



**TGC-1**

**1 Quarter 2007**



## SIGNIFICANT EVENTS

### January

The new TGC-1 Board of Directors is elected.  
TGC-1 shares started trading on MICEX.

### February

Russian Federal Service for Financial Markets (FSFM) registered TGC-1 bond issue.

### March

FSFM registered additional issue and Prospectus for TGC-1 ordinary shares.

## TGC-1 IN FIGURES

### Operational Figures

	1 Quarter 2006	1 Quarter 2007	Change
Installed capacity, MW	5 734	6 248*	9%
Electricity generation, mln kWh**	6 849	7 668	12%
Electricity deliveries, mln kWh**	6 253	8 017	28%
Heat deliveries, thousand GCal**	9 744	9 650	(1%)
Staff**	7 395	8 692	18%

\* Including JSC "Murmansk CHPP" (12 MW)

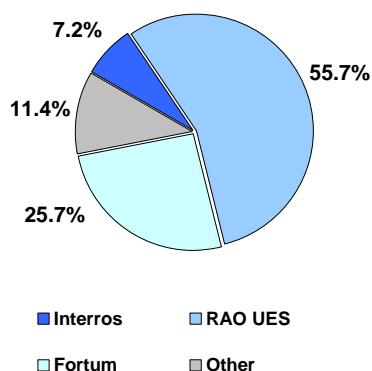
\*\* Excluding JSC "Murmansk CHPP" data

### Financial Figures (RAS)

	1 Quarter 2006	1 Quarter 2007	Change
Sales, mln RUR	7 121	8 641	21%
Operating profit, mln RUR	1 094	1 173	7%
Net profit, mln RUR	724	660	(9%)
Total assets, mln RUR	5 951	43 612	633%
Shareholder's equity, mln RUR	1 321	30 616	232%



### Share capital structure



### TARIFFS

#### Electricity (production)

		Tariff from 01.01.2006, kopeck/kW·h	Tariff from 01.01.2007, kopeck/kW·h	Growth
1.	Nevsky Branch	59.61	60.82	2.0%
2.	Karelia Branch	36.69	38.25	4.3%
3.	Kola Branch *	19.86	20.89	5.2%
4.	Apatity CHPP**	154.85	128.95	(16.7%)

\* Apatity CHPP was included to Kola Branch at 01.11.06 that is why its tariffs are presented separately.

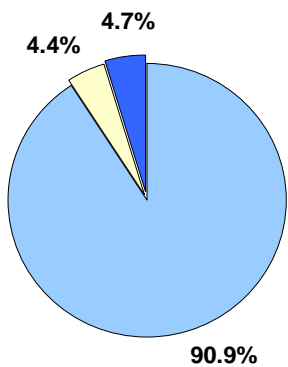
\*\* Apatity CHPP electricity tariff decrease results from costs repartition of electricity and heat energy.

#### Heat (production, transmission and sale)

		Tariff from 01.01.2006, kopeck/kW·h	Tariff from 01.01.2007, kopeck/kW·h	Growth
1.	Nevsky Branch			
	Saint Petersburg	421.20	475.1	12.8%
	Leningrad Oblast	577.20	703.5	21.9%
2.	Karelia Branch	279.80	327.1	16.9%
3.	Kola Branch	681.00	805.0	18.2%
4.	Apatity CHPP	477.00	549.1	15.1%

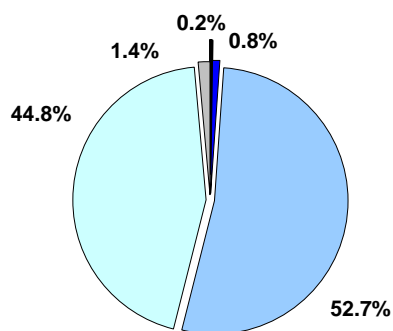


**Fuel Mix, %**



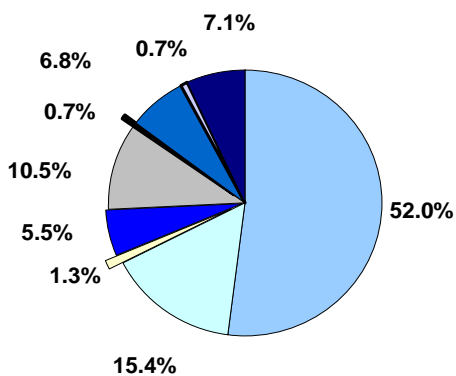
■ gas    ■ mazut    ■ coal

**Sales, %**



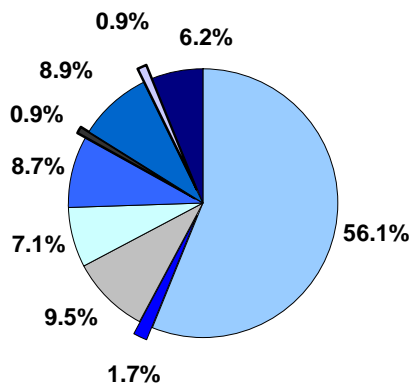
■ Electricity  
 ■ Electricity export  
 ■ Heat  
 ■ Electricity (power) at NWEPM  
 ■ Others

**Electricity operating expenses, %**



■ Fuel  
 ■ Purchased energy  
 ■ Water  
 ■ Depreciation and amortisation  
 ■ Salaries, wages and social charges  
 ■ Materials  
 ■ Production services  
 ■ Leasing  
 ■ Other expenses

**Heat operating expenses, %**



■ Fuel  
 ■ Purchased energy  
 ■ Water  
 ■ Depreciation and amortisation  
 ■ Salaries, wages and social charges  
 ■ Materials  
 ■ Production services  
 ■ Leasing  
 ■ Other expenses



## BALANCE SHEET (RAS)

RUR thousand

ASSETS	01.01.2007	31.03.2007
<b>I. NON-CURRENT ASSETS</b>		
Intangible assets		
Fixed assets, including:	<b>30 096 921</b>	<b>29 745 089</b>
land	21 691	21 691
buildings, machinery and equipment, facilities	29 954 561	29 543 487
other types of fixed assets	120 669	179 911
construction in progress	2 645 620	3 016 693
Long-term financial investments, including:	1 338 839	1 338 294
subsidiaries	68 542	67 312
other companies	1 159 257	1 159 257
long-term loans	45 273	45 273
other long-term financial investments	65 767	66 452
<b>TOTAL non-current assets</b>	<b>34 081 380</b>	<b>34 100 076</b>
<b>II. CURRENT ASSETS</b>		
Inventories	2 146 406	1 939 081
Value added tax on purchased tangibles	329 994	257 754
Accounts receivable, payments for which are expected in more than 12 months	74 957	70 274
Accounts receivable, payments for which are expected within 12 months, including:	3 764 893	6 819 324
buyers and customers	2 006 205	3 818 588
advances paid	277 604	1 958 388
other receivables	1 481 084	1 042 348
short-term financial investments	5 599	5 599
cash and cash equivalents	644 378	419 662
<b>TOTAL current assets</b>	<b>6 966 227</b>	<b>9 511 694</b>
<b>TOTAL ASSETS</b>	<b>41 047 607</b>	<b>43 611 770</b>
<b>SHAREHOLDER'S EQUITY AND LIABILITIES</b>	<b>01.01.2007</b>	<b>31.03.2007</b>
<b>III. SHAREHOLDER'S EQUITY</b>		
Authorized share capital:	29 022 225	29 022 225
in preferred shares	-	-
in ordinary shares	29 022 225	29 022 225
Capital surplus	16 525 711	16 525 711
Capital reserves	6 786	6 786
Retained profit		
Retained profit of prior periods	1 082 859	1 082 859
Losses of prior periods	(16 681 906)	(16 681 906)
Retained profit of the reporting period	-	659 883
Losses of the reporting period	-	-
<b>TOTAL shareholder's equity</b>	<b>29 955 675</b>	<b>30 615 558</b>
<b>IV. LONG-TERM LIABILITIES</b>		
Loans and credits	1 734 825	5 654 260
Deferred tax liability	952 573	1 224 251
Other long-term liabilities	-	-
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>2 687 398</b>	<b>6 878 511</b>
<b>V. SHORT-TERM LIABILITIES</b>		
Loans and credits, including:	4 671 704	2 050 821
bank credits	4 671 704	2 040 629
loans	-	10 192
Accounts payable, including:	3 695 571	4 065 782
suppliers and contractors	1 976 789	2 094 801
notes payable	-	-
wages payable to staff	21 073	115 943
payables to state and off-budget funds	25 971	49 387
charges to budget	216 352	324 254
advances received	1 189 971	1 294 401
other payables	265 415	186 996
Payables to participants (founding parties)	37 049	903
Deferred income	210	195
<b>TOTAL short-term liabilities</b>	<b>8 404 534</b>	<b>6 117 701</b>
<b>TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES</b>	<b>41 047 607</b>	<b>43 611 770</b>



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

ASSETS	RUR thousand	
	01.01.2007	31.03.2007
Leased fixed assets, including:	14 487	38 089
leasing	-	-
Inventory holdings accepted for safekeeping	10 472	405 365
Materials accepted for processing	-	-
Goods accepted on commission	-	-
Equipment accepted for installation	-	-
Receivables from insolvent debtors, written-off to loss	133 997	133 995
Security of liabilities and payments received	-	4 010 191
Security of liabilities and payments issued	-	-
Wear of fixed assets	2 647 894	2 401 842
Wear of improvements and other similar objects	756	746
Registered high-security forms	-	-
Leased out fixed assets	496	497
State-owned tangibles	-	-
Intangible assets received for usage	-	-

### INCOME STATEMENT (RAS)

Index	RUR thousand	
	1Q 2006	1Q 2007
<b>Profit and loss from ordinary activities</b>		
<b>Revenues</b>	<b>7 123 901</b>	<b>8 641 122</b>
Electricity	3 022 751	91 504
Heat	3 997 544	4 550 823
Other products, works and services	103 606	129 005
Electricity (power) at NWEPM	-	3 869 790
<b>Cost of goods sold</b>	<b>(6 029 880)</b>	<b>(7 467 698)</b>
Electricity	(2 453 556)	(11 996)
Heat	(3 531 984)	(3 921 016)
Other products, works and services	(44 340)	(29 350)
Electricity (power) at NWEPM	-	(3 505 336)
<b>Gross profit</b>	<b>1 094 021</b>	<b>1 173 424</b>
<b>Profit (loss) from sales</b>	<b>1 094 021</b>	<b>1 173 424</b>
<b>Other profit and expenses</b>		
Interest income	1	600
Interest expenses	(3 193)	(130 409)
Other organizations participation income	-	-
Other income	51 941	179 581
Other expenses	(144 974)	(291 377)
<b>Non-operating income and expenses</b>		
Other non-operating income	12 683	-
Other non-operating expenses	(106 766)	-
<b>Pre-tax profit</b>	<b>997 796</b>	<b>931 819</b>
Deferred tax assets	-	-
Deferred tax liability	(93 728)	(271 678)
Current profit tax	(180 402)	-
Other similar mandatory payments	(68)	(258)
Profit tax and other similar mandatory payments	(274 198)	(271 936)
<b>Profit after tax</b>	<b>723 598</b>	<b>659 883</b>
<b>Net profit</b>	<b>723 598</b>	<b>659 883</b>



## CONTACTS

### **Andrey Zubarev**

Head of Stock Capital Management Department

Tel: +7 (812) 595 8767

Fax: +7 (812) 326 5577

E-mail: [az@general.energo.ru](mailto:az@general.energo.ru)

### **Olga Kouplinova**

Head of Investor Relations

Tel: +7 (812) 326 5580

Fax: +7 (812) 494 3747

E-mail: [ir@nwenergo.com](mailto:ir@nwenergo.com)

### **Victor Nesterov**

Corporate Secreter - Head of Shareholder Relations

Tel: +7 (812) 494 3098

Fax: +7 (812) 494 3167

E-mail: [nesterov.vv@nwenergo.com](mailto:nesterov.vv@nwenergo.com)