....	91
Environmental activity .....	97
Standardization and improvement of business processes .....	101
Legal relations .....	105
Risk management .....	109
Information technology .....	113
Financial and economic activities .....	117
Key financial and economic indicators .....	118
Financial Position analysis .....	122
Credit portfolio analysis .....	126
Appendix 1. Financial statements 2010 .....	128
Appendix 2. Profit and loss statement 2010 .....	130
Appendix 3. Audit Opinion .....	131
Appendix 4. Compliance with the Corporate Code of Conduct and Ethics .....	133
Appendix 5. Meetings of the Executive Board of OAo Irkutskenergo .....	143
Appendix 6. Data on large transactions and transactions of interest .....	152



## Address to shareholders by the Chairman of the Board of Directors, OAO Irkutskenergo

Dear shareholders!

The key target of OAO Irkutskenergo is to supply every household with light and heat and guarantee uninterrupted operation of the Irkutsk region companies. Reaching this target requires responsible approach to work, high professional skills and ambitiousness. OAO Irkutskenergo has been successfully fulfilling this task, yearly increasing the potential of Priangarsky area energy system, putting new facilities into operation and implementing modern technologies.

In 2010, the amount of actual investment projects totaled RUR 4.32 bln. The total volume of investment in 2010 increased twice in comparison with the level of 2009. Main share of capital investment consists of investment in reliability program (68% of total investment volume) and in efficient projects (19%). Implementation of energy consumption deficit coverage program (generating capacity development program) which started in 2008 continued in 2010.

In 2010, the following key decisions were made at the Board meetings:

- exercising the authority of the sole executive of OOO Kompaniya Vostsibugol;
- allocation of 2 issues of bonds;
- approval of OAO Irkutskenergo investment program for 2010;
- approval of OAO Irkutskenergo energy saving program for 2010-2013;
- approval of the Charter of OAO Irkutskenergo in new version, Statement on General Meeting of Shareholders of OAO Irkutskenergo and Statement on the Board of Directors of OAO Irkutskenergo in the new version;
- approval of the business plan and credit policy of OAO Irkutskenergo for 2011.

For the executive staff of OAO Irkutskenergo personnel management is primarily in building functional system of labor resources management and professional development of the team in order to provide reliability and efficiency of production. In 2010, in compliance with the personnel policy of the Company, the program of events aimed at improving labor conditions of workers at subsidiaries was implemented.

In order to improve production standards, develop labor motivation system and create unified corporate culture, the award for production standards was established; quarterly meetings of subsidiaries' heads with workers were organized. Training of best students in minor programs is based in the Corporate research center (CRC) of Irkutsk State Tech University. 27 graduates of 2010 have been employed by the Company. Moreover, 5 professional development programs have been implemented and corporate seminars have been based at CRC. One of the main requirements enabling the company to achieve high results and professional growth is to teach and develop personnel, as well as to stimulate young specialists. The Company provides possibility to study for all its employees at all stages of their professional activity. In 2010, 3242 persons participated in all modes of study.

Actual costs for trainings in 2010 totaled RUR 61.21 mln. In compliance with the Company's program on providing young specialists with accommodation, in 2010, 88 persons received housing allowance for down payment at mortgage loans. RUR 15 mln has been used for the abovementioned purposes.

In 2010, in order to improve personnel motivation system, bonuses for fulfilling quarterly key performance indicators were paid out. Average monthly salary increased by 11% in comparison with the indices of 2009 which was due to the indexation of tariff rate in accordance with consumer prices growth rate in Russia and payments of quarterly bonuses.

Moreover, providing safe labor conditions, organizing recreational activities and improving workers' health are ensured by the personnel management program of OAO Irkutskenergo. Implementation of planned social programs is performed in compliance with the collective employment agreement signed by the management and the labor union. The Company adopted the system of voluntary health insurance of its workers which allows to significantly increase social security of the employees. All workers who needed medical attention

were treated under the agreements with specialized medical facilities. Moreover, under VHI system, in 2010, 643 workers attended a health resort for the total sum of RUR 8.8 mln. Since 2010, Health management program is active in the Company, the main target of which is to increase the efficiency of VHI and reduce morbidity levels among workers.

In 2010, the coal and energy union of OAO Irkutskenergo and OOO Kompaniya Vostsibugol was developed. This union guarantees anticipated prices, unified management, brand-new approach to quality management issues and more developed logistics scheme to the company. In a year of successful collaboration, workers of energy and coal industries have become members of a large family with common aims and objectives. One of such objectives is complete fuel independence of OAO Irkutskenergo as a basis of energy security of the region.

Acting Chairman of the Board  
OAO Irkutskenergo  
Vladimir Kiryukhin



## Address to shareholders by the CEO of OAO Irkutskenergo

"Efficiency and reliability!" is the motto, following which we achieved production and financial results in 2010. The production of energy totaled 61,420.4 mln kWh which is 2,472.3 mln kWh more than the planned result. The main cause of increased production is the post-crisis growth in energy consumption. The HPP production was determined by the requirements of ODCC Siberia and availability of high reserves of water, including agreed water releases by Eniseisk basin water directorate. In 2010, heat supply increased by 358.3 thousand HCal compared with the plan and totaled 25,768 thousand HCal. The main reason is the increase in heat system load upon falling of atmospheric temperature, increase in heating period length and growth of load in industrial steam.

In 2010, revenue from energy sales totaled RUR 52.35 bln and increased by RUR 4.45 bln (+9%) as compared to the planned index. Profit from heat energy sales totaled RUR 12.42 bln (+4% of the plan); from selling energy and self-produced capacity — RUR 27.79 bln (+13% of the plan); from selling purchased energy — RUR 11.63 bln (+10% of the plan). Production costs of commodities, products, works and services totaled RUR 38.98 bln (+4% of the plan); taxes — RUR 4.25 bln (+19% of the plan). EBITDA index was higher than the planned by

RUR 2.92 bln (+23% of the plan). The net profit of the Company in 2010 equals RUR 9.46 bln.

In 2010, we optimized our activities as a unified energy and coal company, participated in the development of gas production in the Irkutsk region, strived to increase available and installed capacity, developed our heat sales business under the new law "On heat supply". We are practically the only company in Russia which implemented projects under Kyoto protocol and the program of innovative development of the Company.

Thus, to fulfil the growing demand of power stations for coal and taking into consideration the strategic targets of capacity development, costs reduction and refusal to use coals of different production, we implemented investment projects aimed at increasing the capacity of own coal mines, optimization of logistics schemes and reducing coal mining costs. During the year OAO Irkutskenergo collaborated with OAO Gazprom in coordinating main conditions of gas supply to planned new gas facilities (mini-CHPP in Bratsk, reconstruction of CHPP-6). Preliminary negotiations with gas suppliers for new gas-based CHPP in Ust-Kut on the issues of volumes, terms and possible cost of gas have been conducted.

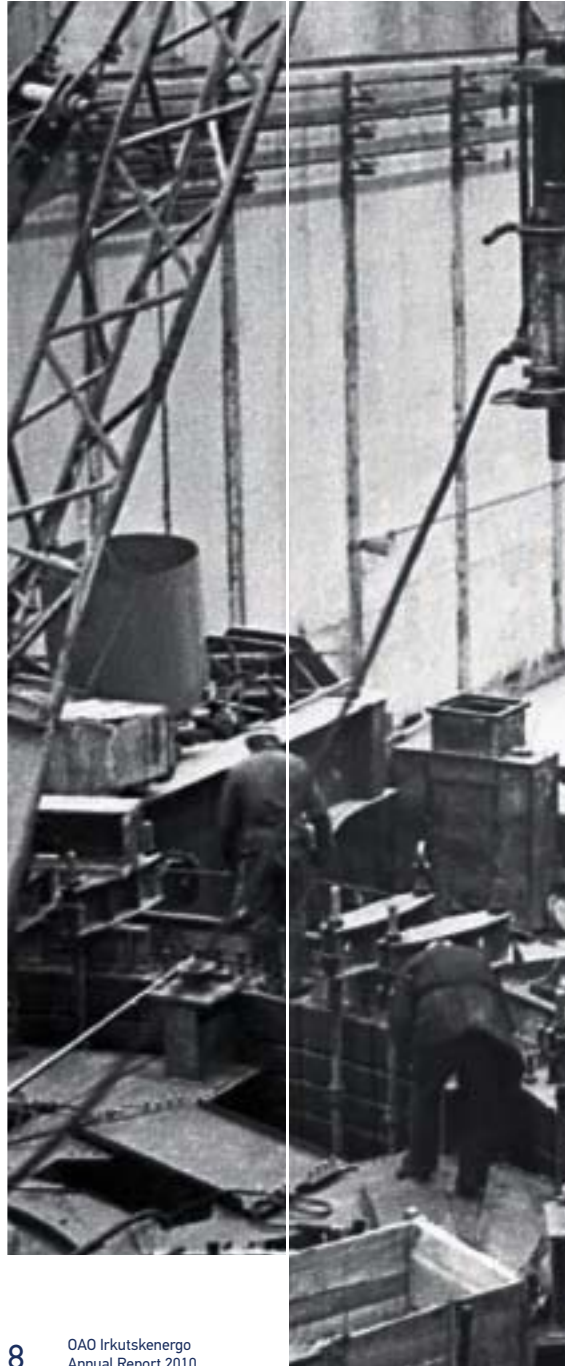
RUR 4.323 mln have been used under the investment program. RUR 2.947 mln have been transferred to the procedures on HPP reliability increase, including this increase after the Sayano-Shushenskaya HPP accident (RUR 130 mln). Allocation of funds to efficient projects totaled RUR 821 mln. The following projects have been completed: replacing 6 rotor wheels at BHPP; construction of heat network under large efficiency project Maliy Yug; installation of new turbine unit R-6-3.4/0.5-1; reconstruction of turbine unit at CHPP-9 with capacity increase of up to 10 MW, as well as investment projects on development of generating capacities at CHPP-11, NI CHPP, NZ CHPP, providing general increase in installed capacity of up to 220 MW.

The Kyoto project of OAO Irkutskenergo "Replacing rotor wheels of Bratskaya HPP" participated in competitive selection held by the Operator of carbon units (Sberbank of Russia) and was approved by Coordination center of Kyoto Protocol implementation in Russia (Ministry of Economic Development of Russia) for selling 4 million emission reduction units (ERU). Also, positive expert reports on actual emission reduction in 2008 and 2009 (by 920 thousand tons of CO<sub>2</sub>) have been received. Currently, the selection of ERU buyer and agreement on purchase contract with Operator of carbon units is being performed. Successful experience in implementing this project is to be used in development of future

projects on HPP-assets. Preparation of the second "Kyoto" project of the Company (Optimization of heat supply to Novo-Lenino housing district), which includes externally examined justifying documents. The potential of this project is estimated as 1.1 mln tons CO<sub>2</sub>.

In compliance with the Order of the President of Russian Federation, OAO Irkutskenergo developed the Concept of innovative development program, which describes the main aims and objectives in developing and implementing the measures for introducing new technologies, innovative projects and services of OAO Irkutskenergo. The current primary objective is to assess the existing technological level of the Company and, following its results, develop specific measures targeted at the increase in competitive advantages and fulfilling strategic Company development plans.

CEO of OAO Irkutskenergo  
Evgeny Fedorov



# General profile of OAO Irkutskenergo



# General information

ОАО Irkutskenergo is a joint-stock company established by Decree of the President of Russian Federation No. 721 "On organizational measures to transform state enterprises and voluntary associations of enterprises into joint-stock companies" as of July 1, 1992.

## General profile

Full name	Irkutsk Joint Stock Company of Energetics and Electrification
Abbreviated name	ОАО Irkutskenergo
Registration number in the consolidated state register of legal entities	1023801003313
Registration date	July 12, 2002
CEO	E.V. Fedorov
Chief accountant	G.M. Tolstykh
Legal/postal address	3 Sukhe-Batora street, Irkutsk 664025, Irkutsk Region, Russian Federation; tel. 790-300; fax 790-899
Regional committee for public statistics	39 Chkalova street, Irkutsk 664025

ОАО Irkutskenergo is included in the register of legal entities which have a specific product market share of more than 35% as an entity which provides the following services: heat energy supply services (Order of Irkutsk regional department of Federal Antimonopoly Service No.2-r as of February 21, 2002 "On including legal entities which have a specific product market share exceeding 35% in the register"), water supply and drainage services (Order of Irkutsk regional department of Federal Antimonopoly Service No.3-r as of March 24, 2006 "On including legal entities which have a specific product market share exceeding 35% in the register").

ОАО Irkutskenergo is a natural monopoly and is included in the Register of natural monopoly entities in fuel & energy complex, Section 1 "Electric and (or) heat energy supply services", registration number 38.1.1 (Regulation of Federal Energy Committee of Russia as of December 19, 1997 "On approval of list of natural monopoly entities in fuel & energy complex, included in Section 1 "Electric and heat energy supply services").

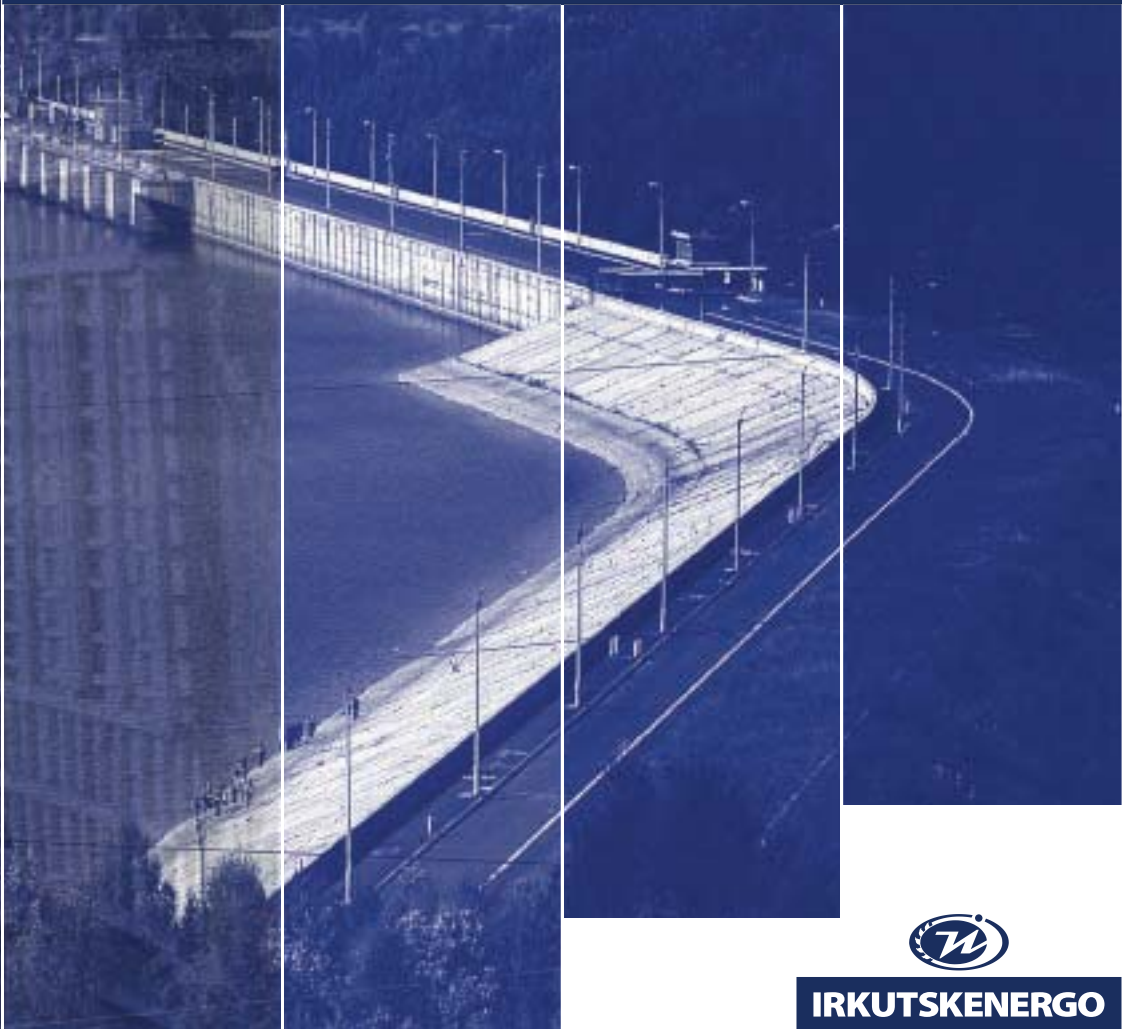
## Key operations of the Company

Key operations of the Company under the Charter are as follows:

- generation of electric and heating power for sales to consumers;
- operation, installation, supervision, adjustment, technical upgrading and modernization of electric power and heating facilities and equipment;
- research, design and development, construction and use of new equipment and technologies;
- energy delivery services;
- operation of heating networks;
- foreign trade;
- operation and maintenance of facilities under the authority of Rostekhnadzor.



# Results and expectations of Company development by business priorities



# Aims and objectives — 2010

The following activities have been performed and are planned for further implementation under strategic development of the company in 2010.

## Increasing available and installed capacity

Reconstruction of turbine unit T-50-130, station 5 at CHPP-9 with increasing the capacity by 10 MW was implemented under the program. The project will allow to receive additional revenue for capacity.

The project on installation of R-6-3.4/0.5-1 turbine unit has been implemented at CHPP-12. Putting new turbine unit into operation will allow to additionally produce more than 20 mln kWh/year of power for its sale at the retail market, increase the efficiency of the plant's work, increase the reliability of energy supply for in-house needs of the plant and industrial consumers at Cheremkhovo.

Investment projects on developing generating capacities at CHPP-11, NI CHPP, NZ CHPP, which expect general increase in available capacity for up to 220 MW have been worked through. The implementation of projects is expected to be started in 2011 upon precisising the main parameters after the capacity tender for 2012-2015.

## Optimization of power-generating and coal-producing company operations

In order to satisfy the growing demand of power plants for coal in the long term and taking into consideration strategic tasks of capacity development, costs reduction and refusal to use coals of different production (should it be economically justified), we implemented investment projects aimed at increasing the capacity of own coal mines, optimization of logistics schemes and reducing coal mining costs.

### The most important projects are:

1. "Increase in coal mining from Zheronsky mine to 1 mln. tons"; project's IRR — 79%.
2. "Purchasing two dump trucks BelAZ7555V, TK-25.02 bulldozer for increasing volumes of coal mining from Irbeisky mine to 230 thousand tons"; project's IRR is more than 100%.
3. "Development of Mugunsky mine with stripping scheme", "Development of Mugunsky mine with relocating ES-15/90 excavator"; IRR of the two projects — 226%.
4. "Construction of motive power depot at Irbeisky mine" in order to exclude costs for locomotive equipment leasing. Expected annual saving — circa RUR 50 mln. Project's IRR — more than 100%.
5. "Overburden mining system without transportation and with application of ES 10/70 drag line at Zheronsky mine". Expected annual saving — circa RUR 20 mln. Project's IRR — 64%.

Implementation of some of these projects already started in 2010.

In the future, further development of coal mines, modernization of main equipment in order to provide the necessary mining volumes, increasing coal quality while minimizing operating costs under the coal and energy company, as well as increasing volumes of coal sales to outside consumers are expected.

An important task for middle-term perspective is synchronizing the mines development with expected coal consumption by OAO Irkutskenergo CHPPs and outside consumers.

## Regional program of gas generation

During the year, the work with OOO Gazprom Mezhtregiongaz Novosibirsk on agreement of main conditions of gas supply to new gas-based energy subjects (mini-CHPP construction, reconstruction of CHPP-6 in Bratsk) continued.

Preliminary negotiations have been held on the new gas-based CHPP in Ust-Kut with possible gas suppliers on volumes, terms of supplying and possible prices. Variants of sites for CHPP construction have been specified, considering the possibility of its location in a cluster with gas processing plant.



## Expanding heat sales under new law “On heat supply”

In 2010, the new law “On heat supply” came into power, providing new possibilities for heat sales development: setting unregulated tariffs for new consumers, receiving connection charges etc. The assessment of pilot projects the efficiency of which is based upon new possibilities under the law has been performed.

In 2011, active search of projects on heat sales development which are mutually beneficial for the Company and future consumers under the new heat supply law is planned.

## Implementation of corporate management system

In order to increase the efficiency of management in the Company, the common information space is being created to reflect its economic activity. In 2010, the project on implementation of corporate management system covering business processes of book keeping, tax accounting, managerial accounting, accounting under IFRS, cash and investment management, budgeting, materials and equipment (M&E), maintenance, repairs and operations (MRO) was launched. All areas were researched, technical specifications on M&E and MRO areas were developed. The system is expected to be put into operation in 2011.

## Project Implementation under Kyoto Protocol

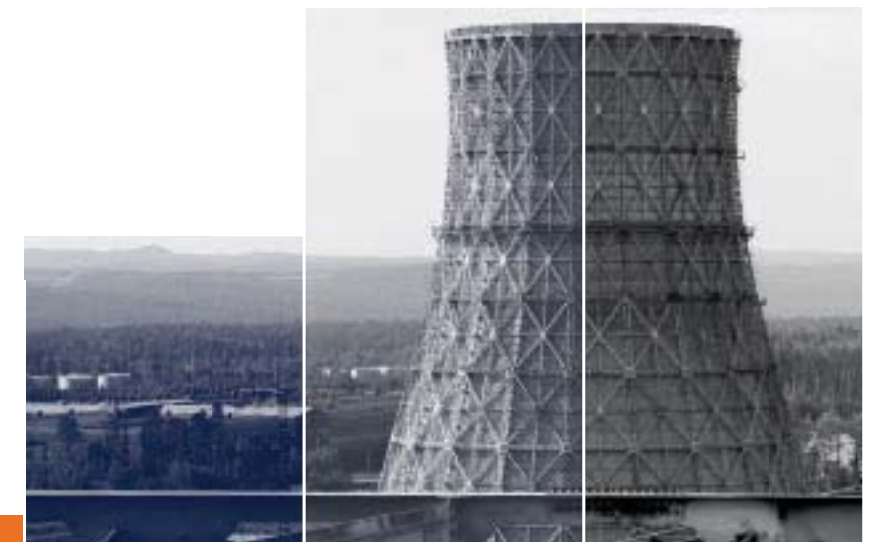
The Kyoto project of OAO Irkutskenergo on replacing rotor wheels of Bratskaya HPP participated in competitive selection held by the Operator of carbon units (Sberbank of Russia) and was approved by Coordination center of Kyoto Protocol implementation in Russia (Ministry of Economic Development of Russia) for selling 4 million emission reduction units (ERU). Also, positive expert reports on actual emission reduction for 2008 and 2009 (for 920 thousand tons of CO<sub>2</sub>) have been received.

Currently, the selection of ERU buyer and agreement on purchase and sales contract with Operator of carbon units is being performed. Successful experience in implementing this project is to be used in development of future projects on HPP-assets. Preparation of second “Kyoto” project of the Company (Optimization of heat supply to Novo-Lenino housing district), which includes externally examined justifying documents, is underway. The potential of this project is estimated to be 1.1 mln tons CO<sub>2</sub>.

## Innovative development program

In compliance with Order of the President of the Russian Federation, OAO Irkutskenergo as a Company with state participation has created the Concept of innovative development program. The Concept describes key purposes and objectives of development and implementation of measures on introduction of new technologies, innovative products and services. The Concept was approved by the Management Board of OAO Irkutskenergo.

In accordance with the Concept, active operations on selected areas of innovative development are planned for middle-term perspective. The primary target is evaluating the existing technological level of the Company and developing specific measures following the results of OAO Irkutskenergo facilities assessment in order to increase competitive advantages of the Company and fulfill its strategic plans on development.



# Main decisions of the Board of Directors and the General Meeting of Shareholders

## February

The Board of Directors made a decision of performing the duties of sole executive body of OOO Kompaniya Vostsibugol. The Contract was concluded in March 2010.



## June

### The Board of Directors made the following decisions:

1. As of March 31, 2010 early terminate the authority of the CEO Sergey Emdin. Appoint Evgeny Fedorov as the new CEO for the term from June 9, 2010 to June 9, 2012.
2. Terminate the authority of the following members of the Management Board as of June 8, 2010: Sergey Emdin, Vyacheslav Stoyanov, Evgeny Novikov, Boris Rozenraukh, Evgeny Filsh.
3. Since June 9, 2010 appoint the following members to the Management Board of OAO Irkutskenergo: Evgeny Fedorov, Vyacheslav Stoyanov, Evgeny Novikov, Boris Rozenraukh, Evgeny Filsh.
4. Approve the investment program of OAO Irkutskenergo for 2010.

### The following decisions were made at the Annual General Meeting of Shareholders:

1. Approve the annual report of OAO Irkutskenergo for 2009, approve the annual financial statements, including profit and loss statement (profit and loss accounts) of OAO Irkutskenergo for 2009 and Statement on remuneration payment to the members of the Board of Directors.
2. Distribute the profit received in 2009 in the total amount of RUR 3,589,860 thousand for the following purposes:
  - paying out dividends on OAO Irkutskenergo shares — RUR 905,693 thousand;
  - investment activities — RUR 547,500 thousand;
  - regional social events — RUR 125,000 thousand;
  - payment of remuneration for work in the Board of Directors — RUR 9,000 thousand;
  - public liability insurance of the members of management bodies and Company's officials — RUR 7,650 thousand;
  - increasing working capital — RUR 1,995,017 thousand.
3. Following the results of 2009, pay out annual dividends on ordinary shares of OAO Irkutskenergo in the amount of RUR 0.19 per share until December 31, 2010.

4. Elect the following persons as members of the Board of Directors of OAO Irkutskenergo: Igor Ageichev, Evgeny Dod, Vladimir Kiryukhin, Boris Kovalchuk, Alexey Kondarov, Vyacheslav Kravchenko, David Pogosbekov, Andrey Pospelov, Vladimir Repiev, Zhivko Savov and Stanislav Svetlitsky.
5. Elect the following people as members of Audit Committee: Igor Gankov, Galina Lavshuk, Konstantin Sukhobaevksy, Maria Tikhonova, Irina Travkova.
6. Approve ZAO EKFI as the auditor of OAO Irkutskenergo for 2010.



## August

### The Board of Directors made the following decisions:

1. Elect the following persons as members of Strategy and Restructuring Committee of the Board of Directors of OAO Irkutskenergo: Vladimir Kiryukhin, Zhivko Savov, Viktor Lebedev, Maria Tikhonova, Boris Rozenraukh, Vyacheslav Stoyanov, Dmitry Shumeev. Appoint Zhivko Savov as the Chairman of Strategy and Restructuring Committee.
2. Elect the following members to the Internal Audit Committee of the Board of Directors of OAO Irkutskenergo: Zhivko Savov, Igor Ageichev, David Pogosbekov. Appoint David Pogosbekov as the Chairman of Internal Audit Committee.
3. Elect the following members to the HR and Remuneration Committee of the Board of Directors of OAO Irkutskenergo: Vladimir Repiev, Igor Ageichev, David Pogosbekov. Appoint Vladimir Repiev as the Chairman of HR and Remuneration Committee of the Board of Directors.
4. Elect the following members to the Budget Committee of the Board of Directors of OAO Irkutskenergo: Vladimir Kiryukhin, Vyacheslav Solomin, Alexey Kondaurov, Sergey Pimenov, Evgeniya Zarenkova, Evgeny Filsh, Vyacheslav Stoyanov. Appoint Vladimir Kiryukhin as the Chairman of the Budget Committee.
5. Approve the contract on purchasing shares (additional issue) of the subsidiary of OAO Irkutskenergo — ZAO Resurssservisholding.
6. Approve the additional contribution of property to the equity capital of OOO PO Irkutskenergo, a subsidiary of OAO Irkutskenergo.

7. Approve the contract on purchasing shares (additional issue) of the subsidiary of OAO Irkutskenergo — ZAO Irkutskenergotrans.

## October

### The Board of Directors made the following decisions:

1. Place two issues of securities (commercial papers of bond series BO-01, BO-02). Approve decisions on placement and prospectus of securities (commercial papers of bond series BO-01, BO-02).
2. Approve energy saving program of OAO Irkutskenergo for 2010-2013.

## November

### The following decisions were made at the extraordinary General meeting of Shareholders:

1. Early terminate the authorities of all members of the Board of Directors of OAO Irkutskenergo, elected by the decision of the Annual General Meeting of Shareholders of OAO Irkutskenergo as of June 28, 2010.
2. Elect the following members to the Board of Directors of OAO Irkutskenergo: Artem Volynets, Oleg Deripaska, Evgeny Dod, Vladimir Kiryukhin, Boris Kovalchuk, Vyacheslav Kravchenko, Igor Lerner, Andrey Likhachev, Alexander Sergeev, Rashid Sharipov, Andrey Shishkin.
3. Approve the new versions of: the Charter of OAO Irkutskenergo, Statement of the General Meeting of Shareholders of OAO Irkutskenergo and Regulations on the Board of Directors of OAO Irkutskenergo.
4. Approve the contract on coal supply by OAO Irkutskenergo and OOO Vostsibuglesbyt as a contract towards which there is a proprietary interest.

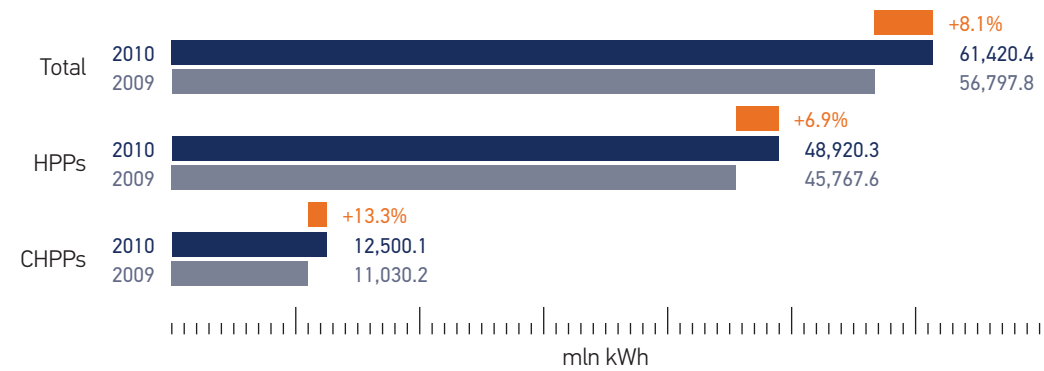
## December

### The Board of Directors made the following decisions:

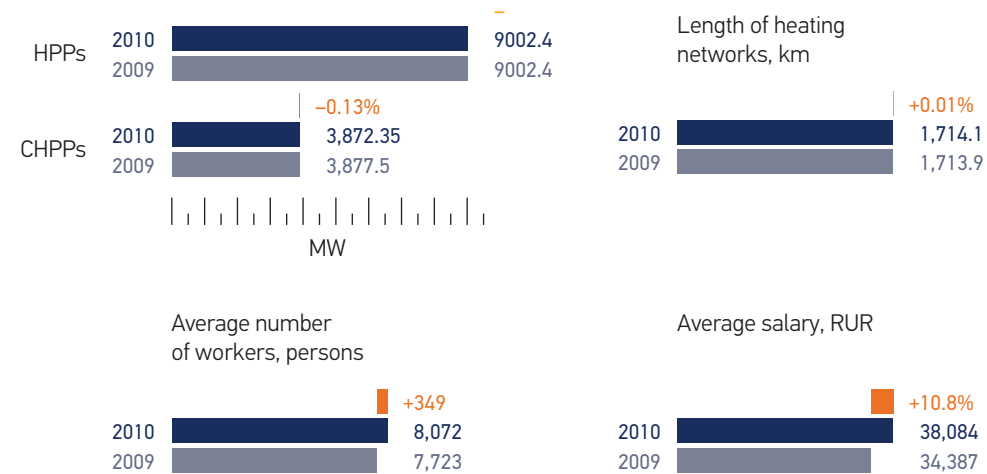
1. Approve the business plan and credit policy of OAO Irkutskenergo for 2011.
2. Elect the following members to the Strategy and Restructuring Committee of the Board of Directors of OAO Irkutskenergo: Vladimir Kiryukhin, Vyacheslav Solomin, Evgeny Fedorov, Evgeny Novikov, Dmitry Shumeev, George Rizhanashvili, Vassily Nikonov. Appoint Vladimir Kiryukhin as the Chairman of Strategy and Restructuring Committee.
3. Elect the following members to the Internal Audit Committee of the Board of Directors of OAO Irkutskenergo: Igor Lerner, Andrey Likhachev, Alexander Sergeev. Appoint Andrey Likhachev as the Chairman of the Internal Audit Committee.
4. Elect the following members to the HR and Remuneration Committee of the Board of Directors of OAO Irkutskenergo: Artem Volynets, Andrey Likhachev, Alexander Sergeev. Appoint Andrey Likhachev as the Chairman of the HR and Remuneration Committee.
5. Elect the following members to the Budget Committee of the Board of Directors of OAO Irkutskenergo: Vladimir Kiryukhin, Alexey Kondaurov, Vyacheslav Solomin, Evgeny Filsh, Evgeny Novikov, Alexander Ganin, Andrey Golovlev. Appoint Vladimir Kiryukhin as the Chairman of the Budget Committee.

# Performance

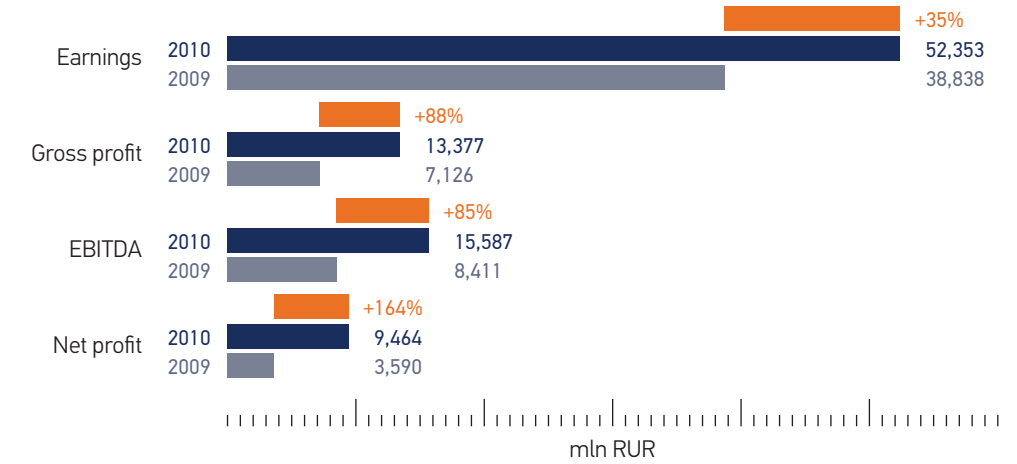
## Energy production



## Installed capacity



## Economic indexes



## Market capitalization as of December 31 under Russian trade system methodology, mln RUR



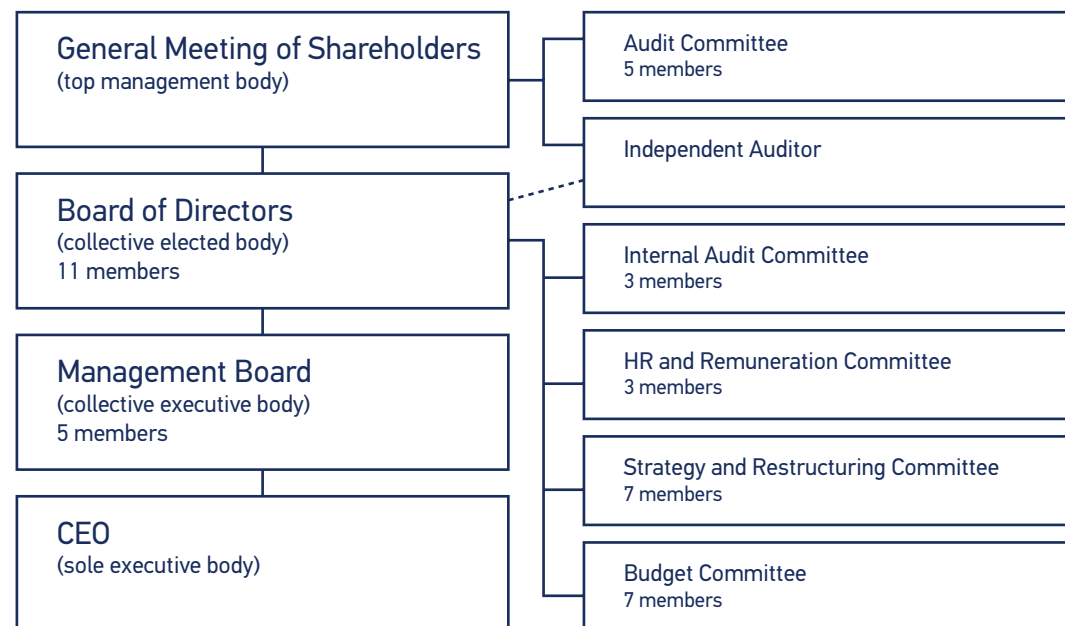


# Company Management



# Corporate Management

## Structure of Corporate Management



### General meeting of shareholders

is the highest management body of the Company. The procedure and terms of holding the General Meeting of Shareholders is regulated by the Federal Law "On joint-stock companies", as well as by Charter and Statement on General Meeting of Shareholders of OAO Irkutskenergo.

### The Board of Directors

is the standing body, solving strategic problems of Company development, defining main areas of Company development and making the most important decisions.

## Board of Directors, including changes in membership in 2010

No.	Name	Year of birth	Position	Term of office
1.	Stanislav Svetlitsky	1967	Deputy Minister of Energy of the Russian Federation	June 19, 2009 to June 28, 2010
				June 28, 2010 to November 19, 2010
2.	Vladimir Kiryukhin	1956	CEO of OOO En+ Development	June 19, 2009 to June 28, 2010
				June 28, 2010 to November 19, 2010
				November 19, 2010 until the next Annual General Meeting of Shareholders
3.	Igor Ageichev	1978	Director for Project Support of OOO EN+ Development	June 19, 2009 to June 28, 2010
				June 28, 2010 to November 19, 2010
4.	Boris Varnavsky	1940	Director for Energy Production and Capital Construction of OOO EvroSibEnergo	June 19, 2009 to June 28, 2010
				June 28, 2010 to November 19, 2010
5.	Evgeny Dod	1973	Chairman of the Board of OAO RusGidro	June 19, 2009 to June 28, 2010
				June 28, 2010 to November 19, 2010
				November 19, 2010 until the next Annual General Meeting of Shareholders
6.	Yana Donskaya	1975	HR Director of OOO EvroSibEnergo	June 19, 2009 to June 28, 2010
				June 28, 2010 to November 19, 2010
7.	Vyacheslav Kravchenko	1967	CEO of OOO RN-Energo	June 19, 2009 to June 28, 2010
				June 28, 2010 to November 19, 2010
				CEO of OAO OESK
8.	Zhivko Savov	1966	Managing Director for Energy of OOO En+ Management	June 19, 2009 to June 28, 2010
				Deputy CEO of OOO En+ Management
9.	Vyacheslav Solomin	1975	Financial Director, acting CEO of OOO EvroSibEnergo; CEO of OOO EvroSibEnergo (part-time)	June 19, 2009 to June 28, 2010
				June 28, 2010 to November 19, 2010
10.	Rashid Sharipov	1968	Deputy CEO of OOO KFK-Konsalt	June 19, 2009 to June 28, 2010
				November 19, 2010 until the next Annual General Meeting of Shareholders
				June 28, 2010 to November 19, 2010
11.	Sergey Emdin	1971	CEO of OAO Irkutskenergo	June 19, 2009 to June 28, 2010
				June 28, 2010 to November 19, 2010
12.	Alexey Kondaurov	1972	CEO of ZAO Resursservisholding; Deputy Financial Director of OOO EvroSibEnergo (part-time)	June 19, 2009 to June 28, 2010
				June 28, 2010 to November 19, 2010

No.	Name	Year of birth	Position	Term of office
13.	David Pogosbekov	1981	Tax Manager of OOO EvroSibEnerg; Chief Accountant of OOO EvroSibEnerg (part-time); Financial Director of OAO AKME-Engineering (part-time); Tax Manager of OOO EvroSibEnerg (part-time)	June 28, 2010 to November 19, 2010
14.	Andrey Pospelov	1968	Director for Corporate Finance of OOO En+ Management	June 28, 2010 to November 19, 2010
15.	Vladimir Repiev	1980	HR Director of OOO En+ Management	June 28, 2010 to November 19, 2010
16.	Boris Kovalchuk	1977	Chairman of the Board of OAO INTER RAO UES	June 28, 2010 to November 19, 2010 November 19, 2010 until the next Annual General Meeting of Shareholders
17.	Artem Volynets	1967	CEO of OOO En+ Management	November 19, 2010 until the next Annual General Meeting of Shareholders
18.	Oleg Deripaska	1968	CEO of ZAO RUSAL Global Management B.V.; CEO of OOO Kompaniya Bazovy Element	November 19, 2010 until the next Annual General Meeting of Shareholders
19.	Igor Lerner	1978	Project Manager at OOO En+ Management	November 19, 2010 until the next Annual General Meeting of Shareholders
20.	Andrey Likhachev	1965	Deputy CEO of OOO En+ Management	November 19, 2010 until the next Annual General Meeting of Shareholders
21.	Alexander Sergeev	1977	Managing Director of OOO En+ Management	November 19, 2010 until the next Annual General Meeting of Shareholders
22.	Andrey Shishkin	1959	Deputy Minister of Energy of the Russian Federation	November 19, 2010 until the next Annual General Meeting of Shareholders

Members of the Board of Directors do not own any shares of OAO Irkutskenergo.

## The Management Board

The Management Board of the Company is a collective executive body of the Company. Members of the Management Board are in labor relations with the Company based on the fixed-term contract and are elected by the decision of the Board of Directors for 1 year.

The CEO of the Company exercises functions of the

Chairman of the Management Board. The activities of the Management Board as well as rights, obligations and liabilities of its members are regulated by the Charter and Statement in the Governance of OAO Irkutskenergo, as well as by labor contracts, concluded by the Company with members of the Management Board.

No.	Name	Year of birth	Position	Term of office
1.	Sergey Emdin	1971	CEO of OAO Irkutskenergo	June 15, 2009 to June 8, 2010
2.	Vyacheslav Stoyanov	1967	Deputy CEO for Corporate Management of OAO Irkutskenergo	June 15, 2009 to June 8, 2010 June 9, 2010 — ongoing
3.	Evgeny Novikov	1959	Deputy CEO for Energy Production — Chief Engineer of OAO Irkutskenergo	June 15, 2009 to June 8, 2010 June 9, 2010 — ongoing
4.	Boris Rozenraukh	1948	Deputy CEO for Strategy and Restructuring	June 15, 2009 to June 8, 2010 June 9, 2010 — ongoing
5.	Evgeny Filsh	1959	Deputy CEO for Finance and Economy	June 15, 2009 to June 8, 2010 June 9, 2010 — ongoing
6.	Evgeny Fedorov	1978	CEO of OAO Irkutskenergo; Director of OOO EvroSibEnerg (part-time); CEO of OOO EvroSibEnerg (part-time)	June 9, 2010 — ongoing

Boris Rozenraukh, a member of the Management Board of OAO Irkutskenergo, owns 0.0000002% of the shares of OAO Irkutskenergo. Other members of the Management Board do not own any shares.

**CEO** of the Company manages the current activity of the Company. Collective operation of the CEO and the Management Board of the Company is based on the principle of separation of powers of the Company's executive bodies: the sole executive body of the Company shall not make decisions on issues that are in competence of the collective executive body and the Board of Directors.

### CEO, including changes in 2010

No.	Name	Year of birth	Position	Term of office
1.	Sergey Ermdin	1971	CEO of OAO Irkutskenergo	June 15, 2009 to March 21, 2010
2.	Evgeny Fedorov	1978	CEO of OAO Irkutskenergo; Director of OOO EvrosibEnergo (part-time); CEO of OOO EvrosibEnergo (part-time)	June 9, 2010 — ongoing

The CEO does not own any OAO Irkutskenergo shares.

### Audit Committee

is a body controlling the economic operations of the Company. The Audit Committee is elected by the General meeting of shareholders, consists of 5 members and reports to the General meeting of shareholders.

The activity of Audit Committee is regulated by the Charter and Statement on Audit Committee of OAO Irkutskenergo.

### Audit Committee, including changes in membership in 2010

No.	Name	Year of birth	Position	Term of office
1.	Igor Gankov	1968	Head of Innovative Technologies of the Production and Technical Department of OOO EvrosibEnergo	June 19, 2009 to June 27, 2010 June 28, 2010 until the next annual general meeting
2.	David Pogosbekov	1981	Tax Manager of OOO EvrosibEnergo; Chief Accountant of OOO EvrosibEnergo (part-time)	June 19, 2009 to June 27, 2010
3.	Konstantin Sukhobaevsky	1981	Head of Corporate Reporting Department of OOO EvrosibEnergo	June 19, 2009 to June 27, 2010 June 28, 2010 until the next annual general meeting
4.	Maria Tikhonova	1980	Department Head at Ministry of Energy of the Russian Federation	June 19, 2009 to June 27, 2010 June 28, 2010 until the next annual general meeting

No.	Name	Year of birth	Position	Term of office
5.	Irina Travkova	1963	Head of Accounting of Financial Department at OOO EvrosibEnergo	June 19, 2009 to June 27, 2010 June 28, 2010 until the next annual general meeting
6.	Galina Lavshuk	1980	Chief Specialist on Corporate Relations and Property of the Legal Department of OOO EvrosibEnergo	June 28, 2010 until the next annual general meeting

Members of the Audit Committee do not own any shares of OAO Irkutskenergo.

### Independent Auditor

of the Company assesses the economic activity of the Company in compliance with the laws of the Russian Federation on the basis of the contract. The General meeting of shareholders appoints the Company's Auditor and the amount of remuneration of the Auditor is defined by the Board of Directors. For 2010, the General meeting of Shareholders of OAO Irkutskenergo appointed ZAO EKFI as the Auditor).

- Developing and implementing the Company's strategy on increasing its efficiency and completing its investment plans and programs.

### Committees of the Board of Directors.

4 committees are acting in the Board of Directors.

The Committees are regulated by the legislation of the Russian Federation, the Charter and Statement on Committees of the Board of Directors of OAO Irkutskenergo.

The Committees of the Board of Directors of OAO Irkutskenergo provide cooperation of the members of the Board of Directors and Executive bodies of the Company on the following issues:

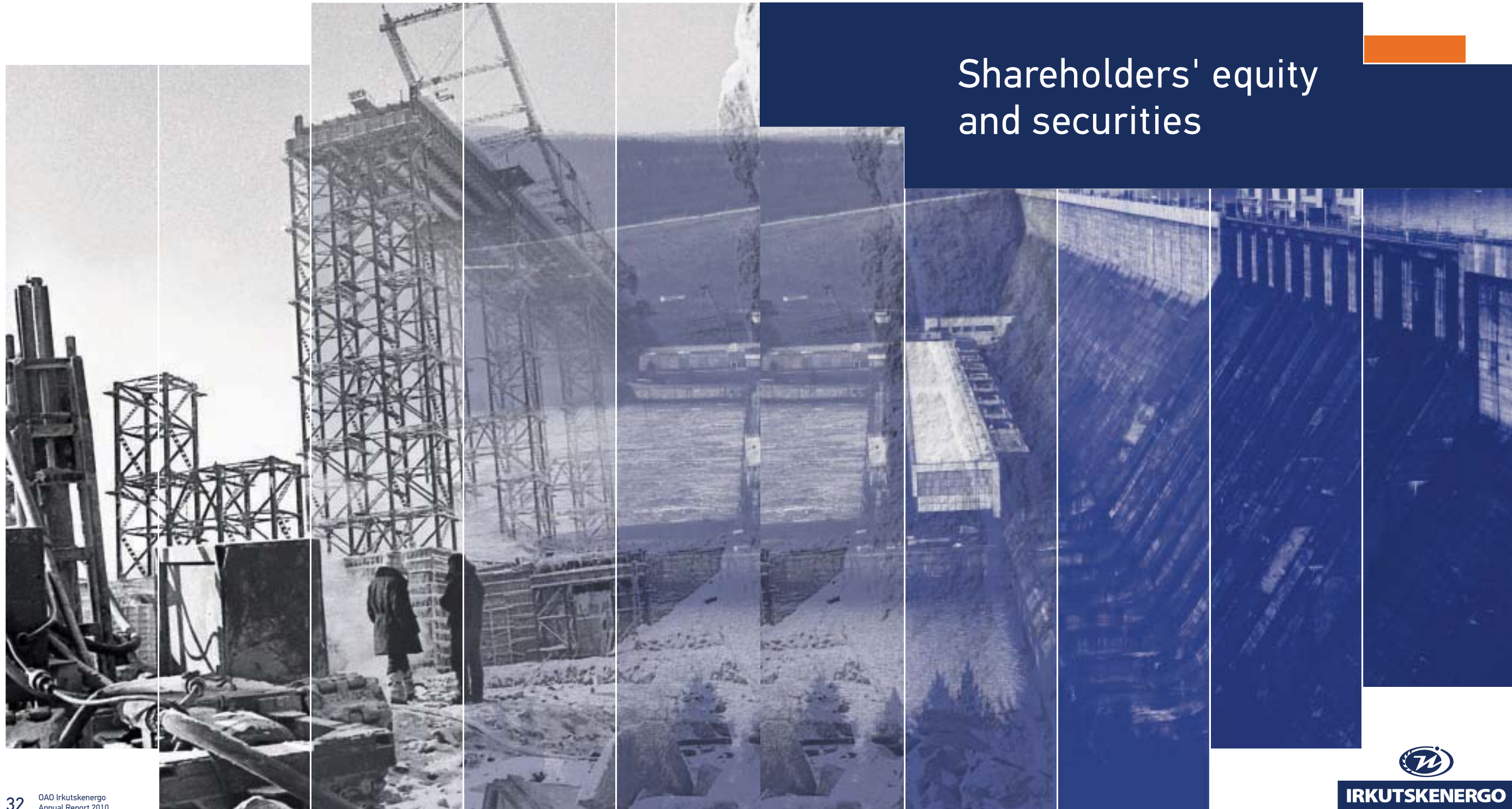
- Providing control over the economic activity of the Company;
- Increasing the efficiency of Company's budget process;
- Developing principles and criteria for remuneration of members of the Board of Directors and Chairman of the Board, members of the Management Board and Chairman of the Management Board, members of the Audit Committee;

### Payment of remuneration to members of the Company's bodies

According to the decision of the Board of Directors, members of the Management Board may receive remuneration and (or) expenses compensation for exercising functions of members of the Management Board.

Following the decision of the General meeting of shareholders, members of the Board of Directors may receive remuneration and (or) expenses compensation for exercising functions of members of the Board of Directors. Criteria for defining the amount of remuneration paid for the fiscal year are specified in the Statement on payment of remuneration to members of the Board of Directors of OAO Irkutskenergo.

Total amount of remuneration paid to all members of the Board of Directors of the Company for 2010 equaled RUR 5,463,313.



## Shareholders' equity and securities



# Information on securities issued by the Company

## Shares issue

Shares issue	Date of issue prospectus registration	Volume of issue (mln RUR)	Number of outstanding shares (items)	Type of shares
First issue	November 23, 1992	1.97	1,978,677	Ordinary, registered
Second issue	January 27, 1994	45.7	45,689,400	Ordinary, registered
Third issue	February 29, 1996	4,719.14	4,719,139,623	Ordinary, registered

### Important:

On June 17, 2003, following the decision of FCSM of the Russian Federation all three issues of shares were united in one with the total number of shares of 4,766,807,700.

The Company issued interest-bearing bonds in the amount of 5,000,000. Nominal value of 1 bond totals RUR 1,000. The bonds are outstanding at the MICEX stock exchange. In 2010, third and fourth coupons matured.

In 2010, the decision on issuing bonds of BO-01 and BO-02 series was made. The total volume of issues amounted to RUR 6 mln. BO-01 series bonds were issued on April 12, 2011; date for BO-02 series shares is not currently specified.

## Bond issues

State registration number of securities issue (identification number)	Date of issue prospectus registration	Volume of issue (mln RUR)	Number of bonds (items)	Type of bonds
4-01-00041-A	December 13, 2007	5,000	5,000,000	Documentary interest-bearing non-convertible bonds of series 01, payable on demand, with compulsory centralized storage
4B02-01-00041-A	November 23, 2010	3,000	3,000,000	Documentary interest-bearing non-convertible bonds of BO-01 series, payable on demand, with compulsory centralized storage
4B02-02-00041-A	November 23, 2010	3,000	3,000,000	Documentary interest-bearing non-convertible bonds of BO-02 series, payable on demand, with compulsory centralized storage

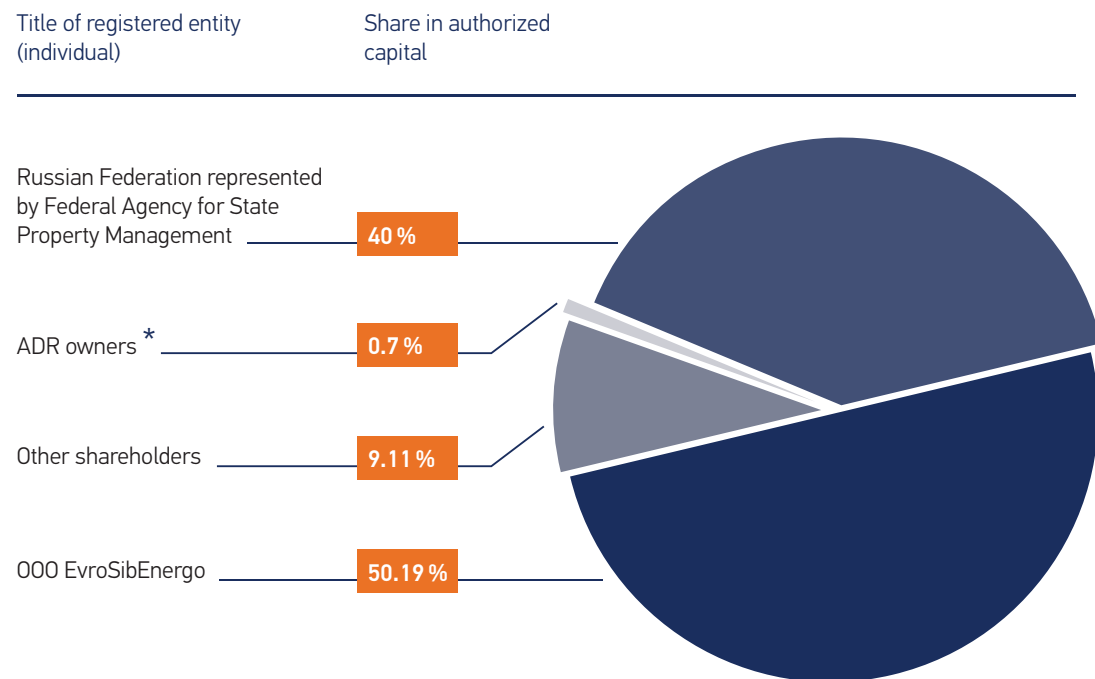


# Structure of shareholders' equity

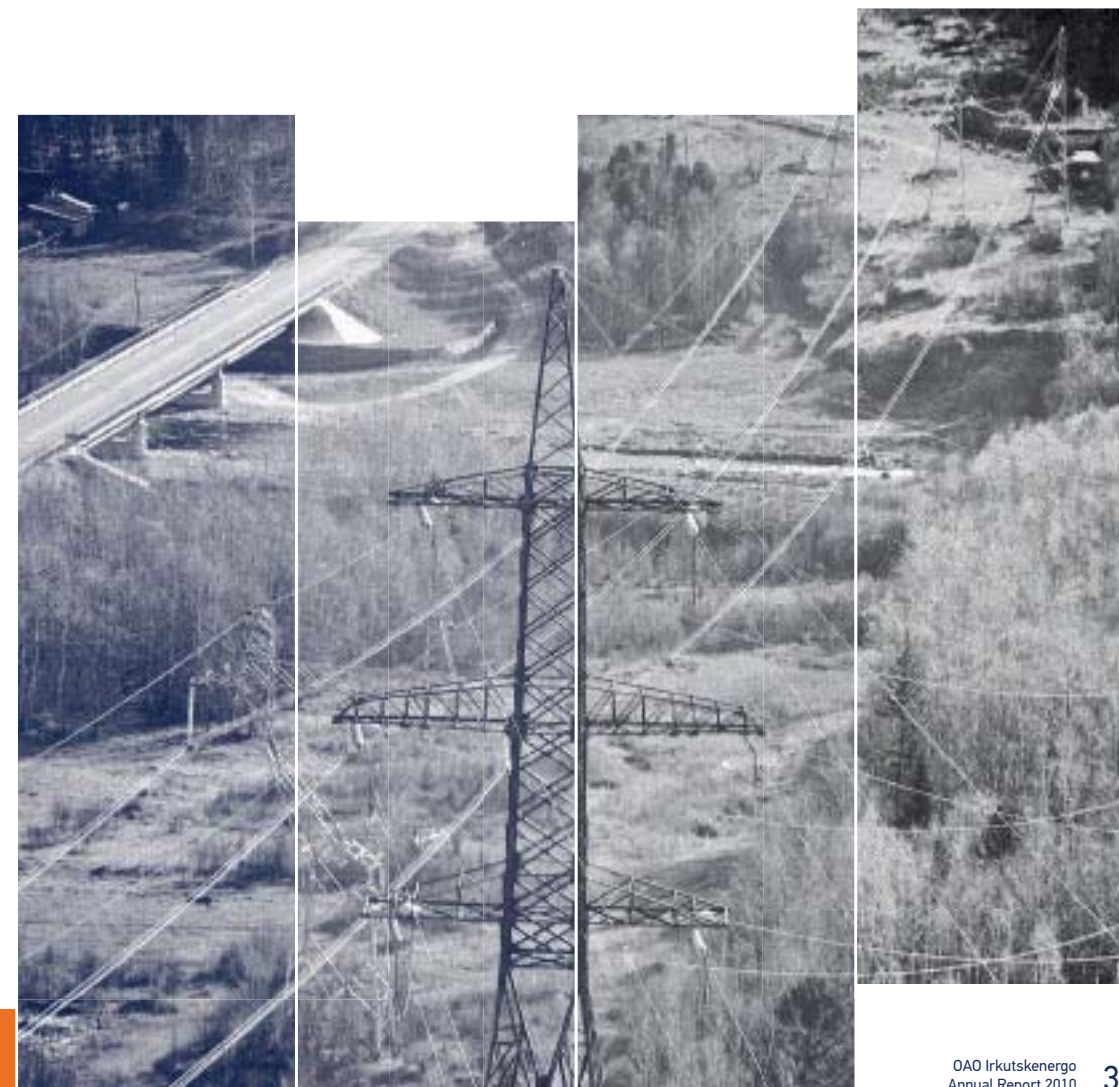
Shareholders' equity as of December 31, 2010 totaled RUR 4,766,807.7 thousand and was represented by 4,766,807,700 outstanding ordinary registered shares. Nominal value of one share equals RUR 1. The Company did not issue preference shares.

The Charter of OAO Irkutskenergo does not specify any special right of the Russian Federation to participate in the management of the Company (Golden Share).

As of December 31, 2010 the distribution of shares amongst Company's shareholders is as follows:



\* American depository receipts (ADR) which are outstanding at OTC of USA were issued for a part of OAO Irkutskenergo shares. One ADR equals 50 shares of OAO Irkutskenergo.



# Stock market and dividends

Shares of OAO Irkutskenergo are outstanding at the MICEX stock exchange and on the trading platform of RTS. At the beginning of 2010, OAO Irkutskenergo shares' quotations at MICEX equaled RUR 13.83, at the end of the year — RUR 25.90.

Period	RTS trading sessions volume (RUR, '000)	MICEX SE trading sessions volume (RUR '000)
Q1	34,457	461,295
Q2	12,614	361,982
Q3	17,933	534,723
Q4	13,886	557,972

Period	Number of issued shares	RTS trading sessions volume (items)	MICEX SE trading sessions volume (items)	Turnover
Q1	4,766,807,700	2,085,750	31,629,736	0,71%
Q2	4,766,807,700	710,627	19,820,625	0,43%
Q3	4,766,807,700	842,550	27,170,880	0,59%
Q4	4,766,807,700	136,100	21,375,137	0,45%

## Report on payment of declared dividend on OAO Irkutskenergo shares

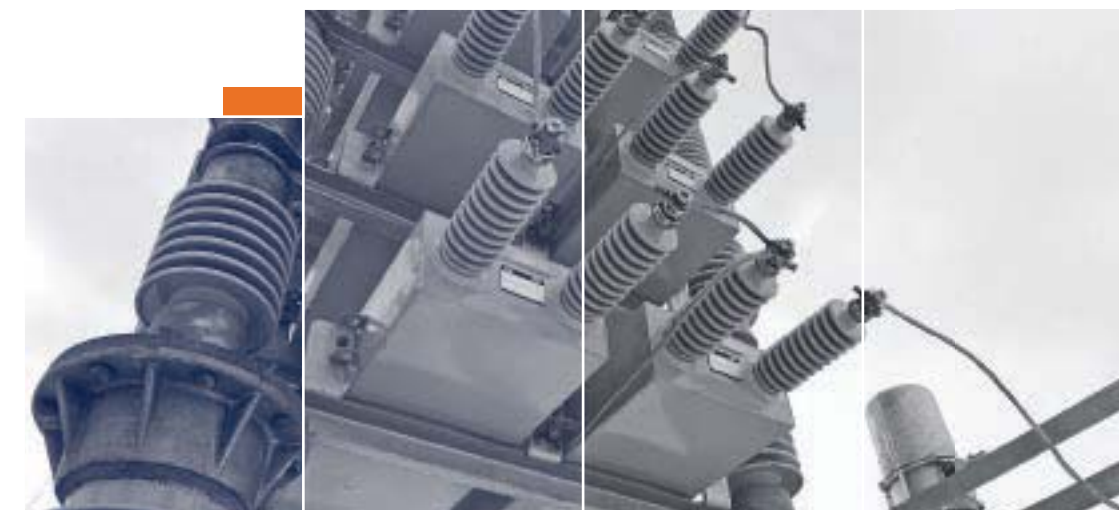
Payout period	Dividend size per share (RUR)	Payout information
2005	0.05057	Dividend is fully paid
2006	0.07517	Dividend is fully paid
2007	0.07522	Dividend is fully paid
2008 *	—	—
2009	0.19	Dividend is fully paid
2010 **	—	—

\* — following the decision of Annual General Meeting of Shareholders (June 19, 2009) the decision was made not to pay out the dividend on Company's shares for 2008.

\*\* — size of dividend for 2010 is not currently set.

Dividend was paid in terms specified by decisions of general meetings of shareholders and by the Charter of OAO Irkutskenergo.

Dividend policy of OAO Irkutskenergo is defined at the Annual General Meeting of Shareholders in compliance with recommendations of the Board of Directors of OAO Irkutskenergo.



# Markets and sales organization



# Structure of main product sales

In compliance with the current legislation, OAO Irkutskenergo performs the following activities: energy and capacity sales at wholesale and retail markets; heat energy sales at the regional market.

Sales of energy at the wholesale market were performed under the following mechanisms: sales at regulated tariffs based on regulated contracts; sales at non-regulated prices defined by the agreement of parties in non-regulated bilateral energy sales and purchase contracts; sales at non-regulated bilateral contracts for energy and capacity supply; sales at non-regulated prices defined by competitive selection of price bids of buyers and suppliers, performed 1 day before the beginning of supply — day-ahead market; sales at non-regulated prices defined by competitive selection of price bids performed no later than 1 hour before the supply — balancing market. Sales of electric energy from medium pressure plants were performed at the retail market by OOO Irkutskenergosbyt.

Sales of electric capacity at the wholesale market were performed with the use of the following mechanisms: capacity sales under competitive capacity selection; capacity sales under OTC non-regulated bilateral contracts for energy and capacity supply; capacity sale under market non-regulated bilateral contracts for energy and capacity supply; sales of HPP capacity under bilateral capacity contracts.

Main buyers under direct contracts are:

UC RUSAL,  
OOO Irkutskenergosbyt,  
OAO Krasnoyarskenergosbyt,  
OAO Buryatenergosbyt,  
OAO Rusenergosbyt,  
OAO Glavenergosbyt.

The market for heat energy sales of OAO Irkutskenergo includes the following cities: Irkutsk, Angarsk, Shelekhov, Usolie-Sibirskoe, Chermkhovo, Sayansk, Zima, Bratsk, Ust-Ilimsk, Zheleznogorsk and villages of these cities' and towns' areas. From September 2009 to October 2010, OAO Irkutskenergo sold heat energy in Baikalsk. Heat energy for consumers in these cities is produced at CHPP, boiler and electric boiler units, included in the branches of OAO Irkutskenergo. Minor volumes of heat energy are being purchased from other producers: in Irkutsk — from ZAO Baikalenergo; in Baikalsk — from OAO BCBK.

City forming industrial enterprises and housing and utilities companies (HUC) are the main consumers of heat energy.

Heat energy sales are currently monopolized and regulated.

Breakdown of major product sales, '000 RUR (VAT not included)

Type of product	Actual value 2009	Actual value 2010	Deviation from 2009 value
Electric energy	17,749,111	26,491,366	49.3%
Electric capacity	9,964,614	12,931,045	29.8%
Heat energy	9,701,762	11,451,323	18.0%
Chemically purified water, charging	886,806	970,052	9.4%
<b>Total</b>	<b>38,302,293</b>	<b>51,843,786</b>	<b>35.4%</b>

Growth in charges for heat energy in 2010 as compared to 2009 totaled 18%, for heat carriers (chemically purified and charging water) — 9.4%. In general, the increase in charges for heat totaled 17.3% which is RUR 1,833 mln more than in 2009 and it was possible due to two factors: increase in tariffs by RUR 1,677 mln (15.7%); increase in heat consumption by RUR 156 mln (1.5%).

Increase in revenue from energy and capacity sales by 42.2% in comparison to 2009 was caused by growth in supply volumes at non-regulated (higher) prices and sales of significant volumes under direct contracts.



# Heat energy sales

In 2010, the productive supply of heat energy was 1.2% higher than the heat consumption in 2009. Fall in heat consumption in Usolie-Sibirskoe can be explained by decrease in heat supply to OOO Usoliehimprom; in Baikalsk growth year on year is explained by heat supply since September 2009.

## Supply volume of heat energy in region's cities, '000 HCal

City (town)	Actual value 2009	Actual value 2010	Deviation from 2009 value	Share in the total volume
Shelekhov	755.729	694.779	-8.1%	3.0%
Irkutsk	4,556.564	4,782.390	5.0%	20.8%
Angarsk	6,402.638	6,455.074	0.8%	28.1%
Usolie-Sibirskoe	2,010.834	1,840.344	-8.5%	8.0%
Bratsk	4,855.868	4,986.375	2.7%	21.7%
Zheleznogorsk	484.513	506.372	4.5%	2.2%
Sayansk, Zima	1,598.214	1,565.218	-2.1%	6.8%
Cheremkhovo	318.313	317.240	-0.3%	1.4%
Ust-Ilimsk	1,676.845	1,695.814	1.1%	7.4%
Baikalsk	78.237	159.764	104.2%	0.7%
<b>Total</b>	<b>22,737.755</b>	<b>23 003.371</b>	<b>1.2%</b>	<b>100.0%</b>

## Breakdown of consumption of heat produced by OAO Irkutskenergo in volume terms by consumer groups

Index	Actual value 2009		Actual value 2010		Deviation from 2009 value
	Productive supply, HCal	Share	Productive supply, HCal	Share	
TOTAL, including:	22,737,755		23,003,371		1.2%
Industrial companies	8,160,049	35.9%	8,292,401	36.0%	1.6%
WBR of heat energy	1,016,302	4.5%	846,040	3.7%	-16.8%
Utilities (heat)	9,084,257	40.0%	9,278,140	40.3%	2.1%
Average consumers	578,537	2.5%	565,560	2.5%	-2.2%
Other	3,898,610	17.1%	4,021,230	17.5%	3.1%

Fall in heat consumption by wholesale buyers-resellers (WBR) was due to transferring customers to direct payment to OAO Irkutskenergo since January 1, 2010 (decreased by volume of heat energy loss).

Growth in heat consumption by HUC and Other consumers is explained by lower outside temperatures in winter 2010 as compared to calculated average multiannual (-3°C).



## Financial plan for charging and payment for heat energy

	Unit	Actual value 2009	Actual value 2010
Debt at the beginning of period	'000 RUR (VAT included)	1,585,320	1,515,631
Charged	'000 RUR (VAT included)	12,494,559	14,657,223
Paid	'000 RUR (VAT included)	12,149,013	14,192,244
Payment percentage	%	97.2%	96.8%
Mark off	'000 RUR (VAT included)	415,234	5,442
Payment percentage incl. mark off	%	100.6%	96.9%
Debt at the end of period	'000 RUR (VAT included)	1,515,631	1,975,168
Change of debt	'000 RUR (VAT included)	-69,689	459,537

Payment percentage not including accounts receivable mark off totaled 96.8% in 2010. Fall in payment percentage in 2010 year on year can be explained by the following reasons:

- Increase in advance payments at the beginning of the year;
- Transferring such companies as Ilim Group (Bratsk), Ilim Group (Ust-Ilimsk), Korshunovsky MPC in the 85% volume from current consumption plan in accordance with Order No. 816 as of October 17, 2009 of the Government of Russian Federation;
- Underpayment of OOO Usoliehimprom.



# Energy sales at wholesale energy market (WEM)

## Financial plan of charging and payment for energy

	Unit	Actual value 2009	Actual value 2010
Accounts receivable at the beginning of period (w/out advance payments)	'000 RUR (VAT included)	2,166,986	1,838,810
Charged	'000 RUR (VAT included)	32,702,196	46,457,821
Paid	'000 RUR	33,030,372	46,874,823
Payment percentage	%	101%	101%
Mark off	'000 RUR (VAT included)	0	0
Payment percentage incl. mark off	%	101%	101%
Accounts receivable at the end of period (w/out advance payments)	'000 RUR (VAT included)	1,838,810	1,421,808
Change in accounts receivable	'000 RUR (VAT included)	-328,176	-417,002

Actual level of energy resources payments in 2010 totaled 101%. High payment level is explained by repayment of counteragents' debts, which occurred in 2009.



The reasons to increase energy and capacity sales are as follows: increase in sales volumes of energy and capacity, as well as selling significant volumes at market (higher) prices at WAM, BM, under market and OTC NRBCs.

## Product sales at wholesale energy market

	Actual value 2009				Actual value 2010			
	Volume (mln kWh, MW)	Tariff, RUR/MWh ('000 RUR/MW)	Charges net of VAT ('000 RUR)	Share in the total product supply volume	Volume (mln kWh, MW)	Tariff, RUR/MWh ('000 RUR/MW)	Charges net of VAT ('000 RUR)	Share in the total product supply volume
<b>Total sales at WEM</b>			<b>27,713,725</b>	<b>100%</b>			<b>39,371,035</b>	<b>100%</b>
<b>Earnings from energy sales</b>	<b>76,991</b>	<b>230.5</b>	<b>17,749,111</b>	<b>64%</b>	<b>85,929</b>	<b>307.7</b>	<b>26,439,990</b>	<b>67%</b>
RC	36,353	79.8	2,902,289	10%	21,371	93.6	1,999,544	5%
NRBC OTC	0	458.9	0	0%	17,276	239.5	4,138,390	11%
NRBC market	739	416.6	307,719	1%	864	530.8	458,480	1%
NRBESPC	9,266	321.9	2,982,837	11%	2,173	480.7	1,044,557	3%
DAM	29,072	377.0	10,959,337	40%	42,157	423.6	17,857,517	45%
BM	1,560	382.5	596,929	2%	2,088	450.9	941,502	2%
<b>Earnings from capacity sales</b>	<b>148,389</b>	<b>67.2</b>	<b>9,964,614</b>	<b>36%</b>	<b>150,691</b>	<b>85.8</b>	<b>12,931,045</b>	<b>33%</b>
RC	95,805	49.7	4,765,640	17%	55,701	47.6	2,649,560	7%
NRBC OTC	38,431	101.2	3,889,644	14%	75,276	101.4	7,636,677	19%
NRBC market	8,056	123.8	997,590	4%	16,359	149.7	2,449,758	6%
BCC, CFR	6,096	51.1	311,740	1%	3,355	58.1	195,050	0%
<b>Energy and capacity purchased at WEM</b>			<b>7,589,479</b>				<b>10,928,488</b>	
Electric energy	22,712	332.1	7,543,633		27,271	398.2	10,859,998	
Capacity	339	135.3	45,846		352	194.6	68,490	
Payment for OAO SO UES services			1,038,890				993,042	
<b>Payment for infrastructure organizations' services</b>								
Payment for ZAO CFR services			8,951				10,862	
Payment for OAO ATS services			33,145				36,461	
Fees of ZAO CFR for selling energy to WEM, exchange services			1,777				2,915	

# Tariff policy

In compliance with the procedure of tariff approval for 2011, work with Federal Tariff Service of Russia was conducted in 2010 in order to set maximum tariff levels for electric and heat energy at the territory of the Irkutsk region.

By Order No. 245-e/3 of FTS of Russia as of October 7, 2010 maximum tariff levels for electric energy were set: minimum tariff equals RUR 0.68 per kWh, which is 9.7% higher than the set level of 2010; and maximum — RUR 0.69 per kWh with 11.3% growth.

By Order No. 243-e/1 of FTS of Russia as of October 7, 2010 maximum tariff levels for heat energy, produced by CHPPs working in combined production of electric and heat energy mode for the Irkutsk region in 2011 were set as presented:

## Maximum tariffs on heat energy

Index	Unit	2011, minimum	2011, maximum
Tariff for heat energy produced in combined production mode of CHPPs	RUR/HCal	315.90	347.97
Tariff growth to agreed level of 2010	%	108.7	119.8

In compliance with paragraph 50 of Regulations of wholesale electric energy (capacity) market of transition period as of October 24, 2003 No. 643, starting January 1, 2011 electric energy should be supplied at free (non-regulated) prices in full volume (not including energy for supply to the households (not including energy for supply to the households)). Only the volumes of energy (capacity) for its consumption by households and (or) categories equated to them will be supplied at regulated prices.

In this connection, OAO Irkutskenergo presented to FTS their own suggestions on setting regulated tariffs for selling energy and capacity at the wholesale market at 2011, calculated by the price indexation formula as of December 5, 2006 No. 348-e/12.

By Order No. 498-e/3 as of December 30, 2010 FTS approved the tariffs for energy (capacity) generation at OAO Irkutskenergo plant for 2011. Average one-rate regulated generation tariff increased in 2011 by 15% and totaled RUR 252.16 per MWh (average weighted price for energy — RUR 120.24 MWh (37.6%); average weighted rate for capacity — RUR 57,400.93 per MWh/month (12.8%).

In compliance with Regulation of the Government of Russia No. 89 as of February 24, 2010 "On specific issues of organization of long-term power outlet at the competitive basis in the wholesale energy (capacity) market", the issues of organization and operating of new capacity market model have been defined. Payment for capacities of active power plants will be performed following the results of competitive capacity selection. In accordance with this and under paragraphs 86.33 and 86.47 of Regulations of wholesale energy (capacity) market of transition period No. 643 as of October 24, 2003, the calculation of prices for energy and capacity for OAO Irkutskenergo power plants supplying capacity and power in forced mode as well as of prices of capacity for generating facilities, to which the highest prices are set in price bids for 2011, has been performed.

By Order No. 300-e/5 as of December 7, 2010, FTS approved the prices for 2011 for capacity and energy produced with participation of generating facility, supplying capacity and energy in forced mode.

Based on Regulations of the Government No. 929 as of November 14, 2009 "On the procedure of performing state regulation in power industry, conditions of its performing and termination...", tariffs for energy (capacity) supply to the 2010-2011 wholesale market applicable under introduction of state tariffs regulation were calculated. By Order of FTS No. 214-e/1 as of August 31, 2010 the above mentioned tariffs for the period since September to December 2010 were approved; by Order No. 658-e as of December 21, 2010 — tariffs for 2011.



Indicative price for energy purchase at Irkutsk region WEM for 2011 was set by Order of FTS No. 503-e/8 as of December 30, 2010 at the following level: rate for energy — RUR 115.49 per MWh (0.1% growth); rate for capacity — RUR 57,007.61 MWh/month (18.6% decrease). In 2011, average purchase price for guaranteeing supplier of OOO Irkutskenergosbyt, equals RUR 266.84 per MWh.

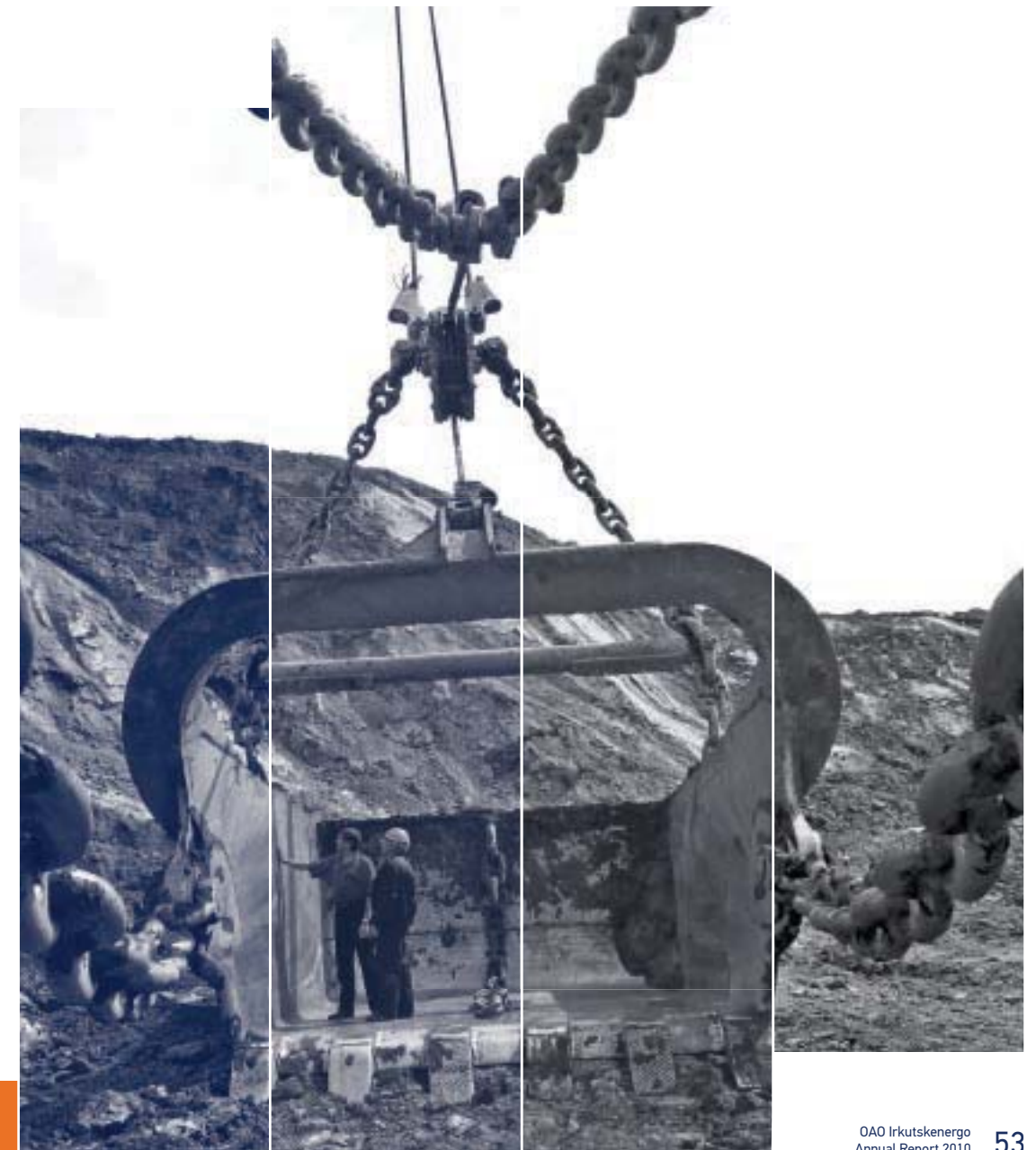
Tariffs for heat energy for the Irkutsk region consumers were based on the works on 2011 tariffs calculation for the Irkutsk region households on the grounds of calculating and justifying materials presented by organization units in compliance with the Recommended practice, approved by Order of FTS No. 20-e/2 as of July 6, 2004. Justified tariff offers were sent to the Tariff Service of the Irkutsk region.

By Order No. 218-spr as of December 28, 2010 TS of the Irkutsk region approved the tariffs for heat energy supplied to the Irkutsk region consumers.

### Tariffs for heat energy, supplied to customers

	Unit	2010	2011	Growth to 2010
1. Budget consumers	RUR/HCal	472.51	518.92	109.8%
Hot water	RUR/HCal	472.51	518.92	109.8%
2. Housing organizations	RUR/HCal	472.51	518.92	109.8%
3. Other consumers:				
Hot water	RUR/HCal	472.51	518.92	109.8%
Steam:				
— from 2.5 to 7.0 kg/cm <sup>2</sup>	RUR/HCal	540.26	610.50	113.0%
— from 7.0 to 13.0 kg/cm <sup>2</sup>	RUR/HCal	551.35	623.02	113.0%
— over 13.0 kg/cm <sup>2</sup>	RUR/HCal	570.84	645.05	113.0%
4. Average tariff	RUR/HCal	496.01	553.24	111.5%

Average supplying tariff for heat energy supplied by OAO Irkutskenergo to the customers was approved by the TS of Irkutsk region at the level of RUR 553.24 per HCal, which is 11.5% higher year on year.





# Production

# Information on production capacity

## Information on production capacity

	Installed capacity				Available capacity		Operating capacity	
	Actual 2009		Actual 2010		Actual 2009	Actual 2010	Actual 2009	Actual 2010
	MW	HCal/h	MW	HCal/h				
OAo Irkutskenergo	12879.9	13357.5	12874.75	13260.0	12130.22	12148.52	10136.18	10072.89
Including HPP	9002.4		9002.40		8682.65	8758.10	7453.94	7400.83
CHPP + district boiler (DB)	3877.5	13357.5	3872.35		3447.57	3390.42	2682.24	2672.06

Average annual installed capacity of CHPPs in 2010 reduced by 5.15 MW due to taking out of operation of NZ CHPP (11.7 MW since August 1, 2010) and turbine unit OK-35 st.no.3 of the CHPP-12 (Irkutsk) (1.5 MW since November 1, 2010). Average annual installed capacity at Angara cascade HPPs did not change within the reporting period.

In 2010, increase in available capacity of HPPs by 75.45 MW occurred due to the reduction in limitations with the increase in BHPP flow. Average available capacity of CHPPs reduced by 57.15 MW as compared to the actual value of 2009 due to increase in limitations by 52 MW (lack of heat load at R-type turbines at CHPP-9 and CHPP-11, as well as lack of cooling towers at N-I CHPP project) and decrease in average annual installed capacity by 5.15 MW.

Average annual operating capacity of HPPs was reduced by 53.11 MW due to increase in repair capacity. Average annual operating capacity of CHPPs in 2010 was reduced by 10.18 MW due to the growth of limitations, mostly lack of heat load at R-type turbines at CHPP-9 and CHPP-11, as well as lack of cooling towers at N-I CHPP project.



## Number of boiler and turbine units

Index	Boiler units			Turbine (boiler) units	
	Quality (items) (energy/water-heating)	Productivity (ton/h, HCal/h)		Number (items)	Capacity (MW)
		Energy	Water-heating		
Total for CHPP	111 / 0	28405 / 17660.2	- / 0	59	3864.3
Total for DB	10 / 11	280 / 182.8	- / 514.3	-	-
Total for CHPP+DB	121 / 11	28685 / 17843.0	- / 514.3	59	3864.3
Total for HPP	-	-	-	42	9002.4
Total for OAO Irkutskenergo	121 / 11	28685 / 17843.0	- / 514.3	101	12866.7

### Capacities put into operation in 2010:

- Block-modular gas-based boiler of heat sources and heating networks of Padunsky area of OAO Irkutskenergo branch, CHPP-6 (since July 7, 2010; 4.3 HCal/h; 2 boiler units).

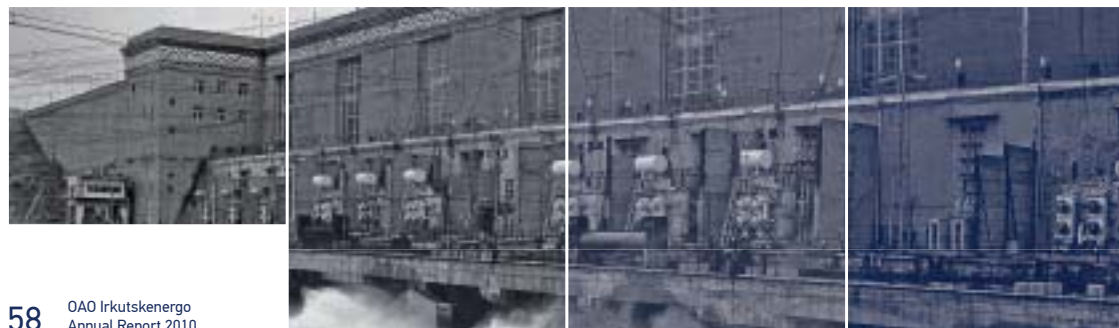
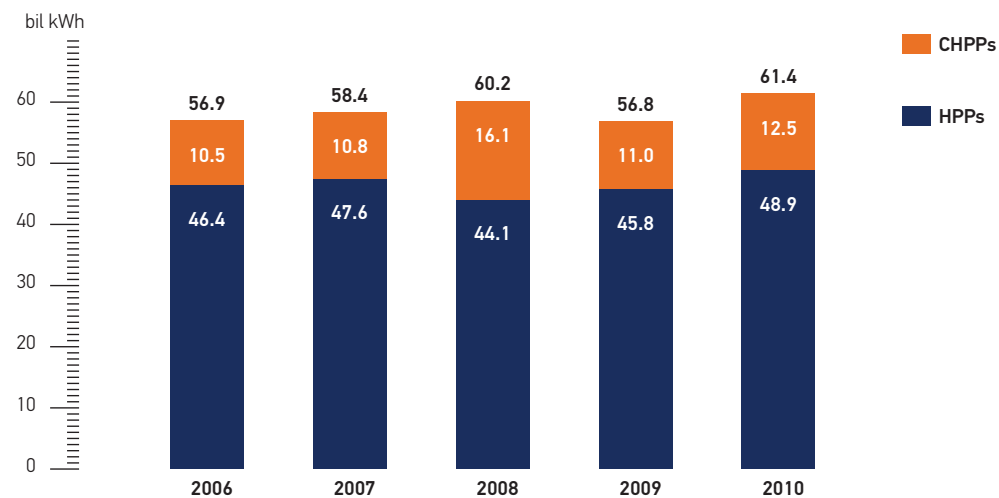
### Capacities put out of operation in 2010:

- TU-3 of CHPP-12 (since November 11, 2010; 1.5 MW) due to technical modernization;
- SU of N-Z CHPP (since August 1, 2010; 11.7 MW; 5 boiler units, 1 turbine unit) due to finishing of steam consumption by Zimunsky hydrolysis plant and passing of heat load of hot water supply to N-Z CHPP.

# Energy production

In 2010, the Company reached the highest production volumes for 5 years and exceeded the pre-crisis production level.

## Energy production for 5 years



## Main operating indices, energy, mln kWh

Indices	Actual value 2009	Actual value 2010	Deviation from 2009 value
Energy production, total	56,797.8	61,420.4	4,622.7
including HPP	45,767.6	48,920.3	3,152.7
including CHPP	11,030.2	12,500.1	1,469.9
Electric energy consumption for own needs	1,850.5	1,995.2	144.6
Supply from buses	54,947.2	59,425.2	4,478.0
including HPP	45,734.6	48,884.3	3,149.7
including CHPP	9,212.6	10,541.0	1,328.3
Energy consumption for production needs	37.3	35.0	-2.3
Energy consumption for economic needs	37.1	38.2	1.1
Losses in plant-adjacent network	533.4	539.1	5.8
Productive supply of energy, total	54,339.4	58,812.9	4,473.5

Main reason of increase in energy production is increase in energy consumption. Heating production grew due to the increase in heat supply to the consumers. Significant increase in condensation cycle production took place because of the current market situation.

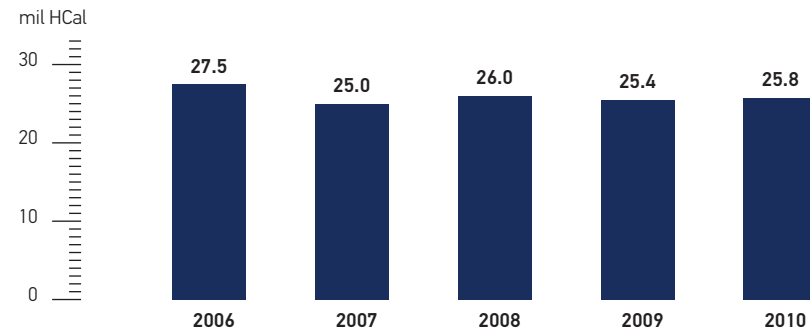
Production of HPPs was performed in compliance with UDCC of Siberia in order to cover the balance of Siberian UES by the reserves of water resources taking into account the accepted releases of EBWD.

Reserves of water resources as of January 1, 2011 are lower than reserves of 2010 by 0.972 bln kWh. During the reporting period normal navigation expenses were provided at

Irkutskaya HPP (1,400 — 2,400 m<sup>3</sup>/sec),  
Ust-Ilimskaya HPP (2,786 — 3,920 m<sup>3</sup>/sec),  
Bratskaya HPP (1,543 — 4,022 m<sup>3</sup>/sec).

Losses in plant-adjacent network for the reporting period grew year-on-year by 1.1% due to the increase in energy production at CHPPs and HPPs for the above mentioned reasons.

## Heat energy production for 5 years



## Main operating indices, heat energy, '000 HCal

Indices	Actual value 2009	Actual value 2010	Deviation from 2009 value
Heat energy supply from reservoirs	25,426.3	25,768.0	341.7
Purchased heat energy	381.1	489.7	108.6
Losses in heating networks	2,892.2	3,069.8	177.6
Heat energy consumption for economic purposes	177.5	184.5	7.0
Productive supply of heat energy	22,737.8	23,003.4	265.6

Growth in heat energy production volumes is driven by:

- Increase in heating load upon falling of outside temperature;
- Increase in the length of heating period;
- Increase in industrial steam load for the purposes of industrial companies of the region.

Heat losses increased by 221.0 thousand HCal due to the transfer of heating networks to municipal unitary companies STP and STS.

Productive supply of heat increased year-on-year by 265.6 thousand HCal (+1.2%). The main reason of it is in growth of heat consumption by large industrial consumers (Ilim Group (Bratsk), OAO Sayanskhimplast) and HUC due to low outside temperatures.

## Specific consumption

Indices	Unit	Actual value 2009	Actual value 2010	Deviation from 2009
Consumption of oil equivalent for electric energy production	'000 t.o.e.	2974.239	3470.768	496.529
Specific consumption of oil equivalent	kg/kWh	322.84	329.26	6.42
Consumption of oil equivalent for heat energy production	'000 t.o.e.	3506.361	3583.68	77.319
Specific consumption of oil equivalent	kg/HCal	140.72	141.71	0.99
Fuel equivalent consumption, total	'000 t.o.e.	6480.6	7054.448	573.848

In comparison with the actual value of 2009, specific consumption of oil equivalent decreased due to the following reasons:

- 47% growth of turbine units' condensation load;
- 8% decrease in heating cycle production;
- 8% decrease in production share of high pressure CHPP;
- summer mode of priority HPP load in comparison to CHPP led to increase in supply of heat energy produced by pressure-reducing and desuperheating stations by 6%.



# Production efficiency improvement program

In 2010, work on cost reduction and receiving added profit under Production efficiency improvement program (PEIP) in the situation of financial crisis consequences and reduction in financing for implementation of new investment projects (in 2009, PEIP financing totaled RUR 36 mln, which amounts to 25% of the financing level in 2008).

## Production efficiency improvement program of OAO Irkutskenergo in 2010, '000 RUR

Areas	Saving	Expenditures
Reduction in operating costs	2,484.9	8,923.0
Increasing efficiency of equipment functioning	93,521.5	82,121.0
Optimization of centralized heat supply systems' functioning	52,097.7	1,455.0
Cost reduction (receiving additional revenue) at HPPs	149,567.7	
Receiving additional revenue at capacity market	33,091.9	
Implementation of activities under TMO program	121,195.7	5,665.8
Reduction in environmental payments	18,047.1	7,042.0
<b>Total</b>	<b>470,006.5</b>	<b>105,206.8</b>

In 2010, PEIP was performed in the following areas:

1. **Reduction in operating costs** is provided by optimization of technological processes of the active equipment and technological schemes, which decreases operating costs (materials, spare parts, chemicals etc.).
2. **Increasing efficiency of equipment functioning** — decreased fuel consumption is provided by technological activities aimed towards efficiency increase (increasing energy conversion efficiency (ECE) of power plants, optimization of equipment and technological plans operating mode, maximum use of equipment and plans with better economic characteristics).
3. **Optimization of HPPs hydraulic units load** — decreasing specific consumption of water for energy production by optimum load of equipment and producing more power with same water consumption. Additional energy is sold at DAM and BM.
4. **Optimization of centralized heat supply systems' functioning** is reached by decreasing heat losses in heating networks.
5. **Implementation of activities under TMO program** — workers and middle management work on the program and are united by TMO project (initiative from workers), target of which is its increase in all operating areas.
6. **Reduction in environmental payments** is reached by adjustment of maximum allowed ration of pollution emissions at CHPP-11, CHPP-16, TI and TS BHP and optimization of underground water monitoring in the affected area of CHPP facilities.
7. **Receiving additional revenue at the capacity market** is reached due to the optimization works on minimizing of punitive damages by increasing repair volumes of main and service generating equipment at CHPPs and HPPs which are entities of wholesale energy (capacity) market.

Activities with total investment volume of up to RUR 50 mln and discounted payback period of up to 7.2 years are included in PEIP.

## Volume of each type of energy resources used by the Company in the fiscal year

Type of energy resource	Volume	In monetary terms, '000 RUR
Purchased electric energy (for own consumption), mln kWh	884.6	982,589
Gasoline, '000 tons	299.6	6,621
Diesel fuel, '000 tons	3,439.9	64,402
Residual oil, '000 t.o.e.	13.0	87,462
Gas, '000 t.o.e.	3.348	3,837
Coal, '000 t.o.e.	7,038.1	8,573,410

# Procurement



# Materials and spare parts

## Materials and spare parts, '000 RUR (VAT not included)

Indices	Stock reserve at the beginning of period	M&E supply	M&E mark off				Stock reserve at the end of period	Change in stock reserve
			Total	Into production	External sales	Other disposal		
Total	711,210	1,751,464	1,835,457	1,782,092	44,801	8,564	627,217	-83,993
Materials for repairs	199,393	1,056,230	1,049,254	1,020,113	27,994	1,147	206,370	6,976
Materials for operation	34,650	375,016	362,021	342,148	15,417	4,455	47,645	12,996
including F&L (operation)	0	66,889	66,889	66,889	0	0	0	0
Materials for investment activities	477,167	320,217	424,183	419,831	1,390	2,962	373,201	-103,966



Stock reserve as of December 31, 2010 totaled RUR 627.22 mln. The decrease in stock reserve equaled RUR 84 mln due to mark off of materials at Maliy Yug facility (RUR 142 mln).

At the beginning of 2010, debt balance totaled RUR 99.1 mln; as of December 31, 2010 — RUR 322.85 mln.

In 2010, growth of accounts payable to OOO TD IETrade for materials and spare parts amounted to RUR 195 mln.

As of December 31, 2010 accounts receivable equal RUR 3.6 mln, which is down payment for equipment under contractor agreement with OOO IC Irkutskenergo by high-voltage power lines plan for 2011.

In 2010, the Company also performed works on improvement of tender procedure (increasing their openness), optimization of business process of purchasing (including the implementation of STS on selection of suppliers and services), which means implementation of new supplier selection procedures with the use of b2b trading platform. These activities contribute into the growth of the number of suppliers and increase in trading and purchasing activities quality.



# Fuel

Due to the changes in production plan and production and technical indices of electric and heat energy supply, fuel consumption increased by 356.4 thousand tons of oil equivalent (plan — 6,698.0; actual — 7,054.4 thousand tons of oil equivalent).

## Reserves and consumption of fuel in monetary terms

	Reserves ('000, t.o.e.)				Fuel consumption in 2010			
	December 31, 2009		December 31, 2010		'000 t.o.e.			Completion %
	Planned	Actual	Planned	Actual	Planned	Actual	+ to the plan	
Fuel, total					6,698.0	7,054.4	356.4	105.3
Including coal:	2,253.2	2,252.7	1,764.9	2,452.4	6,685.4	7,038.1	352.7	105.3
Cheremkovsky	290.2	306.1	111.8	237.6	784.0	871.7	87.6	111.2
Azeysky	497.7	254.4	128.3	239.5	616.0	744.3	128.4	120.8
Mugunsky	486.2	712.6	768.3	1 021.7	3,037.5	2,922.1	-115.3	96.2
Borodinsky	582.6	392.1	153.3	113.7	742.3	919.1	176.8	123.8
Pereyaslovsky		22.5				13.6	13.6	
Irbeisky	46.1	235.8	499.5	612.2	939.7	800.2	-139.4	85.2
Zheronsky	238.5	276.8	91.6	144.9	464.7	466.0	1.3	100.3
Golovinsky	111.9	52.5	12.1	82.9	101.3	274.8	173.6	271.3
Kansky		0.0				26.2	26.2	
Residual oil, total	5.1	5.3	5.4	5.1	12.6	13.0	0.4	103.2
Gas, total					3.348	3.3		

According to the plan, coal suppliers were to provide 11,546.0 thousand t.o.e. of coal, whereas in fact OAO Irkutskenergo CHPPs received 12,058.6 thousand t.o.e.

Increase in the volume of coal supplied to CHPPs of OAO Irkutskenergo as compared to the planned volume by 512.6 thousand tons is provided for by increase in demand for coal (for production of electric and heat energy).

The total reserves of coal as of January 1, 2011 are higher than planned by 687.5 thousand tons (plan — 1,764.9 thousand tons, actual — 2,452.4 thousand tons).

The increase is caused by:

- Supporting of coal reserves as of January 1, 2011 in compliance with the standards;
- Completing production plans for holding's mines;
- Completing the turnover of car fleet (property of the holding).



## Coal suppliers

In 2010, the coal was supplied mainly by:

ОАО SUEK, supplier of Borodinsky coal.

ООО Vostsibuglesbyt, supplier of coals from Azeysky, Mugunsky, Cheremkhovskiy, Golovinskiy, Irbeysky and Zheronsky mines.

In 2010, ООО Kompaniya Vostsibugol took on responsibility for coal transportation to ОАО Irkutskenergo CHPP for which implied purchasing proper car fleet to stably provide coal for ОАО Irkutskenergo CHPPs.

In 2010, ОАО Irkutskenergo continued implementation of the project on improving fuel balance and supply aimed at:

- Creating fuel supply at CHPP storages, sufficient for getting into the wholesale market of energy and capacity;
- Reducing the costs for fuel transportation to CHPP (negotiating with carriers (owners of carriages) on reducing tariff rates);
- Providing stable coal supply to CHPPs from own mines.

## Owners of carriages

During 2010, coal suppliers transported the coal to ОАО Irkutskenergo CHPPs in their own or leased carriages, negotiating with their owners by themselves.

In 2010, to improve the performance of the joint company of energy and coal, operating of CHPPs and surface coal mines for making coal reserves was optimized. After the joint company of energy and coal had been created and its proper car fleet had been purchased, fuel supply strategy was based on stable operating of own coal mining, avoiding downtime of the car fleet during the whole year. To implement this strategy, the whole area of CHPP coal storages is used within summer period: fuel reserves sufficient for stable operating within autumn and winter maximum load are created. These changes also affected the increase in fuel supply as of the end of the year compared to the plan.

In 2010, outsources coal consumption reduced due to increasing share of coal supplied from the Company's own coal mining (outsourced coal was not supplied since September 1, 2010). In 2010, creating of the joint company of energy and coal along with implementation of the strategy on replacing outsourced coal aiming at reducing costs for fuel thus enabled both to increase the share of the own coal in fuel balance structure by 3% (from 85 to 88%) year-on-year, and to yield joint effects from fuel supplies. The share of own coals is planned to be increased to 99% in 2011.



# Services

In 2010, services costs increased mainly due to:

- Increase in the tariff for purchased energy;
- Implementation of works excluded from the plan of 2009 under carrying out of anti-crisis measures.

## Services, RUR '000

Index	2009	2010	Difference YOY
Water	502,772	573,169	14.00 %
Outsourced energy	23,062	13,265	-42.48 %
Purchased heat energy	366,399	420,619	14.80 %
Electrical energy purchased from IESbK	625,641	960,393	53.51 %
Services on energy delivery to IESK	189,299	22,324	-88.21 %
Other services	1,444,094	1,991,905	37.93 %
<b>TOTAL</b>	<b>3,151,267</b>	<b>3,981,675</b>	<b>26.35 %</b>

A new budgeting scheme was implemented to encourage the branches to improve the efficiency of resource planning and optimize service costs.

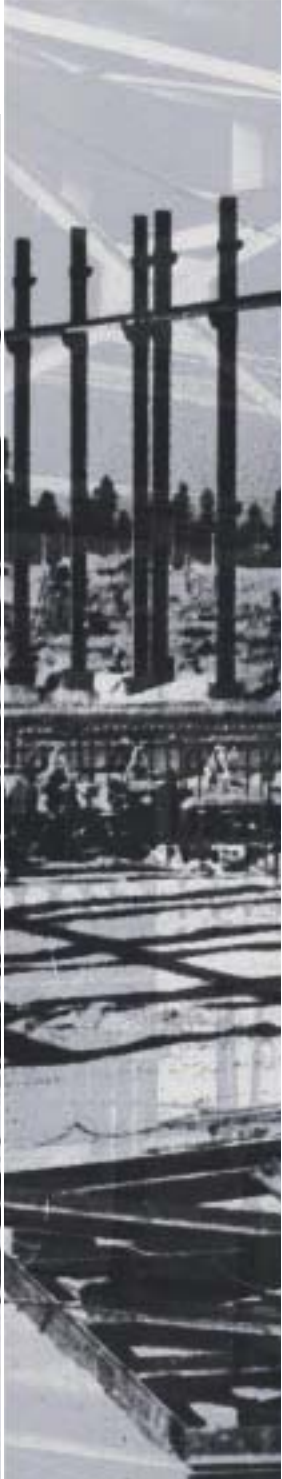
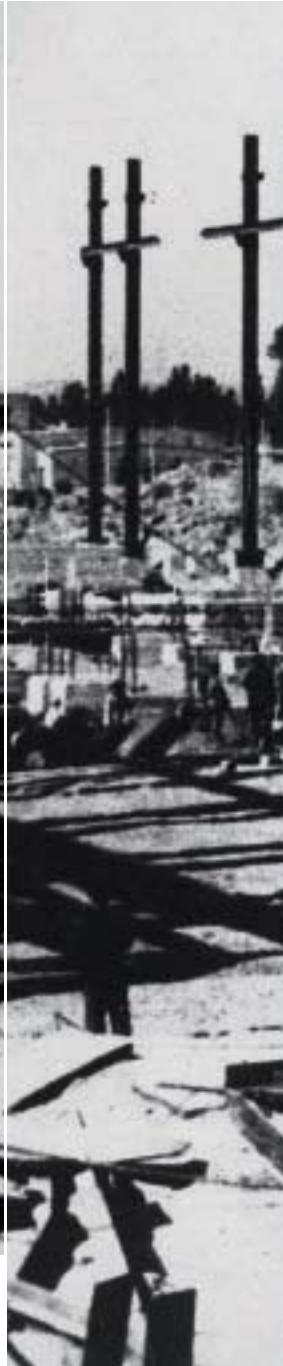
The main benefits of this scheme are:

- Improving the budget planning of the Central Federal District and control over the implementation;
- Avoiding resource expenses for performing secondary works;
- Transparency of economy in order to stimulate it.

As a result of branches' performance, major economy of RUR 56,617 mln has been achieved. 25% of total economy value (RUR 14,154 mln) was allocated for motivating employees, purchasing materials and equipment.

Standard Technical Specification (STS) on selecting suppliers of articles and services was adopted in order to restrain growth of prices for services and to increase number of potential suppliers. The standard introduced new procedure for selecting suppliers including use of online trading platform b2b which encourages the competitiveness of service market players, enables the improvement of the quality of commercial activity.





# Investment activity



# Capital investment development by sectors

Actual investment development amounted to RUR 4,323.3 mln. In 2010, total investments volume increased more than twice year-on-year.

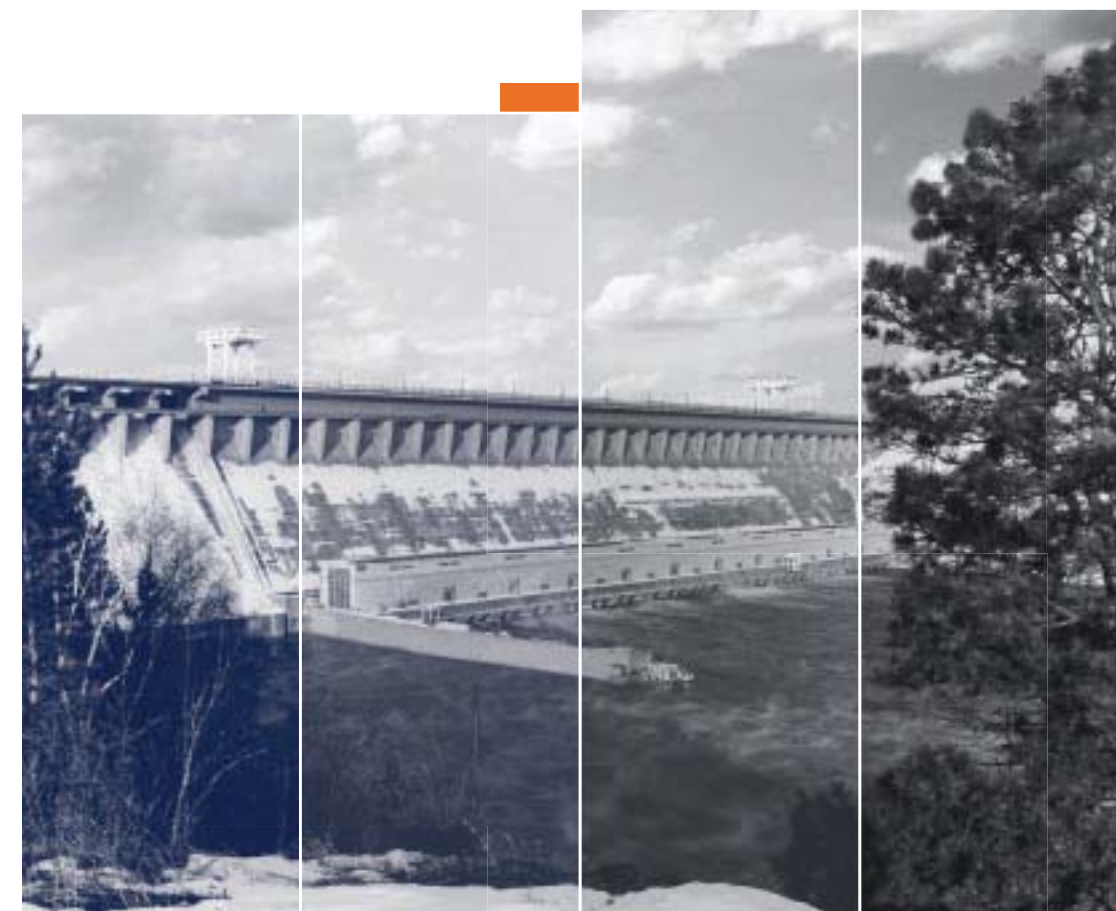
Capital investment development by sectors, '000 RUR (VAT not included)

No.	Investment sector	Construction in progress as of the beginning of the period	Actual development within the period				Current assets investment	Construction in progress as of the period end
			Total capital investment	Including construction and installation	Equipment	Other		
1.	Development program	220,018	88,093	49,927	17,401	20,765	221,089	87,022
2.	Efficient and paid-off projects	1,205,058	821,800	633,814	148,687	39,300	474,721	1,550,792
3.	Program of reliability assurance	731,857	2,946,809	1,206,590	1,443,417	296,842	2,641,571	1,033,496
4.	Heat supply of Baikalsk	51,868	21,010	14,216	2,570	4,223		72,878
5.	Other	77,965	440,792	67,137	110,939	262,716	373,810	144,947
6.	Non-industrial	139,987	4,760		3,246	1,474	4,288	140,459
	<b>TOTAL 2010</b>	<b>2,426,753</b>	<b>4,323,264</b>	<b>1,971,684</b>	<b>1,726,260</b>	<b>625,320</b>	<b>3,715,479</b>	<b>3,029,594</b>
	<b>TOTAL 2009</b>	<b>3,852,866</b>	<b>2,132,274</b>	<b>675,588</b>	<b>1,072,974</b>	<b>383,715</b>	<b>535,156</b>	<b>2,426,752</b>
	<b>Difference YOY</b>	<b>-1,426,113</b>	<b>2,190,990</b>	<b>1,296,096</b>	<b>653,286</b>	<b>241,605</b>	<b>180,323</b>	<b>602,842</b>

As of the end of the year, the value of construction in progress amounted to RUR 3,029.6 mln which is 25% more than it was in previous year. This is caused by implementation of large projects extended for 2011:

- Construction of heating main of the main building of CHPP-9 to NO-470 of the heating main No.2 of CHPP-10 (RUR 449.7 mln was invested in 2010);
- Construction of facilities for changing the coal supply circuit from the coal storage of the unit 1 of the CHPP-9 (RUR 70.3 mln was invested in 2010).

Investments to the program for reliability assurance and to efficient projects made the largest share of total capital investments (68% and 19% respectively). In 2010, the implementation of program for covering growing energy consumption deficit, which started in 2008, was continued.



# Implementation of investment plan by sectors

## Implementation of investment plan by sectors, '000 RUR

No.	Investment sectors	Total capital investments			Total current assets		
		2009	2010	Difference YOY	2009	2010	Difference YOY
1.	Development program	190,726	88,093	-102,633	83,611	221,089	137,478
2.	Efficient and paid-off projects	593,124	821,800	22,676	2,058,864	474,721	-1,584,143
3.	Program of reliability assurance	1,088,082	2,946,809	1,858,727	1,192,263	2,641,571	1,449,308
4.	Heat supply of Baikalsk	505,24	21,010	-29,514			
5.	Other	176,812	440,792	263,980	170,675	373,810	203,135
6.	Non-industrial	33,005	4,760	-28,245	29,743	4,288	-25,455
	<b>TOTAL</b>	<b>2,132,274</b>	<b>4,323,264</b>	<b>2,190,990</b>	<b>3,535,156</b>	<b>3,715,479</b>	<b>180,324</b>

### Program on reimbursement of increasing energy consumption (development program) amounted to RUR 88.1 mln

This is a target-oriented program aimed at the increase in available and installed system capacity to reimburse the forecasted energy deficit related to the industry development in Irkutsk region. In 2010, the following measures were carried out:

- turbine drive was installed on feed pump (amounted to RUR 17.8 mln);
- turbine T-50-130 of station No.5 was reconstructed and thus capacity of CHPP-9 increased (amounted to RUR 13.6 mln);
- turbine unit R-6-3.4/0.5-1 was installed at CHPP-12 (amounted to RUR 30 mln).

### Program of efficient and paid-off projects amounted to RUR 821.8 mln (19%)

The program comprises projects aimed at income increase and reduction in the Company's costs through reconstruction of production capacities, growing of the market of heat and electric energy, carrying out measures for production optimization. Criteria for projects' performance evaluation when including them to the program are positive NPV and discounted payback period of up to 7.2 years. Comparing to 2009, the efficiency program increased 1.4 times due to continuing the implementation of the large efficient project Maliy Yug.

Approximately 85% of investments are made to implement large efficient projects at the amount of more than RUR 100 mln, including:

- RUR 9.7 mln to completion of the project on replacing runners at hydroelectric units of Bratskaya HHP: in 2010, the last of six runners was replaced at hydroelectric unit-13;
- RUR 567.4 mln to the implementation of Maliy Yug project;
- RUR 103.6 mln to the implementation of plan of 2010 to reconstruct the heating network in Bratsk;
- RUR 112.9 mln to implementation of total manufacturing optimization and program on improving production efficiency.

### Heat supply of Baikalsk amounted to RUR 21 mln (0.5%)

The program includes construction of electric boiler plant and other infrastructure changes in Baikalsk. Currently a decision on suspending the construction was made due to the restart of OAO BCBK activity.

### Program for reliability assurance amounted to RUR 2,946.8 mln (68%)

The program includes projects aimed at the improvement of the reliability of active assets by their technical modernization and reconstruction. In 2010, investments increased year-on-year which can be explained by rescheduling of a few subjects of 2009 due to carrying out anti-crisis measures.

The structure of investing into reliability is presented below:

- Reconstruction of CHPP equipment RUR 1,765.8 mln;
- Reconstruction of HHP equipment RUR 742.2 mln;
- Reconstruction of heating networks RUR 398.1 mln.

### Other investments amount to RUR 440.8 mln (10%)

60% (RUR 265.2 mln) are made by investments into purchasing property in respect of paying accounts receivable. Besides, measures for IT development (including special purpose software design; purchase of licensed software; reconstruction of corporate computer network; upgrade of office appliances at the total amount of RUR 59.1 mln) were carried out.

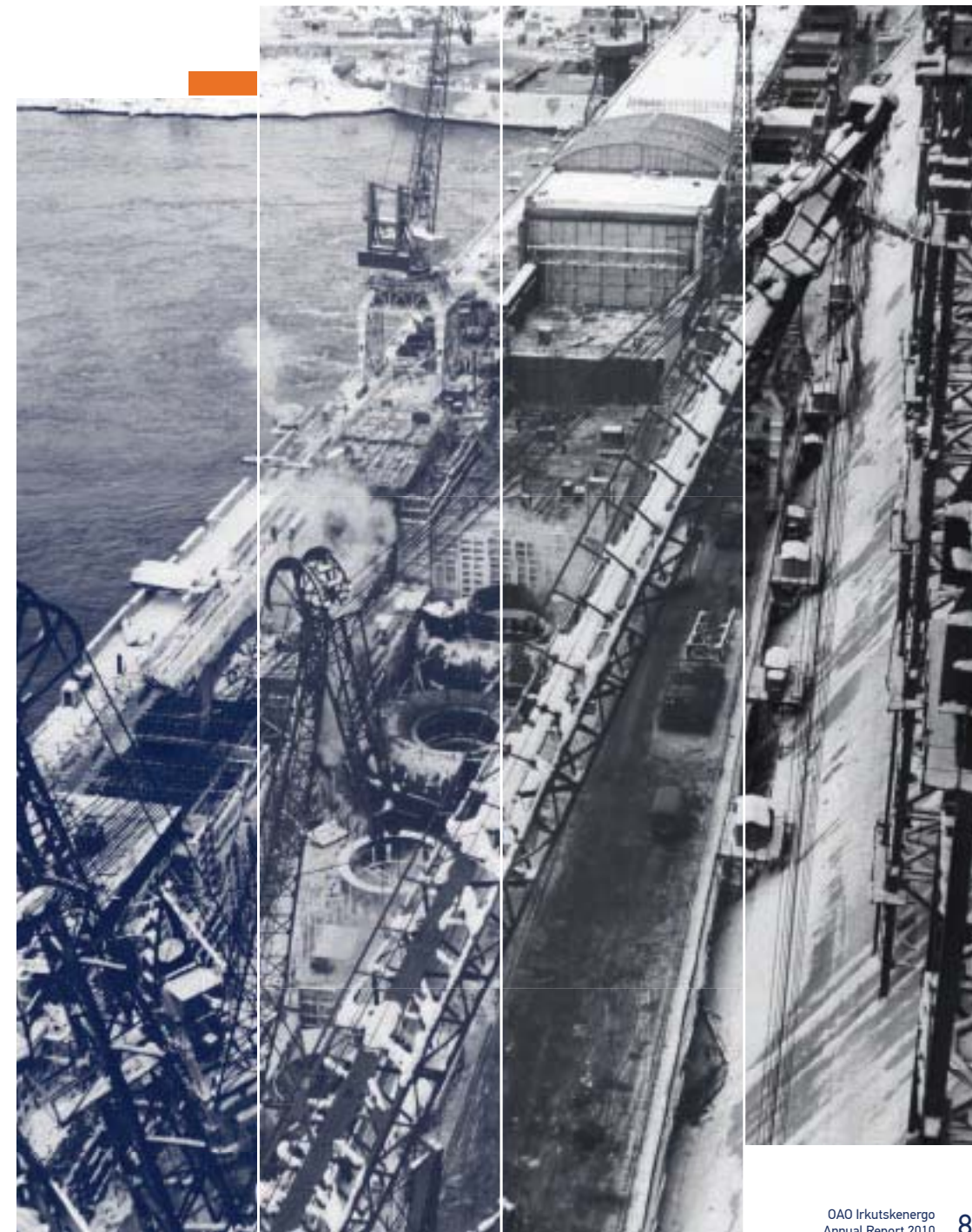
### Non-industrial construction Investment volume amounts to RUR 4.8 mln (0.1%).

# Investment program implementation by sectors

TPPs made 47% of all capital investments. The share of HPPs reduced by 3% and thus amounted 19% year-on-year, and the share of heating networks increased to 31%.

Investment program implementation by sectors, RUR, '000 (VAT included)

Properties	2009	2010	Difference YOY
TPPs	1,265,679	2,018,700	159 %
HPPs	467,060	800,710	171 %
Heating networks	272,657	1,344,259	493 %
Other	93,973	154,835	165 %
Non-industrial	32,905	4,760	14 %
Total	2,132,274	4,323,264	203 %



# Human resources and social policy



# HR management

HR management of the Company is based on developing an optimum system of HR and personnel performance management aimed at providing reliability and high production performance.

In 2010, the following objectives and projects were implemented in accordance with HR policy:

STS on psychophysiological follow-up of operating personnel was created and adopted within the implementation of measures aimed at a) providing personnel's high performance and experience; b) reducing the number of accidents through personnel's fault. Methodological materials for carrying out psychophysiological checkups and rehabilitation measures, trainings in self-regulation and relaxation skills, provided for operating personnel. 10 branches established rooms for psychological relaxation along with purchasing required equipment and materials and additionally equipping work area. Graphic monitoring of operating personnel based on hardware and software system "Bio-mysh" was organized (approximately 930 operating employees monthly undertake the procedure for changeable monitoring).

Measures for improving working conditions at the branches were undertaken. RUR 50,000 thousand were distributed according to the branches' requests. To improve production culture, motivation system and to establish a unified corporate culture aimed at the Company's efficient performance, a contest over production standards was organized, and branches chief managers hold tri-monthly meetings with employees. Standard Technical Specifications on continuity of

personnel development was adopted to improve management efficiency, chief managers' performance and to prevent the Company from reducing the performance potential. Plan for subsidiaries and affiliates, branches and executive office succession was established and approved. Development potential of successors was evaluated and plans for their trainings were established.

Best performing students undertake additional education programs at the Corporate Education and Research Center of OAO Irkutskenergo at IrSTU (KUIIC). Students undergo stipendiary practical training at the Company's branches followed by appointment at working positions. 27 graduates of 2010 were employed by the Company. Corporate trainings and 5 skills development programs were carried out at KUIIC.

The Company's personnel motivation system focuses on employees' high performance in the key sectors of the Company's activity. To improve this system, employees are rewarded for KPI implementation on the basis of their quarterly performance. Additional motivation is provided for personnel employed in wholesale energy market in order to intensify personnel involvement in the final production results and to find additional reserves for improving the Company's performance in the market.

Average head count and average month salary as of December 31, 2010 relating to the plan

Average head count, persons



Average monthly salary (actual salary according to cost accounting)



During 2010, head count increased by 349 employees which can be explained by:

- (+546 ppl) transfer of maintenance staff from subsidiaries and affiliates to branches (total of 660 ppl within the period from February 1 to July 1, 2010);
- (+85 ppl) transfer of personnel from OOO Kompaniya Vostsibugol to OAO Irkutskenergo Executive Office (total of 104 ppl since November 1, 2009);
- (-148 ppl) transfer of personnel from OAO Energosbyt to OOO Irkutskenergosbyt (total of 220 ppl since August 1, 2009);
- (-6 ppl) transfer of janitors from OAO Irkutskenergo Executive Office to KK Atlas (total of 9 ppl since September 1, 2009);
- (-4 ppl) transfer of personnel from HBL of Ust-Ilimskaya CHPP to OOO IC Irkutskenergo (total of 25 ppl since November 1, 2010);
- (-119 ppl) corporate downsizing (total of -86 ppl in 2009, -33 in 2010);
- (-5 ppl) staff turnover.

In 2010, average monthly salary increased by 10.8% year-on-year which can be explained by:

- (+7.0%) quarterly base salary indexation in accordance with the index of consumer prices increase in the Russian Federation;
- (+0.9%) increase in rewarding for PUI, total manufacturing optimization, other income and employment in the wholesale energy market;
- (+1.2%) increase in quarterly reward in accordance with KPI implementation (in 2009, quarterly reward constituted 11.3% of salary, in 2010 — 13.1%);
- (+1.7%) adjustment to salary structure related to corporate downsizing (letting go of low-paid employees and proceeding 50% of their salary budget to a branch).

# Investing in HR

HR educating and development is necessary for high performance and career advancement. The Company provides all its employees with opportunities for education regardless of their position and experience.

In 2010, 3,242 people were educated in all forms of education which actually cost RUR 61,211 thousand. The following projects on HR education and development were implemented:

1. Training ground for students of Irkutskenergo NNOU UC attached to CHPP-11 was established.
2. 25 internal trainings involving experts of leading industry organization and skill development institutions were done at the initiative of units and Executive office departments chief executives.
3. Experts of SRZiA at Bratskaya HHP (11 ppl) attended courses in Voith Hidro speed control involving tutors of Voith Hidro.
4. To implement the Company's project on developing OAO Irkutskenergo production system, 25 senior and middle managers took a course on principles and instruments of Toyota production system. 534 people attended a course in OAO Irkutskenergo production system. 1,340 people withdrew from courses on least sufficient production and on work standardization within adaptation of modern production systems within e-learning form of education.
5. Senior managers of the Company received a training on strategic management in changing conditions involving leading experts of strategic management and planning (PEF Institut treninga, Saint Petersburg).
6. 16 people were educated according to successors' development program "Leadership generation", and 12 undertook the corporate program of technical executives training "School of a technical leader" including practical out-service trainings and management skills development.
7. Contest "My career" was held. 22 people out of 192 candidates to participants passed to the projecting stage. All participants undertook trainings "Intellectual team", "Project management", "Making a business presentation", took a course of lectures on production systems and were educated at Learning Management System. 7 teams representing OAO Irkutskenergo got through to the final and presented their projects to OOO EvrosibEnergo jury. 2 teams received medal places.
8. Youth program "Investing into the future" was implemented within the annual conference Russia Power — 2010. 14 people represented OAO Irkutskenergo, and 5 projects were chosen as winners.

9. In December 2010, an international research and practice conference "Professional education of personnel to provide reliability and security of fuel-and-energy enterprises operating" was held together with Irkutskenergo NNOU UC.



# Social policy

The planned social programs are implemented in accordance with the collective agreement concluded by the management and labor union.

The Company provides its employees with Voluntary Health Insurance system ensuring their social security. All those who required medical attention have undergone medical treatment according to the agreements made with specialized medical treatment facilities. Besides, in 2010, 643 people improved their health at health resorts within the implementation of VHI system which amounted to RUR 8.8 mln.

In 2010 the Company has launched "Health Management" program which aims at increasing the efficiency of VHI and decreasing employees' morbidity rate. The project implementation firstly started in the pilot branches of the Company: a profound medical examination of the employees was carried out and the final results of which enabled to determine risk groups of employees (those frequently feeling sick, suffering from chronic diseases, requiring inpatient or out-patient treatment, being at risk of work-related diseases). Office physicians of OSAO Ingosstrakh who pay special attention to individual approach for medical treatment and preventive measures are currently working in the CHPP-9 branch and in the Executive front office of the Company. Rehabilitation and health care have been focused on health centers of the proper region. As a result of this, in 2010, loss of working hours at CHPP-9 decreased by 0.3 days year, and by 1.25 days in the Executive front office.

In 2010, in accordance with the Statement on granting privileges when issuing resort vouchers to the employees, members of their families and non-working retirees, 3239 people (including 836 children) got the resort vouchers to the following health resorts: Electra, Bratskoye vzmorie, Usolie, Ust-Kut, Kedr, recreation facilities Rus', Angara, Belokurikha, Katoon', Sibir, recreation center Nilova Poostyn', Zvezdnyy, Druzhba, Zama, Zori Kitoya, Energetic (Murino village), Baikal (Utulik village), children's holiday camps Zvezdnyy, Druzhba, Orlyonok, Serebrianiy Kliuch, Aibolit and Solnechniy. Total expenses for this amounted to RUR 29.4 mln of the 2010 income.

In 2010, in accordance with the Company's current program of housing provision to young professionals, 88 people received rent subsidy for making initial installment to the mortgage. RUR 15 mln were assigned for this purpose.

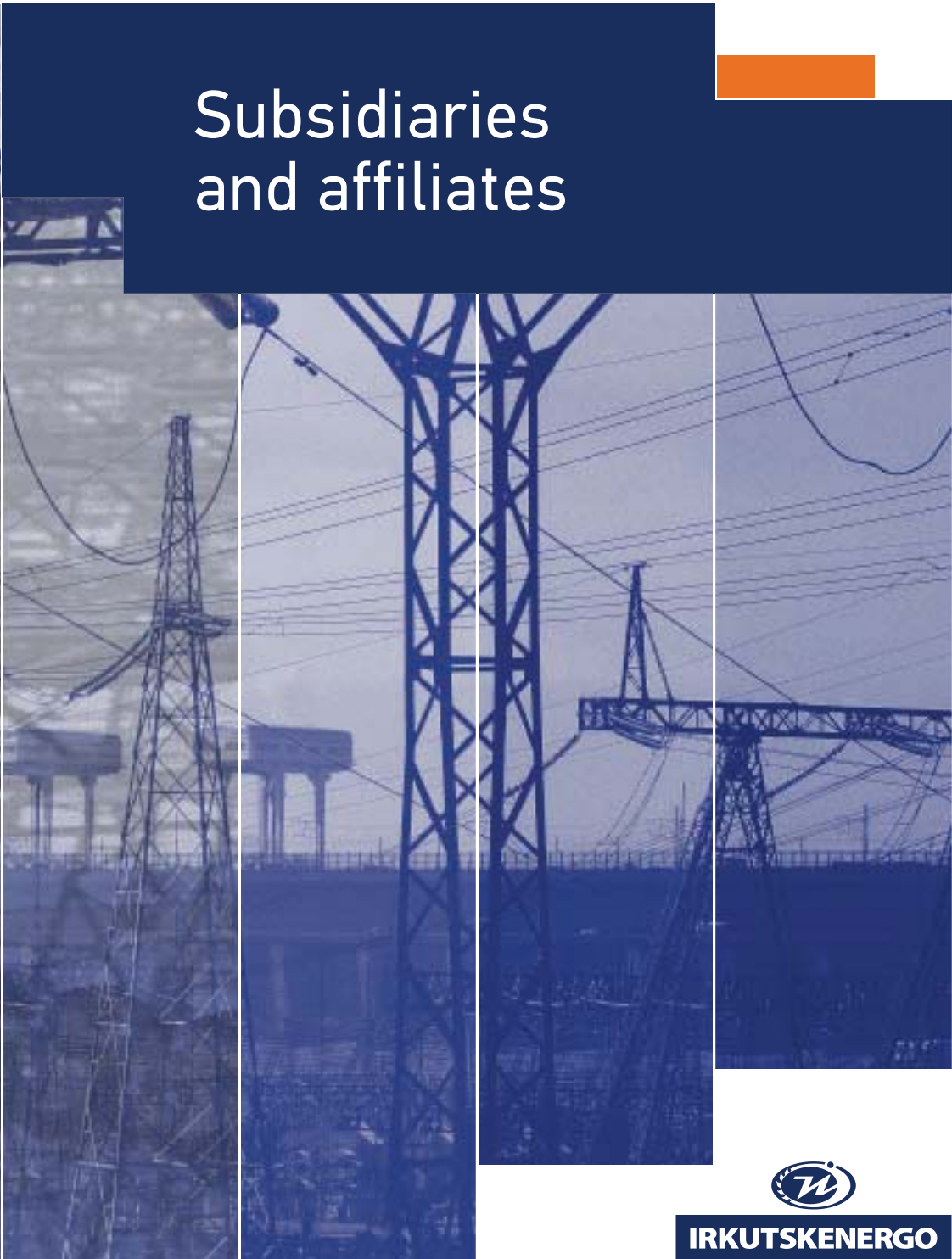
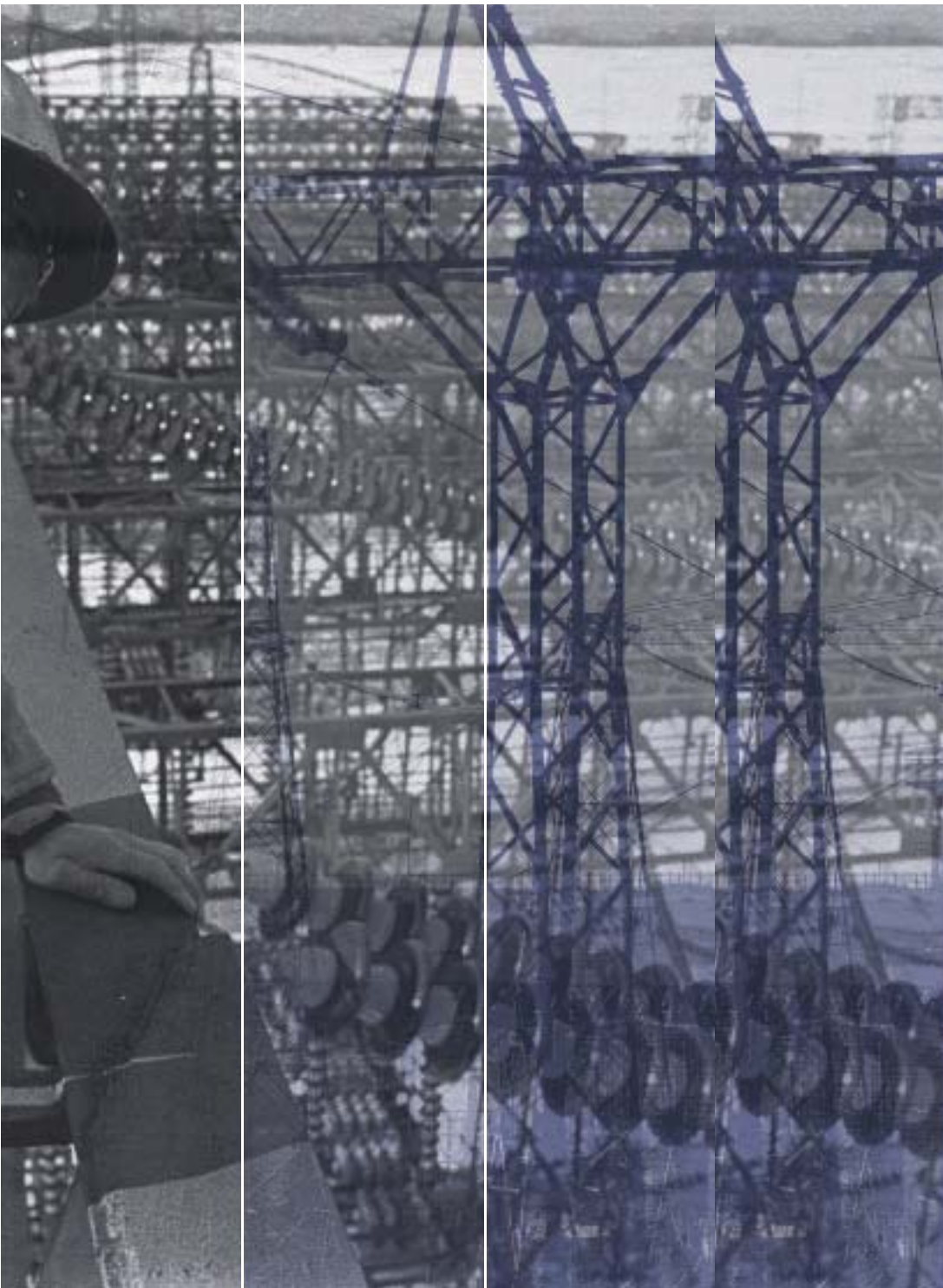
To retain young professionals on job, in 2010, in accordance with the applicable Company Standard Specification on granting on lease residential premises rented by OAO Irkutskenergo to young professionals, 126 people received rented apartments.

Since June 2010 the Company Standard Specification on subsidized meals for the Company employees at working positions was implemented. For these purposes Company assigned RUR 22.8 mln.

To deliver assistance to young families, the Company has assigned financial resources for placing 92 children in local pre-school facilities.

OAO Irkutskenergo has established a system of social security of employees and non-working pensioners, including financial assistance to low-income families and organization of leisure of employees and members of their families, developing physical culture and sport activities.





# Subsidiaries and affiliates



# Subsidiaries and affiliates

OAO Irkutskenergo comprises 21 subsidiaries and affiliated companies (whose share makes more than 50% of the equity), providing repair, maintenance, communication, transport and engineering services, recycling ash-slag waste, distributing heat and electric energy. OAO Irkutskenergo performs the functions of the sole executive body of OOO Kompaniya Vostsibugol, an affiliate company of OAO Irkutskenergo.

OAO Irkutskenergo performs management of 10 companies engaged in producing, preparing and supplying of Irbaysky, Zheronsky, Cheremkhovsky and Tulunsky coal through its affiliate companies OOO Baikalinvestenergo and ZAO Resursservisholding.

OAO Irkutskenergo is the sole founder of non-profit organizations: bandy sport club "ANO HK BAIKAL-ENERGIYA" and training center NNOU TC Irkutskenergo.

## List of affiliate companies whereof OAO Irkutskenergo owns more than 20% equity

No.	Name	Share of OAO Irkutskenergo in the equity, %	Votes of OAO Irkutskenergo, %
1.	ZAO IRMET	100.00	100.00
2.	OOO IESV	100.00	100.00
3.	OOO ATSK	100.00	100.00
4.	OOO CERF	100.00	100.00

No.	Name	Share of OAO Irkutskenergo in the equity, %	Votes of OAO Irkutskenergo, %
5.	ZAO SibirEnergTrade	100.00	100.00
6.	ZAO Irkutskenergotrans	100.00	100.00
7.	ZAO GES-remont	100.00	100.00
8.	ZAO Spetsenergoremont	100.00	100.00
9.	ZAO Bratskenergoremont	100.00	100.00
10.	ZAO Baikalenergo	100.00	100.00
11.	ZAO Irkutskzolo-product	100.00	100.00
12.	OOO PO Irkutskenergo	100.00	100.00
13.	OOO IGTSK	100.00	100.00
14.	OOO Electrosbyt	100.00	100.00
15.	OOO IC Irkutskenergo	100.00	100.00
16.	OOO Irkutskenergofinans	100.00	100.00
17.	OOO Irkutskenergosbyt	100.00	100.00
18.	OOO Vostsibugolsbyt	100.00	100.00
19.	OOO Resursservisholding	99.99	99.99
20.	OOO Baikalinvestenergo	99.77	99.77
21.	OOO Energo Paritet (now being liquidated)	50.36	50.36

### Financial investments made into subsidiaries and affiliated companies as of December 31, 2010

No. Index	Unit	2009	2010
1. Investments as of the beginning of the period	RUR '000	2,339,531.60	16,377,058.48
2. Organizations wherein OAO Irkutskenergo is not a member anymore	Units	0	0
3. Founded companies	Units	0	0
4. Investments as of the end of the period	RUR '000	16,377,058.48	17,862,520.87

In 2010, the volume of financial investments in subsidiaries and affiliated companies increased by RUR 1,485,462.39 thousand. This is enabled by additional contributing made by OAO Irkutskenergo to the equities of ZAO Irkutskenergotrans (additional share issue), ZAO Resursservisholding (additional share issue), and of OOO PO Irkutskenergo (additional share issue).

#### To improve management of subsidiaries and affiliate companies, the following activities have been performed:

1. Meetings of Affiliated Companies Balance Committee were held, the outcomes of which were regarded as basis for setting objectives and giving recommendations for improving activities.
2. Target subsidiaries and affiliated companies' KPI relating to income from third parties and net profit was increased by 30% in 2010.
3. The most important tasks implemented by the Company within collaboration with subsidiaries and affiliate companies in 2010:
  - Project of transferring employees from OOO Electrosbyt to OOO Irkuskenergosbyt has been implemented. Project of merging OOO ATSK with OOO Irkuskenergosbyt is being currently implemented.
  - Measures for increasing of ZAO Irkutskenergotrans equity, aimed at freeing of OAO Irkutskenergo of non-core property and getting an additional investment and cash flow improvement resource for the subsidiaries have been implemented.
  - Maintenance staff has been partially transferred from ZAO Spetsenergoremont to ZAO Baikalenergo in order to centralize crews performing the maintenance of thermotechnical equipment and heat supply systems in ZAO Baikalenergo.



# Environmental activity



# Environmental activity

The Company is engaged in environmental activity under the requirements of the applicable legislation. Water consumption, water disposal, pollutants emission, waste disposal were performed in accordance with government permits for pollutants emission, resolutions on waste water disposal, limits to waste disposal and licenses.

## Environmental indicators of OAO Irkutskenergo as for 2010

No.	Index	Unit	2009	2010	Deviation	Reasons
1.	Pollutants emission	tons	249,098.327	278,863.112	11.9 %	Increase in burnt coal consumption, reducing quality of the coal (the average weighted ash content increased from 14.23% to 15.02%; sulphur content increased from 0.77% to 0.83%).
2.	Water consumption	'000 m <sup>3</sup>	438,930.20	518,144.69	18.0 %	Water extraction of CHPP-10 increased by 47% due to the increase in electrical energy distribution by 65%.
3.	Water disposal	'000 m <sup>3</sup>	234,619.90	315,207.80	34.3 %	
4.	Domestic and industrial waste	tons	1,532,432.039	1,666,634.396	8.8 %	Burnt fuel consumption increased by 8%.
5.	Ash-slag waste sales	tons	632,947.520	943,403.000	49.0 %	
6.	Share of the sold ash-slag waste in the annual ash-slag waste discharge	%	41.7	57.3	37.4 %	
7.	Investment in environmental activity	RUR mln	55.843	127.496	128.3 %	





# Standardization and improvement of business processes



# Standardization and improvement of business processes

The Company's main objectives for standardization and management organization set by the business plan of 2010 were achieved.

## Within the business processes management:

- business process of OOO Kompaniya Vostsibugol (including executive office and branches) were described in the ARIS format;
- business processes of OAO Irkutskenergo were integrated with business process of OOO Kompaniya Vostsibugol within the program of establishing a unified business processes model of the joint company of energy and coal;
- unified approach to managing business processes of the joint company of energy and coal was created by adopting the Standard Technical Specifications on Process Management;
- pilot system for monitoring the efficiency of business processes has been created on the base of ARIS PPM;

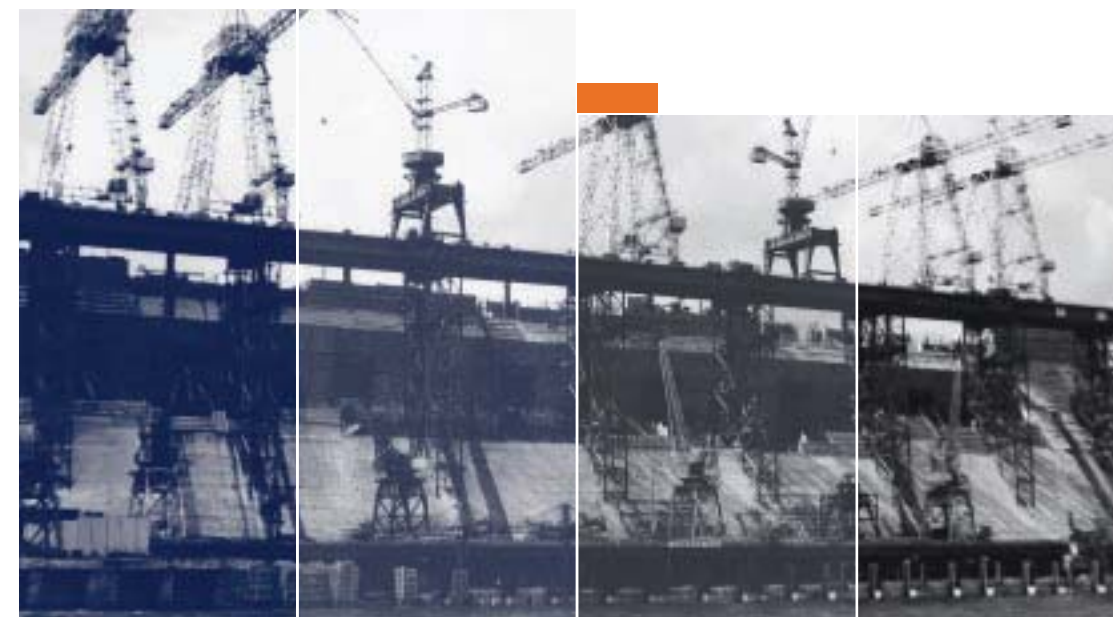
## Within the management standardization:

- 2 policies and more than 20 new standards of technical specification were adopted;
- of OAO Irkutskenergo standards of technical specification to OOO Kompaniya Vostsibugol within setting unified standards for the joint company of energy and coal;
- structure of position description and regulations on structure units was changed considering the requirements of state supervision authorities process approach to management.

## Within the improvement of the Company's processes:

- business processes of OOO Vostsibuglesbyt were re-engineered, thus the head count reduced by 4 employees (by 7%);
- project of the improvement of OAO Irkutskenergo production system (aimed at elimination of waste, reduction in the resource consumption, increase in labor productivity and in work quality) based on principles of lean production and engagement of all management levels, is being implemented. The project implementation involves more than 70 reference production areas of OAO Irkutskenergo and OOO Kompaniya Vostsibugol.

Within the implementation of quickly paid off low-cost measures (measures of TMO), both OAO Irkutskenergo and OOO Kompaniya Vostsibugol saved RUR 187.8 million.





# Legal relations



# Legal relations

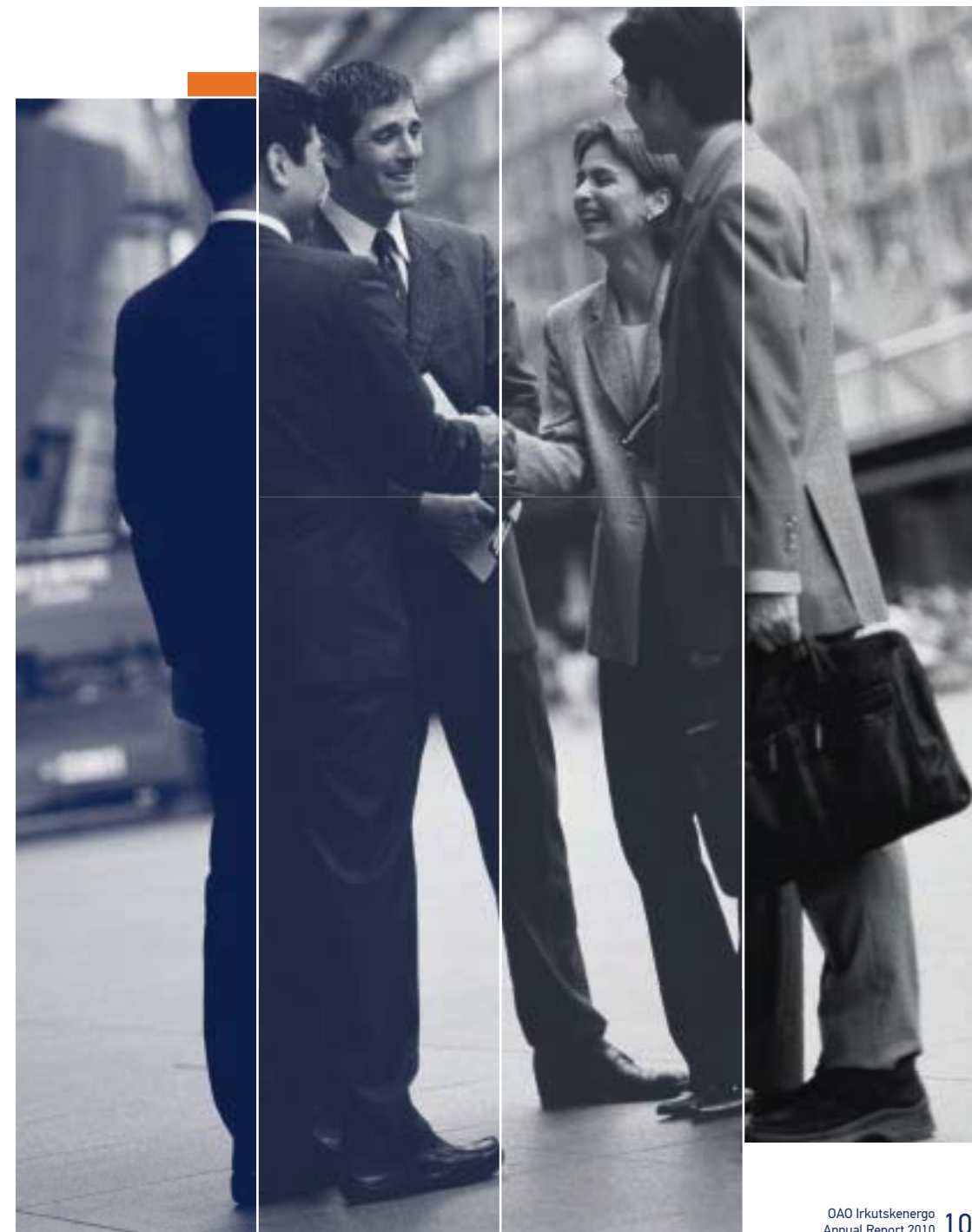
In 2010, OAO Irkutskenergo filed 1,538 suits for the total amount of RUR 1,310,586,093.95, whereof 1,531 suits for the total amount of RUR 1,054,674,370.31 were examined. OAO Irkutskenergo claims were satisfied in the total amount of RUR 1,025,307,464.84. 187 claims for the total amount of RUR 255,911,723.64 are being currently examined.

1475 suits out of 1538 were brought by OAO Energosbyt (branch of OAO Irkutskenergo) claiming for collecting the debts of energy supply agreements for the total amount of RUR 811,691,667.62. 1305 suits out of the examined ones for an overall amount of RUR 617,555,460.51 were satisfied in the total amount of RUR 595,146,601.04.

In 2010, 63 suits for an overall amount of RUR 199,558,587.72 were brought against OAO Irkutskenergo whereof 47 in the total amount of RUR 97,959,605.37 were examined. Clams for the overall amount of RUR 1,289,137.86 were satisfied. 16 suits for the overall amount of RUR 21,598,982.35 are being currently examined.

The following court trials are to be mentioned:

- OAO Irkutskenergo was a respondent to the suit of OAO Teploenergосervis claiming for recollecting debts of the supplied equipment and for paying penalty established by contractor's agreement in the amount of RUR 23,277,813.40. The suit was examined by three court instances, the court decision satisfied the claim in the amount of RUR 4,951,779.21 whereof OAO Irkutskenergo acknowledged the main debt in the amount of RUR 4,400,000, the remaining part of the suit was dismissed.
- OAO Irkutskenergo brought an suit against OAO SUEK claiming for recovery of losses in the amount of RUR 9,587,501.60 in accordance with the supply agreement. The case was examined by three court instances, and the court decision dismissed the suit.





# Risk management

# Risk management

## The following measures were undertaken:

- risks charts of OAO Irkutskenergo branches were updated;
- risk chart of OAO Irkutskenergo was updated;
- the Company's most significant risks were evaluated in accordance with functional business areas;
- risk management procedures were adopted in the coal unit;
- risk identification program was implemented in OOO Kompaniya Vostsibugol;
- risk charts of the Coal Unit enterprises were made;
- risk chart of the Coal Unit plants was made;
- capital construction projects of 2011 were appraised according to new methods based on risk management principles and on OAO Irkutskenergo and OOO Kompaniya Vostsibugol program of reliability maintenance;
- OAO Irkutskenergo production services were appraised according to new methods based on risk management principles;
- computer model of second price zone of electrical energy market was made.

## Assessment of the Company's risks environment as of 2010-2011 has been performed and its results are presented below.

The Company's most significant risks in 2010-2011 are connected to the income from electrical energy and capacity market.

Launching a long-term capacity market, complete market liberalization, making initial capacity supply agreements as well as other factors significantly affected energy and capacity price which increased for the end customers.

The necessity of price regulation at the state level causes risk factors related to the restriction of market pricing. Price cap, supervising authorities control over economic reasons for price bids made on expenses basis, HPP capacity sold at the economically reasoned tariff (not market price), capacity and energy being partially tied to regulated agreements for distinct customers (population) and regions (Buriatia) may significantly affect the Company's income. Currently, the risks have partially occurred (price cap has been implemented), which will affect the Company's income on 2011.

Long-term capacity tender in 2012-2015 causes significant uncertainty, as far the Company's midterm income depends on its results.

It should be noted that the impact of the risk of market price deviation from the price set in business plan (market risk) grows due to the increase in sales volume in conditions of 100% of market liberalization.

One of the most significant risks in 2011-2012 is the increase in the rent paid for the dams of Angarsk HHP cascade, which is connected to transfer of ownership to OAO RusGidro.

In the medium-term perspective risks of rivalry with new efficient capacities of Siberian Unified Energy Systems (putting into operation of Boguchanskaya HHP and LGV projects, risks of synchronization of coal capacity development with the Company's fuel consumption).

The Company's common key risks are water content and production risks related to equipment failure.

## The Company's key risks

Risk	Probability	Potential damage (in 2011)
Decrease in average annual price for electrical energy sold by OAO Irkutskenergo at tomorrow market more than by 15%	high	RUR 1.6 bln
Mandatory sales of up to 35% of produced energy at the regulated tariffs	average	RUR 6.2 bln
Increase in the rent paid for the HPP dams	high	RUR 2.4 bln
Prohibition of HHP capacity selling at market prices	high	RUR 7.6 bln



# Information technology



# Information technology

In 2010, OAO Irkutskenergo continued working on the following areas involving the newest information technologies:

1. To create a unified information space for reflecting financial business activity and integrating the Company management in general, a project of engaging a corporate management system was launched at the platform 1C: Enterprise 8.2 which comprises business processes of the accounting, tax, management, cash and investments management tracking, budgeting, material and technical equipment, technical maintenance of the equipment. All areas were inspected, technical specifications for material and technical equipment and maintenance of the equipment were designed.
2. In order to optimize and unify document flow processes and execution control in OAO Irkutskenergo Executive Office and branches, an e-document flow system on the Documentum platform was put to pilot and industrial operating. To replicate the system, executive officers and employees of all OAO Irkutskenergo branches were connected to the EDF system and taught to use it (circa 2,300 persons).
3. To enable automatic performance of gathering initial data, data from material, heat and electricity balances, calculating actual, nominal and reference indices and reserves of fuel economy, an Automated System of Technical and Economic Indices (AS TEI) was put to industrial operating at Ust-Ilimskaya CHPP, CHPP-10, Novo-Irkutskaya CHPP, CHPP-9 (area 9), CHPP-9 (area 1), and to pilot operating at Novo-Ziminskaya CHPP.
4. To optimize the centralized planning, use of the Company's cash resources and control over cash flows, in 2010, OOO Kompaniya Vostsibugol adopted an Automated System of Treasury-Based Budget Execution.
5. Software for tracking requests implementation for goods and supplies of branches, subsidiaries and affiliates of OAO Irkutskenergo and OOO TD IEtrade as well as software for optimizing the process of choosing suppliers according to suppliers' typology based on the concluded agreements and fulfilled obligations was installed within the improvement of the Automated System of material and technical equipment management.

6. According to the Russian Federation Government Decree No. 476 dated June 28, 2008, changes in calculation, invoice issuing and electrical capacity tracking sold to customers at regulated and non-regulated prices were made within the improvement of the Automated System of energy sales and customers' payments management.

7. Corporate Computer Network (CCN) was extended to connect employees to the corporate automated systems and to increase its central server productivity.
8. Organization documents for information security system were prepared and adopted within the development and improvement of the information security system.



# Financial and economic activities



# Key financial and economic indicators

## Key financial and economic indicators, RUR mln

Index	2009	2010	Difference
Sales revenue	38.838	52.353	35 %
Production cost of products, goods, works and services	31.712	38.976	23 %
Gross profit	7.126	13.377	88 %
EBITDA	8.411	15.587	85 %
EBIT	6.185	13.119	112 %
Net profit	3.590	9.464	164 %

In 2010, **sales revenue** increased by RUR 13,514 mln (or by 35%). Main factors driving this increase are increase in electrical energy and capacity sales as well as increase in the share of liberalization (selling electrical energy and capacity at open price) in the wholesale electrical energy and capacity market from 40% in 2009 to 70% in 2010.

In 2010, **production cost of products, goods, works and services** increased by RUR 7,264 mln (or by 23%) due to the increase in fuel consumption with the increase in electrical and heating energy produced by TPPs and purchased in the market.

In 2010, **income before tax** amounted to RUR 12,064 mln. Following the results of the Company's performance within the accounting period income tax amounted to RUR 2,646 mln, thus tax rate was 25%.

**Net profit** amounted to RUR 9,464 mln and net profit margin totaled 18.1%.

## Other income and expenses, RUR mln

Index	2009	2010	Difference
Interest receivable	1.197	160	-87 %
Interest payable	-2.575	-1.215	-53 %
Social expenses	-118	-120	1 %
Securities sale	-571	-369	-35 %
Accounts payable/receivable expenses	-454	9	-102 %
Reserves provided for bad debts	-382	-489	28 %
Other income and expenses	584	711	22 %
<b>TOTAL</b>	<b>-2.319</b>	<b>-1.313</b>	<b>-43 %</b>

In 2010, **other income and expenses** increased by RUR 1,006 million year-on-year mostly due to the reduction in the interest payable rate (RUR -1,360 mln) caused by the reduction in the loan interest rate and of the annual average loan portfolio value.

In 2010, **EBIDTA** increased by 85% year-on-year as a result of the increase in marginal profit (revenue (electrical power + heat power) - costs (fuel + purchased electrical power) by 44% with the increase of relatively permanent costs by 18%.

## Profitability indices

Index	Unit	2009	2010	Difference YOY
Sales margin	%	18,3	25,6	7,2
Net profit margin	%	9,2	18,1	8,8
Return on assets	%	5,5	13,5	8,0
Return on equity	%	8,1	17,4	9,2
Net profit per share	RUR	0,75	1,99	163,6

In 2010, profitability ratios increased year-on-year due to the marginal revenue increase by RUR 8,835 mln.

## Turnover indices, days

Index	2009	2010	Difference YOY
Inventory turnover	79	80	2 %
Accounts receivable (less than 1 year) turnover	32	20	-38 %
Accounts payable turnover	55	36	-34 %

— In 2010, accounts receivable turnover period reduced by 12 days due to the reduction in RUSAL accounts receivable by RUR 1,085 mln.

— In 2010, accounts payable turnover period reduced by 18 days year-on-year due both to the reduction in taxes and charges payable and to the increase in the share of purchase electrical power in the OREM from 24% to 28% in the production cost within 17-day turnover.

## Liquidity indices

Index	December 31, 2009	December 31, 2010	Difference YOY
Current liquidity ratio	0,97	1,14	17,4 %
Fixed-term liquidity ratio	0,69	0,75	8,6 %
Debt to equity ratio	0,49	0,29	-41,0 %
Accounts payable to accounts receivable ratio	1,06	0,76	-28,3 %

In 2010, liquidity indices increased in 2010 against the indices of 2009 due to the reduction in the short-term accounts payable by 31% with the reduction in the current assets by 2%.

In 2010, the debt to equity ratio decreased by 27% as a result of a decrease in debt capital, and the net profit increased by 164%. The accounts payable to accounts receivable ratio decreased by 31% as a result of a decrease in accounts receivable by 4%.



# Financial Position Analysis

## Cash flow analysis (Indirect Method), mln RUR

Index	2009	2010	Difference YOY
Cash at the beginning of period	672	234	-438
Capitalized earnings	5,691	10,888	5,197
Undistributed profit of the accounting period	3,590	9,464	5,874
Undistributed profit of the previous periods	-125	-1,044	-919
Depreciation	2,226	2,468	242
Investments	6,129	11,295	5,166
Operating activities	4,878	347	-4,530
Inventory	208	-373	-582
Change in accounts receivable	-398	-43	355
Change in accounts payable	-736	294	1,030
Change in short-term financial investments	5,001	375	-4,626
Other	802	95	-708
Investment activities	11,914	8,603	-3,310
Fixed assets and construction in progress	1,953	4,324	2,371
Change in long-term financial investments	9,961	4,495	-5,466
Other cash flows from financing activities	0	-216	-216
Financing activities	908	-3,039	-3,946
Change in long-term loans	10,666	-3,351	-14,017
Change in short-term loans	-9,578	315	9,893
Accounts payable to the founders	-180	-3	177
Changes in non-monetary items	0	444	444
Net cash flow	-438	37	475
Cash at end of year	234	271	37

In 2010, the net profit of the Company totaled 9,464 mln rubles. Undistributed profits of the previous periods decreased by the total amount of dividends (RUR -905,7 mln) and by social activities (RUR -138 mln).

Operating activities reflect how changes in the turnover capital affect the cash flow:

- increase in fuel reserves led to the diversion of financial resources in the amount of RUR 373 mln;
- growth in consumers' arrears decreased the cash flow by RUR 43 mln;
- in 2010, accounts payable increased by 294 mln rubles due to an increase in the debts for the electrical power supply and capacity (+RUR 229 mln) and for repair and capital construction services (+ RUR 104 mln);
- repayment of affiliates' loans increased the cash flow by RUR 375 mln;
- other cash flows reflect closing of prepayments made to the suppliers of inventory (+RUR 350 mln) and fuel (+RUR 305 mln), reduction in tax debts (-RUR 456 mln).

Cash outflow for investment activities totaled RUR 8,874 mln including:

RUR 4,324 mln for the implementation of the investment program, including:

"Maliy Yug" project	RUR 567 mln
Reconstruction of the 500 kW block of the Ust-Ilimskaya HPP	RUR 130 mln
Reconstruction of the heat supply network TK-6a-TK-27u-TK-21v	RUR 103 mln

Construction of facilities for changing the coal supply circuit from the coal storage of the unit 1 of the TPP-9	RUR 70 mln
Construction of electric boiler station and other infrastructure changes in Baikalsk	RUR 21 mln
Heating main No. 4 of RK "Sverdlovskaya"-Praviy Bereg	RUR 18 mln
Runner replacement at the Hydroelectric Unit-13	RUR 10 mln
Development program	RUR 88 mln
Costs management and total manufacturing optimization	RUR 113 mln
Corporate computer network	RUR 59 mln
Projects of less than RUR 100 mln cost within reliability assurance	RUR 3,143 mln

Long-term financial investments in the amount of RUR 4,495 mln have changed due to:

- making payments to the equity of the subsidiaries — ZAO Resursservisholding (- RUR 1,300 mln); ZAO Irkutskenergotrans (- RUR 144 mln) and OOO Pozharnaya Okhrana Irkutskenergo;
- making loans to the subsidiaries OOO KVSU (- RUR 1,175 mln), ZAO Resursservisholding (- RUR 1,200 mln), OOO Torgoviy Dom Irkutskenergotrade (- RUR 200 mln);
- repaying of the previously made loans by OAO IESK (+ RUR 1,558 mln) and by subsidiaries ZAO Irkutskenergotrans (+ RUR 55 mln), OOO Olkhon (+ RUR 169 mln), ZAO Sibirenergotrade (+ RUR 162 mln);
- paying off the arrears on purchased shares of ZAO Resursservisholding (- RUR 2,438 mln).

In 2010, the credit portfolio decreased by RUR 3,017 mln and thus totaled RUR 10,606 mln.

Changes in non-monetary articles reflect the dynamics of reserve provision for bad debts, deferred tax assets and obligations.

In 2010, net cash flow from the Company operations made + RUR 37 mln, and thus as of January 1, 2011 cash on the Company's accounts totaled RUR 271 mln.

In 2010, gross revenue increased by RUR 6,250 mln (88%) year-on-year due to the increase in sales revenue by 35% with the increase in production costs by 23%.

Income tax amounted to 2,646 mln, which is more by RUR 1,296 mln against 2009 due to the growth of tax base.

EBIT totaled RUR 12,064 mln which is RUR 7, 257 mln more than the index of 2009.

As a result, in 2010 net profit increased by RUR 5,874 mln (or by 164 %) year-on-year.

### Income and expense analysis, RUR mln

Index	Occurred 2009	Occurred 2010	Difference YOY
Current income and expense			
Revenue	38,838	52,353	35%
Main product	38,302	51,844	35%
Other	536	509	-5%
Production cost	31,712	38,976	23%
Gross revenue	7,126	13,377	88%
Other income and expense	-2,319	-1,313	-43%
Interest receivable	1,197	160	-87%
Interest payable	-2,575	-1,215	-53%
Social expenses	-118	-120	-1%
Securities sales	-571	-369	35%
Accounts (expenses) payable/receivable expense	-454	9	102%
Reserve provided for bad debts	-382	-489	-28%
Other income and expense	584	711	-22%
EBIT	4,807	12,064	151%
Deferred tax assets	230	271	18%
Deferred tax obligations	97	225	131%
Current income tax	1,350	2,646	96%
Net profit	3,590	9,464	164%

# Credit portfolio analysis

## Brief loan history of OAO Irkutskenergo, RUR, '000

Creditor bank	Credit portfolio as of 01.01.2010	Receipts	Repayments	Credit portfolio as of 31.12.2010
OAO GPB branch	4,664,000	8,062,100	8,444,600	4,281,500
OAO Sberbank Rossii	3,520,000	4,146,000	5,539,000	2,127,000
OAO AKB Svyaz-Bank	792,000	4,020,000	2,722,000	2,090,000
OAO AKB Rosbank	500,000	1,540,000	1,050,000	990,000
ZAO GLOBEXBANK	2,500,000	550,000	2,950,000	100,000
OAO Dalnevostochny Bank	250,000	522,000	772,000	0
ZAO Raiffeisenbank	0	1,000,000		1,000,000
OAO TransCreditBank	831,000	465,000	1,296,000	0
OAO ATB	0	0	0	0
OAO MFK	250,000		250,000	0
<b>Total:</b>	<b>13,307,000</b>	<b>19,305,100</b>	<b>23,023,600</b>	<b>10,588,500</b>

As of January 1, 2010, the credit portfolio of OAO Irkutskenergo totaled RUR 13,307 mln.

The attraction of loans in 2010 was performed in accordance with the Lending Policy of OAO Irkutskenergo adopted by the Company Board of Directors (Board Meeting Minutes No. 40 (193), dated December 25, 2009).

In 2010, credit resources of OAO Irkutskenergo totaled RUR 19,305.10 mln aiming at replenishment of working capital for financing the current activities. At the end of 2010 the credit portfolio of OAO Irkutskenergo tended to decrease and thus at December 31, 2010 amounted to RUR 10,588.10 mln. The decrease in the credit portfolio is associ-

ated with the decrease in the Company's demand for the debt capital.

Considering the expiration of validity period of credit limits, the Company's credit limits have been cut by the total amount of RUR 4,300 mln, where:

- RUR 2,700 mln in OJCS GPB;
- RUR 1,000 mln in OAO PROMSVIAZBANK;
- RUR 350 mln in OAO Dalnevostochny Bank;
- RUR 250 mln for OAO MFK.

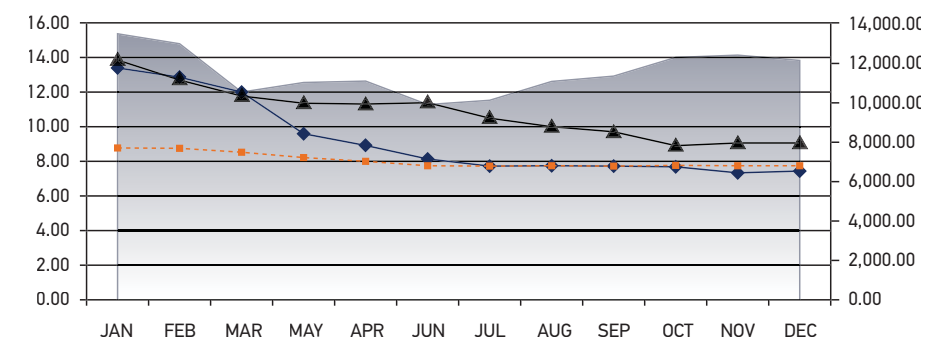
To refinance the credit limits, validity periods of which were to expire in 2010, as well as to receive credit resources under more favorable conditions, in 2010, OAO Irkutskenergo has held three auctions and one tender for establishing revolving credit limits. Therefore, the following new credit lines for the total amount of RUR 8,300 mln have been established with the tender and auctions winners:

- OAO GPB branch: RUR 2,700 mln, period of validity is 3 years;
- OAO GPB branch: RUR 500 mln, period of validity is 3 years;
- OAO GPB branch: RUR 500 mln, period of validity is 3 years;
- OAO AKB Svyaz-Bank: RUR 1,000 mln, period of validity is 3 years;
- OAO AKB Svyaz-Bank: RUR 600 mln, period of validity is 3 years;
- OAO AKB Svyaz-Bank: RUR 1,000 mln, period of validity is 3 years;

- ZAO Raiffeisenbank: RUR 1,000 mln, period of validity is 3 years;
- OAO Sberbank Rossii: RUR 1,000 mln, period of validity is 3 years.

The tender and auctions enabled to reduce the costs for debt service and to increase the total credit limit of the Company which amounted to RUR 18,800 mln as of December 31, 2010.

In 2010, average weighted crediting rate of OAO Irkutskenergo tended to decrease (see the Figure) and thus as of December 31, 2010 amounted to 7.38% p.a. which is less than both refinancing rate of the Central Bank and average rate of ruble credits provided to non-financial organizations for less than 1 year (according to the data provided by the Central Bank of the Russian Federation).



Thereby, the total amount of interest rate at the end of the year amounted to RUR 991,590.76 thousand which is RUR 901,840.24 thousand less than the rate specified in the Company's Business Plan.

In 2010, the Company uncharged the property for total amount of more than RUR 6 bln which had been previously used as a pledge on loan agreements. As of December 31, 2010, all loans are unsecured.

To develop financial instruments for involving debt financing, in November 2010 OAO Irkutskenergo registered commercial papers of bond series BO-01 and BO-02 for the total amount of RUR 6 bln of RUR 1,000 nominal value. These bonds are to be placed in 2011, which will enable to refinance long-terms loans and to hedge risks of crediting rate increase in 2011 — 2014.

## Appendix 1

### Financial statements 2010

ASSETS	Line code	Opening balance	Closing balance
I. Внеоборотные активы			
Intangible assets	110		
Fixed assets	120	34,493,060	35,530,545
Construction in progress	130	2,426,753	3,029,594
Income investments	135		
Long-term investments	140	19,811,185	21,868,187
Deferred tax assets	145	651,329	922,048
Other capital assets	150		
<b>Total for Section 1</b>	<b>190</b>	<b>57,382,327</b>	<b>61,350,374</b>
II. Current assets			
Reserves	210	2,549,190	2,922,607
including:			
Raw materials and other similar values;	211	2,291,255	2,550,291
Animals rearing and fattening;	212		
Construction in progress costs (distribution costs);	213		
Finished products and products for re-sale;	214	4,029	4,660
Dispatched goods;	215		
Future expenses	216	253,906	367,656
Including:			
VAT for purchased values	220	30,146	34,082
Accounts receivable (to be paid 12 months after the closing date)	230	93,383	210,602
Including:			
Purchasers and clients	231	38,780	160,739
Promissory notes receivable	232		
Other debtors	235	54,603	49,863
Accounts receivable (to be paid 12 months after the closing date)	240	5,794,728	5,440,169
Including:			
Purchasers and clients	241	4,721,163	5,013,246
Promissory notes receivable	242		
Advances made	245	764,144	76,097
Other debtors	246	309,421	350,826
Short-term investments	250	383,893	8,400
Cash	260	233,942	271,168
Internal settlements	280		
<b>Total for section 2</b>	<b>290</b>	<b>9,085,282</b>	<b>8,887,028</b>
<b>Balance (sum of lines 190 and 290)</b>	<b>300</b>	<b>66,467,609</b>	<b>70,237,402</b>

LIABILITIES	Line code	Opening balance	Closing balance
III Non-current assets			
Equity	410	4,766,808	4,766,808
Own shares purchased from the shareholders	411	(1,229,643)	
Additional paid-in capital	420	27,797,632	27,693,140
Surplus	430	1,191,702	1,191,702
including			
Reserved funds established in accordance with the legislation	431	596,113	596,113
Reserved funds established in accordance with the founding documents	432	595,589	595,589
Retained earning (loss) of the previous years	460	12,274,764	11,335,743
Including:			
Investment income	462	5,226,939	5,742,939
Retained earning (loss) of the accounting period	470		9,463,517
<b>Total Section III</b>	<b>490</b>	<b>44,801,263</b>	<b>54,450,910</b>
IV Long-term liabilities			
Loans and credits	510	10,666,432	7,334,899
Deferred tax liabilities	515	455,770	680,812
Other long-term liabilities	520	1,312,887	185,910
<b>Total Section IV</b>	<b>590</b>	<b>12,435,089</b>	<b>8,201,621</b>
V Short-term liabilities			
Loans and credits	610	2,956,323	3,271,283
Accounts payable	620	6,269,776	4,311,726
Dividends payable	630	4,447	1,176
Future income	640	711	686
Reserves for future expenses	650		
Other short-term liabilities	660		
Internal settlements	680		
<b>Total Section V</b>	<b>690</b>	<b>9,231,257</b>	<b>7,584,871</b>
<b>Balance (sum of lines 490, 590 and 690)</b>	<b>700</b>	<b>66,467,609</b>	<b>70,237,402</b>

## Appendix 2

### Profit and loss statement 2010

Index	Line code	For reporting period	Year-on-year
Operating income and expenses			
Sales revenue from products, works, services (net of VAT, excise tax and other obligatory payments)	010	52,352,844	38,838,475
Including sales of:			
Electrical energy		39,422,411	27,713,725
Heat energy		11,451,323	9,701,761
System charge		693,697	642,766
Demineralized water and condensate		276,355	244,041
Other services		509,058	536,182
Production cost of the products, works and services	020	(36,588,536)	(29,587,198)
Including sales of:			
Electrical energy		(23,884,967)	(17,946,653)
Heat energy		(11,336,433)	(10,365,697)
System charge		(587,475)	(527,601)
Demineralized water and condensate		(219,690)	(194,911)
Other services		(599,971)	(552,336)
Gross income	029	15,764,308	9251,277
Selling costs	030	(253,188)	(244,163)
Management costs	040	(1,209,060)	(1,058,387)
Sales profit (loss): p.10-20-30-40	050	14,302,060	7,948,727
Other income and expenses			
Interest receivable	060	159,572	1,196,689
Interest payable	070	(1,214,526)	(2,574,764)
Income from equity of other organizations	080	5,455	1,820
Other income	090	1,905,765	2,196,305
Other expenses	100	(3,094,481)	(3,961,683)
Profit (loss) before taxation (p.50-60-70-80-90-10-120)	140	12,063,845	4,807,094
Deferred tax assets	141	270,719	229,655
Deferred tax obligations	142	(225,042)	(97,292)
Current income tax	150	(2,631,461)	(1,346,880)
Other similar compulsory payments	160	(14,544)	(2,717)
Net profit (loss) as of the accounting period (p.140-150)	190	9,463,517	3,589,860
For reference:			
Tax obligations	200	173,063	253,098
Deferred tax assets	201		
Deferred tax obligations	202		
Base profit (loss) per one share	210		
Diluted profit (loss) per one share	220		

## Appendix 3

### Audit Opinion

#### Audit Opinion on financial statements of Irkutsk Joint Stock Company of Energetics and Electrification as of the period from January 1, 2010 to December 31, 2010 submitted to the Executive Board of Irkutsk Joint Stock Company of Energetics and Electrification.

##### Data on the audited company

Full Company name: Irkutsk Joint Stock Company of Energetics and Electrification  
 Abbreviated name: OAO Irkutskenergo  
 State registration certificate: IRP-K No.1493 dated November 20, 1992, registration number 1023801003313  
 Location: 3, Sukhe-Batora street, Irkutsk 664025 Irkutsk region Russian Federation  
 Correspondence address: 3, Sukhe-Batora street, Irkutsk 664025 Irkutsk region Russian Federation  
 Phone number: +7 (3952) 79 03 00  
 Fax: +7 (3952) 79 03 00

##### Data on Auditor

Full Company name: Auditing consulting company EKFI (Close Joint-Stock Company)  
 Abbreviated name: ZAO AKK EKFI  
 State registration certificate: No. 032.544 dated July 11, 1994, registration number 1037739257094  
 Location: 9, Dolgorukovskaya street, Moscow 127006  
 Correspondence address: 7, building 2, Yamskogo Polia 5th street, Moscow 125040  
 Phone number: +7 (495) 721 89 25  
 Fax number: +7 (495) 721 89 21  
 Membership in self-regulatory auditing organizations:

Member of the Institute of Professional Auditors of Russia (IPAR), the self-regulatory auditing organization. State registration certificated #181 dated March 19, 2002, registration number 10302000535.

#### 1. We have performed audit of financial statements of OAO Irkutskenergo as of the period from January 1, 2010 through December 31, 2010 which includes:

- a. Financial accounting as of December 31, 2010;
- b. Profit and loss account as of 2010;
- c. Report on equity changes as of 2010;
- d. Report on cash flow as of 2010;
- e. Appendices to the financial accounting;
- f. Explanatory note.

## 2. Audited Company's liability for the financial statements

The management of OAO Irkutskenergo is liable for: a) the duly preparation and credibility of the financial statements in accordance with the established rules of financial statements preparation; b) internal audit system required for financial statements preparation and not containing any essential distortion caused by malpractice and mistakes.

## 3. Auditor's liability

Our liability requires us to express opinion on credibility of the financial statements which we have made on the basis of the performed audit. We performed the audit in accordance with the federal standards of auditing activities. These standards require abidance by ethic norms, planning and performing the audit in a way ensuring the audited financial statements do not contain any essential distortion.

Audit included carrying out auditing procedures aiming at reception of evidence confirming numeric indices reflected in the financial statements and the information disclosed. Auditing procedures to be performed are chosen on the basis of preliminary discussion based on the evaluation of risks of essential distortion caused by malpractice and mistakes. While evaluating these risks we considered the internal audit system required for financial statements preparation and credibility and thus chose respective auditing procedures for making out opinion on its efficiency.

Audit also included: evaluation of accounting policy; reasonability of evaluation indices revealed by the management of OAO Irkutskenergo; submission of financial statements.

We suppose the auditing evidence received after the audit has been performed is sufficient to express the opinion on the financial statements credibility.

## 4. Opinion

According to our opinion, the financial statements adequately reflects all the essential issues of the financial standing of OAO Irkutskenergo, its financial and business activities results and cash flow as of December 31, 2010, in accordance with the established rules of financial statements preparation.

CEO of ZAO AKK EKFI



*E. M. Kharitonova*

Kharitonova E.M.

Qualification certificate for performing auditing activities # 009355 is issued on basis of CALAK resolution dated October 25, 1994 and extended for unlimited period since December 19, 2003, registration number 29402004497 in NP IPAR.

*Audit opinion dated February 28, 2011.*

## Appendix 4

### Compliance with the Corporate Code of Conduct and Ethics

Corporate Code of Conduct and Ethics	Status	Notes
<b>General Meeting of Shareholders</b>		
1. Shareholders are to be notified of the General Meeting of Shareholders in no less than 30 days before the date of the Meeting, irrespective of the agenda items, unless the term is longer by law.	Complied	Charter, article 9, paragraph 9.26
2. Shareholders have access to the list of individuals eligible for participation in the General Meeting of Shareholders, starting from the date of notification of the General Meeting of Shareholders to the closure of an ordinary General Meeting of Shareholders and to the closing date for acceptance of voting ballots in case of absentee ballot.	Complied	Charter, article 5, paragraph 5.1.
3. Shareholders have access to information (materials) to be submitted within the preparation for the General Meeting of Shareholders through electronic communications, including the Internet.	Complied	The materials are published on the corporate website at <a href="http://www.irkutskenergo.ru">www.irkutskenergo.ru</a> , and sent to shareholders at their request.
4. Shareholders may propose an agenda item for a General Meeting of Shareholders or require the convocation of a General Meeting of Shareholders without submitting an extract from the Shareholders Register in case the rights of shareholders are recorded in the Shareholders Register. In case the rights of shareholders are recorded on the depot account, submission of an extract from the depot account is sufficient to exercise the abovementioned rights.	Complied	Charter, article 5, paragraph 5.1.
5. The Company's Charter or internal documents require that the CEO, members of the Board of Directors, Management Board and Audit Committee, as well as the Company Auditor are to attend the General Meeting of Shareholders.	Complied	Statement on the Board of Directors, article 7
6. Candidates are to attend the General Meeting of Shareholders considering issues of the election of members of the Board of Directors, CEO, members of the Management Board, Audit Committee and the issue of approval of the Company's Auditor.	Statement on the Board of Directors are complied with.	Statement on the General Meeting of Shareholders, article 27, paragraph 1
7. Internal documents of the Company provide the procedure of the registration of participants of the General Meeting of Shareholders.	Complied	Statement on the General Meeting of Shareholders, articles 39-40

Corporate Code of Conduct and Ethics	Status	Notes
<b>Board of Directors</b>		
8. The Company's Charter empowers the Board of Directors to approve annual business plan of the Company.	Complied	Charter, article 10, paragraph 10.2
9. The Company's risk management policy must be approved by the Board of Directors.	Complied	Statement on Board of Directors, article 7 Statement on internal control over financial activities, article 2, paragraph 2.2
10. The Company's Charter empowers the Board of Directors to make a decision on suspending the powers of the CEO appointed by the General Meeting of Shareholders.	According to the Charter, the Board of Directors appoints the CEO	Charter, article 10, paragraph 10.2
11. The Company's Charter empowers the Board of Directors to set qualification requirements and amount of remuneration of the CEO, members of the Management Board, and chief executives of the main Company's departments.	Complied	Charter, article 10, paragraph 10.2
12. The Company's Charter empowers the Board of Directors to approve the terms and conditions of contracts with the CEO and with members of the Management Board.	Complied	Charter, article 10, paragraph 10.2
13. The Company's Charter or internal documents require that the votes of the members of the Board of Directors are not to be considered when approving the terms and conditions of contracts with the CEO (Managing Company, Manager) and with members of the Management Board in case these members of the Board are the CEO and members of the Management Board.	Complied	Established practice of corporate behavior
14. At least three independent directors who meet the requirements of the Corporate Code of Conduct are to be members of the Company's Board of Directors.	Complied	Established practice of corporate behavior
15. Individuals who have been found guilty of economic crimes, of crimes against state authority, interests of government service or service in local authorities, or who have been subjected to administrative sanctions for illegal actions in the spheres of business or finance, taxation, or securities market, can not be elected as members of the Board of Directors.	Complied	According to the established practice, these facts are to be revealed during consideration of candidates
16. Individuals being shareholders, the CEO (or Manager), members of an executive body or employees of a legal entity competing with the Company can not be elected as members of the Board of Directors.	Complied	According to the established practice, these facts are to be revealed during consideration of candidates

Corporate Code of Conduct and Ethics	Status	Notes
17. The Company's Charter requires that the Board of Directors should be elected by cumulative voting.	Complied	Charter, article 10, paragraph 10.7
18. The Company's internal documents require that members of the Board of Directors should avoid any actions that may lead to a conflict of their interests and the Company's interests. Should such conflict arise, members of the Board of Directors are obliged to communicate this information to the Board of Directors.	Complied	Statement on the Board of Directors, article 7
19. The Company's internal documents require that members of the Board of Directors should notify in the written form the Board of Directors of their intention to make a transaction involving securities of a company whereof they are members of the Board of Directors or of its subsidiary (dependent) companies, as well as should provide information about such transactions which have been already made.	Complied	Statement on the Board of Directors, article 7 Statement on Information Policy, article 4, paragraph 4.3
20. The Company's internal documents require that the meeting of the Board of Directors should be held no less once every six weeks.	Statement on the Board of Directors are complied with	
21. Meetings of the Board of Directors are to be held no less than once every six weeks within the year.	Complied	In 2010, 13 meetings of the Board of Directors were held
22. The Company's internal documents establish procedures of meetings of the Board of Directors.	Complied	Statement on the Board of Directors, articles 17-19
23. The Company's internal documents require that the Board of Directors should approve the Company's transactions made for the amount of 10 or more percent of the Company's assets except common business transactions.	Complied	Charter, article 10, paragraph 10.2
24. The Company's internal documents a) empower the Board of Directors to obtain from the executive bodies and chief executives of the Company's departments any information necessary for performing their functions, and b) establish responsibility in case the required information is not provided.	Statement on the Board of Directors are complied with	Statement on the Board of Directors
25. Establishing the Strategic Planning Committee of the Board of Directors or delegating functions of this Committee to another Committee (except the Auditing Committee and HR and Remuneration Committee).	Complied	Statement on the Strategy and Restructuring Committee

Corporate Code of Conduct and Ethics	Status	Notes
26. Establishing the Auditing Committee of the Board of Directors which recommends a Company's Auditor to the Board of Directors and interacts with him/her/it and the Company's Auditing Committee.	Complied	Statement on the Auditing Committee
27. Only independent and non-executive directors can be elected as members of the Auditing Committee.	Complied	Statement on the Auditing Committee, paragraphs 2, 2.4
28. The Auditing Committee is managed by an independent director.	Complied	Statement on the Auditing Committee, paragraphs 2, 2.4
29. According to the Company's internal documents members of the Auditing Committee have access to any Company's documents and data in case they follow the non-disclosure agreement.	Complied	Statement on the Auditing Committee, paragraphs 2, 3.5
30. Establishing the HR and Remuneration Committee of the Board of Directors which determines criteria for selection of candidates to the Board of Directors and develops the Company's remuneration policy.	Complied	Statement on the HR and Remuneration Committee
31. The HR and Remuneration Committee is managed by an independent director.	Complied	Statement on the HR and Remuneration Committee, paragraphs 5, 5.4
32. Officials of the Company cannot be elected as members of the HR and Remuneration Committee.	Complied	Statement on the HR and Remuneration Committee, paragraphs 5, 5.4
33. Establishing the Risk Committee of the Board of Directors or delegating its functions to another committee (except the Auditing Committee and HR and Remuneration Committee).	Committee not established	
34. Establishing the Conflict Management Committee of the Board of Directors or delegating its functions to another committee (except the Auditing Committee and HR and Remuneration Committee)	Committee not established	
35. Officials of the Company can not be elected as members of the Conflict Management Committee		The requirement on following the norm will be taken into account when establishing the Committee.
36. The Corporate Conflict Management Committee is managed by an independent director.		The requirement on following the norm will be taken into account when establishing the Committee.

Corporate Code of Conduct and Ethics	Status	Notes
37. The Company's internal documents approved by the Board of Directors set procedures for the Committees' establishment and operation	Complied	Statement on the Budget Committee, Statement on the Strategy and Restructuring Committee, Statement on the Auditing Committee and Statement on the HR and Remuneration Committee have been approved by the Board of Directors
38. The Company's Charter defines the procedure for counting the quorum of the Board of Directors which requires mandatory attendance of meetings of the Board of Directors by independent directors.	Complied	Charter, article 11, paragraph 10.11
<b>Executive Board</b>		
39. Establishing a collegial executive body (Management Board) of the Company	Complied	Charter, articles 9, 11
40. The Company's Charter or internal documents require the Management Board's approval of making any transactions with real estate, receiving loans, unless such transactions are related to large and common business transactions.	Complied	Charter, article 11, paragraph 11.10
41. The Company's internal documents establish a procedure for obtaining approval for operations not provided by the business plan of the Company.	Complied	Charter, article 10, paragraph 10.2; article 11, paragraph 11.10
42. Members of the Company, the Company's CEO (Managing Director), members of executive body as well as employees of legal entities competing with the Company can not be elected as members of the Company's executive board.	Complied	Charter, article 11, paragraph 11.3
43. Individuals who have been found guilty of economic crimes, of crimes against state authority, interests of government service or service in local authorities, or who have been subjected to administrative sanctions for illegal actions in the spheres of business or finance, taxation, or securities market can not be elected as members of the Executive Board. In case a Managing Company or a Managing Director perform the functions of a collegial or sole executive body, the CEO and members of the Management Board of the Managing Company are to comply with the requirements for the CEO and members of the Governance of the Company.	Complied	According to established practice, these facts are to be revealed during consideration of candidates
44. The Company's Charter or internal documents prohibit the Managing Company (Managing Director) from performing similar functions in a competing company or being in any other legal relationship with the Company apart from provision of Managing Company (Managing Director) services.		The power of a sole executive body is exercised by the CEO according to the Statement on the CEO

Corporate Code of Conduct and Ethics	Status	Notes
45. The Company's internal documents require that the Executive Board should avoid any actions that may lead to a conflict of their interests and the Company's interests. In case a conflict arises, the Executive Board is obliged to communicate this information to the Board of Directors	Complied	Statement on the CEO, section 3; Statement on the Management Board, section 4
46. The Company's Charter or internal documents establish criteria for selection of a Managing Company (Managing Director).	Criteria not established	The powers of a sole executive body are exercised by the CEO according to the Statement on the CEO
47. The Company's Executive Board is to make a monthly report on its activities to the Board of Directors.	Requirements of the Regulations on the Board of Directors are met	Charter, article 11, paragraph 11.11 Statement on the CEO, article 3, paragraph 3.3
48. Any agreements made between the Company and the CEO (Managing Company, or Managing Director) and members of the Management Board should establish responsibility for violation of information disclosure clauses.	Complied	Statement on Insider Information, section 2
<b>Company Secretary</b>		
49. The Company employs a qualified official (Company Secretary) who is to ensure that the Company's bodies and officials fulfill procedural requirements that guarantee the Company's shareholders exercise their rights and legitimate interests.	To meet this requirement, Secretariat of the Board of Directors has been established	
50. The Company's Charter or internal documents establish the procedure for appointment (election) of the Company Secretary and his/her responsibilities.	Responsibilities of the Secretariat of the Board of Directors are regulated	Statement on the Secretariat of the Board of Directors
51. The Company's Charter establishes requirements for candidates for the position of the Company Secretary.	No requirements established	
<b>Corporate Actions</b>		
52. The Company's Charter or internal documents require that a large transaction should be approved before it is carried out.	Complied	Charter, article 10, paragraph 10.2
53. An independent appraiser is to be involved to estimate the market value of property being subject to a large transaction.	Complied	Requirements of the applicable legislation are met

Corporate Code of Conduct and Ethics	Status	Notes
54. The Company's Charter prohibits to carry out any actions which aim at the protection of interests of the members of the Executive Board and of the Board of Directors, or which may place in the position the Company's shareholders (in particular, to put a ban on the Board of Directors to make a decision on issuing additional shares, securities convertible to shares, or to issue additional shares, securities convertible to shares or securities granting a right to purchase the Company's shares before an the end of expected period for shares purchase expires, despite the right of making such a decision is established by the Charter) in case of a purchase of a large stock of the Company's shares (or of a takeover).	No prohibition	
55. The Company's Charter requires that an independent appraiser should be involved in the analysis of the current market value of shares and its possible variations as a result of takeover.	No requirements	
56. The Company's Charter requires that in case of takeover, a purchaser should offer the shareholders to sell the Company's common shares (emission securities convertible into common shares) they possess.	No requirements	
57. The Company's Charter or internal documents require that in case of reorganization an independent appraiser should be involved to determine the share conversion rate.	No requirements	Established by the applicable legislation
<b>Information disclosure</b>		
58. The Board of Directors approves an internal document which sets the rules and approaches to the information disclosure applied by the Company (Statement on the Information Policy).	Complied	Statement on the Information Policy
59. The Company's internal documents establish mandatory disclosure of the information on: a) aims of placement of shares, 2) individuals intending to purchase the placed shares (including large stocks of shares), 3) probable participation of the Company's top officials in purchase of the Company's shares	No requirement	
60. The Company's internal documents define the list of information, documents and materials which are to be provided to shareholders for dealing with agenda items of the General Meeting of Shareholders.	Complied	Charter, article 13, paragraphs 13.6-13.8; Statement on the General Meeting of Shareholders, articles 25-26
61. The Company should have its own website on which the information about the Company should be regularly disclosed.	Complied	www.irkutskenergo.ru

Corporate Code of Conduct and Ethics	Status	Notes
62. The Company's internal documents require to disclose the information about: a) any transactions with individuals defined by the Charter as the Company's top officials, b) any transactions with organizations whereof the Company's officials directly or indirectly own 20 or more percent of the Equity Capital of the Company or whereon such individuals may have substantial influence.	Complied	Statement on the Information Policy, article 4, paragraph 4.3
63. The Company's internal documents require to disclose information about any transactions that may have an impact on the market value of the Company's shares.	Complied	Statement on the Insider Information, article 2, paragraph 2.2, article 4, paragraphs 4.1., 4.2
64. The Board of Directors approves an internal document on using relevant information about the Company's activities, shares and other securities, as well as about any transactions in case this information is confidential and its disclosure may have a significant impact on the market value of the Company's shares and other securities.	Complied	Statement on the Insider Information
<b>Internal audit</b>		
65. The Board of Directors approves procedures for internal auditing of the Company's financial and business activities.	Complied	Statement on the Internal Audit Committee; Statement on the Internal Audit Department; Statement on the Internal Auditing procedures
66. The Company should establish a special unit ensuring internal auditing procedures are fulfilled (Internal Audit Department)	Complied	Internal Audit Committee; Internal Audit Department
67. The Company's internal documents require the Board of Directors should establish the structure and composition of the Internal Audit Department of the Company.	Complied	Charter, article 12; Statement on the Internal Audit Committee; Statement on the Internal Audit Department
68. Individuals who have been found guilty of economic crimes, of crimes against state authority, interests of government service or service in local authorities, or who have been subjected to administrative sanctions for illegal actions in the spheres of business or finance, taxation, or securities market can not be elected as members of the Internal Audit Department.	Complied	According to established practice, these facts are to be revealed during consideration of candidates

Corporate Code of Conduct and Ethics	Status	Notes
69. The Company's Internal Audit Department shall not include individuals who are members of executive board of the Company or participants, CEO (Manager), members of management body or workers of a legal entity competing with the Company Members of the Company, of the Company's Executive Board, the Company's CEO (Managing Director), members of executive body as well as employees of legal entities competing with the Company can not be elected as members of the Internal Audit Department.	Complied	Charter, article 12, paragraph 12.4
70. The Company's internal documents set time periods for submission of documents and materials to the Internal Audit Department for assessment of financial and economic activities, as well as of responsibility of the Company's officials and employees for not submitting the required documents on time.	Terms are not set	
71. The Company's internal documents require that the Internal Audit Department should notify the Auditing Committee of any discovered violations. In case the Auditing Committee is not established, the Internal Audit Department should notify the Board of Directors.	Complied	Statement on the Internal Audit Committee, article 6
72. The Company's Charter requires that the Internal Audit Department should make a preliminary evaluation of reasonability of any operations not provided by the Company's business plan (non-standard operations).	No requirements set	
73. The Company's internal documents establish a procedure for obtaining approval of a non-standard operation of the Board of Directors.	Complied	Statement on the Board of Directors, article 11
74. The Board of Directors approves an internal document which provides a procedure for auditing business processes of the Company performed by the Internal Audit Committee.	Complied	Statement on the Internal Audit Committee
75. The Audit Committee reviews the Auditor's report before it is submitted to the shareholders at the General Meeting of Shareholders.	Complied	Statement on the Auditing Committee, article 3, paragraph 3.1

Corporate Code of Conduct and Ethics	Status	Notes
<b>Dividends</b>		
76. The Board of Directors approves an internal document according to which the Board of Directors accepts recommendations on the size of dividends (Statements on Dividend Policy).	No provision	
77. Statements on Dividend Policy establish: a) a procedure for defining the minimum share of the Company's net profit allocated for paying dividends and b) conditions for not paying or partially paying of dividends on preference shares (their size is established by the Company's Charter).	No provision	The requirement will be taken into consideration after the Statements on Dividend Policy are adopted
78. Data on the Company's dividend policy and changes thereof is to be published: a) in a periodical set by the Charter for publication of notices of General Meetings of Shareholders, and b) on the Company's website.		The requirement will be taken into consideration after the Statements on Dividend Policy are adopted

## Appendix 5 Meetings of the Executive Board of OAO Irkutskenergo

### 1. General meetings of shareholders in 2010

No. Minutes No, date	Agenda
1. No. 24 October 28, 2010	<ol style="list-style-type: none"> <li>1. Approval of the annual report of OAO Irkutskenergo.</li> <li>2. Approval of annual financial statements, including profit and loss statement of OAO Irkutskenergo.</li> <li>3. Approval of the remuneration paid to members of the Board of Directors (non-state employees) in the amount set by the Company's internal documents.</li> <li>4. Profit distribution based on the Company's performance in 2009.</li> <li>5. Approval of the amount, terms, and forms of payment of annual dividends based on the Company's performance in 2009</li> <li>6. Election of members of the Board of Directors.</li> <li>7. Election of members of the Internal Audit Committee.</li> <li>8. Appointment of the Auditor.</li> </ol>
2. No. 25 November 19, 2010	<ol style="list-style-type: none"> <li>1. On early termination of powers of the acting Board of Directors.</li> <li>2. On election of the new composition of the Board of Directors.</li> <li>3. On approval of the new version of the Company Charter.</li> <li>4. On approval of the new version of internal documents providing the regulations for the Executive Board.</li> <li>5. On approval of the coal supply agreement made between OAO Irkutskenergo and Limited Liability Company Vostsibuglesbyt (OOO Vostsibuglesbyt) as a non-arm's length transaction.</li> </ol>

## 2. Meetings of the Board of Directors on 2010

No. Minutes No, date	Agenda
1. No. 41 (194) February 26, 2010	<ol style="list-style-type: none"> <li>1. Approval of the agreement on delegation of the powers of a sole executive body of OOO Kompaniya Vostsibugol between OAO Irkutskenergo and OOO Kompaniya Vostsibugol as a transaction in which OAO Irkutskenergo has it interest. Establishment of the remuneration paid for the services provided in accordance with the agreement.</li> <li>2. Approval of the mortgage agreement made between Joint-Stock Commercial Sbergatelniiy Bank RF (OAO) in accordance with the subparagraph 27, paragraph 10.2 of OAO Irkutskenergo Charter.</li> <li>3. Information about negotiations with the executive officers of OAO RUSAL regarding terms of collection of receivables (on instructions from the Board of Directors of OAO Irkutskenergo according to the minutes No.29 (182) dated February 6, 2009).</li> <li>4. Making decision on placement of securities (commercial papers of bond series BO-01) of OAO Irkutskenergo.</li> <li>5. Making decision on placement of securities (commercial papers of bond series BO-02) of OAO Irkutskenergo.</li> <li>6. Making decision on placement of securities (commercial papers of bond series BO-03) of OAO Irkutskenergo.</li> <li>7. Making decision on placement of securities (commercial papers of bond series BO-04) of OAO Irkutskenergo.</li> <li>8. Making decision on placement of securities (commercial papers of bond series BO-05) of OAO Irkutskenergo.</li> <li>9. Making decision on placement of securities (commercial papers of bond series BO-06) of OAO Irkutskenergo.</li> <li>10. Making decision on placement of securities (commercial papers of bond series BO-07) of OAO Irkutskenergo.</li> <li>11. Making decision on placement of commercial papers of bond series BO-08 of OAO Irkutskenergo.</li> <li>12. Making decision on placement of securities (commercial papers of bond series BO-09) of OAO Irkutskenergo.</li> <li>13. Setting price for the placement of securities (commercial papers of bond series BO-01, BO-02, BO-03, BO-04, BO-05, BO-06, BO-07, BO-08, BO-09) of OAO Irkutskenergo.</li> <li>14. Approval of the decision on the placement of securities (commercial papers of bond series BO-01, BO-02, BO-03, BO-04, BO-05, BO-06, BO-07, BO-08, BO-09) of OAO Irkutskenergo.</li> <li>15. Approval of the prospectus (commercial papers of bond series BO-01, BO-02, BO-03, BO-04, BO-05, BO-06, BO-07, BO-08, BO-09) of OAO Irkutskenergo.</li> <li>16. Approval of the large transaction (or a few interrelated transactions) in the placement of securities (commercial papers of bond series BO-01, BO-02, BO-03, BO-04, BO-05, BO-06, BO-07, BO-08, BO-09) of OAO Irkutskenergo. — The decision is NOT MADE.</li> <li>17. Ensuring of the placement and circulation of securities (commercial papers of bond series BO-01, BO-02, BO-03, BO-04, BO-05, BO-06, BO-07, BO-08, BO-09) of OAO Irkutskenergo.</li> </ol>

No. Minutes No, date	Agenda
2. No. 42 (195) March 4, 2010	<ol style="list-style-type: none"> <li>1. Consideration of the shareholders' proposals for: a) the agenda items of the annual General Meeting of Shareholders; b) putting out candidates to the Board of Directors and to the Internal Audit Committee; c) schedule for preparation and holding the annual General meeting of Shareholders in 2010.</li> <li>2. Subsequent approval of and capacity purchase and sales agreement No. 0115133428231-KP-IRKUTENE-KRASNOEN-S-SDEMO-ATS10 made with OAO Krasnoyarskenergosbyt, with the purchase interest of OAO Irkutskenergo. Setting the price of the alienated property.</li> <li>3. Subsequent approval of and capacity purchase and sales agreement No. 0115133222340-KP-IRKUTENE-KRASNOEN-S-SDEMO-ATS10 made with OAO Krasnoyarskenergosbyt, with the purchase interest of OAO Irkutskenergo. Setting the price of the alienated property.</li> <li>4. Subsequent approval of electric power and capacity purchase and sales agreement No. 0115133737514-KP-IRKUTENE-KRASNOEN-S-SDEMO-ATS10 made with OAO Krasnoyarskenergosbyt, with the purchase interest of OAO Irkutskenergo. Setting the price of the alienated property.</li> <li>5. Subsequent approval of electric power and capacity purchase and sales agreement No. 0115133620966-KP-IRKUTENE-KRASNOEN-S-SDEMO-ATS10 made with OAO Krasnoyarskenergosbyt, with the purchase interest of OAO Irkutskenergo. Setting the price of the alienated property.</li> <li>6. Subsequent approval of electric power and capacity purchase and sales agreement No.0112210343357-KP-IRKUTENE-IRKUTSBT-S-SDEMO-ATS10 made with OAO Krasnoyarskenergosbyt, with the purchase interest of OAO Irkutskenergo. Setting the price of the alienated property.</li> <li>7. Subsequent approval of electric power and capacity purchase and sales agreement No. 0112184900331-KP-IRKUTENE-IRKUTSBT-S-SDEMO-ATS10 made with OAO Krasnoyarskenergosbyt, with the purchase interest of OAO Irkutskenergo. Setting the price of the alienated property.</li> <li>8. Subsequent approval of electric power and capacity purchase and sales agreement No.0112184545269-KP-IRKUTENE-IRKUTSBT-S-SDEMO-ATS10 made with OAO Krasnoyarskenergosbyt, with the purchase interest of OAO Irkutskenergo. Setting the price of the alienated property.</li> <li>9. Information about negotiations with the executive officers of OAO RUSAL regarding terms of collection of receivables (on instructions from the Board of Directors of OAO Irkutskenergo according to the minutes No. 29 (182), dated February 6, 2009).</li> <li>10. Preparations for the heating season and heating operations implemented during autumn and winter periods in 2009-2010.</li> <li>11. Information about measures required for ensuring uninterrupted service of CHPP ZAO Baikalsky CBK within the nearest autumn and winter (on instructions from the Board of Directors of OAO Irkutskenergo, minutes No. 35 (188), dated February 1, 2010)6 and about construction of electric heat boiler station as of February 01, 2010.</li> <li>12. Compliance with the established plan of expenses of the net profit of OAO Irkutskenergo.</li> <li>13. Setting the starting price for auditing service provision.</li> <li>14. Information about the sale of OAO Irkutskenergo shares in accordance with the securities purchase and sales agreement.</li> </ol>

No. Minutes No, date	Agenda
3. No.43 (196) March 26, 2010	<ol style="list-style-type: none"> <li>1. Approval of a non-disclosure agreement made with ZAO Krasnoyarskaya HPP, with the interest of OAO Irkutskenergo.</li> <li>2. Approval of personal property purchase and sale agreement made with Open Joint-Stock Company System Operator of Unified Energy System (OAO SO UES), with the purchase interest of OAO Irkutskenergo. Setting a price for the purchased property in accordance with the agreement.</li> <li>3. Approval of any transactions made with OOO EvrosibEnergo-engineering, with the interest of OAO Irkutskenergo.</li> </ol>
4. No. 44 (197) April 30, 2010	<ol style="list-style-type: none"> <li>1. Approval of the CEO and Management Board Reports on business plan implementation in 2009.</li> <li>2. Preliminary approval of OAO Irkutskenergo annual report.</li> <li>3. Preliminary approval of the following documents requiring the approval of the annual General Meeting of Shareholders: annual financial statements and profit and loss account of OAO Irkutskenergo.</li> <li>4. Consideration of the proposal for making decision on remuneration paid to the members of the Board of Directors (non-state employees) in the amount established by OAO Irkutskenergo internal documents, put by the Board of Directors on the agenda of the annual General Meeting of Shareholders.</li> <li>5. Recommendations for profit distribution, including the amount of dividends for shares in OAO Irkutskenergo and the terms of their payment based on the performance in 2009.</li> <li>6. Approval of the agenda for the annual General Meeting of Shareholders.</li> <li>7. Approval of draft decisions on agenda items for the annual General Meeting of Shareholders.</li> <li>8. On convocation of the annual General Meeting of Shareholders.</li> <li>9. Using the rest of OAO Irkutskenergo net profit of 2008 in 2009 (quarterly breakdown).</li> <li>10. Information about negotiations with the executive officers of OAO RUSAL regarding terms of collection of receivables (on instructions from the Board of Directors of OAO Irkutskenergo according to the minutes No. 29 (182), dated February 6, 2009).</li> <li>11. Consideration of candidates for the position of Auditor of OAO Irkutskenergo. Setting the amount paid for auditing services provision.</li> <li>12. Preparations for the heating season and heating operations implemented during autumn and winter periods in 2009-2010.</li> <li>13. Information about measures required for ensuring uninterrupted service of CHPP OAO Baykalskiy CBK within the nearest autumn and winter (on instructions from the Board of Directors of OAO Irkutskenergo, minutes No. 35 (188), dated February 1, 2010).</li> </ol>
5. No.45 (198) June 8, 2010	<ol style="list-style-type: none"> <li>1. Early termination of powers of the CEO of OAO Irkutskenergo and early termination of employment agreement.</li> <li>2. Appointment of the CEO of OAO Irkutskenergo and approval of the terms of employment agreement.</li> <li>3. Determination of the composition (both numerical and staff) of the Management Board, early termination of the Management Board powers, election of members of the Management Board.</li> <li>4. Secretary of the Board of Directors.</li> <li>5. Approval of the investment program for 2010.</li> </ol>

No. Minutes No, date	Agenda
6. No.46 (199) June 27, 2010	<ol style="list-style-type: none"> <li>1. Approval of the CEO of OAO Irkutskenergo Evgeny Fedorov holding of more than one office in the executive bodies of the following organizations: OAO EvrosibEnergo, OAO OGGK-3, N+POWER HOLDINGS LIMITED Company.</li> <li>2. Approval of the member of the Management Board of OAO Irkutskenergo Evgeny Novikov holding also an office in the Management Board of the Association of Graduates of Irkutsk State Technical University.</li> <li>3. Approval of the loan agreement made with ZAO Resursservisholding, with the interest of OAO Irkutskenergo. Setting the price of the alienated property.</li> </ol>

No. Minutes No, date	Agenda
7. No.47 (200) August 20, 2010	<ol style="list-style-type: none"> <li>Determination of the composition (both numerical and staff) of the Strategy and Restructuring Committee of the Board of Directors. Appointment of the Chairman of the Strategy and Restructuring Committee of the Board of Directors.</li> <li>Election of members of the Internal Audit Committee of the Board of Directors. Election of the Chairman of the Internal Audit Committee of the Board of Directors.</li> <li>Election of the HR and Remuneration Committee of the Board of Directors. Election of the Chairman of the HR and Remuneration Committee of the Board of Directors.</li> <li>Determination of the composition (both numerical and staff) of the Budget Committee of the Board of Directors. Election of the Chairman of the Budget Committee of the Board of Directors.</li> <li>List of items to be considered within meetings of the Board of Directors in 2010-2011 (before the annual General Meeting of Shareholders is held in 2011).</li> <li>Approval of the loan agreement made with OOO Kompaniya Vostsibugol, with the interest of OAO Irkutskenergo. Setting the price for the alienated property.</li> <li>Approval of securities purchase and sale and additional shares purchase agreements made with ZAO Resursservisholding, with the purchase interest of OAO Irkutskenergo. Setting the price for the alienated property.</li> <li>Approval of the personal property purchase and sale agreement No. 100/ЗС-09 made with OOO Irkutskenergosbyt, with the purchase interest of OAO Irkutskenergo. Setting the price for the alienated property in accordance with the agreement.</li> <li>Approval of the personal property purchase and sale agreement No. 93/ИД-09 made with OOO Irkutskenergosbyt, with the purchase interest of OAO Irkutskenergo. Setting the price for the alienated property in accordance with the agreement.</li> <li>Subsequent approval of non-regulated electricity and capacity contract made with OAO Irkutskenergosbyt, with the purchase interest of OAO Irkutskenergo. Setting the price for the alienated property in accordance with the agreement.</li> <li>Approval of the agreement on organization and holding a contest made with OAO Rusgidro, with the interest of OAO Irkutskenergo.</li> <li>Approval of additional contributing to the equity of OOO Pozharnaya Okhrana Irkutskenergo the property of the sole participant (OAO Irkutskenergo), with the interest of OAO Irkutskenergo. Setting the price for the alienated property in accordance with the agreement.</li> <li>Approval of securities purchase and sale and additional shares purchase agreements made between ZAO Irkutskenergotrans and its sole shareholder (OAO Irkutskenergo) as a non-arm's length transaction which is paid both by cash and personal property. Setting the price for the alienated property.</li> <li>Subsequent approval of hardware and software service agreement made with OOO Olkhon, with the interest of OAO Irkutskenergo.</li> <li>Approval of loan agreements made with affiliates and subsidiaries of OAO Irkutskenergo, with the interest of OAO Irkutskenergo.</li> <li>Approval of personal property purchase and sales agreement made with OOO Irbeyskiy razrez, with the interest of OAO Irkutskenergo. Setting the price for the alienated property in accordance with the agreement.</li> <li>Subsequent approval of and capacity purchase and sales agreement No. 0224172622060-KP-IRKUTENE-KRASNOEN-S-SDemo-ATS10 made with OAO Krasnoyarskenergosbyt, with the purchase interest of OAO Irkutskenergo. Setting the price of the alienated property.</li> <li>Subsequent approval of and capacity purchase and sales agreement No. 0224165527090-KP-IRKUTENE-KRASNOEN-S-SDemo-ATS10 made with OAO Krasnoyarskenergosbyt, with the purchase interest of OAO Irkutskenergo. Setting the price of the alienated property.</li> <li>Subsequent approval of and capacity purchase and sales agreement No. 0224173227079-KP-IRKUTENE-KRASNOEN-S-SDemo-ATS10 made with OAO Krasnoyarskenergosbyt, with the purchase interest of OAO Irkutskenergo. Setting the price of the alienated property.</li> <li>Subsequent approval of and capacity purchase and sales agreement No. 0224173549371-KP-IRKUTENE-KRASNOEN-S-SDemo-ATS10 made with OAO Krasnoyarskenergosbyt, with the purchase interest of OAO Irkutskenergo. Setting the price of the alienated property.</li> </ol>

No. Minutes No, date	Agenda
8. No.48 (201) August 31, 2010	<ol style="list-style-type: none"> <li>Convocation of the extraordinary General Meeting of Shareholders.</li> <li>Establishment of the agenda for the extraordinary General Meeting of Shareholders.</li> <li>Setting the price (evaluation of monetary value) for the purchased property. Setting the price (evaluation of monetary value) for logistic services in accordance with the coal supply agreement made between OAO Irkutskenergo and OOO Vostsibuglesbyt.</li> <li>Consideration of the proposal for "making decision on approval of the coal supply agreement made between OAO Irkutskenergo and OOO Vostsibuglesbyt, with the interest of OAO Irkutskenergo", made by the Board of Directors to the extraordinary General Meeting of Shareholders.</li> </ol>
9. No.49 (202) October 8, 2010	<ol style="list-style-type: none"> <li>Approval of the property purchase and sale agreement made with ZAO SibirErgoTrade, with the purchase interest of OAO Irkutskenergo. Setting the price for the purchased property in accordance with the agreement.</li> <li>Approval of the property purchase and sale agreement made with ZAO SibirErgoTrade, with the purchase interest of OAO Irkutskenergo. Setting the price for the purchased property in accordance with the agreement.</li> <li>Approval of the real estate purchase and sale agreement made with ZAO SibirErgoTrade, with the purchase interest of OAO Irkutskenergo. Setting the price for the purchased property in accordance with the agreement.</li> <li>Approval of the engine purchase and sale agreement made with ZAO Irkutskenergotrans, with the purchase interest of OAO Irkutskenergo. Setting the price for the alienated property in accordance with the agreement.</li> <li>Approval of any transactions made with OOO Kompaniya Vostsibugol, with the purchase interest of OAO Irkutskenergo.</li> <li>Approval of any transactions made with OOO TD IETrade, with the purchase interest of OAO Irkutskenergo.</li> </ol>
10. No.50 (203) October 18, 2010	<ol style="list-style-type: none"> <li>Appointment of the Secretary of the Board of Directors.</li> <li>Information about preparation and implementation of actions aimed at synergy effects from the cooperation of OAO Irkutskenergo and OOO Kompaniya Vostsibugol within their financial and business activities (on instructions from the Board of Directors, minutes No.34 (187) dated July 7, 2009).</li> <li>Information on economic effect from purchase of ZAO Resursservisholding shares for OAO Irkutskenergo (on instructions from the Board of Directors, minutes No.34 (187) dated July 7, 2009).</li> <li>Information on preparation and implementation of plan on creating unified organizational structure of OAO Irkutskenergo and OOO Kompaniya Vostsibugol (on instructions from the Board of Directors, minutes No.34 (187) dated July 7, 2009).</li> <li>Making decision on placement of securities (commercial papers of bond series BO-01) of OAO Irkutskenergo.</li> <li>Making decision on placement of securities (commercial papers of bond series BO-02) of OAO Irkutskenergo.</li> <li>Setting the price of the placement of securities (commercial papers of bond series BO-01, BO-02) of OAO Irkutskenergo.</li> <li>Approval of the decision on placement of securities (commercial papers of bond series BO-01) of OAO Irkutskenergo.</li> <li>Decision on placement of securities (commercial papers of bond series BO-02) of OAO Irkutskenergo.</li> <li>Approval of the prospectus of securities (commercial papers of bond series BO-01 and of bond series BO-02) of OAO Irkutskenergo.</li> <li>Ensuring the placement and circulation of securities (commercial papers of bond series BO-01 and BO-02) of OAO Irkutskenergo.</li> <li>Approval of OAO Irkutskenergo Energy Conservation Program for 2010-2013 (minutes No.25 (178), dated October 24, 2008).</li> </ol>

No. Minutes No, date	Agenda
11. No.51 (204) October 20, 2010	<ol style="list-style-type: none"> <li>1. Consideration of the shareholders' proposals of adding agenda items for the extraordinary General Meeting of Shareholders and of putting up candidates to the Board of Directors.</li> <li>2. Approval of draft decisions on the agenda items of the extraordinary General Meeting of Shareholders.</li> <li>3. Approval of the form and contents of the ballots for voting agenda items of the extraordinary General Meeting of Shareholders.</li> <li>4. Consideration of draft charter of Irkutsk Joint Stock Company of Energetics and Electrification (OAO Irkutskenergo) and of new version of internal documents providing regulations for the Executive Board.</li> <li>5. Consideration of the CEO and Management Board Reports on business plan implementation within the H1 2010.</li> <li>6. Implementation of the investment program of OAO Irkutskenergo within the H1 2010.</li> <li>7. Adjustment to the business plan and investment program of OAO Irkutskenergo for 2010.</li> </ol>
12. No.52 (205)	Adjournment of the meeting
13. 53 (206) or 27.12.2010	<ol style="list-style-type: none"> <li>1. Approval of OAO Irkutskenergo Business Plan for 2011.</li> <li>2. Establishment of OAO Irkutskenergo credit policy in 2011.</li> <li>3. Provision of the data on OAO Irkutskenergo preparations for the heating season and on heating operations implemented during autumn and winter periods in 2011.</li> <li>4. Subsequent approval of capacity supply agreement made between OAO Irkutskenergo and OAO OGG-3 as interested party transaction.</li> <li>5. Determination of the composition (both numerical and staff) of the Strategy and Restructuring Committee of the Board of Directors. Appointment of the Chairman of the Strategy and Restructuring Committee of the Board of Directors.</li> <li>6. Election of members of the Internal Audit Committee of the Board of Directors. Election of the Chairman of the Internal Audit Committee of the Board of Directors.</li> <li>7. Election of the HR and Remuneration Committee of the Board of Directors. Election of the Chairman of the HR and Remuneration Committee of the Board of Directors.</li> <li>8. Determination of the composition (both numerical and staff) of the Budget Committee of the Board of Directors. Election of the Chairman of the Budget Committee of the Board of Directors.</li> </ol>

## Appendix 6 Data on large transactions and transactions of interest

In 2010, OAO Irkutskenergo made the following transactions which in accordance with the applicable legislation are subject to approval by the Company's authorized bodies as transactions of interest:

Approve the coal supply agreement made between OAO Irkutskenergo (the Purchaser) and OOO Vostsibuglesbyt (the Supplier) as a transaction with the interest of OAO EuroSibEnergo, the shareholder of OAO Irkutskenergo

No.	Counterparty	Subject	Contract value
1.	Limited Liability Company Vostsibuglesbyt (OOO Vostsibuglesbyt)	The Supplier shall transfer title to steaming coal (hereinafter the Product) to the Purchaser and provide logistics services for transportation of the Product to unloading area. The Purchaser shall accept the Product and pay for the Product and for the logistics services in accordance with the agreement.	Approximate contract value amounts no more than to RUR 14,752,000.12 thousand (except VAT), including: Approximate coal cost: RUR 11,406,186,96 thousand; Logistics services: RUR 3,345,813.16 thousand. The Product price, established for 2011, will increase by index deflator of the Ministry of Economic Development and Trade of the Russian Federation, established for 2012 as of December 1, 2011. The parties have agreed upon the price for logistic services provided for 1 ton of the Product transported by rail from the departure station to the arrival station, valid from January 1, 2011, and upon the proposed price valid from January 1, 2012 to June 30, 2012.

The meeting of the Board of Directors (minutes No.41 (194), dated February 26, 2010) approved the transaction, with the interest of OAO EuroSibEnergo, the shareholder of OAO Irkutskenergo.

No.	Counterparty	Subject	Contract value
1.	Limited Liability Company Kompaniya Vostsibugol (OOO Kompaniya Vostsibugol)	OOO Kompaniya Vostsibugol (the Company) shall transfer, and OAO Irkutskenergo (Managing Organization) shall accept all powers of a sole executive body of the Company, provided by the Company Charter and by the applicable legislation.	Approximate remuneration provided by the contract will amount to RUR 111,310,903.32 (including VAT of RUR 16,979,629.32) p.a. based on the rate of man-hours and on the actual time spent by the Managing Organization employees on service provision (186,778 man-hours).

The meeting of the Board of Directors (minutes No.42 (195), dated March 4, 2010) made a decision on the subsequent approval of the transaction made between OAO Irkutskenergo (the Seller) and OAO Krasnoyarskenergosbyt (the Purchaser), with the purchase interest of OAO Evrosibenergo, the shareholder of OAO Irkutskenergo.

No.	Subject	Contract value
1.	Electric power and capacity purchase and sale	Price for the alienated property established by the electrical power and capacity purchase and sale agreement No. 0115133428231-KP-IRKUTENE-KRASNOEN-S-SDEMO-ATS10: - for capacity, MW: - RUR 159,670.42 (one hundred fifty nine thousand six hundred seventy rubles forty two kopecks, VAT not included) in February 2010; - for electrical power, kWh: - 45 kopecks (VAT not included) in February 2010.
2.	Electric power and capacity purchase and sale	Price for the alienated property established by the electrical power and capacity purchase and sale agreement No. 0115133222340-KP-IRKUTENE-KRASNOEN-S-SDEMO-ATS10: - for capacity, MW: - RUR 159,670.42 (one hundred fifty nine thousand six hundred seventy rubles forty two kopecks, VAT not included) in February 2010; - for electrical power, kWh: - 45 kopecks (VAT not included) in February 2010.
3.	Electric power and capacity purchase and sale	Price for the alienated property established by the electrical power and capacity purchase and sale agreement No. 0115133737514-KP-IRKUTENE-KRASNOEN-S-SDEMO-ATS10: - for capacity, MW: - RUR 159,670.42 (one hundred fifty nine thousand six hundred seventy rubles forty two kopecks, VAT not included) in February 2010; - for electrical power, kWh: - 45 kopecks (VAT not included) in February 2010.

No. Subject	Contract value
4. Electric power and capacity purchase and sale	Price for the alienated property established by the electrical power and capacity purchase and sale agreement No. 0115133737514-KP-IRKUTENE-KRASNOEN-S-DEMO-ATS10: - for capacity, MW: - RUR 159,670.42 (one hundred fifty nine thousand six hundred seventy rubles forty two kopecks, VAT not included) in February 2010; - for electrical power, kWh: - 45 kopecks (VAT not included) in February 2010.
5. Electric power and capacity purchase and sale	Price for the alienated property established by the electrical power and capacity purchase and sale agreement No. 0112210343357-KP-IRKUTENE-IRKUTSBT-S-DEMO-ATS10: - for capacity, MW: - RUR 163,621.77 (one hundred sixty three thousand six hundred twenty one ruble and seventy seven kopecks, VAT not included) in January 2010; - for electrical power, kWh: - 45 kopecks (VAT not included) in January 2010.
6. Electric power and capacity purchase and sale	Price for the alienated property established by the electrical power and capacity purchase and sale agreement No. 0112184900331-KP-IRKUTENE-IRKUTSBT-S-DEMO-ATS10: - for capacity, MW: - RUR 163,621.77 (one hundred sixty three thousand six hundred twenty one ruble and seventy seven kopecks, VAT not included) in January 2010; - RUR 161,071.91 (one hundred sixty one thousand seventy one ruble and ninety one kopeck, VAT not included) in February 2010; - for electrical power, kWh: - 45 kopecks (VAT not included) in January 2010; - 45 kopecks (VAT not included) in February 2010.
7. Electric power and capacity purchase and sale	Price for the alienated property established by the electrical power and capacity purchase and sale agreement No. 0112184545269-KP-IRKUTENE-IRKUTSBT-S-DEMO-ATS10: - for capacity, MW: - RUR 163,621.77 (one hundred sixty three thousand six hundred twenty one ruble and seventy seven kopecks, VAT not included) in January 2010; - RUR 161,071.91 (one hundred sixty one thousand seventy one ruble and ninety one kopeck, VAT not included) in February 2010; - for electrical power, kWh: - 45 kopecks (VAT not included) in January 2010; - 45 kopecks (VAT not included) in February 2010.

The meeting of the Board of Directors (minutes No. 43 (195) dated March 26, 2010) made the decisions on:

1. Approval of the transaction with the interest of OAO EvrosibEnergo, the shareholder of OAO Irkutskenergo:

No. Counterparty	Subject	Contract value
OAO Krasnoyarskaya HHP	The agreement provides the procedure for: a) the Disclosing Party passing on the Information to the Recipient Party, b) the Recipient party using the disclosed information.	—

2. Approval of the transaction with the interest of Dod E.V., member of the Board of Directors and the shareholder of OAO Irkutskenergo:

No. Counterparty	Subject	Contract value
Open Joint-Stock Company System Operator of Unified Energy System (OAO SO UES)	OAO SO UES (the Seller) shall transfer to OAO Irkutskenergo (the Purchaser) the title to the following personal property (hereinafter the Property): telecommunication equipment Multiplexor Main Street 612 (asset number fixed in the financial statements is 3-001060) in the configuration provided by the Appendix being the integral part of the agreement. The Purchaser shall accept the Property and pay for it at the price established by the agreement.	Contract value amounts to RUR 149,000 (one hundred forty nine thousand rubles), including: - the Property value of RUR 126,271.19 (one hundred twenty six thousand two hundred seventy one ruble nineteen kopecks); - 18% of VAT of RUR 22,728.81 (twenty two thousand seven hundred twenty eight rubles eighty one kopeck).

3. Approval of transactions made with Limited Liability Company EvrosibEnergo-Engineering (the Executive), with the interest of OAO EvrosibEnergo, the shareholder of OAO Irkutskenergo (the Client):

No. Subject	Contract value/ method for appraising the value	Other essential conditions Period for works implementation	Other agreement No.
1. Modernization of ash-disposal area by organizing ash-slag waste field. (CHPP-6)	RUR 6,372,000 including 18% of VAT of RUR 972,000	From execution of agreement to April 30, 2010	No. 03-010/09
2. Extension of Novo-Ziminskaya CHPP (NZ CHPP), priority 2.	RUR 32,096,000 including VAT of RUR 4,896,000. Adjustment factors, approved by OAO Irkutskenergo, were used while appraisal	From October 12, 2009 to December 21, 2009	Agreement No. IRM-09/22

3.	Installation of turbine drive on feed pump 580-185 (CHPP -11)	RUR 10,693,400.85 including VAT of RUR 1,631,196.74	From execution of supplementary agreement to July 10, 2010	Supplementary agreement No.2 to the agreement No.31/08 dated April 23, 2008 (on price increase and prolongation of the period for works implementation)
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The meeting of the Board of Directors (minutes No.46 (199) dated June 27, 2010) made the decision on approval of the transaction with the interest of OAO EvrosibEnergo, the shareholder of OAO Irkutskenergo.

No.	Counterparty	Subject	Contract value
1.	Closed Joint-Stock Company Resursservisholding	OAO Irkutskenergo (the Lender) shall give ZAO Resursservingholding (the Borrower) money loan for the period from execution of the agreement through December 31, 2011 with the interest rate established by the agreement. The maturity date is December 31, 2011. According to the agreement, giving the loan implies giving the Borrower money resources amounted to one/a few sums (hereinafter Tranches) within the abovementioned period in compliance with the terms of the agreement.	The loan totals RUR 1,200,000,000 (one billion two hundred million rubles).

The meeting of the Board of Directors (minutes No. 47 (200) dated August 20, 2010) made the following decisions on:

- Approval of the transactions with the interest of Kondaurov A. V., member of the Board of Directors and the shareholder of OAO Irkutskenergo-OAO EvrosibEnergo:

Nº	Counterparty	Subject	Contract value
1.	Limited Liability Company Kompaniya Vostsibugol (OOO Kompaniya Vostsibugol)	OAO Irkutskenergo (the Lender) shall give OOO Kompaniya Vostsibugol (the Borrower) a money loan for the period from execution of the agreement through December 31, 2011 with the interest rate established by the agreement. The maturity date is December 31, 2011. According to the agreement, giving the loan implies giving the Borrower money resources amounted to one/a few sums (hereinafter Tranches) within the abovementioned period in compliance with the terms of the agreement.	The loan totals RUR 1,175,000,000 (one billion one hundred seventy five million rubles).

2.	Closed Joint-Stock Company Resursservisholding	According to the Resolution on issuing additional securities registered by the Federal Financial Markets Service (FSFR of Russia), ZAO Resursservisholding (the Seller) shall transfer to OAO Irkutskenergo (The Purchaser) the title to ordinary registered uncertified shares of nominal value of RUR 0.719 per one share in the total amount of 1,808,066,800 (one billion eight hundred eight million sixty six thousand eight hundred) shares (hereinafter — Shares), placed in addition to the previously placed Seller's securities. The Purchaser shall accept the Shares and pay for them total cost established by the agreement. The Purchaser exercises the rights of the owner of the Shares after the respective credit entry has been made in the Shareholders Register to the Purchaser's personal account.	Total cost of the shares amounts to RUR 1,300,000,029 (one billion three hundred million twenty nine rubles).
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- Approval of the transactions with the interest of OAO EvrosibEnergo, the shareholder of OAO Irkutskenergo.

Nº	Counterparty	Subject	Contract value
1.	Limited Liability Company Irkutskaya Energosbytovaya Kompaniya (OOO Irkutskenergosbyt)	OAO Irkutskenergo (the Seller) shall transfer to OOO Irkutskenergosbyt (the Purchaser) vehicles (the Property), and the Purchaser shall accept the Property and pay for it. As of the moment of the execution of the Agreement, the Property is owned by the Seller, not pledged, seized nor encumbered, and is not the subject of a trial.	The price for the Property established by the Agreement is RUR 12,283,800 (twelve million two hundred eighty three thousand rubles), including the 18% of VAT of RUR 1,873,800 (one million eight hundred seventy three thousand rubles).
2.	Limited Liability Company Irkutskaya Energosbytovaya Kompaniya (OOO Irkutskenergosbyt)	OAO Irkutskenergo (the Seller) shall transfer to OOO Irkutskenergosbyt (the Purchaser) vehicles (the Property), and the Purchaser shall accept the Property and pay for it. As of the moment of the execution of the Agreement, the Property is owned by the Seller, not pledged, seized nor encumbered, and is not the subject of a trial. Before the agreement is signed, the Property has been visually observed in the presence of the Purchaser. The Purchaser has approved technical conditions of the Property and thus has no complaints against the Seller.	The price for the Property established by the Agreement is RUR 9,737,903 (nine million seven hundred thirty seven nine hundred three rubles), including 18% of VAT of RUR 1,485,442.83 (one million four hundred eighty five thousand four hundred forty two rubles eighty three kopecks).

Nº	Counterparty	Subject	Contract value
3.	Limited Liability Company Pozharnaya Okhrana Irkutskenergo (OOO PO Irkutskenergo)	OOO Irkutskenergo shall additionally contribute to the equity of OOO Pozharnaya Okhrana Irkutskenergo personal property and real estate of OAO Irkutskenergo of total cost of RUR 32,001,841 (thirty two million one thousand eight hundred forty one ruble).	Market value of OAO Irkutskenergo contributed to the equity of OOO PO Irkutskenergo is RUR 32,001,841 (thirty two million one thousand eight hundred and forty one), according to reports by independent appraiser - ZAP Natsionalnoe Agentsstvo Otsenki i Konsaltinga No. 06-Di-10, No. 414-N-10 and 20-Am-10 dated June 21, 2010
4.	Close Joint-Stock Company Irkutskenergotrans (ZAO Irkutskenergotrans)	According to the Resolution on issuing additional securities No. 1-01-42543-N-0010, registered by the Eastern Siberian Regional Branch of the Federal Financial Markets Service (RO FSFR of Russia in VSR), dated January 22, 2010, ZAO Irkutskenergotrans (the Seller) shall transfer to OAO Irkutskenergo (The Purchaser) the title to the securities placed in addition to the previously placed securities of the Seller. The Purchaser shall accept the securities and pay for them total cost established by the agreement.  Data on the securities (hereinafter Shares), being the subject of the purchase and sale agreement: 1. Issuer: close joint-stock company Irkutskenergotrans; 2. Securities type: ordinary registered shares; 3. Nominal value of one share: RUR 1,00 (one ruble); 4. State registration number: 1-01-42543-N-001D; 5. Form of issuance: book-entry; 6. Quantity: 144,412,200 (one hundred forty four million four hundred twelve thousand shares).	Total cost of the shares amounts to RUR 144,412,200 (One hundred forty four million four hundred twelve thousand rubles).
5.	Limited Liability Company Olkhon (OOO Olkhon)	OOO Olkhon (the Client) imposes on OAO Irkutskenergo (the Executor) the following obligations: Provide maintenance services of the Client's working area. Take preventive measures of the Client's working area once a year, provide maintenance of the working area at request, including: Installation and adjustment of the equipment and hardware of the working area; Software and hardware fault handling (utilities replacement not included); Enabling access to the business applications of financial and business activities (FHD) installed on the Executor's equipment. Business applications maintenance is provided at request and when necessary and includes: Updating of the Client's software configuration; Providing consultations on running the software used by the Client.	Monthly price for service provision amounts to RUR 5,432.57 (five thousand four hundred thirty two rubles fifty seven kopecks) including 18% of VAT of RUR 828.7 (eight hundred twenty eight rubles seven kopecks).

Nº	Counterparty	Subject	Contract value
6.	Limited Liability Company Irbeyskiy Razrez (OOO Irbeyskiy Razrez)	According to the Appendix to the Agreement, OAO Irkutskenergo (the Seller) shall transfer to OOO Irbeyskiy Razrez (the Purchaser) the title to the Property. The Purchaser shall accept the Property and pay its cost.	Contract value amounts to RUR 57,237.41 (fifty seven thousand two hundred thirty seven rubles forty one kopeck) including the value of the Property of RUR 48,506.28 (forty eight thousand five hundred six rubles twenty eight kopecks) and 18% of VAT of 8,731.13 (eight thousand seven hundred thirty one ruble thirteen kopecks). The value of Property can not be changed.
2.		On approval of the transaction with the interest of Dod E.N., the member of the Board of Directors and the shareholder of OAO Irkurskenergo.	
	Open Joint-Stock Company RusGidro (OAO RusGidro)	OAO RusGidro (the Executor) shall organize and hold regional contest between three following teams of OAO Irkutskenergo (the Client) HHP operating personnel: Bratskaya HHP, Irkutskaya HHP, Ust-Ilimskaya HHP as part of OAO Irkutskenergo Bratskaya HHP branch (Irkutsk area, the city of Bratsk) in the period from May 31 to June 4, 2010. In case the Client's teams win the regional contest in compliance with the rules established by the Regulations of holding the Fourth All-Russian contest between the HPP operating personnel, the Executor shall organize and hold Final Contest between the Client's teams as part of OAO RusGidro Uglichskaya HHP Branch (the city of Uglich) in the period from September 13 to September 17, 2010.	Service cost totals RUR 1,239,000 (one million two hundred thirty nine thousand rubles).
3.		approval of non-regulated electricity and capacity contract with the interest of OAO EvrosibEnergo, the shareholder of OAO Irkurskenergo.	

Register of market supply contracts made between OAO Irkutskenergo (the Seller) and OOO Irkutskenergosbyt (the Purchaser) after the market auction in September, October, December, 2010.

No. Subject	Capacity, MW	Capacity price (VAT not incl.), RUR/MW	Electrical energy, MWh	Electrical energy price (VAT incl.), RUR (VAT not incl.), RUR/MWh	Contract value
1. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	230.50	117,104.45	15,213.00	457.71	47,279,988.27
2. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	273.00	126,286.36	11,018.00	438.33	59,001 448.1
3. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	1,177.00	140,376.95	59,772.77	487.27	270,362,036.8

Total 376 643 473,14

Register of market supply contracts made between OAO Irkutskenergo (the Seller) and OOO Irkutskenergosbyt (the Purchaser) after the market auction in January, 2010.

No. Subject	Capacity, MW	Capacity price (VAT not incl.), RUR/MW	Electrical energy, MWh	Electrical energy price (VAT incl.), RUR (VAT not incl.), RUR/MWh	Contract value
1. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	96.00	160,400.31	3,006.7	495.39	20,324,697.60
2. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	139.00	160,400.31	4,353.5	495.39	29,428,468.40
3. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	183.00	160,420.31	5,731.6	495.39	38,748,273.60

No. Subject	Capacity, MW	Capacity price (VAT not incl.), RUR/MW	Electrical energy, MWh	Electrical energy price(VAT incl.), (VAT not incl.), RUR/MWh	Contract value (VAT incl.), RUR
4. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	549.00	166,563.70	17,194.7	495.39	120,224,630.40
5. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	169.00	160,712.31	5,293.1	495.39	35,842,155.44
6. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	349.00	168,472.31	10,930.7	495.39	77,212,955.44

No. Subject	Capacity, MW	Capacity price (VAT not incl.), RUR/MW	Electrical energy, MWh	Electrical energy price(VAT incl.), (VAT not incl.), RUR/MWh	Contract value (VAT incl.), RUR
7. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	129.00	160,420.31	4,040.3	495.39	27,314,356.80
8. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	222.00	160,420.31	6,953.0	495.39	47,006,102.40
<b>Total</b>					<b>396 101 640,08</b>

Register of market supply contracts made between OAO Irkutskenergo (the Seller) and OOO Irkutskenergosbyt (the Purchaser) after the market auction in February, 2010.

No. Subject	Capacity, MW	Capacity price (VAT not incl.), RUR/MW	Electrical energy, MWh	Electrical energy price (VAT incl.), RUR/MWh	Contract value
1. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	91.75	160,656.00	2,370.8	600	19,071,962.40
2. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	100.00	160,496.00	2,584.0	600	20,768,000.00
3. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	176.00	160,656.00	4,547.8	600	36,584,908.80

No. Subject	Capacity, MW	Capacity price (VAT not incl.), RUR/MW	Electrical energy, MWh	Electrical energy price (VAT incl.), RUR/MWh	Contract value
4. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	10.00	158,496.00	258.4	600	2,053,200.00
5. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	165.50	160,902.04	4,276.5	600	34,450,336.00
6. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	6.50	160,656.00	168.0	600	1,351,147.20

No. Subject	Capacity, MW	Capacity price (VAT not incl.), RUR/MW	Electrical energy, MWh	Electrical energy price (VAT not incl.), RUR/MWh	Contract value
7. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	127.25	160,533.41	3,288.1	600	26,432,896.80
8. The Seller shall (supply) transfer to the Purchaser the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it in accordance with the terms of this Agreement, Regulations, Statement of the forward supply agreement and the Register of contracts prepared by the Exchange on the basis of the Seller's and Purchaser's requests, and to other Exchange internal documents.	206.00	160,499.88	5,323.0	600	42,783,024.00
<b>Total</b>					<b>183,495,475.20</b>

4. Approval of the loan agreements made with subsidiaries and affiliates of OAO Irkutskenergo with the interest of OAO EvrosibEnergo, the shareholder of OAO Irkutskenergo.

Borrower	Contract validity period/ maturity	Interest rate Terms of interest charge	Pledge	Other essential conditions	Loan amount (RUR, thousand)
1. ZAO Irkustkzoloproduct	December 31, 2010	8,5% p.a. charged for actual use and to be paid on the 15th day of the month following the accounting month	No pledge	The Borrower may pay off the loan and the interest either by transferring promissory notes or securities, or by offsetting counter-claims.	4,500
2. ZAO HidroEnergoServic-remont	31.12.2010 December 31, 2010	8,5% p.a. charged for actual use and to be paid on the 15th day of the month following the accounting month	No pledge	The Borrower may pay off the loan and the interest either by transferring promissory notes or securities, or by offsetting counter-claims.	5,800
3. ZAO Bratskenergoremont	31.12.2010 December 31, 2010	8,5% p.a. charged for actual use and to be paid on the 15th day of the month following the accounting month	No pledge	The Borrower may pay off the loan and the interest either by transferring promissory notes or securities, or by offsetting counter-claims.	5,000
4. OOO Inzhenerny Centr Irkutskenergo	31.12.2010 December 31, 2010	8,5% p.a. charged for actual use and to be paid on the 15th day of the month following the accounting month	No pledge	The Borrower may pay off the loan and the interest either by transferring promissory notes or securities, or by offsetting counter-claims.	10,604
<b>TOTAL</b>					<b>25,904</b>

5. Subsequent approval of the electrical energy and capacity purchase and sale agreement made with Open Joint-Stock Company Krasnoyarskenergosbyt (OAO Krasnoyarskenergosbyt), with the interest of OAO EvrosibEnergo, the shareholder of OAO Irkutskenergo.

No. Subject	Contract value
1. OAO Irkutskenergo (the Seller) shall transfer to OAO Krasnoyarskenergosbyt (the Purchaser) the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it. Electrical energy is supplied in the period from 00.00 AM March 1, 2010 (start of supply) to 00.00 PM December 31, 2010 (end of supply). Capacity is supplied in the period from 00.00 AM March 1, 2010 (start of supply) to 00.00 PM December 31, 2010 (end of supply). The Agreement is made referring to the Purchaser's delivery point cluster (hereinafter DPC of the Purchaser) and to the Seller's delivery point cluster (hereinafter DPC of the Seller) which are related both to the wholesale market price zone and to the free flow of the unified energy system, identified in the Appendix 1 (List of delivery point clusters) to the Agreement.	<ul style="list-style-type: none"> <li>- Price for capacity per 1 MW within the validity period of the Agreement No. 0224172622060-KP-IRKUTENE-KRASNOEN-S-SDMO-ATS10 from:</li> <li>- March 1, 2010 to March 31, 2010 amounts to RUR 149,133.41 (one hundred forty nine thousand one hundred thirty three rubles forty one kopeck);</li> <li>- April 1, 2010 to April 30, 2010 amounts to RUR 134,839.55 (one hundred thirty four thousand eight hundred thirty nine rubles fifty five kopecks);</li> <li>- May 1, 2010 to May 31, 2010 amounts to RUR 122,247.73 (one hundred twenty two thousand two hundred forty seven rubles seventy three kopecks);</li> <li>- July 1, 2010 to July 31, 2010 amounts to RUR 109,853.39 (one hundred nine thousand eight hundred fifty three rubles thirty nine kopecks);</li> <li>- September 1, 2010 to September 30, 2010 amounts to RUR 109,853.39 (one hundred thirty thousand seven hundred sixty six rubles forty kopecks);</li> <li>- October 1, 2010 to October 31, 2010 amounts to RUR 146,246.83 (one hundred forty six thousand two hundred sixty four rubles eighty three kopecks);</li> <li>- November 1, 2010 to November 30, 2010 amounts to 156,724.64 (one hundred fifty six thousand seven hundred twenty four rubles sixty four kopecks);</li> <li>- December 1, 2010 to December 31, 2010 amounts to 156,420.25 (one hundred six thousand four hundred twenty rubles twenty five kopecks);</li> <li>- Price for electrical energy per 1 MWh within the validity period of the Agreement from:</li> <li>- March 1, 2010 to March 31, 2010 amounts to 45 kopecks, VAT not included;</li> <li>- April 1, 2010 to April 30, 2010 amounts to 45 kopecks, VAT not included;</li> <li>- May 1, 2010 to May 31, 2010 amounts to 45 kopecks, VAT not included;</li> <li>- July 1, 2010 to July 31, 2010 amounts to 45 kopecks, VAT not included;</li> <li>- September 1, 2010 to September 30, 2010 amounts to 45 kopecks, VAT not included;</li> <li>- October 1, 2010 to October 31, 2010 amounts to 45 kopecks, VAT not included;</li> <li>- November 1, 2010 to November 30, 2010 amounts to 45 kopecks, VAT not included;</li> <li>- December 1, 2010 to December 31, 2010 amounts to 45 kopecks, VAT not included.</li> </ul>

No. Subject	Contract value
2. OAO Irkutskenergo (the Seller) shall transfer to ZAO Krasnoyarskenergosbyt (the Purchaser) the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it. Electrical energy is supplied in the period from 00.00 AM March 1, 2010 (start of supply) to 00.00 PM December 31, 2010 (end of supply). Capacity is supplied in the period from 00.00 AM March 1, 2010 (start of supply) to 00.00 PM December 31, 2010 (end of supply). The Agreement is made referring to the Purchaser's delivery point cluster (hereinafter DPC of the Purchaser) and to the Seller's delivery point cluster (hereinafter DPC of the Seller) which are related both to the wholesale market price zone and to the free flow of the unified energy system, identified in the Appendix 1 (List of delivery point clusters) to the Agreement.	<ul style="list-style-type: none"> <li>Price for capacity per 1 MW within the validity period of the Agreement No. 0224165527090-KP-IRKUTENE-KRASNOEN-S-SDMO-ATS10 from:</li> <li>March 1, 2010 to March 31, 2010 amounts to RUR 149,133.41 (one hundred forty nine thousand one hundred thirty three rubles forty one kopeck);</li> <li>April 1, 2010 to April 30, 2010 amounts to RUR 134,839.55 (one hundred thirty four thousand eight hundred thirty nine rubles fifty five kopecks);</li> <li>May 1, 2010 to May 31, 2010 amounts to RUR 122,247.73 (one hundred twenty two thousand two hundred forty seven rubles seventy three kopecks);</li> <li>July 1, 2010 to July 31, 2010 amounts to RUR 109,853.39 (one hundred nine thousand eight hundred fifty three rubles thirty nine kopecks);</li> <li>September 1, 2010 to September 30, 2010 amounts to RUR 109,853.39 (one hundred thirty thousand seven hundred sixty six rubles forty kopecks);</li> <li>October 1, 2010 to October 31, 2010 amounts to RUR 146,246.83 (one hundred forty six thousand two hundred sixty four rubles eighty three kopecks);</li> <li>November 1, 2010 to November 30, 2010 amounts to 156,724.64 (one hundred fifty six thousand seven hundred twenty four rubles sixty four kopecks);</li> <li>December 1, 2010 to December 31, 2010 amounts to 156,420.25 (one hundred six thousand four hundred twenty rubles twenty five kopecks);</li> <li>Price for electrical energy per 1 MWh within the validity period of the Agreement from:</li> <li>March 1, 2010 to March 31, 2010 amounts to 45 kopecks, VAT not included;</li> <li>April 1, 2010 to April 30, 2010 amounts to 45 kopecks, VAT not included;</li> <li>May 1, 2010 to May 31, 2010 amounts to 45 kopecks, VAT not included;</li> <li>July 1, 2010 to July 31, 2010 amounts to 45 kopecks, VAT not included;</li> <li>September 1, 2010 to September 30, 2010 amounts to 45 kopecks, VAT not included;</li> <li>October 1, 2010 to October 31, 2010 amounts to 45 kopecks, VAT not included;</li> <li>November 1, 2010 to November 30, 2010 amounts to 45 kopecks, VAT not included;</li> <li>December 1, 2010 to December 31, 2010 amounts to 45 kopecks, VAT not included.</li> </ul>

No. Subject	Contract value
<p>3. OAO Irkutskenergo (the Seller) shall transfer to OOO Krasnoyarskenergobytt (the Purchaser) the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it. Electrical energy is supplied in the period from 00.00 AM March 1, 2010 (start of supply) to 00.00 PM December 31, 2010 (end of supply). Capacity is supplied in the period from 00.00 AM March 1, 2010 (start of supply) to 00.00 PM December 31, 2010 (end of supply). The Agreement is made referring to the Purchaser's delivery point cluster (hereinafter DPC of the Purchaser) and to the Seller's delivery point cluster (hereinafter DPC of the Seller) which are related both to the wholesale market price zone and to the free flow of the unified energy system, identified in the Appendix 1 (List of delivery point clusters) to the Agreement.</p>	<p>Price for capacity per 1 MW within the validity period of the Agreement No. 0224173227079-KP-IRKUTENE-KRASNOEN-S-DEMO-ATS10 from:  March 1, 2010 to March 31, 2010 amounts to RUR 149,133.41 (one hundred forty nine thousand one hundred thirty three rubles forty one kopeck);  April 1, 2010 to April 30, 2010 amounts to RUR 134,839.55 (one hundred thirty four thousand eight hundred thirty nine rubles fifty five kopecks);  May 1, 2010 to May 31, 2010 amounts to RUR 122,247.73 (one hundred twenty two thousand two hundred forty seven rubles seventy three kopecks);  July 1, 2010 to July 31, 2010 amounts to RUR 109,853.39 (one hundred nine thousand eight hundred fifty three rubles thirty nine kopecks);  September 1, 2010 to September 30, 2010 amounts to RUR 109,853.39 (one hundred thirty thousand seven hundred sixty six rubles forty kopecks);  October 1, 2010 to October 31, 2010 amounts to RUR 146,246.83 (one hundred forty six thousand two hundred sixty four rubles eighty three kopecks);  November 1, 2010 to November 30, 2010 amounts to 156,724.64 (one hundred fifty six thousand seven hundred twenty four rubles sixty four kopecks);  December 1, 2010 to December 31, 2010 amounts to 156,420.25 (one hundred six thousand four hundred twenty rubles twenty five kopecks);  Price for electrical energy per 1 MWh within the validity period of the Agreement from:  March 1, 2010 to March 31, 2010 amounts to 45 kopecks, VAT not included;  April 1, 2010 to April 30, 2010 amounts to 45 kopecks, VAT not included;  May 1, 2010 to May 31, 2010 amounts to 45 kopecks, VAT not included;  July 1, 2010 to July 31, 2010 amounts to 45 kopecks, VAT not included;  September 1, 2010 to September 30, 2010 amounts to 45 kopecks, VAT not included;  October 1, 2010 to October 31, 2010 amounts to 45 kopecks, VAT not included;  November 1, 2010 to November 30, 2010 amounts to 45 kopecks, VAT not included;  December 1, 2010 to December 31, 2010 amounts to 45 kopecks, VAT not included.</p>

No. Subject	Contract value
<p>4. OAO Irkutskenergo (the Seller) shall transfer to OAO Krasnoyarskenergobytt (the Purchaser) the title to electrical energy and capacity, and the Purchaser shall accept electrical energy and capacity and pay for it. Electrical energy is supplied in the period from 00.00 AM March 1, 2010 (start of supply) to 00.00 PM December 31, 2010 (end of supply). Capacity is supplied in the period from 00.00 AM March 1, 2010 (start of supply) to 00.00 PM December 31, 2010 (end of supply). The Agreement is made referring to the Purchaser's delivery point cluster (hereinafter DPC of the Purchaser) and to the Seller's delivery point cluster (hereinafter DPC of the Seller) which are related both to the wholesale market price zone and to the free flow of the unified energy system, identified in the Appendix 1 (List of delivery point clusters) to the Agreement.</p>	<p>Price for capacity per 1 MW within the validity period of the Agreement No. 0224173549371-KP-IRKUTENE-KRASNOEN-S-DEMO-ATS from:  March 1, 2010 to March 31, 2010 amounts to RUR 149,133.41 (one hundred forty nine thousand one hundred thirty three rubles forty one kopeck);  April 1, 2010 to April 30, 2010 amounts to RUR 134,839.55 (one hundred thirty four thousand eight hundred thirty nine rubles fifty five kopecks);  May 1, 2010 to May 31, 2010 amounts to RUR 122,247.73 (one hundred twenty two thousand two hundred forty seven rubles seventy three kopecks);  July 1, 2010 to July 31, 2010 amounts to RUR 109,853.39 (one hundred nine thousand eight hundred fifty three rubles thirty nine kopecks);  September 1, 2010 to September 30, 2010 amounts to RUR 109,853.39 (one hundred thirty thousand seven hundred sixty six rubles forty kopecks);  October 1, 2010 to October 31, 2010 amounts to RUR 146,246.83 (one hundred forty six thousand two hundred sixty four rubles eighty three kopecks);  November 1, 2010 to November 30, 2010 amounts to 156,724.64 (one hundred fifty six thousand seven hundred twenty four rubles sixty four kopecks);  December 1, 2010 to December 31, 2010 amounts to 156,420.25 (one hundred six thousand four hundred twenty rubles twenty five kopecks);  Price for electrical energy per 1 MWh within the validity period of the Agreement from:  March 1, 2010 to March 31, 2010 amounts to 45 kopecks, VAT not included;  April 1, 2010 to April 30, 2010 amounts to 45 kopecks, VAT not included;  May 1, 2010 to May 31, 2010 amounts to 45 kopecks, VAT not included;  July 1, 2010 to July 31, 2010 amounts to 45 kopecks, VAT not included;  September 1, 2010 to September 30, 2010 amounts to 45 kopecks, VAT not included;  October 1, 2010 to October 31, 2010 amounts to 45 kopecks, VAT not included;  November 1, 2010 to November 30, 2010 amounts to 45 kopecks, VAT not included;  December 1, 2010 to December 31, 2010 amounts to 45 kopecks, VAT not included.</p>

The meeting of the Board of Directors (minutes No.49 (202) dated October 8, 2010) made the following decisions on:

1. Approval of the transactions with the interest of OAO EvroSibEnergO, the shareholder of OAO Irkutskenergo.

No.	Counterparty	Subject	Contract value
1.	Close Joint-Stock Company SibirEnergOTrade (ZAO SibirEnergOTrade)	ZAO SibirEnergOTrade (the Seller) shall transfer to OAO Irkutskenergo (the Purchaser) the title to the following Property, currently owned by the Seller: - real estate of total value of RUR 9,001,678.01 (nine million one thousand six hundred seventy eight rubles one kopeck) including 18% of VAT; - personal property of total value of RUR 2,278,784 (two million two hundred seventy eight thousand seven hundred eighty four rubles) including 18% of VAT; - land plots of total value of RUR 286,708.87 (two hundred eighty six thousand seven hundred eight rubles eighty seven kopecks). The Purchaser shall accept the personal property, real estate and land plots and pay for them as indicated. As of the moment of the execution of the Agreement, the Property is owned by the Seller (which is confirmed by the respective entry made in the Unified State Register of Rights to Real Estate and Transactions Therewith), not pledged, seized nor encumbered, and is not the subject of a trial.	Contract value amounts to RUR 11,517,170.88 (eleven million five hundred seventeen thousand one hundred seventy rubles eighty eight kopecks) including 18% of VAT.
2.	Close Joint-Stock Company SibirEnergOTrade (ZAO SibirEnergOTrade)	ZAO SibirEnergOTrade (the Seller) shall transfer to OAO Irkutskenergo (the Purchaser) the title to the real estate (the Property), currently owned by the Seller of total value of RUR 66,267,301.75 (sixty six million two hundred sixty seven thousand three hundred one ruble seventy five kopecks) including 18% of VAT. The Purchaser shall accept the Property and pay for it as indicated. As of the moment of the execution of the Agreement, the Property is owned by the Seller (which is confirmed by the respective entry made in the Unified State Register of Rights to Real Estate and Transactions Therewith), not pledged, seized nor encumbered, and is not the subject of a trial.	Contract value amounts to RUR 66,267,301.75 (sixty six million two hundred sixty seven thousand three hundred one ruble seventy five kopecks) including 18% of VAT.

No.	Counterparty	Subject	Contract value
3.	Close Joint-Stock Company SibirEnergOTrade (ZAO SibirEnergOTrade)	ZAO SibirEnergOTrade (the Seller) shall transfer to OAO Irkutskenergo (the Purchaser) the title to the following real estate (the Property), currently owned by the Seller: 1. (farming company) highway (facility of 15,916 linear meters length, identification number 38-38-12/021/2007-187, located: Irkutsk area, from CHPP-11 located at Usolie-Sibirskoye, going from the heat station of the Sosnovskoye branch of the farming ZAO Belorechenskoye of the Sosnovka village of the Usolskoye area) of total cost of RUR 32,439,226.26 (thirty two million four hundred thirty nine thousand two hundred twenty six rubles twenty six kopecks) including 18% of VAT which is located at the following land plots: - land plot, cadastral number 38:16:000040:1169, total area of 17 sq.m., located: Irkutsk area, from CHPP-11 located at Usolie-Sibirskoye, going from the heat station of the Sosnovskoye branch of the farming ZAO Belorechenskoye of the Sosnovka village of the Usolskoye area; - land plot, cadastral number 38:31:000003:234, total area of 16 sq.m., located: Irkutsk area, from CHPP-11 located at Usolie-Sibirskoye, going from the heat station of the Sosnovskoye branch of the farming ZAO Belorechenskoye of the Sosnovka village of the Usolskoye area; 2. Land plot of lands allotted for performing industrial, energy industrial, transport, communication, broadcasting, defense and security, and space activities and for other special purposes, of 17 sq.m. total area, cadastral number 38:16:000040:1169, allotted for the SHK highway exploitation, located at Irkutsk area, from CHPP-11 located at Usolie-Sibirskoye, going from the heat station of the Sosnovskoye branch of the farming ZAO Belorechenskoye of the Sosnovka village of the Usolskoye area; of total value of RUR 7,500.85 (seven thousand five hundred rubles eighty five kopecks). 3. Land plot of urban lands, of 16 sq.m. total area, cadastral number 38:31:000003:234, allowed for the SHK highway exploitation, located at Irkutsk area, from CHPP-11 located at Usolie-Sibirskoye, going from the heat station of the Sosnovskoye branch of the farming ZAO Belorechenskoye of the Sosnovka village of the Usolskoye area; of total value of RUR 7,632.63 (seven thousand six hundred thirty two rubles sixty three kopecks). The Purchaser shall accept the personal property, real estate and land plots and pay for them as indicated. As of the moment of the execution of the Agreement, the Property is owned by the Seller (which is confirmed by the respective entry made in the Unified State Register of Rights to Real Estate and Transactions Therewith), not pledged, seized nor encumbered, and is not the subject of a trial.	Contract value amounts to RUR 32,454,359.73 (thirty two million four hundred fifty four thousand three hundred fifty nine rubles seventy three kopecks).

No. Counterparty	Subject	Contract value										
4. Close Joint-Stock Company Irkutskenergotrans (ZAO Irkutskenergotrans)	ZAO Irkutskenergo (the Seller) shall transfer to OAO Irkutskenergo (the Purchaser) the title to the used engine of the bus Kuban G1A1-02 (hereinafter the Property), stock number 953192020000:  <table border="1"> <tr> <td>Engine model:</td> <td>511</td> </tr> <tr> <td>YOM</td> <td>1,988</td> </tr> <tr> <td>Engine No.</td> <td>89,344</td> </tr> <tr> <td>Engine power, BHP</td> <td>115</td> </tr> <tr> <td>Engine type:</td> <td>gasoline</td> </tr> </table> <p>The Property is owned by the Seller, not pledged, seized nor encumbered, and is not the subject of a trial.</p>	Engine model:	511	YOM	1,988	Engine No.	89,344	Engine power, BHP	115	Engine type:	gasoline	Property Price amounts to RUR 10,000 (ten thousand rubles) including: - property price of RUR 8,474.58 (eight thousand four hundred seventy four rubles fifty eight kopecks); - VAT of RUR 1,525.42 (one thousand five hundred twenty five rubles forty two kopecks).
Engine model:	511											
YOM	1,988											
Engine No.	89,344											
Engine power, BHP	115											
Engine type:	gasoline											

2. Approval of the transactions made with OOO Kompaniya Vostsibugol, with the interest of OAO EvrosibEnergo, the shareholder of OAO Irkutskenergo:

No. Subject	Contract value (VAT incl.) / method for appraising the value	Other essential terms
1. OOO Kompaniya Vostsibugol (the Lessor) grants on lease to OAO Irkutskenergo (the Tenant) a garage: non-residential 1-storey building of 347.4 sq.m. total area, cadastral number 38:36:000034:534:435. The Subject, granted on lease, is owned by the Lessor (which is confirmed by State Register Certification, series 38 AD 076866 dated November 27, 2009 and by the registration entry No.38-01/06-68/2001-28 made in the Unified State Register of Rights to Real Estate and Transactions Therewith on June 14, 2001.	Monthly rent amounts to RUR 263,984.12 (two hundred sixty three thousand nine hundred eighty four rubles twelve kopecks) including VAT (18%) of RUR 40,268.76 (forty thousand two hundred sixty eight rubles seventy six kopecks).	According to the land plot and buildings mortgage agreement No. D11-708000/2009/00030 dated October 26, 2009 made between the Lessor and VTB-Bank (OAO), the Subject, granted on lease, is the subject of mortgage. The validity period of both the lease and the agreement is 11 months after the agreement has been signed.

No. Subject	Contract value (VAT incl.) / method for appraising the value	Other essential terms
2. OOO Kompaniya Vostsibugol (the Lessor) grants on lease to OAO Irkutskenergo (the Tenant) vehicles without providing running services (hereinafter the Property).	Monthly rent amounts to RUR 62,969.23 (sixty thousand nine hundred sixty nine rubles twenty three kopecks) including VAT of RUR 9,605.48 (nine thousand six hundred five rubles forty eight kopecks).	The Tenants pays the rent by transferring the money to the Lessor's payment account no later than the 25th day of the current month. The Parties can stipulate any other form of the payment (including off-setting) provided by the applicable legislation of the Russian Federation. The rental period is set 11 months after the agreement has been signed. The Agreement may be early terminated both by the Parties' mutual consent or unilaterally by any of the Parties providing the other Party is notified in the written form 10 calendar days before the agreement is terminated.
3. By the consent of OAO VTB-Bank (hereinafter the Pledgee), OOO Kompaniya Vostsibugol (the Lessor) grants on lease to OAO Irkutskenergo (the Tenant) the real estate subjects (non-residential premises (hereinafter the Subject)) of 615.02 sq.m. total area in the building of 4,603.1 sq.m. total area, identification number 00000975, located at 4 (A), Sukhe-Batora street, Irkutsk.	Monthly rent amounts to RUR 648,548.06 (six hundred forty eight thousand five hundred forty eight rubles six kopecks) including 18% of VAT of RUR 98,931.06 (ninety eight thousand nine hundred thirty one ruble six kopecks).	According to the land plot and buildings mortgage agreement No. D11-708000/2009/00030 dated October 26, 2009 made between the Lessor and the Pledgee, the building wherein the Subject is located, is the subject of mortgage. The validity period of the agreement is 11 months after the agreement has been signed.
4. Agreement on termination of the coal supply agreement No. KVSU-09/145s dated March 3, 2009 on the terms set by the agreement.		The Parties are obliged to fulfill the following obligations provided by the Agreement and related to the previously supplied Product: - duly submit the documents provided by the paragraphs 4.8, 4.9, 5.5 of the Agreement and by the Appendix 9 to the Agreement. - The agreement becomes valid after it has been signed by the Parties and is valid until the Parties have fulfilled their obligations.

2. Approval of the transactions made with OOO Torgoviy Dom Irkutskenergotrade, with the interest of OAO EuroSibEnergo, the shareholder of OAO Irkutskenergo:

No. Subject	Contract value (VAT incl.) / method for appraising the value	Other essential terms
1. OOO TD IETrade (the Client) imposes on OAO Irkutskenergo (the Executor) the following obligations: - provide maintenance services of the Client's working area; - provide maintenance service of the Client's printers and multifunction devices; - provide maintenance service of the Client's copying-duplicating devices; - enable access to the business applications of financial and business activities (FHD) installed on the Executor's equipment.	Monthly contract value amounts to RUR 328,670.12 (three hundred twenty eight thousand six hundred seventy rubles twelve kopecks).	The price set for the services is a charge and thus is to be paid regardless of the volume of the services provided by the Executor within the reporting period. The payment is to be made monthly on the basis of the Service Provision Report and invoice, submitted to the Client by the Executor. The payment period is set 15 business days after the Client has signed the service provision reports. The agreement is valid 12 months after it has been signed.
2. Paragraph 6.1. of the trust agreement No. 726 dated March 31, 2005, made between OAO Irkutskenergo (the Trustor) and OOO TD IETrade (the Trustee/Mandatory) is to be recited in the following edition: "This Agreement becomes valid after it has been signed by both Parties and is valid until December 31, 2011".		Supplemental agreement to the trust agreement No. 726 dated March 31, 2005 becomes valid after it has been signed by both Parties.
3. According to the supplemental agreement No.1, personal property (furniture, office equipment etc.) lease is added to the lease agreement No.76/ BHPP-08 dated August 1, 2008.	RUR 609.27 per month including 18% of VAT of RUR 92.94.	Validity period is 11 months and is tacitly extended for the equal period.
4. According to the supplemental agreement No.1, personal property (furniture, office equipment etc.) lease is added to the lease agreement No.155/ NIT-08 dated Match 15, 2009.	RUR 7,611.97 per month including 18% of VAT of RUR 1,161.15.	Validity period is 11 months and is tacitly extended for the equal period.

No. Subject	Contract value (VAT incl.) / method for appraising the value	Other essential terms
5. According to the supplemental agreement No.1, personal property (furniture, office equipment etc.) lease is added to the lease agreement No.156/ NIT-08 dated Match 15, 2009.	RUR 79,800.47 per month including 18% of VAT of RUR 11,172.95.	Validity period is 11 months and is tacitly extended for the equal period.
6. Provision of paid services on credit clearance, supply and cleaning of the cars provided to OOO IETrade (the Client).	Price for the services amounts to RUR 2,698.66 including VAT for handling one car.	The validity period of the Agreement is set after it has been signed by the Parties and is valid until December 31, 2010. In case none of the Parties notify the other of the agreement termination within one month before the validity period expires, the Agreement is regarded extend for the following year.
7. Supplemental agreement No.6 to the nitrate purchase and sale via the pipeline No. И-93003/98 agreement dated December 9, 2005, providing the alteration to the paragraphs 1.2, 5.1, 11 of the agreement.	Price for 1,000 m3 of azote modified to reference conditions amounts to RUR 3,130 (VAT not included).	Supplemental agreement becomes valid after it has been signed by the Parties and regulates the Parties' relations since January 1, 2010.
8. Supplemental agreement No.6 to the oxygen purchase and sale via the pipeline No. И-93003/97 agreement dated December 9, 2005, providing the alteration to the paragraphs 1.2, 5.1, 11 of the agreement.	Price for 1,000 m3 of oxygen modified to reference conditions amounts to RUR 11,000 (VAT not included).	Supplemental agreement becomes valid after it has been signed by the Parties and regulates the Parties' relations since January 1, 2010.

The Meeting of the Board of Directors (minutes No. 53 (206) dated December 27, 2010) made the decision on:

Approval of the transactions with the interest of Kiriukhin V.A., the member of the Board of Directors:

No. Counterparty	Subject	Contract value
1. Open Joint-Stock Company Third Generating Company of the Energy Wholesale Market (OAO OGGK-3)	<p>a) subject: capacity purchase;</p> <p>b) parties: OAO Irkutskenergo (the Purchaser), OAO OGGK-3 (the Seller), represented by the agent of ZAO SAKb T3 Soviet Rynka, OAO SO UES, OAO ATS;</p> <p>c) Price set for the Purchaser: is set in accordance with the procedure provided by the Appendices 4 and 4.1. to the Capacity Supply Agreement made in the common form represented in the Appendix D16 to the Acquisition agreement (on merging to the trade system of the wholesale market) provided in the edition approved by the Supervisory Board of NP Soviet Rynka dated from September 30, 2010.</p> <p>d) other essential terms are provided by: Appendices 1, 4 and 4.1 to the Capacity Supply Agreement made in the common form represented in the Appendix D16 to the Acquisition agreement (on merging to the trade system of the wholesale market) provided in the edition approved by the Supervisory Board of NP Soviet Rynka dated from September 30, 2010.</p>	<p>Price for the purchased capacity is RUR 1,962,222.81 (one million nine hundred sixty two thousand two hundred twenty two rubles eighty one kopeck) per 1 MW (VAT not incl.).</p>

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